- Addendum Announcement -

Alkhabeer REIT Announces the Sale of B&Q Property

Alkhabeer Capital, in its capacity as Fund Manager of Alkhabeer REIT Fund (the Fund), announced the completion of selling its B&Q property - formerly known as “Homeworks Center” (the Property) located in King Fahd District, Riyadh. The transaction took place on 18 Ramadan 1445 corresponding to 28 March 2024 following the Fund Board’s initial approval of the buyer’ offer and the Fund Manager’s completion of the necessary real estate valuations in accordance with Fund terms and conditions.

The selling price of the property amounted to SAR 87,601,390 (Eighty-seven million six hundred one thousand three hundred ninety Saudi Riyals), net of real estate transaction tax and brokerage fees which are borne by the buyer. The Fund acquired the Property in September 2018, generating an average annual rental income of around 6.7% over its holding period.

This sale bolsters the flexibility of the Fund and its balance sheet allowing the Fund to use the sale proceeds to pay off part of its outstanding bank facilities, fund the acquisition of other income generating real estate assets, or develop and enhance the performance of properties owned by the Fund.

This transaction is expected to have an overall favorable effect and reflect on the Fund’s results of operations for the first half of 2024.

The Fund Manager further confirms that there is no related party in this transaction.

- Ends -