



FUND OVERVIEW

Alkhabeer REIT is a closed-ended public Shari'a-compliant real estate investment traded fund, established under the applicable laws and regulations of the Kingdom of Saudi Arabia and is subject to Capital Market Authority (CMA) Regulations and Instructions. The Fund's main investment objective is to generate sustainable rental income yield and periodic cash distributions of not less than 90% of the Fund's annual net profits, by investing not less than 75% of the Fund's Total Asset Value, according to its latest audited financial statements, in income-generating real estate assets in the Kingdom of Saudi Arabia (excluding Makkah Al-Mukarramah and Al-Madinah Al-Munawwarah).

KEY FUND FACTS

TADAWUL SYMBOL	4348
BLOOMBERG SYMBOL	ALKHABEE:AB
LISTING DATE	20 March 2019
FUND TERM	99 years, starting as from the Listing Date, renewable
FUND ASSETS SIZE*	SAR 2,033,821,967
FUND'S TOTAL CAPITAL	SAR 1,029,710,130
FINANCING AMOUNT*	SAR 737,500,000
RATIO OF LOANS TO FUND'S TOTAL ASSET VALUE*	36.26%
FINANCING AMOUNT AND EXPOSURE TERM	First Financing: SAR 340 million (2.61 years) Second Financing: SAR 397,5 million (4.19 years)
DUE DATE	First Financing: 6 February 2024 Second Financing: 7 September 2025

* As at 30 June 2021 (Unaudited)

FINANCIAL INDICATORS*

VALUATION FREQUENCY	Semi-annually
FUND'S TOTAL ASSET VALUE**	SAR 2,033,821,967
FUND UNITS' NET ASSET VALUE**	SAR 862,046,368
RATIO OF TOTAL EXPENSES AND FEES TO FUND'S TOTAL ASSET VALUE**	1.68%
RATIO OF FUND'S COSTS TO FUND'S TOTAL ASSET VALUE**	1.68%
RATIO OF FUND'S COSTS TO FUND'S AVERAGE NET ASSET VALUE**	3.88%

* As at 30 June 2021

** Unaudited

FUND ASSETS INFORMATION

NUMBER OF PROPERTIES	12 Properties
LAND TOTAL AREA	133,990 m ²
TOTAL BUILD-UP AREA*	151,163 m ²

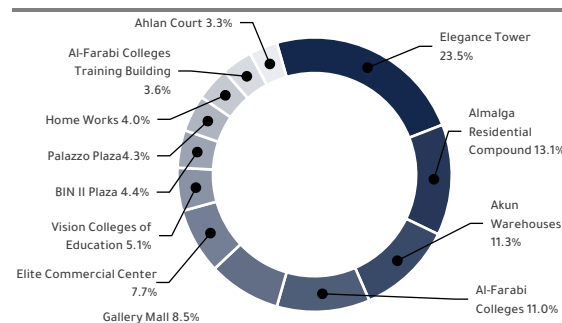
* Build-up areas as per the building permit

FUND MARKET VALUE INFORMATION*

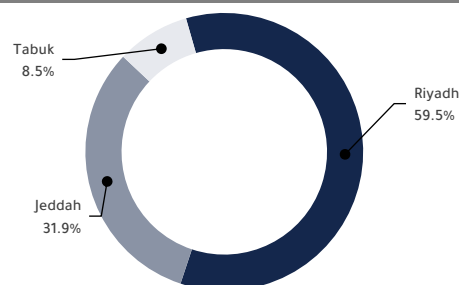
AS AT THE LISTING DATE	SAR 664,423,860
AS AT 30 JUNE 2019	SAR 617,914,190
AS AT 31 DECEMBER 2019	SAR 724,222,007
AS AT 30 JUNE 2020	SAR 545,491,989
AS AT 31 DECEMBER 2020	SAR 966,897,812
AS AT 31 MARCH 2021	SAR 961,749,261
AS AT 30 JUNE 2021	SAR 1,000,878,246

* Based on the Unit Price

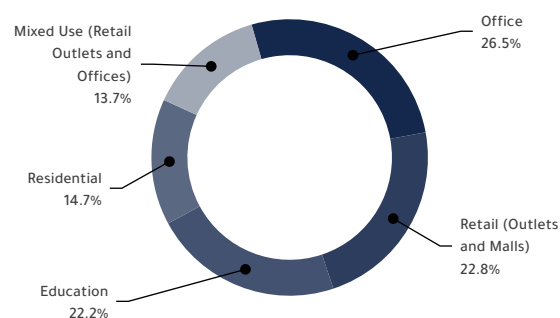
FUND PORTFOLIO PROPERTY NAMES AND PERCENTAGES



DISTRIBUTION OF INVESTMENTS BY GEOGRAPHY



DISTRIBUTION OF INVESTMENTS BY REAL ESTATE SEGMENT

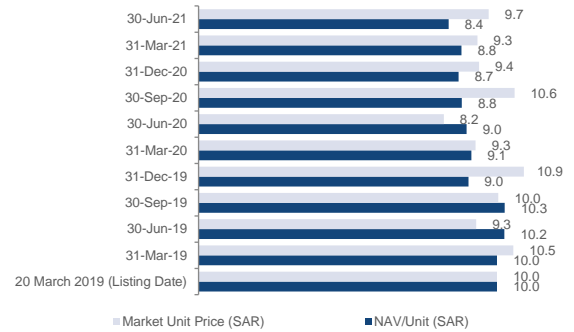


FUND UNITS INFORMATION

UNIT PRICE AS AT THE END OF Q2 (30 JUNE 2021)	SAR 9.72
THE NET ASSET VALUE OF THE UNIT AS AT THE END OF THE Q2 (30 JUNE 2021)	SAR 8.4
UNIT PRICE PERFORMANCE SINCE THE PREVIOUS PERIOD (FROM END Q1 2021 TO END OF Q2 2021)	4.07%
UNIT PRICE PERFORMANCE SINCE THE LISTING DATE (FROM THE LISTING DATE TO END OF Q2 2021)	-2.80%
52-WEEK HIGH	SAR 10.14
52-WEEK LOW	SAR 7.68
NUMBER OF OUTSTANDING UNITS	102,971,013 Units

* Net Asset Value as at 30 June 2021 (Unaudited)

NET ASSET VALUE AND UNIT PRICE PERFORMANCE*

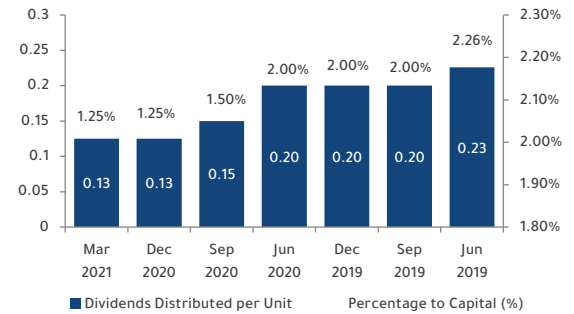


DIVIDEND DISTRIBUTION FOR THE QUARTER

DIVIDEND DISTRIBUTION POLICY	Annual dividend distributions of not less than 90% of the Fund's annual net profits
GROSS RENTAL INCOME FOR THE PERIOD (1 APRIL 2021 - 30 JUNE 2021)	SAR 23,581,311
RENTAL INCOME FOR THE PERIOD ON UNIT PRICE	2.36%
TOTAL DIVIDENDS DISTRIBUTED IN THE REPORTING QUARTER* (ANY DIVIDEND PAID SUBSEQUENT TO THE LATEST DISCLOSED REPORT)	N/A
DIVIDENDS DISTRIBUTED PER UNIT*	N/A
DIVIDENDS DISTRIBUTED ON UNIT PRICE*	N/A
ELIGIBILITY TO CASH DIVIDENDS DISTRIBUTED DURING THE REPORTING QUARTER*	N/A
NUMBER OF EXISTING UNITS DISTRIBUTED DURING THE REPORTING QUARTER	N/A
THE DISTRIBUTION RATIO OF THE FUND'S NET ASSET VALUE	N/A

* On 29 April 2021, the Fund Manager announced the distribution of cash dividends to Unitholders at a rate of 1.25% of the Initial Unit Price (SAR 0.125 per Unit) for the period from 1 January 2021 to 31 March 2021. There are no distributions resulting from previous sale proceeds until the same quarter of the previous year

DIVIDEND DISTRIBUTIONS TO UNITHOLDERS



TOTAL RETURN*

TOTAL RETURN SINCE THE PREVIOUS PERIOD (FROM END OF Q1 2021 TO END OF Q2 2021)	4.07%
TOTAL RETURN SINCE THE LISTING DATE (FROM THE LISTING DATE TO END OF Q2 2021)	8.21%

* Total Return = Unit Price Performance + Total Dividend Distributions

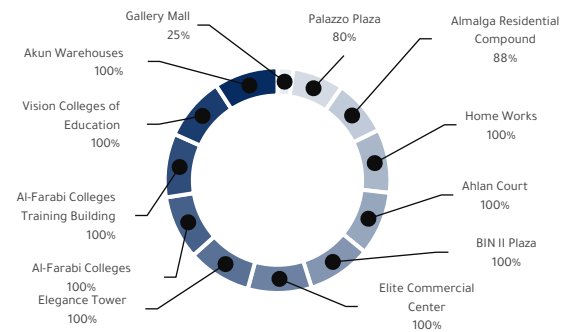
TOTAL EXPENSES AND FEES*

CLAUSE	AMOUNT	TOTAL ASSETS RATIO
MANAGEMENT FEES (PROVIDED THAT IT DOES NOT EXCEED THE EQUIVALENT OF 0.75% OF THE FUND'S NET ASSET VALUE, ACCORDING TO THE FUND'S LAST VALUATION)	3,219,228	0.16%
MANAGING DIRECTOR'S EXPENSES	107,308	0.01%
CUSTODIAN FEES	202,292	0.01%
SHARI'A BOARD FEES	3,740	0.00%
TADAWUL / DEPOSIT FEES	173,315	0.01%
LEGAL ACCOUNTANT FEES	18,699	0.00%
DEPRECIATION	18,332,254	0.90%
OTHER**	12,083,496	0.59%

* Unaudited

** Includes financing costs

OCCUPANCY RATIO IN EACH PROPERTY AS AT END OF REPORTING QUARTER



FUND HIGHLIGHTS AND ANY FUNDAMENTAL, MATERIAL OR SIGNIFICANT CHANGES AFFECTING THE PERFORMANCE OF THE FUND

- On 5 January 2021, the Fund Manager announced the obtain of CMA's approval on 4 January 2021 to increase the Fund's total assets value for the purpose of acquiring additional properties.
- Following the Fund Manager's announcement on 5 January 2021, the Fund Manager announced on 8 February 2021 that the Board has approved its recommendation not to proceed with the acquisition of one of the properties located in Riyadh. Accordingly, the Fund Manager took necessary procedures to update the file of increasing the Fund's total assets value, including the Terms and Conditions of the Fund, and then resubmit it to obtain requisite approvals.
- Following the Fund Manager's announcement on 8 February 2021, the Fund Manager made an announcement on 4 April 2021 concerning the updating the file of increasing the Fund's total assets value, including the Fund's Terms and Conditions, and its resubmission to obtain requisite approvals. Accordingly, the Fund Manager received the necessary approvals to update the file of increasing the Fund's total assets value. Through this increase, the Fund Manager aimed to acquire the following additional properties:
 - Vision College of Education (formerly known as Al-Farabi College of Education): An education property located in Al-Rayyan District, East of Haramain High Speed Railway in Jeddah.
 - Akun Warehouses: Cold storage warehouses located at the intersection of King Faisal Road and South Corniche Street at the King Faisal Naval Base District in Jeddah.
- On 6 April 2021, the Fund Manager announced the call for Alkhabeer REIT Fund's Unitholders meeting, which was held on 25 April 2021, to vote on the increase of the Fund's total assets Value for the purpose of acquiring the additional real estate assets and to vote on paying related expenses and costs, as well as to vote on the Fund's amended Terms and Conditions, which were fundamentally updated to reflect the increase of the Fund's total assets value. Furthermore, on 22 April 2021, the Fund Manager announced the availability of the amended Terms and Conditions to enable Unitholders to vote on the decision to increase the Fund's total assets value.
- On 26 April 2021, the Fund Manager announced the results of the Fund's Unitholders meeting, which was held via modern technology, Tadawulaty Services, at 09:30 PM, Sunday 25 April 2021, attended by 166 Unitholders who are holding 50.59% of the value of the Fund's units, as follows:
 - Approval on the increase of the Fund's total assets value by offering additional units for the purpose of acquiring additional real estate assets, and the payment of related expenses and costs. The Resolution was carried out with a 65.65% vote.
 - Approval on the Fund's amended Terms and Conditions which were fundamentally updated to reflect the increase of the Fund's total assets value. The Resolution was carried out with a 65.62% vote.
- On 23 May 2021, the Fund Manager announced the opening date for the subscription in the increase of the Fund's total assets value by the second additional offering to investors, starting on 30 May 2021 and ending on 17 June 2021 (15 business days).
- On 23 June 2021, the Fund Manager announced the successful completion of the cash subscription in the second increase of the Fund's total assets value which ended on 17 June 2021, with a 307.36% coverage ratio of the total cash subscription amount. The Fund Manager announced that it will coordinate with the Lead Manager to complete the allocation process and return the oversubscription amount to subscribers within 15 business days after the end of the offering period on 17 June 2021, which is no later than 8 July 2021.
- On 27 June 2021, the Fund Manager announced the completion of acquisition of the Vision Colleges of Education property, which is an education colleges building located in Al-Rayyan District, East of the expressway in the City of Jeddah. On 30 June 2021, the Fund Manager also announced the completion of acquisition of Akun Warehouses property, a cold storage facility located in the King Faisal Naval Base District in the City of Jeddah. The Fund Manager aims from the aforementioned acquisition process to expand the Fund's asset base and diversify the Fund's sources of income, with positive effects on the Fund's results and performance.
- Alkhabeer Capital ("Fund Manager") does not have any investment in the units of Alkhabeer REIT Fund, as on 30 June 2021.

CONCERNING THE FUND'S PROPERTIES – GALLERY MALL PROPERTY

- On 7 April 2021, the Fund Manager announced that it was decided to terminate the lease agreement signed with the Master Tenant (Lessee of 100% of the property), Suliman Al Qadeebi Sons Contracting Company, in relation to the Fund's property Gallery Mall in the City of Tabuk, in order to safeguard the interests of Unitholders and achieve a higher collection level by assigning this property to new operators who intend to improve the property's operational efficiency as compared to previous tenant, and thus maximize collected rental yields. Accordingly, this development will have an adverse effect in the short term due to the lower rental yields as compared to the previous lease agreement. However, the Fund Manager expects that this development will have a positive effect on the Fund in the medium to long term.
- Following the Fund Manager's announcement on 7 April 2021 as stated above, the Fund Manager announced on 14 April 2021 that the Fund Board has approved its recommendation to appoint Al Mahmal Facilities Services Company to carry out the maintenance and operation of the property, and Gulf Growth Marketing Company to provide property management services and market and lease the property. These appointments are expected to favorably affect the leasing and revenues of the property, as it is expected to achieve a higher level of rental collections.

CONCERNING REPORTING AND DIVIDEND DISTRIBUTIONS

- On 12 April 2021, the Fund Manager announced the availability of Alkhabeer REIT Fund’s Annual Report for the Fiscal Year ended 31 December 2020.
- On 14 April 2021, the Fund Manager announced the availability of Alkhabeer REIT Fund’s Quarterly Report for the Period ended 31 March 2021.
- On 29 April 2021, the Fund Manager announced the distribution of cash dividends to Alkhabeer REIT Fund’s Unitholders at a rate of 1.25% of the Initial Unit Price (SAR 0.125 per Unit) for the period (from 1 January 2021 to 31 March 2021).

PRICE PERFORMANCE COMPARISON



* As at 30 June 2021

FOR FURTHER INFORMATION

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