

Al Rajhi REIT Fund Factsheet - Q3 2020

FUND OBJECTIVE

The principal investment objective of the Fund is to invest in income-generating real estate assets to earn regular rental income and distribute at least 90% of Fund's net income in cash to investors semi-annually at the end of month of February and August of each calendar year. The cash distributed excludes any capital gains arising from the sale of the assets.

FUND LEVEL DATA

No of Properties	18
Listing Date	20-Mar-18
No of Units (at SAR 10 par value)	161,856,857
Management Fee	0.8% of total assets less expenses
Custodian Fee	SAR 185,000 per annum
Auditor Fee	SAR 55,000 per annum
Auditor	Alluhaid & Alyahya Chartered Accountants
Custodian	KASB Capital
Dividend Policy	To distribute at least 90% of net profit
Dividend Distribution	Semi-annual
Valuation Frequency	Semi-annual

DIVIDEND DISTRIBUTION DETAILS

Distribution per unit (20 Mar - 30 June'18) - Paid in H2 2018	0.174
Distribution per unit (1 Jul - 31 Dec'18) - Paid in H1 2019	0.311
Distribution per unit (1 Jan - 30 June'19) - Paid in H2 2019	0.320
Distribution per unit (1 Jul-31 Dec'19) - Paid in H1 2020	0.21
Distribution per unit (1Jan-30June'20) - Paid in H2 2020	0.280

PERFORMANCE OF UNIT MARKET PRICE AS ON 30.09.2020

YTD	6.63%
1 Year	17.18%
3 Year	N.A
Since Inception	3.00%

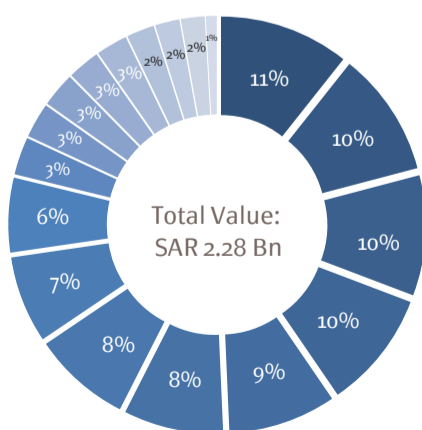
FUND UPDATE

During third quarter, following events occurred and were announced on tadawul & Al Rajhi Capital website:

- The master lessee (Rawaj Real Estate Company) of Blue Tower Building, AlKhobar and Luluah Warehouse, Riyadh has withdrawn its notice of termination for lease contract of these properties. The master lessee of the above properties has agreed to follow the provisions of the lease agreement signed by both parties that includes rent review process
- The fund manager announced a change in the Al-Rajhi REIT Fund Board, due to the appointing of a new Fund Board member Mr. Saoud bin Mohamed bin Abdulghani Sulaymani as independent member as of 04/01/1442H corresponding to 23/08/2020 G
- The fund manager has received a letter via email from Fouzan Trading and General Contracting Company, the master lessee of Narjees Plaza, Anwar Plaza and Rama Plaza, stating that it is proceeding to court for either rent free period or reducing the rent due to extra-ordinary circumstances that are beyond their control due to which they are unable to fully benefit from the intentions of the lease agreements. Currently Narjees Plaza, Anwar Plaza and Rama Plaza all assets located in Riyadh are leased to Fouzan Trading and General Contracting Company on triple net basis at combined annual rent of 14.04 Mn per hijri year (approx.. 14.47 Mn per Gregorian year). These 3 assets together contribute 8.7% of total revenue of the fund. The Fund Manager is ascertaining the validity of this letter and will take all possible actions to protect the interest of unit holders.

PORTFOLIO HIGHLIGHTS

Property Fair Market Value By Asset



FMV as on 30.06.2020

■ Rowad Al Khaleej International School, Dammam	■ Jarir Al Ahsa
■ Blue Tower, Khobar	■ Panda Rowdah - Jeddah
■ Mutlaq/Lulu	■ Rama Plaza
■ Rowad Al Khaleej International School, Riyadh	■ Al Anwar Plaza
■ Panda Marwah - Jeddah	■ Al Narjes Plaza
■ Lulu'ah warehouse, Riyadh	■ LULU Logistics Warehouse
■ Al Andalus Jeddah	■ Panda Khamis Mushait
■ AlSalam NMC Hospital	■ Panda Madain Fahad - Jeddah
■ Faris International School	■ Baraem Rowad Al Khaleej Intl Kindergarten

FINANCIAL STATEMENT (INTERIM) AS ON 30.06.2020

Income Statement	Amount
Total Revenue	86,055,067
Total Expenses*	103,712,948
Net Income	(17,657,880)
Funds from Operation	55,228,105

*total expenses includes non cash charge of depreciation of SAR 14,392,346 & provision of impairment of SAR 58,493,639

Balance Sheet	Amount
Total Assets	2,337,998,657
Total Liabilities	811,207,350
Net Asset Value Attributable to Unitholders	1,526,791,307
Units issued	161,856,857
NAV per unit (at cost)	9.43

3RD QUARTER FINANCIAL HIGHLIGHTS

Income Statement	Amount
3rd Quarter Rent Income	42,159,174
Total Debt as on 30.09.2020	791,254,018
Market Price as on 30.09.2020	10.3
Gross Rental Income over Market Capitalisation ¹	2.53%
Total Debt as % of Total Asset Value ²	33.84%
Total Fees & Expenses ³ to Total Asset Value ²	1.07%
Total Fund Cost ⁴ as % of Total Asset Value ²	0.61%

- Market capitalisation = No. of units multiplied by Market price as on 30.09.2020.
- Values as on 30.06.2020.
- Q3 2020 expenses includes all cash and non-cash charges (unaudited).
- Q3 2020 Operating expenses excluding depreciation, impairment & interest expense (unaudited).

DISCLAIMER

Al Rajhi Capital is an Authorized Person under the APR with license number 07068-37 granted by the CMA. Past performance is neither an indication nor a guarantee of future returns. The value of units and income from them can go up or down; investors may receive less than what they have originally invested. Additionally, fees charged on funds and currency exchange rates may have additional adverse effects. Investors should consider their individual and financial situation prior to entering into a specific product/fund and should seek advice from investment and legal professionals. Detailed and specific information related to the product is provided in the terms and conditions applicable to the fund which should be read and understood prior to entering into it.