Al Masha'ar REIT

Quarterly Report
Q2, 2021

FUND OBJECTIVES

The Fund is a shariah compliant closed-ended real estate investment traded fund. Its objective is to provide periodic rental income to its unitholders by investing mainly in developed properties generating income, in addition to growth in the total value of its assets. The fund aims to provide semi-annual income to its unitholders by distributing at least 90% of the fund's net profit.

FUND FACTS

Fund Size "SAR"	572,400,000.00
Initial Unit Price "SAR"	10.00
Inception Date	16-Oct-2017
Listing Date	18-Jan-2018
Risk Level	High
Fund Term	99 Years
Management Fees	1% per annum of Net Asset Value after deducting expenses
Custodian Fees	175,000 SAR annually
Other Fees and Expenses	Up to 1% per annum (of Net Asset Value)
Fund Assets	Three hotel towers (Eskan 4, Eskan 5, Eskan 6) located in Makkah and Offices Building (I-offices) located in Riyadh
Dividend Policy	To distribute at least 90% of the fund's net profit
Dividend Distribution	Semi-annual
Valuation Frequency	Semi-annual
Shariah Compliance	Approved by Shariah Board

INCOME STATEMENT

For the period from 1 Apr 2021 to 30 Jun 2021	Amount (SAR)
Fund Revenue	4,599,863.01
Fund Expenses	(1,848,528.00)
Depreciation Expenses	(2,473,551.00)
Impairment on investment properties	(6,525,015.00)
Gross Profit	**(6,247,230.99)**
Operating Profit	(6,247,230.99)
Other Income	1,245.80
Net Profit	**(6,245,985.19)**

BALANCE SHEET

As at 30th Jun 2021	Amount (SAR)
Current Assets	12,187,641.00
Non Current Assets	636,398,433.00
Total Assets	**648,586,074.00**
Current Liabilities	3,492,927.00
Non Current Liabilities	149,891,640.00
Total Liabilities	**153,384,567.00**
Net Assets Attributable to Unitholders	**495,201,507.00**
Fund Issued Units	57,240,000.00
NAV per unit (SAR)	**8.6513**

Expense Ratio excluding depreciation (ER)*	0.28%
Total Expense Ratio (TER)*	0.67%
Unit Market Price as of 30 June 2021	11.54
Net Rental Income* to Market Capitalization**	0.69%
Debt to AUM Ratio**	23.11%

* For the period from 01 Apr 2021 to 30 Jun 2021

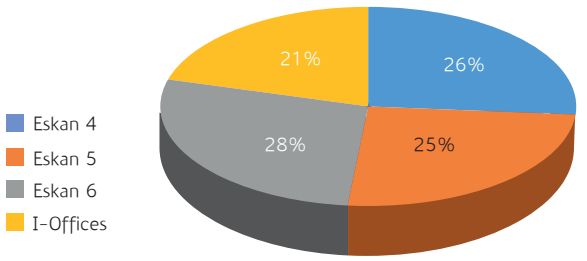
** As at 30 Jun 2021

The figures in the report are based on net assets value at fair value as of Jun 30, 2021 and are unaudited.

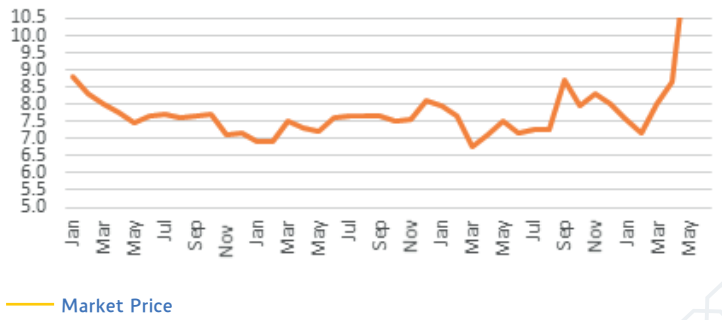
Material Changes

- On April 15, 2021, Muscat Capital Company (The fund manager) announced the completion of the process of pledging the title deed of the office property in Riyadh, called i-Office, in favor of Riyad Bank, in order to guarantee the credit facilities compatible with Islamic Sharia provided by the bank for the benefit of the fund.
- On April 29, 2021 AD, Muscat Capital Company (The fund manager) announced that the Fund's Board of Directors had agreed with the Eskan Development and Investment Company to collect an amount of rent of 8 million Saudi riyals in addition to value-added tax for the period from 17 Jumada al-Awwal 1442 AH corresponding to January 1, 2021 AD until 27 Jumada al-Awwal 1443 AH Corresponding to December 31, 2021 AD.
- On May 02, 2021 AD, Muscat Capital Company (The fund manager) announced the occurrence of a specific event, as it announced the appointment of the Shari'a Review Bureau as a Shari'a advisor to Al Mashaer REIT Fund as an alternative to Methaq for Islamic Banking.
- On June 22, 2021, the Muscat Capital Company (The fund manager) announced the occurrence of a specific event, as it announced the termination of the agreement for the management, marketing and maintenance of Eskan Tower 5 and the non-renewal of it with the Eskan Development and Investment Company, which expires on December 25, 2021 AD.
- On July 01, 2021, Muscat Capital Company (The fund Manager) announced a change in the membership of the Board of Directors of Al Mashaer REIT Fund due to the resignation of the Chairman of the Board of Directors of the Fund, Mr. Ahmed bin Abdullah bin Ahmed Al Busaidi (non-independent member), as of the date of 20 Dhul Qi'dah 1442 AH corresponding to June 30, 2021 AD.

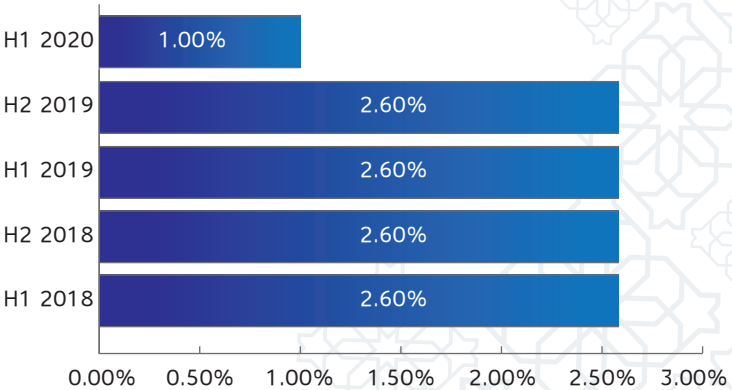
PROPERTY BREAKDOWN



MARKET PRICE



DIVIDEND HISTORY (as percentage of initial price)



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