

****10 July 2024****

JABAL Asset Management LAUNCHES FIRST Real Estate INVESTMENT FUND

Muscat, Oman – Jabal Asset Management is pleased to announce the launch of its new fund, JABAL REAL ESTATE INVESTMENT FUND, designed to provide investors with a unique opportunity to participate in the growth of developed real estate in Oman and receive recurring income through rent and capital appreciation. The Fund will be managed by a team of experienced professionals who have a proven track record of success in the industry. The Fund's overall aim is to maintain stable income generated by the Fund's assets, improve the rental yield and deliver strong returns to its unitholders.

The Financial Services Authority approved the prospectus and the allocation of the units of Jabal Real Estate Investment Fund which has a capital of OMR 17,400,000, comprising 174,000,000 Units of 100 Baisas per Unit.

Offering of the units of Jabal Real Estate Investment Fund was completed from June 13 to June 27, 2024. The applications from investors in the first day of subscription exceeded the minimum target capital of the Fund.

The official listing ceremony was held on July 10th, 2024 in MSX Hall.

The Fund has been carefully structured to meet the needs of investors. The Fund is established as a closed-ended fund under REIF regulations and listed in Muscat Stock Exchange.

The Fund will aim to invest in a diverse range of real estate assets with focus on commercial income-generating properties of good quality and with a resilient tenant's profile. Initially the Fund will comprise two anchor assets: office building and warehousing complex in Oman. The assets are leased to a diversified pool of tenants, current occupancy exceeds 90%.

While Jabal Asset Management will be an investment manager, Sohar International Bank will act as custodian and administrator of the fund. Additionally, a professional property manager will be appointed to ensure the effective management and monitoring of the properties.

The Fund's management team will actively manage the portfolio, seeking for new opportunities to maximize financial results.

Worth noting that the Fund will not use borrowings for the acquisition of the initial portfolio, which creates an opportunity to increase the returns further by attracting leverage later (up to 60% as per REIF regulations).

The Fund will target to achieve a long-term total return for investors exceeding both inflation and deposit rates. With quarterly distributions of dividends, the investors will also receive regular cash income.

In addition to professional management with focus on generating strong and sustainable returns, investors will benefit from increased accountability, as the Fund will provide regular reports and communication to public.

Oman Real Estate sector demonstrates solid growth supported by favorable economic trends, domestic demand, increase in foreign investments, and progressive government policies. The favorable growth dynamics drive FDI in key sectors like industrial, green energy, transportation, utilities, and tourism etc. Oman economic growth is expected to remain stable and increase over 2% per year on average over 2024-27 driven by favorable Government policies, fiscal reforms, and increase in non-oil GDP. With the supportive investment strategies and continuing reform program, Oman witnessed strong growth of 26% in foreign investment in 2023 to RO 4.6 billion. Overall trade activity between Oman and the rest of the world increased to RO 37.6 billion in 2023, with total exports contributing about RO 22.7 billion.

Sovereign Credit rating upgrade to Investment Grade is on the cards mainly due to the strengthening of Government balance sheet, economic reform programs, deleveraging in state owned enterprises, and lowering of break-even oil price to withstand oil price shocks. The rating upgrade should trigger additional foreign investments across various real economic sectors.

Commercial, Logistics and Warehousing real estate sectors in Oman remain as secular growth areas over the medium to long term. They benefit from Oman's logistics hub status strategically located to connect West and East through its deep-water ports on the Gulf of Oman. The logistics sector growth includes the development of warehousing facilities, cold chains, cargo freight stations, and e-commerce logistics hubs. The population growth of 9% in 2022 and 5% in 2023 is driven by influx of expatriates to support the investments in commercial and residential real estate sectors. The announcement of major projects such as the Sultan Haitham City, Al Khuwair Downtown, and Integrated Residential Neighborhood Project (Souroh) to contribute towards the development of real estate sector.

The Fund Management Body Member Majid Al Lawati said: «We are pleased with the successful IPO of Jabal REIF. The Fund raised substantial interest from investors and was oversubscribed shortly after subscription commenced. In my opinion, the fund provides investors a good opportunity to earn an attractive long-term return and a potential asset appreciation upside.

The Fund provides a unique opportunity for investors to participate under a professional management in a diversified income generating real estate portfolio in Oman, with the added potential of growing the asset base in the future.

I would like to thank FSA and MSX towards facilitating the successful launch of the fund.

We also believe that the launch of Jabal REIF will have a positive impact on overall Oman real estate market, since the Fund will contribute positively to the market's transparency and liquidity».

Jabal Asset Management is an FSA licensed Company established under the Commercial Companies Law (18/2019) of Oman. Jabal Asset Management is owned by Omani sovereign investment fund with headquarters in Muscat. The Company holds licenses for several activities including Portfolio Management; Investment Manager; Investment Advice and Research; Issue management and Brokerage.

For more information about the REIF, please contact us at info@jabal.om.

Link to Prospectus <https://fsa.gov.om/Home/IPOFileDownload/1114>

We look forward to welcoming new investors to our growing community.