

Board of Directors’ Report
September 30, 2022

Dear Unitholders,

On behalf of Oman REIT Fund Management Body, I am pleased to present you the unaudited financial statements, for the third quarter ended 30 September 2022.

Financial Performance:

The fund performance was satisfactory during the period under review. It achieved gross rental income of OMR 887K for during the third quarter of 2022 while it earned other income of OMR 46K. The properties incurred operation & maintenance expenses of OMR 270K during the period, while the fund incurred an operating & administration expenses of OMR 173K. The fund achieved net profit of OMR 491K for the period. The fund has approved two interim cash dividends of 1 baiza per unit each, which were distributed in July & Aug 2022, resulting in total dividend distribution of RO 942K, so far this year.

At the end of September 2022, Oman REIT Fund had total assets of RO 48.49 million, out of which RO 44.42 million are in property investments. This makes Oman REIT Fund the largest listed REIT in Oman. The total unitholders’ fund as at the end of Sep 30, 2022, reached RO 47,797,062, which translates the Net Asset Value per Unit is RO 0.101.

| Fund Performance | Amount in (RO) | | |
|--------------------------------------|-------------------------|-------------|-------------------|
| Particulars | Q3 - September 30, 2022 | YT Sep 2022 | December 31, 2021 |
| Total Fund Income | 934,058 | 2,832,009 | 4,433,161 |
| Fund Expenses (including impairment) | 442,476 | 1,391,669 | 2,603,556 |
| Net Profit / (Loss) | 491,582 | 1,440,340 | 1,829,605 |

| Particulars | Amount in (RO) | |
|-------------------------------|-------------------------|-------------------|
| As on | Q3 – September 30, 2022 | December 31, 2021 |
| Net Asset Value in R.O | 47,797,062 | 47,299,092 |
| Units Outstanding | 471,186,386 | 471,186,386 |
| Net Asset Value per unit – RO | 0.101 | 0.100 |

Noteworthy Events:

Earlier this year, the Fund has elected to appoint FIM Partners as its new Manager. Bringing north of 14 years of experience in investment management, FIM Partners manages c. \$2.7billion of assets on behalf of institutional investors in equities, real estate, and fixed income, with offices in Dubai, Muscat, Riyadh and London. FIM Partners is regulated by the DFSA, the CMA (Oman), the CMA (KSA), the FCA (UK) and registered with the SEC (USA).

FIM Partners has substantial experience managing real estate assets, including in Oman, where it manages R.O. 48 million of assets in private funds in addition to the Fund.

As the new Manager, FIM Partners has presented its business plan to the board members during the board meeting held on the 20th of October.

The business plan covered different aspects of the REIT management, including enhancing the operating performance of the existing assets, identifying opportunities for improvement, with a focus on underperforming assets, implementing best practices in the management of these assets, raising optimal levels of leverage, deploying such leverage in the acquisition of new assets to enhance the weighted average portfolio yield and the REIT's WAULT, and to further diversify the REIT's portfolio, and enhancing communication with unitholders.

A further detailed plan will be disclosed with unitholders separately.

Future Outlook:

Despite the strong challenges posed by pandemic and regulatory changes in the Sultanate, the Fund's portfolio performance continues to be stable. The unitholders' retail and industrial properties continue to perform well, given the predictable nature of their cashflows generated by long-leases. The unitholders' residential properties have witnessed marginal increases in occupancy, and stable rental rates, whereas our commercial properties saw mixed performances, with some properties witnessing marginal increases in occupancies, while others saw drops in occupancy. We are hoping the market continues to stabilize, which will further help the Fund's overall performance. We are closely monitoring market conditions as they unfold and remain vigilant to the sensitivities this brings to our rental income. We continue to be focused on customer retention by providing enhanced tenant engagement and better living experience for tenants in our properties. We aim to start implementing our business plan and to further optimize the Fund's performance and further diversify the Fund's portfolio.

We would also like to point out that the Fund's management is in the process of launching a website for the Fund to provide a user-friendly interface, and for convenient browsing in Arabic and English, which will reflect the identity of the Fund and its investment plans, and a means of communications to raise inquiries and general communication with unitholders. On behalf of the Board of Directors, we extend our sincere thanks to the unitholders and gentlemen, for the trust granted to the Fund, and we also express our thanks

and appreciation to the Capital Market Authority, the Stock Exchange, Muscat, for their efforts and contribution to building a growing fund under the wise leadership of His Majesty Sultan Haitham bin Tariq Al Said, asking the Mighty and Sublime, for further progress and prosperity.

On Behalf of the Fund Management body

Chairman Signature