

الؤلؤة Pearl

صندوق الؤلؤة للاستثمار العقاري
Real Estate Investment Fund

Invest in Progress

The Pearl REIF

Initial Public Offering of **208,137,400**
Offer Units at a price of **112 Baizas**
per Offer Unit (including Offer Price of
110 Baiza and Offer Expenses of
2 Baiza per Offer Unit)

Offer Opens: **16 October 2022**

Offer Closes: **30 October 2022**



Promoters



Investment Manager



Issue Manager



Joint Global Coordinators and Bookrunners





His Majesty Sultan Haitham Bin Tarik



THE PEARL REIF Islamic Shariah Compliant Fund

P.O. Box 44, Hai Al Mina, Postal Code 114, Sultanate of Oman

PROSPECTUS

Initial Public Offering of 208,137,400 Offer Units at a price of 112 Baizas per Offer Unit
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OFFER PERIOD

Offer Opens on: 16 October 2022

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Investment Manager



Issue Manager



Joint Global Coordinators and Bookrunners



Legal Adviser to the Fund



Legal Adviser to Issue Manager



Custodian/Administrator



Shariah Supervisory Board



Collecting Agents



The CMA assumes no responsibility for the accuracy or adequacy of the statements and information included herein and shall not assume any liability for any damage or loss caused due to reliance or use of such information by any person. This is an unofficial English translation of the Prospectus prepared in Arabic and approved by the CMA in accordance with the Issuing Regulation of Real Estate Investment Funds issued by Administrative Decision No E/2/2018 and Administrative Decision No. Kh/136/2022. This Prospectus does not constitute an offer to sell or an invitation by or on behalf of the Fund to purchase any of the Offer Units in any jurisdiction outside of Oman where such prospectus distribution is, or may be, unlawful. Marketing of the Offer Units in Oman will only be conducted by Sohar International Bank SAOG on behalf of the Joint Global Coordinators and Bookrunners.

IMPORTANT INFORMATION REGARDING PROSPECTUS

The aim of this Prospectus is to present material information that may help investors make an appropriate decision as to whether to invest in the Offer Units.

This Prospectus includes material information and data in relation to the Offer and does not contain any misleading information or omit any material information that would have a positive or negative impact on the decision of whether to invest in the Offer Units.

The Fund the Issue Manager, the Investment Manager and the Fund Management Body are jointly and severally responsible for the integrity and adequacy of the information contained in this Prospectus and confirm that to their knowledge due diligence has been conducted on the Properties and further confirm no material information has been omitted in relation to the Properties, the omission of which would render this Prospectus misleading. For the avoidance of doubt, due diligence has been carried out only on the Properties for the purposes of this Prospectus, the details of which are set out in Chapter 8 of this Prospectus.

All investors should examine and carefully review this Prospectus in order to decide whether it would be appropriate to invest in the Offer Units by taking into consideration all of the information contained in this Prospectus in the context. Investors should not consider this Prospectus a recommendation by the Issue Manager, the Joint Global Coordinators and Bookrunners, the Investment Manager or the Fund Management Body to invest in the Offer Units. Every investor shall bear the responsibility of obtaining independent professional advice on the investment in the Offer Units and conducting an independent valuation of the information and assumptions contained herein using whatsoever analysis or projections they see fit as to whether or not to invest in the Offer Units.

It is noteworthy that no person has been authorised to make any statements or provide information on the Fund or the Offer Units other than the persons whose names are indicated herein. Where any person makes any statement or provides information it should not be taken as authorised by the Issue Manager, the Joint Global Coordinators and Bookrunners, the Investment Manager, the Fund Management Body, the Collecting Agents or the Legal Advisers.

This Prospectus does not constitute an offer to sell or an invitation by or on behalf of the Fund to purchase any of the Offer Units in any jurisdiction outside of Oman where such distribution is, or may be, unlawful. Marketing the Offer Units in Oman will only be conducted by Sohar International Bank SAOG on behalf of the Joint Global Coordinators and Bookrunners.

The Issue Manager, the Joint Global Coordinators and Bookrunners, the Investment Manager and the Fund Management Body shall not be held responsible for any information interpreted differently from the Arabic Prospectus. In the case of any discrepancy between the English and Arabic versions of this Prospectus, the Arabic version shall prevail.

The liability for the content of this Prospectus lies with the Fund, the Fund Management Body and the Issue Manager. The CMA has not assessed the suitability of the Offer Units to which this Prospectus relates to any particular investor or type of investor and has not determined whether they are Shariah compliant. If you do not understand the contents of this Prospectus or are unsure whether or not the Offer Units to which this Prospectus relates are suitable for your individual investment objectives and circumstances, you should consult your appropriate advisers.

IMPORTANT NOTICES

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to this Prospectus and you are therefore required to read this carefully before reading, accessing, reviewing or making any other use of this Prospectus. In reading, accessing, reviewing or making any use of this Prospectus, you agree to be bound by the following terms and conditions and each of the restrictions set out in this Prospectus, including any modifications to them any time you receive any information from the Fund, the Issue Manager, the Joint Global Coordinators and Bookrunners and/or the Investment Manager as a result of such access. You acknowledge that this Prospectus and its delivery are confidential and intended only for you and you agree you will not reproduce, publish or forward this Prospectus to any other person.

THIS PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON WITHOUT THE PRIOR WRITTEN CONSENT OF THE ISSUE MANAGER AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. DISTRIBUTION OR REPRODUCTION OF THIS PROSPECTUS, IN WHOLE OR IN PART, IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE APPLICABLE SECURITIES LAWS OF ANY JURISDICTION.

None of the Fund, the Issue Manager, the Joint Global Coordinators and Bookrunners, the Investment Manager, the Fund Management Body, the Collecting Agents or the Legal Advisers makes any representation to any investor in the Fund regarding the legality of its investment under any applicable laws or regulations. Any investor in the Fund should be able to bear the economic risk of an investment in the Fund for an indefinite period of time.

The distribution of this Prospectus and the offer or sale of the Offer Units may be restricted by law in certain jurisdictions. None of the Fund, the Issue Manager, the Joint Global Coordinators and Bookrunners, the Investment Manager, the Fund Management Body, the Collecting Agents or the Legal Advisers represents that this Prospectus may be lawfully distributed, or that any of the Offer Units may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Fund, the Issue Manager, the Joint Global Coordinators and Bookrunners, the Investment Manager, the Fund Management Body, the Collecting Agents or the Legal Advisers, which is intended to permit a private or public offering of any Offer Units or distribution of this Prospectus in any jurisdiction where action for that purpose is required.

Accordingly, no Offer Units may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement nor other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

Persons into whose possession this Prospectus may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus, and the offer or sale of the Offer Units.

You are reminded that this Prospectus has been delivered to you on the basis that you are a person into whose possession this Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this Prospectus or otherwise, to any other person. Failure to comply with this directive may result in a violation of applicable laws of the relevant jurisdictions.

Any materials relating to the Offer Units do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any underwriter or any affiliate of any underwriter is a licensed broker or dealer in that jurisdiction, any offering shall be deemed to be made by the underwriter or such affiliate on behalf of the Fund in such jurisdiction.

IMPORTANT NOTICE TO INVESTORS

Prospective investors should not treat the contents of this Prospectus as investment, tax or legal advice and must make their own investigation and evaluation of the opportunity to invest in the Fund and should consult with their own advisors with respect to the evaluation of the risks of the investment and its suitability for their individual financial circumstances and risk preferences.

Prospective investors should not consider this Prospectus as a recommendation by the Fund, the Issue Manager, the Joint Global Coordinators and Bookrunners or the Investment Manager to apply or subscribe for the Offer Units.

Please note that the returns on investments in investment funds are not guaranteed. The value of the Offer Units may either rise or fall.

The Offer Units may not be a suitable investment for all investors. Each investor must determine the suitability of its investment in light of its own circumstances. In particular, each prospective investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Offer Units, the merits and risks of investing in the Offer Units and the information contained in this Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Offer Units and the impact the Offer Units will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Offer Units, including where the currency for principal and profit payments is different from the potential investor's currency;
- understand thoroughly the terms of the Offer Units and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

If this Prospectus has been sent to you in electronic form, you are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and, consequently, none of the Fund, the Investment Manager, the Issue Manager, the Joint Global Coordinators and Bookrunners, the Collecting Agents, the Legal Advisers or any person who controls any such persons or any of their respective directors, officers, officials, employees, agents or Affiliates accepts any liability or responsibility in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you.

Neither the delivery of this Prospectus nor the Offer Units shall, under any circumstances, constitute a representation or create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the affairs of any party mentioned herein since that date.

Neither this Prospectus nor any other information supplied in connection with the Offer Units is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation by the Fund, the Investment Manager, the Issue Manager, the Joint Global Coordinators and Bookrunners, the Collecting Agents or the Legal Advisers, that any recipient of this Prospectus should apply or subscribe for any of the Offer Units. Each investor contemplating applying and subscribing for the Offer Units should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Fund. None of the Issue Manager or the Legal Advisers undertakes to review the financial condition or affairs during the life of the arrangements contemplated by this Prospectus or to advise any Unitholder or potential investor in the Offer Units of any information relating to the Fund, coming to its attention.

No comment is made, or advice given by the Fund, the Investment Manager, the Issue Manager, the Joint Global Coordinators and Bookrunners, the Collecting Agents or the Legal Advisers, in respect of taxation matters relating to the Offer Units or the legality of a subscription for the Offer Units by an investor under any applicable law.

EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN TAX ADVISER, LEGAL ADVISERS, BUSINESS ADVISER AND SHARIAH ADVISER AS TO TAX, LEGAL, BUSINESS AND SHARIAH RELATED MATTERS RESPECTIVELY CONCERNING A SUBSCRIPTION FOR THE OFFER UNITS.

ADDITIONAL POINTS TO BE NOTED

Scope of Information: the information contained in this Prospectus is intended to provide a prospective investor with adequate information relating to the investment opportunity and background information on the Offer Units referred to in this Prospectus. Investors should note that due diligence has been carried out only on the Properties for the purposes of this Prospectus, the details of which are set out in Chapter 8 of this Prospectus. The content of this Prospectus is not be construed as legal, business or tax advice. Each prospective investor should consult his own lawyer, financial advisor or tax advisor for legal, financial or tax advice in relation to any purchase of the Offer Units.

Investor Due Diligence: prior to making any decision as to whether to purchase the Offer Units, prospective investors should read this Prospectus in its entirety. In making an investment decision, prospective investors must rely upon their own assessment of the terms of this Prospectus and the risks involved in making an investment.

Fund Investment Risk: all fund investments carry market risks to varying degrees. The value of any security can fall as well as rise depending on the market conditions. Prospective investors should read Chapter 10 of this Prospectus.

Restriction on the distribution of this Prospectus: the distribution of this Prospectus may, in certain jurisdictions, be restricted by law or may be subject to prior regulatory approvals. This Prospectus does not constitute an offer or an invitation by or on behalf of the Fund to any person in any jurisdiction outside Oman to purchase any of the Offer Units where such offer or invitation would be unlawful. Marketing of the Offer Units in Oman will only be conducted by Sohar International Bank SAOG on behalf of the Joint Global Coordinators and Bookrunners. The Fund and the Issue Manager require persons into whose possession this Prospectus comes, to inform them of and observe, all such restrictions. None of the Fund or the Issue Manager accept any legal responsibility for any violation of any such restrictions on the sale, offer to sell or solicitation to purchase for the Offer Units by any person, whether or not a prospective investor, in any jurisdiction outside Oman where such sale, offer to sell or solicitation to purchase would be unlawful.

Restriction on use of information contained in this Prospectus: the information contained in this Prospectus may not be published, duplicated, copied or disclosed in whole or in part or otherwise used for any purpose other than in connection with the Offer Units, without the prior written approval of the Fund and the Issue Manager.

Disclaimer of Implied Warranties: except as required under applicable law, no representation or warranty, express or implied, is given by the Fund, the Issue Manager, the Investment Manager, the Joint Global Coordinators and Bookrunners, the Legal Advisers, the Shariah Supervisory Board or the Collecting Agents, or any of their respective officers, directors, managers, accountants, lawyers, employees, agents or any other person as to the completeness of the contents of this Prospectus, the forecasts included herein, or any other document or information supplied at any time in connection with the Offer Units, or that any such document has remained unchanged after the issue thereof.

SELLING RESTRICTIONS OUTSIDE OMAN

Kingdom of Bahrain

The Offer Units have not been offered or sold, and will not be offered or sold to any person in the Kingdom of Bahrain except on a private placement basis to persons who are "accredited investors".

For this purpose, an "accredited investor" means:

1. an individual who have a minimum net worth (or joint net worth with their spouse) of USD 1,000,000, excluding that person's principal place of residence;
2. a company, partnership, trust or other commercial undertaking, which has financial assets available for investment of not less than USD 1,000,000; or
3. a government, supranational organisation, central bank or other national monetary authority, or a state organisation whose main activity is to invest in financial instruments (such as state pension funds).

State of Kuwait

This Prospectus is provided on an exclusive basis to the specifically intended recipient thereof, upon such person's request and initiative, and for such recipient's personal use only and is not intended to be in general circulation or available to the public in Kuwait.

This Prospectus and the Offer Units have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Kuwait Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Offer Units in the State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law Number 7 of 2010 and the Executive Bylaws for Law Number 7 of 2010, as amended, which govern the issue, offer, marketing and sale of securities in the State of Kuwait (**"Kuwait Securities Laws"**).

Hence, in accordance with the Kuwait Securities Laws, no private or public offering of the Offer Units is or will be made in the State of Kuwait, no agreement relating to the sale of the Offer Units will be concluded in the State of Kuwait and no marketing, solicitation or inducement activities are being used to offer or market the Offer Units in the State of Kuwait.

Any distribution of this Prospectus shall be at the liability of the distributor.

State of Qatar

This Prospectus is provided on an exclusive basis to the specific intended recipient thereof, upon such person's request and initiative, and for such recipient's personal use only and is not intended to be available to the public.

This Prospectus has not been licensed for offering, promotion, marketing, advertisement or sale in the State of Qatar or in the Qatar Financial Centre, any free zone or other legal jurisdiction within the geographical area designated as the State of Qatar or the inward marketing of an investment fund or an attempt to do business, as a bank, an investment company or otherwise in the State of Qatar, in the Qatar Financial Centre, in any free zone or other legal jurisdiction within the geographical area designated as the State of Qatar.

This Prospectus has not been approved, registered or licensed by the Qatar Central Bank, the Qatar Financial Centre Regulatory Authority, the Qatar Financial Markets Authority, the Qatar Free Zones Authority or any other regulator in the geographical area designated as the State of Qatar.

In accordance with the laws of the State of Qatar, the Qatar Financial Centre Regulatory Authority, the Qatar Financial Markets Authority, the Qatar Free Zones Authority and any other legal jurisdiction within the geographical area designated as the State of Qatar, no private or public offering of the Offer Units is or will be made in the State of Qatar, the Qatar Financial Centre, any free zone or other legal jurisdiction within the geographical area designated as the State of Qatar, no agreement relating

to the sale of the Offer Units will be concluded in the State of Qatar, the Qatar Financial Centre, any free zone or other legal jurisdiction within the geographical area designated as the State of Qatar and no marketing or solicitation or inducement activities are being used to offer or market the Offer Units in the State of Qatar, the Qatar Financial Centre, any free zone or other legal jurisdiction within the geographical area designated as the State of Qatar.

Any distribution of this Prospectus in the State of Qatar, the Qatar Financial Centre, any free zone or other legal jurisdiction within the geographical area designated as the State of Qatar shall be at the liability of the distributor.

Kingdom of Saudi Arabia

This Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Investment Funds Regulations issued by the Capital Market Authority of Saudi Arabia.

The Capital Market Authority of Saudi Arabia does not make any representation as to the accuracy or completeness of this Prospectus, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Prospectus. Prospective subscribers of the Offer Units hereby should conduct their own due diligence on the accuracy of the information relating to the Offer Units. If you do not understand the contents of this Prospectus, you should consult an authorised financial adviser.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Prospectus is strictly private and confidential and may not be distributed in the United Arab Emirates except to such persons as are permitted under the laws of the United Arab Emirates. If you are in any doubt about the contents of this document, you should consult an authorised financial adviser.

By receiving this Prospectus, the entity to whom it has been issued understands, acknowledges and agrees that this Prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the United Arab Emirates Securities and Commodities Authority or any other authorities in the UAE. No marketing of any financial products or services has been or will be made from within the UAE other than in compliance with the laws of the UAE and no subscription to any securities or other investments may or will be consummated within the UAE. The Offer Units may not be offered or sold directly or indirectly to the public in the UAE. This does not constitute an offer of securities for public subscription in the UAE in accordance with the Commercial Companies Law, Federal-Decree Law No 32 of 2021 (as amended) or otherwise.

The Offer Units to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective subscribers of the Offer Units offered should conduct their own due diligence on the Offer Units.

Nothing contained in this Prospectus is intended to constitute investment, legal, tax, accounting or other professional advice. This Prospectus is for your information only and nothing in this Prospectus is intended to endorse or recommend a particular course of action. Any person considering applying and subscribing for securities should consult with an appropriate professional for specific advice rendered based on their respective situation.

Dubai International Financial Centre (DIFC)

This Prospectus relates to an entity which is not subject to any form of regulation or approval by the Dubai Financial Services Authority (DFSA).

The Offer Units have not been offered and will not be offered to any persons in the Dubai International Financial Centre except on the basis that an offer is:

- (i) an "Exempt Offer" in accordance with the Markets Rules (MKT) module of the DFSA; and
- (ii) made only to persons who meet the Deemed Professional Client criteria set out in Rule 2.3.4 of the DFSA Conduct of Business Module.

By receiving this Prospectus, the person or entity to whom it has been issued understands, acknowledges and agrees that this Prospectus has not been approved by or filed with the DFSA. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it.

No marketing of any financial products or services has been or will be made from within the Dubai International Finance Centre ("DIFC") other than in compliance with the laws of the DIFC and no subscription to any securities or other investments may or will be consummated within the DIFC. The Offer Units may not be offered or sold directly or indirectly to the public in the DIFC.

The Offer Units to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective subscribers of the Offer Units offered should conduct their own due diligence on the Offer Units.

Nothing contained in this Prospectus is intended to constitute investment, legal, tax, accounting or other professional advice. This Prospectus is for your information only and nothing in this Prospectus is intended to endorse or recommend a particular course of action. Any person considering applying and subscribing for securities should consult with an appropriate professional for specific advice rendered based on their respective situation.

United Kingdom

This Prospectus is not a Prospectus for the purposes of the Prospectus Regulation (EU) 2017/1129 (the "EU Prospectus Regulation") or Prospectus Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "UK Prospectus Regulation"). No Offer Units have been offered or will be offered pursuant to the IPO to the public in the United Kingdom prior to the publication of the Prospectus in relation to the Offer Units which has been approved by the Financial Conduct Authority, except that Offer Units may be offered to the public at any time:

1. **to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;**
2. **to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation); or**
3. **in any other circumstances falling within section 86 of the UK Financial Services and Markets Act 2000, as amended ("FSMA"),**

provided that no such offer of Offer Units shall result in a requirement for the publication of the Prospectus pursuant to section 85 of FSMA and each person who initially acquires any Offer Units or to whom any offer is made under the IPO will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of Article 2 of the UK Prospectus Regulation.

For these purposes, the expression "an offer to the public" in relation to any offer of Offer Units in the United Kingdom means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Offer Units to be offered so as to enable an investor to decide to purchase or subscribe for the Offer Units.

This Prospectus is being distributed to, and is directed only at such persons in the United Kingdom: (i) who are "qualified investors" (within the meaning of Article 2 of the UK Prospectus Regulation) who also: (a) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO"); and/or (b) are high net worth entities falling within Article 49(2)(a) to (d) of the FPO; and (ii) other persons to whom it may otherwise be lawfully distributed (each a "relevant person"). Any investment or investment activity to which this Prospectus relates is available only to relevant persons and will be engaged in only with such persons. Persons who are not relevant persons should not rely on or act upon this Prospectus.

Use of this Prospectus other than in accordance with this restriction is not permitted and may contravene FSMA. No representation or warranty, express or implied, is made by the Joint Global Coordinators and Bookrunners or the Fund to prospective purchasers of the Offer Units as to the contents of this Prospectus (without limiting the statutory rights of any person to whom this Prospectus is issued). The information contained in this Prospectus is not intended to inform or be relied upon by any subsequent purchasers of Offer Units (whether on or off exchange) and accordingly, to the extent permitted by law, no duty of care is accepted by the Joint Global Coordinators and Bookrunners or the Fund in relation to them.

European Economic Area

In relation to each member state of the European Economic Area ("EEA") (each, a "Member State"), no Offer Units have been offered or will be offered pursuant to the IPO to the public in that Member State prior to the publication of a prospectus in relation to the Offer Units which has been approved by the competent authority in that Member State, all in accordance with the EU Prospectus Regulation, except that offers of Offer Units to the public may be made at any time under the following exemptions under the EU Prospectus Regulation:

- 1) **to any legal entity which is a qualified investor as defined under Article 2 of the EU Prospectus Regulation;**
- 2) **to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) in such Member State; or**
- 3) **in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,**

provided, that no such offer of Offer Units shall result in a requirement for the publication of the Prospects pursuant to Article 3 of the EU Prospectus Regulation, and each person who initially acquires any Offer Units or to whom any offer is made under the IPO will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of the EU Prospectus Regulation.

For the purposes of this provision, the expression "an offer to the public" in relation to any offer of Offer Units in any Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Offer Units to be offered so as to enable an investor to decide to purchase or subscribe for the Offer Units as the same may be applied in that Member State.

United States of America

The Units have not been, and will not be, registered under the United States Securities Act of 1933 ("Securities Act"), or with any securities regulatory authority of any state or jurisdiction of the United States. Securities may not be offered or sold in the United States absent registration under the Securities Act or an exemption from such registration and the Units offered by this Prospectus may not be offered, sold, transferred, delivered or distributed, directly or indirectly, in any form, within or into the United States or for the account or benefit of any person with a registered address in, or who is resident or ordinarily resident in, the United States. The Units offered by this Prospectus are being offered and sold outside the United States in "offshore transactions" within the meaning of, and in reliance on, regulations under the Securities Act. No public offer or sale of the Units in the United States will be made.

The Units offered by this Prospectus have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any such authorities passed upon, or endorsed the merits of, the Offer or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

Any forwarding, redistribution or reproduction of this Prospectus in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

Other Jurisdictions

Should this Prospectus be received by any person in any jurisdiction not mentioned in the foregoing, the receiving party should disregard this Prospectus in cases where the receipt of the Prospectus or its distribution is, or may be, unlawful. The Fund, the Issue Manager and the Collecting Agents require persons into whose possession this Prospectus comes, to inform themselves of and observe, all relevant investing restrictions in their jurisdiction. None of the Fund, the Issue Manager, the Legal Advisers or the Collecting Agents accept any legal responsibility for any violation of any such restrictions on the sale, offer to sell or solicitation to purchase for Offer Units by any person, whether or not a prospective investor, in any jurisdiction outside Oman where such sale, offer to sell or solicitation to purchase would be unlawful.

Investor Identification, Sanctions Compliance, Anti-Money Laundering and Countering the Financing of Terrorism

The Investment Manager, the Joint Global Coordinators and Bookrunners, the Issue Manager, the Collecting Agents, the Registrar, and/or the Administrator reserve the absolute right to require further verification of the identity of each potential investor or that of the person or entity on whose behalf the potential investor is applying for Offer Units in order to comply with applicable sanctions, anti-money laundering and terrorism related laws and requirements as the Investment Manager, the Joint Global Coordinators and Bookrunners, the Issue Manager, the Collecting Agents, the Registrar, and/or the Administrator may deem fit from time to time.

Each potential investor will provide evidence, in a form and substance satisfactory to the Investment Manager, the Joint Global Coordinators and Bookrunners, the Issue Manager, the Collecting Agents, the Registrar, and/or the Administrator, of its identity and, if so required, the source of its funds within a reasonable time period as determined by the Investment Manager, the Joint Global Coordinators and Bookrunners, the Issue Manager, the Collecting Agents, the Registrar, and/or the Administrator. Pending the provision of such evidence, an application for Offer Units will be postponed. If a potential investor fails to provide satisfactory evidence within the time specified, or if a potential investor provides evidence but the Investment Manager, the Joint Global Coordinators and Bookrunners, the Issue Manager, the Collecting Agents, the Registrar, and/or the Administrator are not satisfied therewith, the Application may be rejected immediately, in which event any money received pursuant to the Application will be returned to the Applicant by interbank transfer to the account from which the monies originated, without any addition thereto and at the risk and expense of the Applicant.

The Investment Manager, the Joint Global Coordinators and Bookrunners, the Issue Manager, the Collecting Agents, the Registrar and the Administrator reserve the right to request such information as is necessary to verify the identity of a potential investor. In the event of delay or failure by the Applicant to produce any information required for verification purposes, the Investment Manager, the Joint Global Coordinators and Bookrunners, the Issue Manager, the Collecting Agents, the Registrar and the Administrator will refuse to accept the Application from such potential investor and the offer monies relating thereto.

If any person, who is a resident of Oman, has a suspicion that a payment made in relation to the Fund (by way of offer or otherwise) contains the proceeds of criminal conduct, that person is required to report such suspicion pursuant to the Anti Money Laundering/Combating the Financing of Terrorism Law promulgated by Royal Decree 30/2016.

Anti-Money Laundering and Countering the Financing of Terrorism Requirements of Other Jurisdictions

Unitholders will be expected to comply with the anti-money laundering regulations of their respective jurisdictions, to the extent that they are applicable to their investment in the Offer Units.

FORWARD LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “AIM”, “ANTICIPATE”, “BELIEVE”, “ENVISAGE”, “EXPECT”, “ESTIMATE”, “INTEND”, “OBJECTIVE”, “PLAN”, “PROJECT”, “SHALL”, “WILL”, “WILL CONTINUE”, or other words or phrases of similar import. Similarly, statements that describe the Fund’s strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. The Investment Manager has done the required due diligence to the best of its knowledge and belief and is of the view that this Prospectus reflects the executable future plan of the Fund.

Important factors that could cause actual results to differ materially from the Fund’s expectations include, among others:

- global and local economic and business conditions;
- changes in interest rates;
- the competitive nature of the market;
- inability to estimate future performance;
- inability to find suitable investments; and
- changes in laws and regulations that apply to the Fund.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could be materially different from those that have been estimated. None of the Fund or the Issue Manager or any of their respective affiliates has any obligation to update or otherwise revise any statements in this Prospectus to reflect circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition or differ in actuality.

For further information on the factors that could cause actual results to differ from the Fund’s expectation, see Chapter 10 of this Prospectus.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial Data: this Prospectus includes certain forecasts. The forecasts are based on the expectations of external conditions and events relating to the Fund, the competitive market environment in Oman and the industry in which the Fund operates. These forecasts are forward-looking statements that involve inherent risks and uncertainties. Prospective investors are cautioned that a number of important factors could cause actual results or outcomes relating to the Fund to differ materially from those expected in these forecasts.

The Fund's Financial Year: commences on January 1st and ends on December 31st of each Calendar year.

Currency of Fund: all references to "RO" or "OMR" are to Omani Rial, the official currency of the Sultanate of Oman. RO 1 is composed of 1,000 Baizas. At the date of this Prospectus, the Omani Rial is pegged to the U.S. Dollar and the pegged exchange rate is RO 1 = US Dollar 2.6008.

Summary or Extracts of Documents: any summaries of documents or extracts of documents contained in the Prospectus should not be relied upon as being comprehensive statements in respect of such documents.

In this Prospectus, any discrepancy between the total and the sum of the relevant amounts listed is due to rounding.

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1 - ABBREVIATIONS AND DEFINITIONS

Term	Definition
AAOIFI	Accounting and Auditing Organization for Islamic Financial Institutions
Administrator	Gulf Custody Company SAOC or such other administrator as may be appointed from time to time by the Fund
Affiliate	<p>In relation to any person, the father, mother, sons, daughters, husband and wife of that person including businesses in which they hold severally or jointly at least 25% of the voting shares</p> <p>In relation to any company, the parent company, the subsidiary company and the sister company of that company in which the company holds at least 25% of the voting shares. This shall also include the commercial business of which the members of the board act according to the issuer</p>
AGM	An annual general meeting of the Unitholders held in accordance with the Articles and the REIF Regulation
Applicant	A person or entity who applies for the purchase of Offer Units pursuant to the terms of this Prospectus
Application	An application by an Applicant to apply for Offer Units
Application Funds	Funds paid by each Applicant in respect of their Application as set out in more detail in Chapter 23 of this Prospectus
Articles	The articles of association of the Fund
Auditor	KPMG LLC
Basis of Allotment	The basis on which the Offer Units will be allotted to Applicants under the Offer as set out in more detail in Chapter 23 of this Prospectus
Business Day	Official working days which banks and the MCD are open for general business in the Sultanate of Oman
Calendar	The Gregorian calendar
Capital Market Law	The Capital Market Law promulgated by Royal Decree Number 80/98 as amended
CCL	The Commercial Companies Law promulgated by Royal Decree Number 18/2019
Chairman	The Chairman of the Fund Management Body
CMA	Capital Market Authority of Oman
CMA Executive Regulation	The Executive Regulation of the Capital Market Law issued by CMA Decision Number 1/2009 as amended
Collecting Agents	Collecting Banks and Collecting Brokers appointed to collect subscriptions for the Offer

Collecting Agent Agreements	The agreement entered into between the Issue Manager and the Collecting Agents governing the terms and conditions of the Collecting Agents' appointments
Collecting Banks	Sohar International Bank SAOG, Ahli Bank SAOG, Bank Muscat SAOG and National Bank of Oman SAOG
Collecting Brokers	Ubhar Capital SAOC and United Securities LLC
Custodian	Gulf Custody Company SAOC or such other custodian as may be appointed from time to time by the Fund
Custodian and Administrator Agreement	The engagement letter entered into between the Custodian and Administrator and the Fund governing the terms and conditions of the Custodian and Administrator's appointment dated 13 April 2022
DIFC	Dubai International Financial Centre
Distributable Profit	Profit after tax less any debt repayments less Investment Manager incentive
E-IPO Application	The Application pursuant to the E-IPO Mechanism
E-IPO Broker Platform	The platform available to the Collecting Brokers to create the E-IPO Application
E-IPO Mechanism	The mechanism to apply for the Offer Units through one of the E-IPO channels offered by the Collecting Agents
E-IPO Platform	The platform available to the Applicants to create the E-IPO Application
EGM	An extraordinary general meeting of the Unitholders held in accordance with the Articles and the REIF Regulation, dealing with matters not included in the OGM or the AGM
Facility	The OMR 43.8 million Ijara financing facility made available by the Financier to the Fund shortly after its establishment dated 21 June 2022
Financial Year	The financial year of the Fund with the first Financial Year starting on the date of registration of the Fund in the CMA register and ending on 31 December 2022, and subsequent Financial Years starting on 1 January and ending on 31 December of the same Calendar year
Financier	Meethaq Islamic Banking – bank muscat SAOG
Fund	The Pearl REIF
Fund Issued Capital	OMR 42,477,021 divided into 424,770,212 units of 100 Baiza each
Fund Management Body	The management body of the Fund consisting of five members
Fund Register	The register for the Fund maintained by the CMA
GCC	Gulf Cooperation Council comprising of Oman, the UAE, Saudi Arabia, Qatar, Bahrain and Kuwait
General Meeting	The Ordinary General Meeting, Extraordinary General Meeting or Annual General Meeting of the Unitholders (as the case may be) and is the highest authority of the Fund

Guarantee	The guarantee provided by EMKE Group Sole Proprietorship LLC (formerly EMKE Group LLC) in favour of OIA in respect of the Lulu Lease Agreement dated 6 April 2014
Investment Management Agreement	The engagement letter entered into between the Investment Manager and OIA dated 16 March 2021 and novated to the Fund on 21 September 2022 governing the terms and conditions of the Investment Manager's appointment
Investment Manager	Sohar International Bank SAOG, or such other investment manager to the Fund as may be appointed from time to time by the Fund
Investor Number	The number issued by the MCD which identifies an investor's account at the MCD
IPO	The initial public offering of the Offer Units pursuant to the Offer
Issue Manager	Sohar International Bank SAOG
Issue Manager Agreement	The engagement letter entered into between the Issue Manager and Fund on [t] 2022 governing the terms and conditions of the Issue Manager's appointment
Legal Advisers	The Legal Adviser to the Issue Manager and the Legal Adviser to the Fund
Legal Adviser to the Issue Manager	Trowers & Hamlins
Legal Adviser to the Fund	Nasser Al Habsi & Saif Al Mamari Law Firm in association with Addleshaw Goddard (Middle East) LLP
Lulu	Lulu Muscat Hypermarkets LLC
Lulu Lease Agreement	The long lease dated 4 May 2014 between Lulu and OIA (by virtue of the OIA Royal Decree pursuant to which the benefits and obligations of OIF were vested in OIA) and novated on 21 June 2022 to the Fund in respect of the Lulu Property
Lulu Lease Term	A term of 20 years commencing on 4 May 2014 and expiring on 3 May 2034
Lulu Property	Land and buildings comprising a hypermarket operated by Lulu located at Al Wadi, Salalah
Lulu Sale and Purchase Agreement	The sale and purchase agreement entered into between the Fund and OIA relating to the transfer of the Lulu Property dated 21 June 2022
Lulu Service Agency Agreement	The agreement entered into between the Fund (as owner of the Lulu Property and landlord) and Lulu dated 21 June 2022, as set out in more detail in Section 20.3 of this Prospectus
MCD or Registrar	Muscat Clearing and Depository SAOC, established in accordance with Royal Decree Number 82/98 on 25 November 1998
MOHUP	The Ministry of Housing and Urban Planning of Oman
MSX	Muscat Stock Exchange
NAV	The value of all the Fund's assets less the value of all of the Fund's liabilities at the valuation point, determined in compliance with the provisions described in Chapter 16 of this Prospectus

NAV per Unit	The amount obtained by dividing the NAV by the number of Units issued and outstanding at the time of valuation
Offer	The offer for sale of 208,137,400 Units owned by Selling Unitholders with a price of 112 Baiza as described in this Prospectus
Offer Expenses	The expenses collected from each Applicant in connection with the Offer, as set out in more detail in Chapter 3 of this Prospectus
Offer Closing Date	30 October 2022
Offer Opening Date	16 October 2022
Offer Period	The period between the Offer Opening Date and the Offer Closing Date inclusive of both days including any extension as permitted by the CMA
Offer Price	112 Baizas per Offer Unit (including Offer Expenses of 2 Baiza per Offer Unit)
Offer Proceeds	The proceeds of the Offer that will be available to the Selling Unitholders
Offer Units	The Units that are offered for the purchasing in the Offer
OIA	Oman Investment Authority
OIA Royal Decree	Royal Decree Number 61/2020 establishing the Oman Investment Authority issued by His Majesty Sultan Haitham Bin Tarik Al Said, Sultan of Oman on 4 June 2020
OIF	Oman Investment Fund
OGM	An ordinary general meeting of the of the Unitholders held in accordance with the Articles and the REIF Regulation
Omantel	Oman Telecommunications Company SAOG
Omantel Lease Agreement	The lease entered into between the Fund and Omantel in respect of the lease of the Omantel Property by the Fund to Omantel
Omantel Property	Land and buildings comprising Omantel's headquarters situated at Plot 3, Bousher, Mainat Al Irfan, Muscat
Omantel Sale and Purchase Agreement	The sale and purchase agreement entered into between the Fund and Omantel relating to the transfer of the Omantel Property dated 21 June 2022
Omantel Service Agency Agreement	The agreement entered into between the Fund (as owner of the Omantel Property and landlord) and Omantel dated 21 July 2022, as set out in more detail in Section 20.6 of this Prospectus
OMR or RO	Rials Omani, the official currency of the Sultanate of Oman
Property Valuer	Savills and Partners LLC
Properties	The Lulu Property and Omantel Property now owned by the Fund pursuant to the Omantel Sale and Purchase Agreement and Lulu Sale and Purchase Agreement

Prospectus	This prospectus which relates to the Offer to the public
REIF	Real estate investment fund
REIF Regulation	The Issuing Regulation of Real Estate Investment Funds issued by Administrative Decision No E/2/2018
Related Parties	A related party to the Fund which includes but is not limited to: service providers; member of the Fund Management Body or board of partners, chief executive officer or the like, or a major shareholder owning 5% or more of the capital of the Investment Manager; any person related to any member of the Fund Management Body or board of partners, or the chief executive officer or the like, or a major shareholder owning 5% or more, or a person related to the company's management, Custodian or a Senior Unitholder of the Fund
Securities Law	The Securities Law promulgated by Royal Decree Number 46/2022
Selling Unitholders	OIA and Omantel
Shariah Advisory Agreement	The engagement letter entered into between OIA and Shariyah Review Bureau W.L.L. dated 5 October 2021 and novated to the Fund on 21 September 2022 governing the terms and conditions of the Shariah Supervisory Board's appointment
Shariah Guidelines	The guidelines established by the Shariah Supervisory Board in order to ensure the Fund's Shariah compliance, a summary of which is set out in Chapter 22 of this Prospectus
Shariah Supervisory Board	Shariyah Review Bureau W.L.L. in its capacity as the Shariah advisor of the Fund, or such other Shariah advisor(s) as may be appointed from time to time by the Fund
Special Purpose Vehicle	Corporate entity licensed by the CMA, in the form of a limited liability company or any other legal entity established for the purpose of retaining real estate
Term of the Fund	99 years from the date of the Fund's registration in the Funds Register or until the date the Fund is liquidated or dissolved
UAE	United Arab Emirates
USD	United States Dollars, the official currency of the United States of America from time to time
Unit	A unit in the Fund, with each Unit representing an equal common interest in the NAV of the Fund
Unitholder	A holder of Units registered at MCD
VAT	Value added tax as introduced and regulated by Royal Decree Number 121/2020

2 OFFER SUMMARY

Name of the Fund	The Pearl REIF
CMA Registration Number	61/2022
CMA Registration Date	26 April 2022
CMA Administrative Decision Number approving the prospectus	Kh/136/2022
Address and Principal Place of the Fund	P.O. Box 44, Hai Al Mina, Postal Code 114, Sultanate of Oman Tel: +968 24761938 Email: assetmanagement@soharinternational.com
Term of the Fund	99 years from the date of the Fund's registration in the Funds Register or until the date the Fund is liquidated or dissolved
Financial Year of the Fund	The first Financial Year shall start on the date of registration of the Fund in the Fund Register and shall end on 31 December 2022. Subsequent Financial Years shall start on 1 January and end on 31 December of the same Calendar year
Fund Currency	RO / OMR
Total Assets of the Fund	OMR 90,640,935 (as of 30 September 2022)
Fund Issued Capital	OMR 42,477,021
Number of Units Offered (Offer Units)	208,137,400 Units, with all Units enjoying equal rights in accordance with applicable law
Percentage of the Units for the Offer	49% of the total amount of Units issued in the Fund
Names of the Selling Unitholders and number of Units for the Offer	<ul style="list-style-type: none"> OIA: 71,384,837 Units, representing 34.3% of the Offer Units Omantel: 136,752,563 Units, representing 65.7 % of the Offer Units
Offer Price	112 Baizas per Offer Unit (including Offer Expenses of 2 Baiza per Offer Unit)
Offer Expense	2 Baizas per Unit
Subordination	The liabilities owed by the Fund to the Unitholders shall be subordinated to any liabilities owed by the Fund to the Financier (as set out in more detail in Chapter 9 of this Prospectus)
Persons eligible to apply for the Offer Units	The offer will be open to all Omani and non-Omani individuals and juristic persons

Persons prohibited from subscribing to the Offer	<ul style="list-style-type: none"> • Sole proprietorship establishments: The owners of sole proprietorship establishments may only submit Applications in their personal names. • Trust accounts: Customers registered under trust accounts may only submit Applications in their personal names (except as detailed below). • Multiple Applications: An Applicant may not submit more than one Application. • Joint Applications: Applicants may not submit applications in the name of more than one individual (including on behalf of legal heirs). • Selling Unitholders: The founding unitholders of the Fund may not subscribe to the Offer Units in the IPO. <p>All such Applications will be rejected without contacting the Applicant. As an exception, the Applications by the trust accounts may be accepted in the Offer, at the discretion of the Issue Manager, if the Collecting Agents is satisfied that none of the underlying subscribers applying through such trust accounts have also applied through their names or their personal establishments. The Issue Manager may reject such Application if it becomes aware that there are multiple applications from such investors applying through trust accounts.</p>
Proposed Allocation	<p>Category I Investors: 156,103,050 Units, being 75% of the Offer Units, on a discretionary basis</p> <p>Category II Investors: 52,034,350 Units, being 25% of the Offer Units, on a pro rata basis</p> <p>For further details, see Chapter 23 of this Prospectus</p>
Category I Investors	5,000,000 Units and thereafter in multiples of 100 Units
Category II Investors	1,000 Units and thereafter in multiples of 100 Units
Offer Opening Date	16 October 2022
Offer Closing Date	30 October 2022
Investment Objectives	<p>To structure and acquire real estate properties with long lease and related assets in a variety of real estate sectors. The principal objective of the Fund is to provide Unitholders with:</p> <ul style="list-style-type: none"> i. access to a diverse range of income generating properties in Oman or internationally; ii. a stable source of income through the consistent distribution of at least 90% of the Fund's audited annual net income (subject to the Fund having sufficient cash available after servicing its financing commitments); iii. preservation and return of capital contribution; and iv. capital appreciation of the Fund's assets through active real estate portfolio management
Investment Manager	<p>Sohar International Bank SAOG</p> <p>P.O. Box 44, Hai Al Mina, Postal Code 114, Muscat, Sultanate of Oman</p> <p>T: +968 24 730366, F: +968 24 730344</p> <p>E: assetmanagement@soharinternational.com</p>

Issue Manager	Sohar International Bank SAOG P.O. Box 44, Hai Al Mina, Postal Code 114, Muscat, Sultanate of Oman T: +968 24 730366, F: +968 24 730344 E: advisory@soharinternational.com
Joint Global Coordinators and Bookrunners	Sohar International Bank SAOG PO Box 44, Hai Al Mina, Postal Code 114, Muscat, Sultanate of Oman T: +968 24 730366, F: +968 24 730344 E: advisory@soharinternational.com
	EFG – Hermes UAE Limited (acting jointly with EFG Hermes UAE LLC) 301, The Exchange building, DIFC, P.O. Box 30727 Dubai, United Arab Emirates T: +971 4 363 4000 E: efg_projectolympus@efg-hermes.com
Legal Adviser to the Fund	Nasser Al Habsi & Saif Al Mamari Law Firm in association with Addleshaw Goddard (Middle East) LLP Level 4, Unit 402, Beach One, Shatti Al Qurum PO Box 4, Postal Code 102, Muscat, Sultanate of Oman T: +968 24 950700 E: Oliver.Stevens@addleshawgoddard.com
Legal Advisor to the Issue Manager	Trowers & Hamlin Al Jawhara Building, Al Muntazah Street, Shatti Al Qurum PO Box 2991, Postal Code 112, Muscat, Sultanate of Oman T: +968 2468 2900 E:
Collecting Banks	Sohar International Bank SAOG PO Box 44, Postal Code 114, Sultanate of Oman T: +968 24 730125, F: +968 24 730344 E: InvestmentSettlementOps@soharinternational.com Ahli Bank SAOG PO Box 454, Postal Code 116, Sultanate of Oman T: +968 24 577177, F: +968 24 567841 E: info@ahlibank.om Bank Muscat SAOG PO Box 134, Postal Code 112, Sultanate of Oman T: +968 24 768593 , T: +968 24 767950, F: +968 24 704478 E: brokeragebackoffice@bankmuscat.om National Bank of Oman SAOG PO Box 751, Postal Code 112, Sultanate of Oman T: +968 24 778762, F: +968 24 778993 E: muadhdarwish@nbo.om

Collecting Brokers	Ubhar Capital SAOC PO Box 1137, Postal Code 111, Sultanate of Oman T: +968 24 949000, F: +968 24 949099 E: ubhar-brokerage@u-capital.net United Securities LLC PO Box 2566, Postal Code 112, Sultanate of Oman T: +968 24 763300, F: +968 24 503750 E: Info@usoman.com
Custodian	Gulf Custody Company SAOC P.O. Box 1110, Muttrah, Postal Code 114, Muscat, Sultanate of Oman T: +968 2421 6941, F: +968 2421 6943 E: gccotrade@gulfcustody.com
Administrator	Gulf Custody Company SAOC P.O. Box 1110, Muttrah, Postal Code 114, Muscat, Sultanate of Oman T: +968 2421 6941, F: +968 2421 6943 E: gccotrade@gulfcustody.com
Registrar	Muscat Clearing and Depository SAOC
Shariah Supervisory Board	Shariyah Review Bureau W.L.L. Flat/Shop No. 41, Building 872, Road/Street 3618, Al Seef, Block 436 Kingdom of Bahrain T: +973 17215898
Property Valuer	Savills and Partners LLC Suite 35, Ground Floor, Hatat Complex A PO Box 1475, Postal Code 112, Sultanate of Oman T: +968 22 057900 E: francis.selvaraj@savills.me
Auditor	KPMG LLC Children's Public Library Building, 4th Floor, Shatti Al Qurum PO Box 641, Postal Code 112, Sultanate of Oman T: +968 24 749600 W: www.kpmg.com/om

3 SUMMARY OF ESTIMATED EXPENSES

The expenses incurred by the Fund in connection with the Offer are estimated at OMR [•]. The breakdown of the estimated Offer expenses incurred by the Fund is detailed in the table below:

Issue Manager Fees	OMR 50,000
Joint Global Coordinators and Bookrunners Fees	OMR 582,785
Legal Adviser Fees	OMR 45,000
Collecting Agents Fees	OMR 139,868
CMA Fees	OMR 23,787
MCD Fees	OMR 35,000
Printing and Marketing Fees	OMR 50,000
Miscellaneous Expenses	OMR 100,000
Total Expenses	OMR 1,026,440
Offer Expenses of 2 Baiza per Offer Unit	OMR 416,275
Difference between estimated Total Expenses and Offer Expenses	OMR 610,165

The above figures are indicative estimates only and excludes VAT. The Offer Price includes an amount equal to the Offer Expenses of 2 Baiza per Offer Unit, which will be used to meet part of the expenses incurred by the Fund in relation to the Offer and any excess shall be borne by the Selling Unitholders. If all 208,137,400 Offer Units are sold, total Offer Expenses of 2 Baiza per Offer Unit collected will equate to OMR 416,275. Should the actual offer expenses be less than OMR 416,275, the Fund will transfer the remaining balance to the Fund's legal or special reserve.

4 PURPOSE OF THE OFFER AND USE OF PROCEEDS

4.1 Purpose of the Offer

The Offer will provide potential investors with competitive returns and capital growth, based on long term real estate rentals.

The Fund is currently only the third real estate investment fund established pursuant to the Real Estate Investment Fund Regulations issued in 2018.

4.2 Use of the Proceeds of the Offer

The Offer Units do not represent an issuance of new Units. The Offer Units represent the selling/divestment of a part of the Units currently held by the Selling Unitholders. The proceeds of the Offer shall therefore accrue to the Selling Unitholders in the ratio of Units offered. The 2 Baiza per Unit collected towards the Offer Expenses will cover a portion of the expenses incurred in relation to the Offer.

5 OBJECTS AND APPROVALS

5.1 Overview of the Fund

The Fund was established on 26 April 2022 with the CMA under registration number 61/2022 as a closed ended Shariah compliant REIF in Oman.

5.2 Objectives of the Fund

In accordance with the Articles, the objectives of the Fund are to generate income from long term real estate rentals and capital growth from investment in:

- real estate;
- Special Purpose Vehicles;
- assets related and non- related to real estate that are compliant with the principles of Shariah; and
- cash, deposits and money market instruments that are compliant with the principles of Shariah.

In accordance with the Articles, the Fund must not:

- provide financial facilities;
- develop properties unless the objective of such development is to perform renewal, restoration, supply, or expansion of the existing properties within its investment portfolio;
- purchase a vacant area of land; or
- invest outside of Oman with more than 25% of the value of the total assets owned by the Fund without the approval of the CMA.

A copy of the Articles is available for perusal at the registered office of the Investment Manager during official hours on any Business Day.

5.3 Strategies of the Fund

The Fund intends to structure and acquire real estate properties with long leases and related assets in a variety of real estate sectors. The principal objective of the Fund is to provide Unitholders with:

- access to a diverse range of income generating properties in Oman or internationally;
- a stable source of income through the consistent distribution of at least 90% of the Fund's audited annual net income (subject to the Fund having sufficient cash available after servicing its financing commitments);
- preservation and return of capital contribution; and
- capital appreciation of the Fund's assets through active real estate portfolio management.

The Fund's overall aim is to improve the rental yield of the Fund's assets and deliver strong returns to its Unitholders. It will look to achieve this by actively seeking opportunities to increase the Fund's income and the market valuation of the Fund's assets.

The Fund will initially be focused on holding Omani assets in the short term. The Fund may consider expanding internationally to acquire non-Omani assets in the medium to long term.

5.4 Future Acquisition and Investment Policies of the Fund

The Investment Manager endeavors to actively scout for attractive investment opportunities in the real estate space, from time to time. The Investment Manager will evaluate these properties based on various criteria, including but not limited to, the location, quality of the building, rentals, and tenants and present appropriate opportunities for consideration of the Fund Management Body. The Investment Manager endeavors to seek potential acquisition opportunities, with characteristics similar to the Properties i.e.,

- single / limited tenant properties;
- high quality tenants, with limited counter party risk;
- long term lease contract; and
- contractual arrangement for property maintenance, insurance etc.

5.5 Approvals

The Offer has been approved by:

- Fund Management Body – vide its resolution dated 4 October 2022; and
- Capital Market Authority – vide its Administrative Decision Kh/136/2022 dated 11th October 2022.

6 FUND STRUCTURE

6.1 Fund Structure upon its establishment and prior to the Offer

The Fund upon its establishment and after completion of the private offering, has an issued capital of OMR 42,477,021. The table below demonstrates the ownership structure:

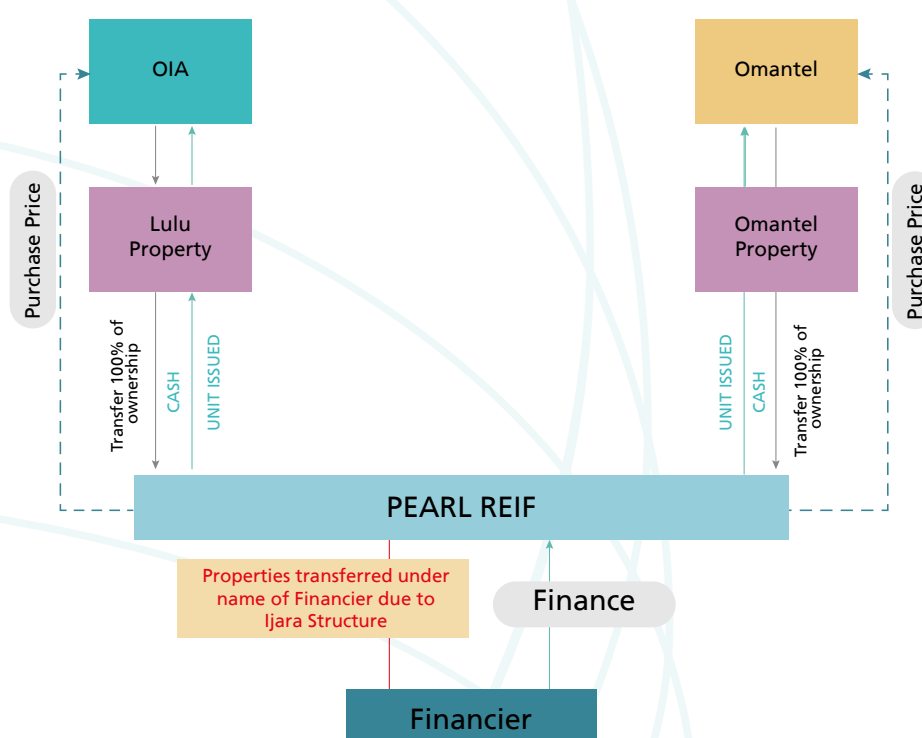
Unitholder	Number of Units	Value (OMR)	Unitholding (%)
OIA	145,683,345	14,568,334.500	34.3%
Omantel	279,086,867	27,908,686.700	65.7%
Total	424,770,212	42,477,021.200	100%

OIA transferred 100% of its ownership of the Lulu Property to the Fund in consideration for receiving OMR 14,444,027 cash and the remaining in 145,683,345 Units, in proportion to the value of the Lulu Property.

Omantel participated in the private offering and transferred 100% of its ownership of the Omantel Property to the Fund in consideration for receiving OMR 27,670,549 cash and the remaining in 279,086,867 Units, in proportion to the value of the Omantel Property.

The Fund obtained Shariah compliant financing from the Financier to fund the cash consideration (as set out in more detail in Section 8.3 of this Prospectus). To give effect to the Ijara financing structure (as set out in more detail in Chapter 9 of this Prospectus) OIA and Omantel were required pursuant to the Lulu Sale and Purchase Agreement and the Omantel Sale and Purchase Agreement to transfer the legal title of the Properties to the Financier (rather than the Fund).

The current structure of the Fund is set out in the diagram below:



6.2 Fund Structure after the Offer

After completion of the Offer, and assuming that all of the Offer Units have been sold, the issued capital of the Fund will remain as OMR 42,477,021 and will be held as follows:

Unitholder	Number of Units	Value (OMR)	Unitholding (%)
OIA	74,298,508	7,429,850.800	17.49%
Omantel	142,334,304	14,233,430.400	33.51%
Public	208,137,400	20,813,740.000	49.00%
Total	424,770,212	42,477,021.200	100%

6.3 Brief Profile of the Selling Unitholders

OIA

OIA is the Sultanate of Oman's sovereign wealth fund and was established pursuant to the OIA Royal Decree.

Additionally, His Majesty Sultan Haitham Bin Tarik Al Said, also issued Royal Decree 62/2020, which appointed His Excellency, Abdulsalam Al Murshidi as the President of OIA.

The governance structure of OIA consists of a set of executive, administrative and regulatory levels including OIA Board of Directors and the Executive Team responsible for managing the OIA operations including the Audit Committee, the Management Committee, the Investment Committee, the Human Resources Committee, Tenders Committee, and the Information Technology Committee, Business Continuity Committee.

OIA aims to strengthen the financial sustainability of Oman by embodying priorities of economic diversification and contribute to achieving the Oman 2040 vision.

OIA's main objectives include (i) finance Oman's general budget, (ii) manage and develop Oman's funds and assets, (iii) achieve financial reserves and (vi) implement government policies to advance the targeted economic sectors.

As at the date of this Prospectus, OIA invests in several countries worldwide and allocates its assets to public markets and to private markets.

Omantel

Omantel is a public joint stock company registered under the laws of Oman with commercial registration number 1640747. Approximately 58% of Omantel's total issued share capital is directly owned by OIA.

Omantel is the leading telecommunications company in Oman, based on both revenue and the number of subscribers. Its primary operations comprise the provision of fixed line, mobile and data services to a range of consumer retail, enterprise and public sector customers in Oman, as well as wholesale connectivity and related services to domestic and international telecommunications operators. Omantel's telecommunications network comprises over 15,000 kilometres of fibre across Oman, and its international services network includes a total of 6 submarine cable landing stations in Oman, access to 20 submarine cable systems and four terrestrial links to neighbouring countries.

Omantel also invests in a number of related businesses that are complementary to and support its retail, enterprise and wholesale telecommunications businesses, such as data management services, IOT application development and submarine cable landing and maintenance, including its holding of a 21.9% stake in Kuwaiti mobile telecommunications service provider Zain

Omantel has a board of directors consisting of 9 members and its governance structure consists of:

1. Strategic and Investment Committee
2. Audit and Risk Committee
3. Nomination, Remuneration and HR committee

7 OVERVIEW OF THE OMANI ECONOMY

Background

The macroeconomic conditions in Oman during 2021 were predominantly shaped by the recovery from the COVID-19 pandemic. The Oman economy registered a growth of 16% in the year 2021. Given that economy relies heavily on revenues from the export of oil and gas, owing to the massive rebound in the oil prices due to strong economic recovery post-lockdowns, total petroleum activities registered a growth of 38.5% to OMR 10.548 bn. from its 2020 level and contributed close to 30% of the country's GDP.

In 2022, Standard & Poor's revised Oman's rating to BB- with a stable outlook, Fitch Ratings revised Oman's rating from BB- to BB, with a stable outlook and recently in October, Moody's changed the outlook on Oman's credit rating to positive from stable and affirmed its rating at Ba3.

Summary of GDP and principal sectors of the economy

The following table sets forth nominal GDP by economic activity for each of the periods indicated:

OMR million	2015	2016	2017	2018	2019	2020*	2021*	% Change from 2021/20
Total Petroleum Activities (1)	9,228	7,131	8,483	11,435	10,484	7,618	10,548	38%
Crude Petroleum	8,050	5,921	7,191	9,821	8,897	6,140	8,998	47%
Natural Gas	1,179	1,209	1,293	1,615	1,588	1,478	1,550	5%
Total Non-Petroleum Activities (2)	22,533	22,698	23,726	24,893	24,745	22,179	24,044	8%
Agriculture & Forestry & Fishing	524	573	617	651	675	729	786	8%
Industry Activities	6,842	6,718	6,935	7,527	6,912	5,886	6,687	14%
Services Activities	15,167	15,406	16,173	16,715	17,158	15,564	16,571	6%
Taxes less Subsidies on products (3)	-803	-200	-351	-360	-545	-541	-746	38%
Financial Intermediation Services Indirectly Measured (4)	-693	-741	-769	-784	-825	-814	-829	2%
GDP at current market price (1+2+3+4)	30,264	28,887	31,089	35,184	33,860	28,442	33,017	16%

Source: National Centre for Statistics & Information.

Notes

* Both 2021 & 2020 are provisional numbers.

Note: The nominal GDP for the year 2018 onwards is as per the new GDP estimation methodology, while GDP for 2016 and 2017 is based on old methodology. Hence, the ratio to GDP for the years 2016 and 2017 are not strictly comparable to the later years.

Source: National Centre for Statistics and Information.

Overview of Budget 2022

The 2022 Budget has been prepared in line with the objectives of the Tenth Five-Year Development Plan (2021-2025) and Oman Vision 2040. It includes all government measures, endorsed by His Majesty the Sultan, which aim to increase non-oil revenue and reduce public spending on government units, leading to fiscal sustainability. Furthermore, the 2022 Budget endeavours to attract more investments, enable the private sector to play a greater role in accelerating economic growth, and create more job opportunities.

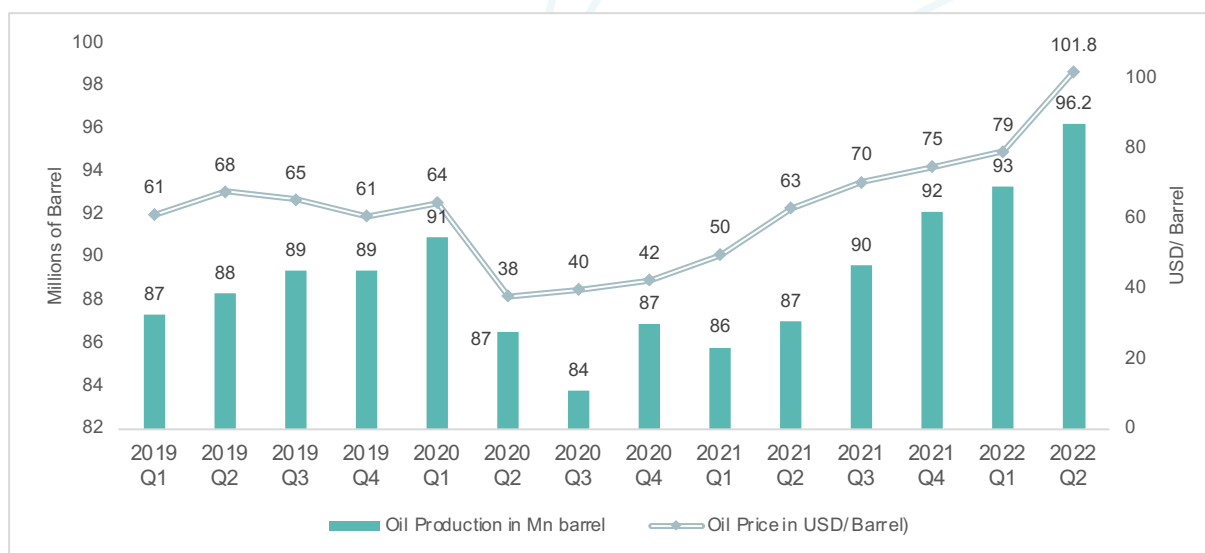
As a result of fiscal and economic measures implemented in 2021 and economic diversification efforts, public spending is estimated to stand at OMR 12.13 billion in 2022, decreasing by 0.3% compared with the preliminary figures of OMR 12.17 billion in 2021.

The 2022 Budget assumes an oil price of US\$ 50 per barrel. This is aligned with the precautionary principles, as the oil prices are surrounded by uncertainty.

Public revenue is estimated to amount to OMR 10.58 billion, down by 3.3% as compared to preliminary figures of 2021. Therefore, the 2022 Budget deficit is estimated to be around OMR 1.55 billion i.e., 15% of total revenue and 5% of gross domestic product.

However, with the recent further rebound in oil prices due to escalating Russia – Ukraine tension, the Sultanate of Oman is expected to record its first fiscal and current account surplus in eight years in 2022. Initial data released by Ministry of Finance revealed a budget surplus of OMR 1.019 billion for the period January – July 2022 compared to a deficit during the same period in the previous year.

The graph below displays quarterly oil production and price in Oman during the period from 2019 to 2022:



Source: CBO Quarterly Statistical Bulletin Volume 55, dated June 2022

8 FUND DESCRIPTION AND OVERVIEW

8.1 Overview

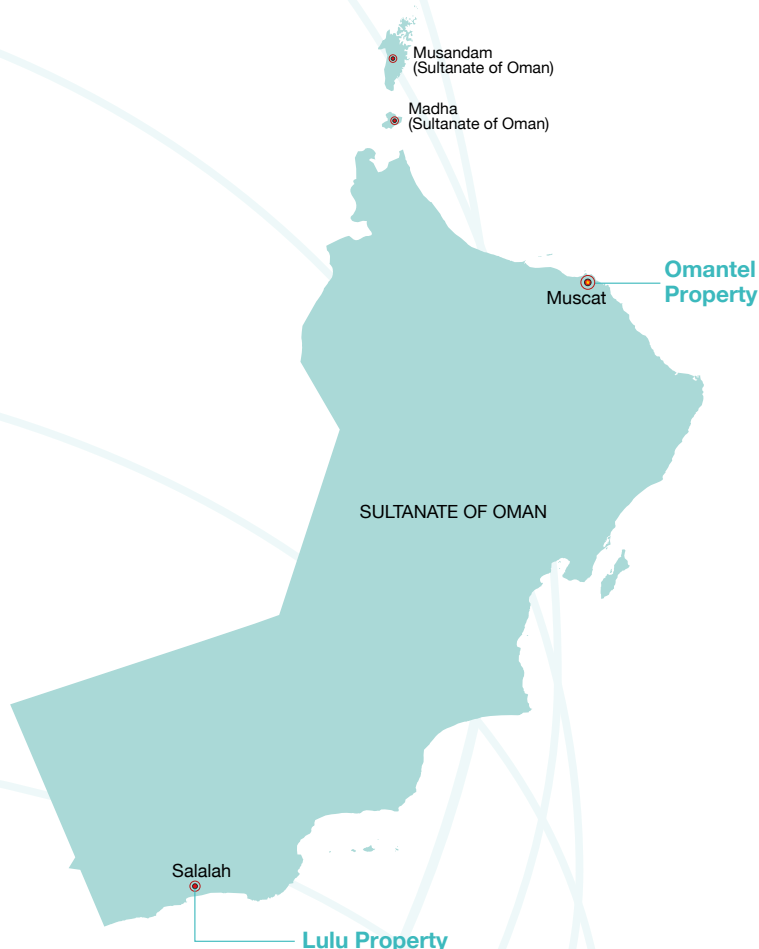
The Fund was established on 26 April 2022 with the CMA under registration number 61/2022. It is the first leveraged Shariah compliant REIF in Oman and is only the third real estate investment fund established pursuant to the REIF Regulations issued in 2018. The Funds' Initial portfolio comprises of commercial properties located in two key cities of the Sultanate of Oman. Aggregate built up area of the assets in the portfolio is approximately 146,751 Sq.mt and generate a starting annual rent of OMR 6,531,188.

The Fund has a total asset base of OMR 90,640,935 (as of 30 September 2022) and an issued capital of OMR 42,477,021 divided into 424,770,212 Units of 100 Baiza each. The Selling Unitholders will be selling an aggregate amount of 49% of the total issued Units of the Fund pursuant to the terms of this Prospectus.

Key objectives of the REIF

- Provide Unitholders with a competitive rate of return by ensuring regular and stable income through dividend distribution
- Achieve long term growth in NAV through acquire yield accretive assets to REIF's portfolio

Summary of REIF Portfolio



No	Property	Location	Title	Land Area Sq.mtr	Built up Area in Sq.mtr	Occupancy	No. of Tenants	Passing rent per annum*	Valuation of the property	Purchase Price
1	Lulu Property	Salalah	Freehold	34,772	33,770	100%	1	2,240,000	26,100,000	28,710,000
2	Omantel Property	Muscat	Freehold	21,380	112,981	100%	1	4,291,188	50,000,000	55,000,000
Total	56,152	146,751	100%	2	6,531,188	76,100,000	83,710,000			

* Passing rent for the current period. Please see Section 8.3 of this Prospectus for more details.

8.2 Key Investment Highlights

Largest and first leveraged fund in Oman

The Fund is the largest REIF in Oman so far by total assets base of OMR 90,640,935 (as of 30 September 2022). The Fund is Shariah compliant and is leveraged.

The Fund is actively managed and has potential upside from active asset management strategy, as the Investment Manager would constantly assess the opportunities to add yield accreting properties to the Fund and thus to maximize the Unitholders return.

Stable cash flow visibility supported by long term lease agreement

The portfolio assets are leased to the tenants in pursuant to the master lease agreement signed between Fund and the tenants. The Weighted Average Lease Expiry (WALE) of the Fund is more than 14 years on listing date. Under the terms of the current lease agreements, Lulu will be paying annual rent and Omantel will be paying six months' rent in advance to the Fund.

The current terms of the lease agreement give significant comfort for the Fund and Unitholders both in terms of visibility of the cash flow and low vacancy risk.

Marquee tenants with low vacancy risk

Omantel and Lulu occupy the Properties in the portfolios; both tenants have long-standing record of accomplishment in Oman as well as in the region. Respective properties are of strategic importance to the business of both the clients and is having a long-term lease agreement which will reduce the vacancy risk remarkably.

Strong Promoters

The Fund is backed by OIA, the sovereign fund of the Sultanate of Oman and Omantel, the national telecom company of Oman. Both the promoters are well known in the global capital markets for their history of value creation to its shareholders, experience in incubating successful businesses and their long-standing investor relationship.

No significant operating and capital expenditure

The Fund has appointed both Lulu and Omantel as its service agents and have signed service agency agreements. Both Lulu and Omantel, in their capacity as a service agent, shall carry out major repairs of the Properties, meet the costs of and administer insurance and pay proprietorship taxes of the respective Properties as per the terms set out in the service agency agreement.

8.3 Details of Fund Assets

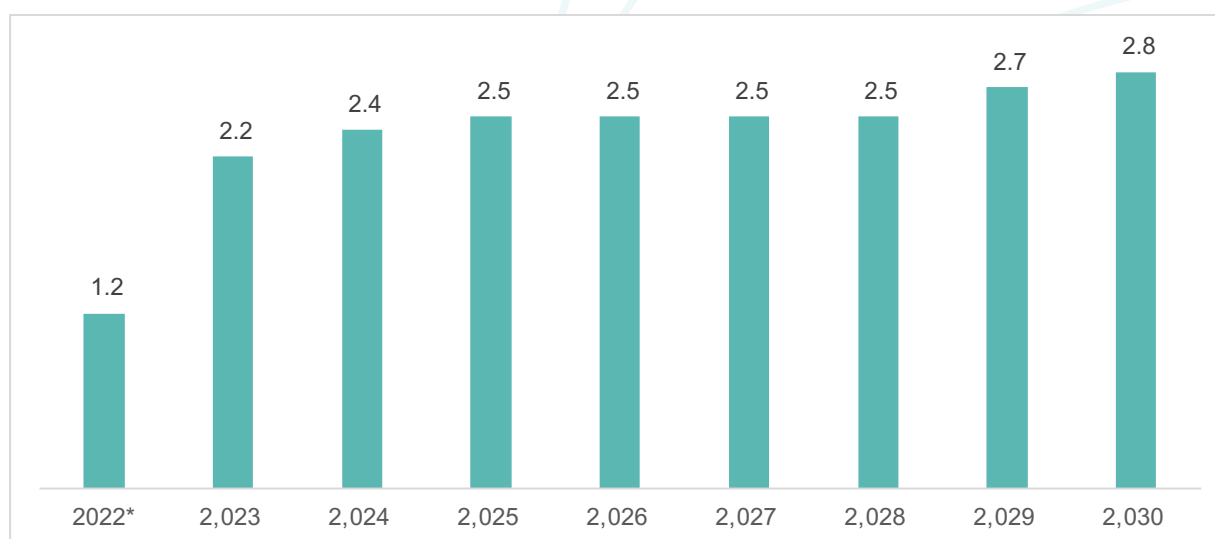
The Fund owns the Properties which were acquired shortly following its establishment, details of which can be found below. The title deeds of the Properties were transferred under the name of the Financier at MOHUP in order to facilitate with the Ijara financing (more details can be found in Chapter 9 of the Prospectus). The leases of both Properties comprises of fixed terms with no break rights.

Lulu Property



Property Address	Plot 102, Block C, Al Wadi, Salalah, Sultanate of Oman
Property Location	The property is located opposite the Salalah Garden Mall and Hamdan complex. The property is approximately 8 kilometres from Salalah airport
Property Type	Commercial
Property Description	The property comprises a large supermarket, a departmental store, retail unit, food court, amusement area, dry/cold stores, service area, administration offices and loading and unloading bays
Plot Size	34,772 Sq. Mt
Built up Area	33,770 Sq. Mt
Title	Freehold
Tenant	Lulu
Lease Duration	20 years, effective from 2014

Passing rent per annum in OMR Mn



* Only from 21st June 2022

On 31 December 2021, the Lulu Property was valued at OMR 26,100,000 by the Property Valuer, please see Chapter 15 of this Prospectus for more details. The Fund purchased the property at a premium for a consideration of OMR 28,710,000.

The Lulu Property is a hypermarket located on the prime Al Rabat Street in Salalah, opposite to Salalah Garden Mall, Landmark Groups Centre Point and the Hamdan Complex. The Lulu Property was constructed in 2011 and has a built-up area of approximately 33,770 square metres over three floors. Overall, the Lulu Property comprises of land amounting to 34,772 square metres which includes the building and car park for 300 cars. The Lulu Property is located approximately 8 km from Salalah Airport and enjoys good accessibility and is leased to Lulu pursuant to the Lulu Lease Agreement for a term expiring on 3 May 2034.

OIF purchased the Lulu Property in 2014, with ownership in the Lulu Property subsequently vesting in OIA by virtue of the OIA Royal Decree.

The Lulu Property (the building upon which was constructed by Lulu (or its Affiliate)) is leased to Lulu pursuant to the Lulu Lease Agreement with a term expiring on 3 May 2034 and was structured (see further comments below) on a triple net basis whereby outgoings, taxes, maintenance and insurance is met by Lulu (rather than the landlord). OIF's obligations under the Lulu Lease Agreement were vested in OIA by virtue of the OIA Royal Decree.

EMKE Group Sole Proprietorship LLC (formerly EMKE Group LLC), being a limited liability company incorporated in Abu Dhabi and bearing commercial registration number CN-1051129, is guaranteeing the performance of Lulu's obligations under the Lulu Lease Agreement pursuant to the Guarantee.

Following the establishment of the Fund and holding of the Constitutive General Meeting, the Fund and OIA entered into the Lulu Sale and Purchase Agreement to which the Fund (acting as agent of the Financier) acquired the legal title and rights in relation to the Lulu Property and the benefit of Guarantee has been novated to the Fund. To give effect to the Ijara financing structure (as set out in more detail in Chapter 9 of this Prospectus) the Lulu Sale and Purchase Agreement required OIA to transfer the legal title of the Lulu Property to the Financier (rather than the Fund).

The title of the Lulu Property was successfully transferred to the Financier and the Ijara agreement between the Financier (as lessor) and the Fund (as lessee) was registered at the MOHUP. The Financier has also appointed the Fund as its service agent to provide essential services at the Lulu Property (including obligations relating to insurance, payment of property fees and taxes and carrying out major repairs and maintenance) by way of a service agency agreement. The Fund's obligations in this respect are essentially back to back with Lulu, whereby Lulu is required to perform the same obligations under the Lulu Service Agency Agreement (see further comments below).

Upon the Facility being repaid in full, legal title to the Lulu Property will be transferred to the Fund.

Additionally, as the Fund was established as a Shariah compliant REIF, the Lulu Lease Agreement was amended following completion so that the landlord (i.e. the Fund), rather than the Lulu, is responsible for:

- the payment of all outgoings and taxes in respect of the Lulu Property (excluding any utility costs and taxes levied on tenants);
- the maintenance of the Lulu Property; and
- insuring the Lulu Property.

Simultaneously with the amendment of the Lulu Lease Agreement, the Fund also entered into the Lulu Service Agency Agreement to appoint Lulu as a service agent to perform the relevant obligations set out therein on behalf of the Fund for the term of the Lulu Lease Agreement. The Guarantee has also been amended to include a guarantee of Lulu's obligations under the Lulu Service Agency Agreement.

In consideration of the services being provided by Lulu to the Fund, the Fund will pay Lulu an annual fee that is equivalent to the annual budgeted costs of Lulu. To address the costs payable by the Fund to Lulu pursuant to the Lulu Service Agency Agreement, there will be an uplift in the rent payable by Lulu under the Lulu Lease Agreement.

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ


 وزارة الإسكان
 والمخططة العمراني
 والنزول السجل العقاري

سند ملكية

تشهد أمانة السجل العقاري أن

القطعة رقم: ١٠٢	بولاية: صلالة
بالقربة / الحى: الوادى	بالمربع: ج
بالاستعمال: تجاري	
بالمساحة: (٣٤٧٢٢)	اربعة وثلاثون الفا وسبعمائة واثنين وعشرون مترا مربعا
بالرسم المساحي رقم: ١٥١-١١-٠١٣-٤٤-٧	

يملكها : بنك مسقط (ميثاق للصيرفة الاسلامية)

وذلك بموجب عقد بيع رقم ٢٠٢٢/١٢٣٤٩

بالتاريخ: ٢٠٢٢/٠٦/٢١

بالتاريخ: ٢٠٢٢/١/٢٣٨٠٠

عليها عقد إيجارة لصالح لولو مسقط للتسويق السريع م.م.ش

أمين السجل العقاري


المسجل


نبيه: لا يعتد بأي تصرف كان على العقار إلا إذا تم تسجيله لدى أمانة السجل العقاري.

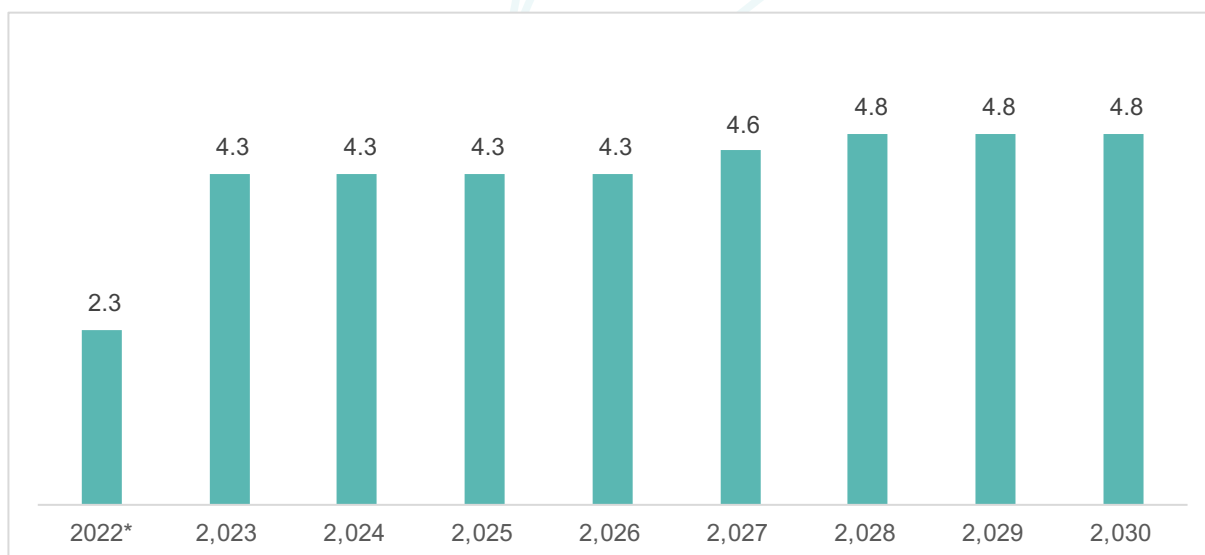
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Omantel Property



Property Address	Plot No 117, Phase 1, Madinat Al Erfaan, Muscat, Sultanate of Oman
Property Location	The property is located in the Business Park, Phase 1 of Madinat Al Erfaan. Madinat Al Erfaan lies between the Muscat Express Way and Sultan Qaboos Highway. It is a short distance from Muscat International Airport
Property Type	Commercial
Property Description	The property is an iconic commercial property which is the Omantel Head Quarters. It comprises two adjacent buildings known as Sun and Moon. The Sun comprises the ground plus six floors with a roof garden and the Moon comprises ground plus seven floors. These are high quality office spaces with associated infrastructure and facilities. The majority of the space is open plan. There are three basements providing car parking and small area used services
Plot Size	21,380 Sq. Mt
Built up Area	112,981 Sq. Mt
Title	Freehold
Tenant	Omantel
Lease Duration	15 years, commencing on 20 June 2022 The lease is renewable after every 5 years at the option of the Fund

Passing rent per annum in OMR Mn



* Only from 21st June 2022

On 28 July 2021, the Omantel Property was valued at OMR 50,000,000 by the Property Valuer, please see Chapter 15 of this Prospectus for more details. The Fund purchased the property at a premium for a consideration of OMR 55,000,000.

The Omantel Property is Omantel's new headquarters building based in Madinat Al Erfaan, Muscat. Its contemporary design is reflective of Oman's heritage and natural beauty and was inspired by the flowing form of Oman's traditional headdress. The construction was largely completed in 2019 and the contemporary architecture of the building integrates Oman's culture and

natural landscape with advanced technologies to produce an innovative and beautiful building. The Omantel Property houses approximately 2,000 staff members and contractors and has recently acquired LEEDS gold certification on November 2020. The buildings comprising the Omantel Property were constructed on behalf of Omantel and the benefit of any construction warranties were assigned to Omantel.

Following the establishment of the Fund and holding of the Constitutive General Meeting, the Fund and Omantel entered into the Omantel Sale and Purchase Agreement to which the Fund (acting as agent of the Financier) acquired the legal title and rights in relation to the Omantel Property. To give effect to the Ijara financing structure (as set out in more detail in Chapter 9 of this Prospectus), the Omantel Sale and Purchase Agreement required Omantel to transfer legal title of the Omantel Property to the Financier (rather than the Fund).

The title of the Omantel Property was successfully transferred to the Financier and the Ijara agreement between the Financier (as lessor) and the Fund (as lessee) was registered at the MOHUP. The Financier has also appointed the Fund as its service agent to provide essential services at the Omantel Property (including obligations relating to insurance, payment of property fees and taxes and carrying out major repairs and maintenance) by way of a service agency agreement. The Fund's obligations in this respect are essentially backed to backed with Omantel, whereby Omantel is required to perform the same obligations under the Omantel Service Agency Agreement (see further comments below).

Upon the Facility being repaid in full, legal title to the Omantel Property will be transferred to the Fund.

Following the transfer of the Omantel Property to the Financier, the Fund has leased the Omantel Property back to Omantel pursuant to the Omantel Lease Agreement for a term of 5 years, with the Fund granted two x 5-year renewal options, which shall be exercisable at the Fund's discretion (not Omantel's).

The Fund also entered into the Omantel Service Agency Agreement to appoint Omantel as a service agent to perform the relevant obligations set out therein on behalf of the Fund for the term of the Omantel Lease Agreement. In consideration of the services being provided by Omantel to the Fund, the Fund will pay Omantel an annual fee that is equivalent to the annual budgeted costs of Omantel. To address the costs payable by the Fund to Omantel pursuant to the Omantel Service Agency Agreement, there will be an uplift in the rent payable by Omantel under the Omantel Lease Agreement.




دولة الكويت
وزارة الاسكان
الهيئة العامة للعقار

سند ملكية

تشهد أمانة السجل العقاري أن

القطعة رقم:	١١٧	بولاية: بوشر
بالقريّة / الحى:	مدينة العرفان	بالمربع: ١/م
بالاستعمال:	تجاري	
بالمساحة:	(٢١٣٨٠)	احدى وعشرون الف وثلاثمائة وثمانون مترا مربعا
بالرسم المساحي رقم:	١١٧-٠١-٠٠١-٠٤-٠١	

يملكها: بنك مسقط (ميثاق للصيرفة الاسلاميّة)

وذلك بموجب عقد بيع رقم ٢٠٢٢/١٢٣٨٦

بلايصال رقم: ٢٠٢٢/١/٢٣٨٨٧ بتاريخ: ٢٠٢٢/٠٦/٢١



أمين السجل العقاري

لمسجل

٢٠٢٢/١٦/٢٢

تنبيه: لا يعتد بأي تصرف كان على العقار إلا إذا تم تسجيله لدى أمانة السجل العقاري

8.4 Property maintenance

The Fund has signed service agency agreement with the tenants. In entering the service agency agreement with each tenant for the respective property, the Fund has appointed each tenant as its service agent to perform certain services in respect of the respective property, which ultimately passes all property related expenses onto each tenant. The Omantel Service Agency Agreement and the Lulu Service Agency Agreement are on the same terms, with the key terms of the service agency agreements being as follows:

Major repair

Each of Omantel and Lulu (as service agent) undertakes to the Fund that during the term of the Lulu Lease Agreement or Omantel Lease Agreement (as the context requires), it shall carry out all "major repair" (being any repair, replacement or maintenance of a capital nature required in respect of the property regardless of how the requirement for such repair, replacement or maintenance arose) on behalf of the Fund and in so doing, it shall:

- (i) ensure that accurate and current records are kept of all major repair activities;
- (ii) ensure that any major repair is carried out with the proper quality of materials and workmanship;
- (iii) ensure that any major repair is carried out by competent persons and in accordance with all applicable regulations and law; and
- (iv) upon reasonable notice allow the Fund to inspect any major repairs and any records in relation to the same,

in each case, in accordance with good maintenance practice expected from a prudent person carrying on business and operations similar to that of the service agent (i.e. Lulu or Omantel, as the context requires).

Should any major repair be covered under any warranties, the service agent has also undertaken to administer and enforce such warranties on behalf of the Fund, with the costs in doing so included in the charges payable by the Fund to the service agent.

Proprietorship taxes

Each service agent undertakes that it shall pay and discharge all proprietorship taxes (being any taxes, registration, recording or filing fees payable in respect of the property, which in respect of the Omantel Property includes the master community service charges) (if any) charged, levied or claimed by any relevant taxing authority on the relevant property, with:

- (i) all proprietorship taxes to be paid by the service agent prior to becoming overdue; and
- (ii) If requested by the Fund, the service agent to promptly provide to the Fund with receipts or certificates evidencing payment of any such proprietorship taxes.

Insurance/Takaful

Each service agent undertakes to:

- (i) organise, pay for, administer and maintain, in the name of the Fund the insurances required to be effected and maintained by the Fund pursuant to the relevant lease;
- (ii) in the event of any damage giving rise to a claim under the Insurance, at its expense (if any), administer any claims and undertake and supervise any works necessary to remediate the damage; and
- (iii) meet the cost of any deductibles under the insurance policy.

9 FINANCING

Financing of the Fund

The Fund envisages to use the most optimal capital structure, with the aim of maximizing Unitholder returns.

The Financier has provided financing for an amount of OMR 43.8 million to the Fund following its establishment at an initial yearly profit rate of CBO Weighted Average Rate + 1.05% p.a. payable semi-annually. The profit rate will reset on every anniversary from the first drawdown date.

The Fund entered into a finance agreement with the Financier shortly after its establishment and draw down on the finance. Key terms of the financing include:

Bank/ Financier Meethaq Islamic Banking, bank muscat SAOG

Purpose To partly finance the acquisition of the Lulu Property and the Omantel Property including transaction costs from OIA and Omantel respectively

Facility Structure	Ijara structure																																
Indicative Facility Amount	OMR 43.8 million																																
Currency of Facility	OMR																																
Indicative Facility Tenor (door to door) and repayment	<p>The Facility shall be repaid on annual basis with following repayment schedule with door to door maturity of 15 years:</p> <table> <tr> <th>Year</th><th>Repayment (%)</th></tr> <tr><td>2023</td><td>0.05%</td></tr> <tr><td>2024</td><td>0.05%</td></tr> <tr><td>2025</td><td>0.05%</td></tr> <tr><td>2026</td><td>0.05%</td></tr> <tr><td>2027</td><td>0.05%</td></tr> <tr><td>2028</td><td>0.05%</td></tr> <tr><td>2029</td><td>0.05%</td></tr> <tr><td>2030</td><td>0.05%</td></tr> <tr><td>2031</td><td>0.05%</td></tr> <tr><td>2032</td><td>0.05%</td></tr> <tr><td>2033</td><td>8.3%</td></tr> <tr><td>2034</td><td>8.7%</td></tr> <tr><td>2035</td><td>9.1%</td></tr> <tr><td>2036</td><td>9.1%</td></tr> <tr><td>2037</td><td>64.3%</td></tr> </table>	Year	Repayment (%)	2023	0.05%	2024	0.05%	2025	0.05%	2026	0.05%	2027	0.05%	2028	0.05%	2029	0.05%	2030	0.05%	2031	0.05%	2032	0.05%	2033	8.3%	2034	8.7%	2035	9.1%	2036	9.1%	2037	64.3%
Year	Repayment (%)																																
2023	0.05%																																
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2025	0.05%																																
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2034	8.7%																																
2035	9.1%																																
2036	9.1%																																
2037	64.3%																																
Profit Rate	<p>CBO Weighted Average Rate + 1.05% p.a. payable semi-annually.</p> <p>The profit rate will reset on every anniversary from the first drawdown date.</p>																																

Security	<ul style="list-style-type: none"> • The Financier will hold the legal title to the Lulu Property and the Omantel Property. This is to be done by way of a purchase agency agreement, whereby the Fund will be appointed as an agent to acquire the Lulu Property and the Omantel Property and thereafter to register the legal title of the same in the name of the Financier • Assignment of the rental receivables from Omantel and Lulu • Assignment of all insurance on the Lulu Property and the Omantel Property • Pledge of accounts
Covenants	<p>Typical covenants include inter alia:</p> <ul style="list-style-type: none"> • Minimum Debt Service Coverage Ratio of 1.20 • Maximum Debt to Equity ratio of 57.6:42.4 <p>Covenants to be tested on an annual basis with calculation date being the principal repayment date.</p>
Security Coverage	<p>The Lulu Property and the Omantel Property to be valued by a financier approved valuer as a conditions precedent to the drawdown of the Facility.</p> <p>Security coverage of 150% to be maintained on the Debt outstanding at all times.</p>
Other Key Conditions	<ul style="list-style-type: none"> • All claims of Unitholders shall be subordinated to the Facility. • Perfection of all securities to be a condition precedent under the signed Facility Agreement. • Change of control – OIA and Omantel to maintain majority control (51%) in the Fund throughout the Facility tenor. OIA and Omantel may reduce the control to forty nine per cent (49%) with prior written approval of the Financier, with such approvals not to be unreasonably withheld or delayed. • Other standard covenants requiring the financier's consent on inter alia, new asset acquisitions, asset disposals, lease agreement amendments, lease agreement non renewals, dilutions, mergers of OIA and Omantel. • Change of control provision in respect of tenants to apply to Omantel only. Any change of control resulting in existing Omantel shareholders holding less than 51% of entire shareholding of Omantel (unless consented to by the financier) will trigger mandatory prepayment • Lease rental rates and other Fund expenses (like Fund management expenses etc.) for the period beyond the initial lease maturity date to be approved by the Financier acting in a commercially reasonable manner in line with prevailing market conditions • Fund shall make unitholder distribution/dividends only: <ul style="list-style-type: none"> o if there is no continuing event of default or potential event of default, if the unitholder distribution/dividends is made; or o with prior written approval of the Financier • Fund shall duly notify the Financier with a 30 days' notice prior to the unitholder distribution/dividend payment confirming satisfaction of the above requirement

10 RISK FACTORS

Investing in and holding Units involves various risks and uncertainties. Prospective investors should carefully review all of the information contained in this Prospectus in conjunction with the following risk factors before investing in the Offer Units.

The following risk factors are not an exhaustive or comprehensive list and there may be additional risks and uncertainties which are not currently known to the Issue Manager, the Joint Global Coordinators and the Investment Manager or which may currently be immaterial but could become material in the future. These could, individually or collectively, have a material adverse effect on the Fund and could cause the Unitholders to lose all or part of their investment.

If any of the risks described in this Prospectus, or any other risks, actually occur, the Fund's business, prospects, financial condition, results of operations and ability to make distributions to the Unitholders could be negatively affected, and such risks could negatively impact on the value of, and income from, the Fund's assets, and investors may lose all or part of their investment.

This Prospectus contains forward-looking statements and forecasts that involve risks, uncertainties and assumptions. The actual results of the Fund could differ materially (including adversely) from those anticipated in these forward-looking statements and forecasts as a result of certain factors, including the risks described below and elsewhere in this Prospectus and otherwise.

Unless specified or quantified in the relevant risk factors set out herein, the Issue Manager, the Joint Global Coordinators and the Investment Manager is not in a position to quantify the financial or other implication of any of the risks described in this section.

Prospective investors should be aware that the price of the Units may fall or rise and they may not get back their original investment. Before deciding to invest in the Offer Units, prospective investors should seek professional advice.

10.1 Risks relating to the Fund's Assets

The loss of any tenant, a downturn in the businesses of any tenant or any breach by any tenant of their obligations under their leases could have an adverse effect on the financial conditions and results of operations of the Fund.

The Fund relies heavily on rental income as the main source of its revenues. The Fund's financial condition and operations of its assets and ability to make distributions may be adversely affected by the bankruptcy, insolvency or downturn in the businesses of each tenant. A new tenant on the same terms (or no less favourable terms) may not be found in time or at all, which could have an adverse effect on the financial conditions and results of operations of the Fund.

Further, in the event that tenant is unable to pay its rent or it breaches its obligations under the lease agreements, the Fund's financial condition and results of operations and ability to make distributions may be adversely affected. The performance of a tenant's other businesses (if any) could also have an impact on its ability to make rental payments to the Fund, and the departure of a tenant could also impact the interests of potential and existing tenants, all of which could have an adverse effect on the financial conditions and results of operations of the Fund. Whilst the Fund would be entitled to damages for any breach of the lease contract, the tenant's may not be able to pay such damages or the extent of the damages awarded may not fully cover the loss to the Fund arising out of such breach.

The relatively illiquid nature of Real Estate

Real estate as an asset class is relatively illiquid meaning that it can take some time to find a buyer and process a sale of real estate assets. The Fund may be unable to sell its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets in order to ensure a quick sale. The Fund may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. These factors could have an adverse effect on the Fund's financial condition and results of operations, with a consequential adverse effect on the Fund's ability to deliver expected distributions to Unitholders.

Historical rental rates may not be indicative of their future rentals rates

There is no guarantee that the Fund will be able to consistently charge the same level of rental rates or higher rates if there is a slowdown in the economy in the future. The Fund's assets/investments could face the risk of low occupancy due to unattractive physical attributes of the property, such as its age, condition, design, appearance, access to transportation, and construction quality, the location of the property and inappropriately charged rentals amongst other factors leading to the assets remaining unoccupied or at low occupancy. Also, based on the volatility in rental rates, there is no guarantee that the current market value can be maintained. This would have the effect of reducing the Fund's income, resulting directly or indirectly in lower distributions to the Unitholders.

The Properties may contain defects or suffer damage which may have an impact on their value

Either Property may be subject to defects in construction which could affect the use and benefit of the Property to the tenants. The Properties could also be subject to third party damage or damage arising out of catastrophes such as fire, earthquake or floods. The impact of such defects or damage could also result in the tenants purporting to terminate or abate rental payments until such defects or damage are remediated.

The Fund may suffer material losses in excess of insurance proceeds or adequate insurance may not have been put in place in relation to the Properties and its potential liabilities to third parties

The Properties face the risk of suffering physical damage caused by fire, terrorism, acts of God such as natural disasters or other causes, as well as potential public liability claim, including claims arising from the operations of the Properties.

In addition, certain types of risks (such as war, terrorism and losses caused by contamination or other environmental breaches) may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. Any insurance coverage taken out by the Fund or its tenants may also be subject to limits and any damage or loss suffered by the Fund may exceed such insured limits.

Should an uninsured loss or a loss in excess of insured limits occur, including loss caused by vandalism, the Fund could suffer loss of capital invested in the affected property as well as anticipated future revenue from that property as it may not be able to rent out or sell the affected property. No assurance can be given that material losses in excess of insurance proceeds will not occur.

The Properties may face increased competition from other properties.

While the Omantel Property has been newly constructed in 2019 and the Lulu Property was constructed in 2011, there is always a risk that properties will either be newly constructed or re-developed in close proximity to the Properties which may compete with the Properties. With the growing market in Oman, newer properties may be more attractive to tenants with modern technology put in place and possibly lower rent prices.

If the Properties are unable to keep up with refurbishments to be in line with newly constructed/refurbished properties, as the Fund relies heavily on rental income as the main source of its revenues, its financial condition and results of operations and ability to make distributions may be adversely affected.

The Properties might be adversely affected if Lulu or Omantel do not comply with its respective obligations under the lease and service agency agreement

Given that both Lulu and Omantel are responsible for the maintenance and repair of the Omantel Property and the Lulu Property (as the context requires), there is a risk that either Omantel or Lulu fails to comply with its contractual obligations and the Properties are adversely affected (e.g. the Properties fall into a state of disrepair) which could result in a decrease in the value of the Properties.

The Fund may not be able to lease out the Properties, at similar terms, post expiry of the Lulu Lease Agreement and the Omantel Lease Agreement (as the context requires)

At the end of the respective terms under the Lulu Lease Agreement and the Omantel Lease Agreement (as the context requires), the Fund and Lulu or Omantel (as the context requires) may not be able to reach an agreement as to the terms of any subsequent renewal and Omantel and/or Lulu could elect to vacate the Lulu Property and the Omantel Property (as the context requires) at the end of the term.

This would result in requirement for the Fund to source alternative tenants for the Properties and the Fund may not be able to lease each property at similar or better terms. Additionally, given that Properties were custom built to Lulu's and Omantel's specifications, the Fund could encounter difficulties in sourcing alternate tenants and there may be a period during which the Properties are vacant. This could adversely affect the cashflow and returns of the Fund.

The Fund's assets may require significant capital expenditure beyond the Investment Manager's current estimate and the Fund may not be able to secure adequate financing.

The Fund's assets may require significant capital expenditure beyond the Investment Manager's current estimate for refurbishment, renovation and improvements. The Fund may not be able to fund capital improvements solely from cash derived from its operating activities and/or additional equity and/or debt financing on favourable terms or at all. If the Fund is not able to procure such financing, the Investment Manager may be unable to refurbish, renovate and/or improve the Fund's assets which may adversely affect rental negotiations and rental rates in the future. The Fund may also require additional financing to fund future expansion, operational needs and Shariah compliant financing charges. Without the required funding, the Fund may not be able to carry out its operations effectively, incur significant capital expenditure or respond to competitive pressures, which could have an adverse effect on the financial conditions and results of operations of the Fund.

Transportation infrastructure near the Fund's assets may be redirected, relocated, terminated, delayed or not completed.

There is no assurance that the existing and/or future planned transportation infrastructure and public transport services around the Fund's assets will not be redirected, relocated, terminated or delayed. If the current infrastructure or planned infrastructure is redirected, relocated, terminated, delayed or not completed, it may have an adverse effect on the accessibility of the Fund's assets, including worsening traffic congestion around the Fund's assets. This may then have an adverse effect on the demand, appeal and the rental rates for the Fund's assets and have an adverse effect on the financial condition and results of operations of the Fund.

The Fund may be adversely affected by construction or development works on or around the vicinity of the Properties.

Construction or development works on or around the vicinity of the Properties may cause physical damage to the Properties or disruption to operations of the tenants at the Properties. Any damage to the Properties may result in disruption to the business and operation of the Fund's assets and may result in the Fund being unable to collect rental income on space affected by such damage, which could have an adverse effect on the financial conditions and results of operations of the Fund. Although the damage arising out of works may in some instances be insured against, there is no guarantee that any claim would be successful or result in full recovery or that insurance would cover the damage.

The due diligence on the Fund's assets may not have identified all material defects, breaches of laws and regulations and other deficiencies.

Save for due diligence on the title and legal matters affecting the Properties, no other due diligence has been carried out in respect of the Properties or any other aspects of the Fund. A full review of the construction contracts in relation to the Properties has not been conducted. Such limited due diligence may not have revealed all breaches of laws or regulations or defects or deficiencies affecting those assets, including to the title thereof.

No technical or environmental due diligence has been undertaken on the Fund's assets. There can be no assurance that there are no defects deficiencies, hazardous or toxic substances on, under or in such asset removing or remediating of which will require additional expenditure, special repair or maintenance costs and expenses or the payment of damages or other obligations to third parties. The cost of defending against claims of liability, of complying with environmental regulatory requirements, of remediating any contaminated property, or of paying personal injury claims could reduce the amounts available for distribution

to the Unitholders. Discovery of previously undetected environmentally hazardous conditions, defects and deficiencies could result in significant and potentially unpredictable levels of expenditure which could have a material adverse effect on the Fund's business, financial condition, results of operations and prospects.

The appraised values of the Fund's assets are based on various assumptions which may or may not materialise; the price at which the Fund is able to sell the Fund's assets in future may be lower than the acquisition value of the Fund's assets.

There can be no assurance that the assumptions relied on to derive the appraised values of the Fund's assets are accurate measures of the market, and the said values of the Fund's assets may be evaluated inaccurately. Property valuation in general involves using assumptions, estimates, subjective parameters and/or close proxies. The Property Valuer may have included a subjective determination of certain factors relating to the Fund's assets such as their relative market positions, financial and competitive strengths, and physical condition. The Property Valuer may also have taken into account external factors such as demand and supply, general economic conditions and interest rates.

The valuation of any of the Fund's assets does not guarantee a sale price at that value at present or in the future as values might change and are subject to market conditions. The price at which the Fund may sell any of the Fund's assets may be lower than the appraised value or its purchase consideration, which could have an adverse impact on returns to Unitholders.

The value of the Properties may be affected by market related factors

The value of real estate is affected by a variety of matters including interest and exchange rates, supply and demand, and geopolitical issues. The value of the Properties may therefore fluctuate and change over time and there is not guarantee that the value of the Properties will appreciate over time.

The Fund is dependent on third parties for certain services.

Certain services to the Properties, such as water, electricity and sewerage treatment may be provided by third party service providers, government authorities or may not be located within the Fund's assets. As at the date of this Prospectus, potable water and electricity are being provided by government authorities or government owned entities and the property units will be separately metered.

There is no assurance that the third parties or other parties contracted by the third parties will fulfil their obligations under any contracts of service. Any interruption to such services to the Fund's assets may disrupt business operations and have a material adverse effect on the Fund's business, financial condition, results of operations and prospects.

Increases in operating and other expenses of the Fund's assets could have an adverse effect on the Fund's financial condition and results of operations.

The Fund's ability to maintain a certain level of distributions to the Unitholders could be affected if its operating and other expenses increase without a corresponding increase in revenue or tenant reimbursement of operating and other costs. In addition to other factors mentioned herein, factors which could increase operating and other costs of the Fund's assets, include, but are not limited to, the following:

- increase in, repair and maintenance costs (including mechanical and engineering costs);
- increase in third party sub-contracted service costs;
- increase in takaful / insurance premiums;
- increase in rent and assessments (property and related taxes) and other statutory charges;
- increase in property management costs and management fees; and
- changes in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies.

Additionally, capital expenditures and other expenses may be irregular since ongoing repairs and maintenance involves significant and potentially unpredictable expenditure. Both the amount and timing of such expenditure will have an impact on the cash flow of the Fund. If the Fund's assets do not generate revenue sufficient to meet operating expenses, debt service and

capital expenditure, the Fund's income and ability to make distributions may be materially adversely affected.

Many of these factors may have an adverse effect on the net income derived from the Fund's assets. The valuation of the Fund's assets will reflect such factors and as a result, such valuation may fluctuate significantly upwards or downwards.

Registration of Lulu Property with the Salalah Municipality

Articles 2 and 4 of Royal Decree 6/1989 promulgating the Tenancy Law (as amended) (**Tenancy Law**) requires all leases regardless of their length to be registered with the relevant municipality. A failure to register a lease in accordance with the requirements of the Tenancy Law could result in enforceability issues arising in the event of dispute and penalties could be levied by the Salalah Municipality as a result of the eventual registration (should registration be required at a later date).

As the lease with Lulu was originally structured as a usufruct, the original lease was excluded from the scope of the Tenancy Law. However, when the Lulu Property was acquired by OIF, the arrangement with Lulu was restructured and the Lulu Lease Agreement was entered into as part of the transaction. As the original grant was on a usufruct basis, the Lulu Lease Agreement was only registered with MOHUP and was not, and is still not, registered with the Salalah Municipality.

OIA received a written confirmation from the Salalah Municipality that the lease registration at MOHUP is sufficient and the Lulu Lease Agreement is not required to be registered with the Salalah Municipality. However, this position may change in the future or issues could arise should the Fund seek to enforce the Lulu Lease Agreement at a later date.

Term of Omantel Lease Agreement

The term under the Omantel Lease Agreement is broken into an initial term of 5-years, with 2 x 5-year renewal options that are exercisable at the Fund's discretion. It is not clear from Article 33 of Royal Decree 2/1998 promulgating the Land Register Law (Land Register Law) whether the initial term and each subsequent renewal term are treated as:

- separate and distinct terms; or
- together as if the aggregate term of the Omantel Lease Agreement was 15-years, which would therefore require the Omantel Lease Agreement be registered with MOHUP.

If the Omantel Lease Agreement is required to be registered in accordance with Article 33 of the Land Register Law and it is not, enforceability issues may arise and MOHUP may seek to impose penalties for late registration.

The contractual provisions of the Omantel Lease Agreement provide that only the Fund may elect not to exercise the renewal and therefore the Fund is contractually entitled to the full 15 years of rent.

It is open to a court to determine that the benefit of the Omantel Lease Agreement to the Fund includes the full 15 years of rent regardless of whether subsequent 5 year terms are registered. The court however has the right to award damages having regard to the actual damage suffered by the Fund arising out of any breach by Omantel and is not obliged to award 15 years' rent.

Short term leases registration fees

In accordance with Tenancy Law, registration fees are payable to the relevant municipality to register a lease and the registration fee levied by the municipality may change from time to time. Any increase to such fees may affect the cash flow of the Fund.

Legal title transfer fees

To give effect to the Ijara financing structure (as set out in more detail in Chapter 9 of this Prospectus) OIA and Omantel were required pursuant to the Lulu Sale and Purchase Agreement and the Omantel Sale and Purchase Agreement to transfer the legal title of the Properties to the Financier (rather than the Fund). Once the Facility has been repaid in full, the title deeds of the Properties will be under the name of the Fund after the payment of a transfer fee of 5% of the property value to MOHUP.

10.2 Risks relating to the Investment

The Units may not be actively tradeable on a public market, the REIF market in Oman is under-developed and the Units have never been publicly traded; listing of the Units on the MSX may not result in an active or liquid market for the Units.

Any listing and quotation does not guarantee that a trading market for the Units will develop or, if a market does develop, the liquidity of that market for the Units. Unitholders must be prepared to hold their Units for an indefinite length of time.

Domestic and international economic conditions may affect the price of the REIF Units

The price of the Units, which will be traded in the MSX may be affected by multiple factors including, but not limited to:

- the perceived prospects of the Fund's business and investments and the market for real-estate related assets;
- differences between the Fund's actual financial and operating results and those expected by investors and analysts;
- changes in analysts' recommendations or projections;
- changes in general economic or market conditions;
- the market value of the Fund's assets;
- the perceived attractiveness of the Units against those of other equity or debt securities, including those not in the real estate sector;
- the balance of buyers and sellers of the Units;
- the size and liquidity of the Omani REIF market from time to time;
- the changes from time to time to the regulatory system, including the tax system, both generally and specifically in relation to Omani REIFs;
- the ability on the Fund's part to implement successfully its investment and growth strategies; and
- broad market fluctuations, including increases in interest rates and weakness of the equity and debt markets.

There is no guarantee that the price of the Offer Units will fully reflect the NAV. To the extent that the Fund retains operating cash flows for investment purposes, working capital reserves or other purposes, these retained funds, whilst increasing the value of the Fund's underlying assets, may not correspondingly increase the market price of the Units. Any failure to meet market expectations with regards to future earnings and cash distributions may adversely affect the market price of the Units.

The amount of financing the Fund can obtain may be limited, which may affect the operations and expansion of the Fund.

The Fund may, from time to time, require further Shariah compliant financing to achieve its investment strategies. It could be that such financing would result in increased financing obligations and could result in additional operating and financing covenants, or liens on the Fund's assets, that would restrict its operations. In the event that the Fund does not obtain the necessary approval to incur additional financings in the future, the Fund may not be able to proceed with its strategies and may face adverse business consequences as a result of this limitation on future financings.

The Fund may default on its financing arrangements

The Fund may default on any of its current or future financing arrangements, including the Facility. Should the Fund fail to comply with its obligations under such financings, the relevant financier may enforce their securities (if any) and/or demand immediate repayment of all outstanding balances including interest / profit, amongst other rights that the financier may have under each financing arrangement.

In the context of the Facility, the Financier is the registered owner of the Lulu Property and the Omantel Property, and if an event of default is triggered which is not cured within the relevant time frames, the Financier is likely to transfer the legal titles of the Properties to the Fund only after all outstanding payment under the Facility has been made.

The Fund may not be able to successfully implement its investment strategies, including asset enhancements, for the Fund.

There is no assurance that the Fund will be able to implement its investment strategies successfully or that it will be able to expand its portfolio at any specified rate or to any specified size. The success of implementation of its investment strategies depends on the identification of suitable assets and the ability to obtain financing. The Fund may not be able to make acquisitions or investments on favourable terms or within a desired time frame, which will impede the growth of the Fund.

The Fund may be unable to recover claims brought against service providers or may have to indemnify the service providers (depending on the terms of engagement).

The Fund may have claims against any of the service providers appointed by the Fund which may arise from their breach of their engagement agreements with the Fund or the Fund may have to indemnify the service providers (depending on the terms of engagement). The service providers or the Fund (as the case may be) might not have sufficient financial resources to fully cover the claims or the compensation required.

Occurrence of any acts of God or force majeure events (including war and/or terrorist attacks) may adversely and materially affect the business and operations of the Fund's assets.

Acts of God, such as earthquakes, drought, tropical cyclones, flood or other natural disaster and other force majeure events including but not limited to terrorist attacks, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, breaking off of diplomatic relations, geopolitical instability, nuclear, chemical or biological contamination or sonic boom, collapse of buildings, fire, explosion or other accidents, any labour or trade dispute, strikes, industrial action or lockouts are beyond the control of the Fund or the Investment Manager. These type of events may materially and adversely affect the economy, infrastructure and livelihood of the local population, including the Fund is likely to cause instability and unrest in the region. The Fund's business and income available for distribution may be adversely affected, should such events occur. There is no assurance that any force majeure event, potential, threatened or otherwise and in any part of the world, will not, directly or indirectly, have an adverse effect on the operations of the Fund's assets and hence the Fund's income available for distribution.

Concentration of assets.

In its initial years, the Fund is anticipated to own only a limited set of assets in two locations, namely the Properties. Thereafter it may be that the Fund does not diversify significantly from its existing portfolio on future acquisitions. Therefore, the Fund's investment objective is, in its initial years, likely to be concentrated on the Properties, and may in the future be similarly concentrated. As a consequence, the Fund's returns as a whole may be adversely affected by the unfavourable performance of the sector, or a significant decline in the performance or otherwise of the assets it holds. Unitholders will not be, at least initially, shielded by a degree of diversification in the Fund's investment strategy, either by geographic region or asset type.

The actual performance of the Fund and the Fund's assets could differ materially from the forward-looking statements in this Prospectus.

This Prospectus contains forward-looking statements regarding, among others, forecast and projected distribution/yield levels. These forward-looking statements are based on a number of assumptions which are subject to uncertainties and contingencies which are outside of the Investment Manager's control. The Fund's ability to achieve the forecast and projected distributions/yields is subject to events and circumstances assumed which may not occur as expected, or events and circumstances not anticipated which may arise. Additionally, since the Units have never been publicly trading before this Offer, its historic results will not be an indication of, or directly comparable to, its future results. No assurance is given that the assumptions will be realised and the actual distributions/yields will be as forecasted. No assurance is given that acquisitions will materialise.

The Fund may not be able to make distributions to Unitholders or the level of distributions may fall.

The distributable income of the Fund is dependent on the net income earned from real estate investments which depends on, among other factors, the amount of rental income and other income received by the Fund and the level of expenses incurred. If the Fund's assets do not generate sufficient distributable income, the Fund's ability to make distributions to Unitholders could be adversely affected. The Fund's ability to pay dividends may also be affected by non-cash expenses like change in fair value of assets on balance sheet, which could restrict the ability to pay dividends, despite availability of cash.

No assurance is given as to the Fund's ability to pay or maintain distributions. Neither is there any assurance that the level of distributions will increase over time, that there will be contractual increases in rent under the tenancies of the Fund's assets or that the receipt of rental income in connection with expansion of the properties or acquisitions of properties will increase the Fund's cash flow available for distribution to Unitholders.

Unitholders who do not or are not able to participate in future equity raising by the Fund will experience a dilution in their interest in the Fund.

If Unitholders do not or are not able to participate in any future equity fund raising, such as a rights issues or private placements, their proportionate interest in the Fund will be reduced. Any consideration received by such Unitholders in exchange for any rights under future equity fund raisings may not be sufficient to compensate for the dilution of their unitholding.

Cyclical market and economic conditions could materially adversely impact the Fund.

Cyclical movements in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price of, and demand for, the Units. In particular, an increase in market interest rates may have an adverse impact on the market price of the Units if the annual yield on the price paid for the Units gives investors a lower return compared to other investments.

Additionally, the Fund's operation is currently focused on Oman only and its results of operations are impacted by economic conditions in Oman which, in turn, may be affected by regional and global economic conditions. According to the IMF's World Economic Outlook in April 2022, it is estimated that the global economy will slow from 6.1% in 2021 to 3.6% in 2022 and 2023. The economic damage from the conflict in Ukraine contributes to this slowdown in global growth in 2022 and adds to inflation. Businesses continue to struggle amidst an uncertain and highly volatile environment, with the impacts of the global pandemic underlying economic stress across all sectors of the economy. Multilateral efforts to respond to the impacts of the conflict in Ukraine, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change and end the pandemic are essential.

Oman has been no exception to the impact of the global pandemic however, increases in global oil prices in response to the conflict in Ukraine have played an important role in supporting Oman's economy.

The laws, regulations and accounting standards in Oman may change, including the introduction of new or revised legislation, regulations, guidelines or directives affecting REIFs.

The Fund may be affected by the introduction of new or revised accounting standards. Accounting standards in Oman are subject to change as they are further aligned with international accounting standards. The financial statements of the Fund may be affected by the introduction of such revised accounting standards. The extent and timing of these changes in accounting standards are unknown and subject to confirmation by the relevant authorities.

There is no assurance that these changes will not:

- have a significant impact on the presentation of the Fund's financial statements;
- have a significant impact on the Fund's results of operations;
- have an adverse effect on the ability of the Fund to make distributions to Unitholders;
- have an adverse effect on the ability of the Investment Manager to carry out the Fund's investment strategy; or
- have an adverse effect on the operations and financial condition of the Fund.

The Fund may also be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting REIFs which may create an uncertain environment for investment and business activities. There is no assurance that new or revised legislation, regulations, guidelines or directives will not adversely affect REIFs in general or the Fund specifically and hence have a corresponding adverse effect on Unitholders.

Subordination

The claims of the Unitholders will be subordinated and will rank junior in priority to the claims of more senior ranking creditors of the Fund, including the Financier in respect of the Facility. In the event that the Fund becomes insolvent, any of the Fund's

assets which are the subject of a valid security arrangement (including those created in favour of the Financier in connection with the Facility), will not be available to satisfy the claims of any of the Fund's unsecured creditors (including the Unitholders).

The Units are unsecured obligations.

Investors should be aware that if the Fund becomes insolvent, any of the Fund's assets which are the subject of a valid security arrangement will not be available to satisfy the claims of any of the Fund's unsecured creditors, including the Unitholders, and the claims of the Fund's secured creditors will rank ahead of the claims of such parties accordingly.

Unitholder influence

The Selling Unitholders will remain in control and possession of at least 51% of the total issued capital of the Fund even after the completion of the Units Offer. This, along with any other significant unitholder ownership post the subscription to the Units Offer, may influence the outcome of decisions held at both at the Fund Management Body and the Unitholder level.

10.3 Risks relating to the Fund's Shariah status

Any potential or future cleansing of income from Shariah non-compliant sources and non-core activities may lead to losses in cash relative to conventional REIFs.

The Shariah Guidelines require the income of the Fund that is generated from Shariah non-compliant sources and non-core activities to be subjected to a cleansing process, which involves the Fund allocating all net income generated from Shariah non-compliant sources and non-core activities to be donated to charitable organisations or purposes before distributions are made to the Unitholders. The amount to be subjected to the cleansing process is calculated based on income derived from Shariah non-compliant sources or non-core activities net of all expenses derived from and/or allocated to the Shariah non-compliant source or non-core activity. The cleansing process will apply irrespective of whether the amount of income generated from Shariah non-compliant sources exceeds the amount permissible under the Shariah Guidelines for the Fund to maintain its Shariah compliant status. When determining the income to be subjected to the cleansing process, the Investment Manager may need to make certain assumptions. For example, if there is any doubt by the Investment Manager or the Shariah Supervisory Board as to whether certain income received by the Fund is derived from Shariah non-compliant sources, the Investment Manager shall subject such income to the cleansing process.

In light of the requirement to subject the Fund's income which is derived from Shariah non-compliant sources and income from non-core activities to the cleansing process, there may be less income available for distribution by the Fund to Unitholders. The cleansing process also imposes additional compliance and administrative costs which shall be borne by the Fund. As a result, the Fund's cash flow and the amount of funds available for distribution to Unitholders could be adversely affected.

The Fund may not be able to maintain its Shariah compliant status.

A critical component for any Shariah compliant product is the Shariah certification by a panel of Shariah scholars. The Shariah Supervisory Board will convene periodically to deliberate over the Shariah compliance of the Fund and decide whether to issue the Shariah certification confirming the Fund's Shariah compliant status. This will include the issuance of the Shariah certification on an annual basis where the Shariah Supervisory Board is of the view that the Fund is Shariah compliant. In the event that the Fund breaches any of the Shariah Guidelines, the Shariah Supervisory Board may, at its discretion based on consensus and discussion with the Investment Manager, grant an agreed time frame for the Fund to rectify such breach and the Investment Manager must abide by the given time frame. If the Fund is unable to rectify such breach within the given time frame, the Investment Manager would have to seek a further extension from the Shariah Supervisory Board, citing reasons for the inability to rectify, or the delay in rectifying, the breach. There is no guarantee that the Shariah Supervisory Board will grant such further extension or that the Investment Manager will be able to rectify the breach within the extended time frame. If the Shariah Supervisory Board does not grant a further extension or the Investment Manager is unable to rectify such breach within the extended time frame, the Shariah Supervisory Board may not issue the Shariah certification.

The Shariah Supervisory Board may also refuse to issue the Shariah certification in the following circumstances:

- where the Investment Manager deliberately deviates from the Shariah Guidelines and carries out activities that contravene the Shariah Guidelines;

- where the Investment Manager continuously breaches the Shariah Guidelines and refuses to rectify the position to an acceptable level; and
- where there is a material misrepresentation or wilful omission of any material information that is otherwise required by the Shariah Supervisory Board for the purposes of issuing the Shariah certification.

The above list is not an exhaustive list of the circumstances in which the Shariah Supervisory Board may refuse to issue the Shariah certification.

The Fund may be constrained in its operations and investments by Shariah principles compared to conventional REIFs.

The Investment Manager has to manage the Fund in a manner compliant with Shariah principles and the Shariah Guidelines. The Shariah Guidelines impose certain restrictions on the Fund, including, amongst others, restrictions on the types of properties which the Fund can invest in, the types of tenants which the properties can be leased to, the insurance which the Fund can purchase and the use of deposit and financing facilities and risk management solutions that are not Shariah compliant. As a result, the Fund may be constrained in its operations by any unavailability of Shariah compliant properties, tenants, insurance, deposit and financing facilities and risk management solutions. Moreover, there is no guarantee that such Shariah compliant options will always be available at the same quantum or the same pricing as the conventional options. This may affect the Fund's business, competitiveness and results of operations.

There are differing views among Shariah scholars in relation to the application of Shariah principles.

The Investment Manager intends that the Fund makes its investments and conducts its affairs (including but not limited to financing, working capital financing (if any) and Takaful matters) in a manner compliant with Shariah principles. However, unlike in the conventional financial markets where there are globally accepted standards, there are no such globally accepted standards in the Islamic financial markets. As such, and given the differences that exist among Shariah scholars and advisors from different jurisdictions and different schools of Islamic jurisprudence as to the nature and standards of Shariah compliance and the instances where one form of Islamic finance practices are not recognised or practiced in other jurisdictions, there can be no assurance that existing certified Shariah compliant products will not face issues that question their Shariah compliant status or that the investments and other Shariah structures in relation to the business of the Fund will be determined to be Shariah compliant by other Shariah scholars or advisors, or will be recognised in other jurisdictions. In the event that the Fund is not determined to be Shariah compliant by other Shariah scholars or advisors or is not recognised as Shariah compliant in other jurisdictions, this may adversely affect the demand from Shariah investors for the Units, thereby adversely affecting the marketability of the Units to investors.

The opinions, laws, regulations and accounting standards in relation to Shariah compliance may change.

The Fund may be affected by the introduction of new or revised legislation, regulations, accounting and tax standards or guidelines in relation to Shariah compliance, compliance with which may adversely affect the Fund's operations and ability to make distributions to Unitholders.

Other risks

10.4 Other Risks

Risks relating to Covid-19 and its variants

The extent to which the Coronavirus disease (COVID-19) or its various variants, as they continue to develop, may affect the Fund's business and operations in the future is uncertain and cannot be predicted. COVID-19 spread to a majority of countries across the world, including Oman, in the calendar year 2020. The World Health Organization declared the outbreak of COVID-19 to be a public health emergency of international concern on January 30, 2020, and a global pandemic on March 11, 2020. The COVID-19 pandemic has had, and may continue to have, significant repercussions across local, national and global economies and financial and real estate markets. There is still a degree of uncertainty and the Fund's financial condition and the operations of its assets may be adversely affected by COVID-19 or any of its variants which could include the ability of the Fund to make distributions to Unitholders.

The current legal framework in Oman has recently changed and no assurances can be given as to how the existing laws will be applied in practice.

The REIF Regulation is intended to provide regulatory guidance on, among other things, trust structures, special purpose vehicles or companies incorporated for the issuance of a REIF, appointment and duties of issuers' Shariah supervisory boards and the potential need for credit ratings. Further laws or regulations may be introduced and/or revisions may be made with respect to, amongst others, company, property, securities and taxation laws and regulations in order to harmonise them with the REIF Regulation. Oman's capital markets laws and regulations as applicable to REIFs remain in transition and are therefore subject to greater risks and uncertainties. In particular, risks associated with the REIF Regulation include: (i) potential inconsistencies between and among the REIF Regulation and various laws, regulations, governmental, ministerial and local orders, decisions, resolutions and other acts including in relation to the validity and enforceability of trust structures in Oman; (ii) provisions in the laws and regulations that are ambiguously worded or lack specificity and thereby raise difficulties when implemented or interpreted; (iii) wide scope for the CMA to implement the REIF Regulation at its discretion and issue further forms and directives; and (iv) difficulty in predicting the outcome of judicial application of Omani legislation. Furthermore, the REIF Regulation and the Securities Law remain untested in the courts and do not have a long history of interpretation.

At the date of publication of this Prospectus it is intended that the REIF Regulation should complement the conventional regulatory framework already in place in the CCL and its Executive Regulation the Capital Market Law, the Securities Law and the CMA Executive Regulation. This existing framework primarily addresses the regulation of equity securities and so there is significant uncertainty regarding how this framework sits alongside, and any possible change to, or interpretation of, the REIF Regulation after the date of this Prospectus.

Therefore, in some circumstances, it may not be possible to obtain swift enforcement of a judgment in Oman or predict the outcome of legal proceedings subject to the REIF Regulation.

Legal investment considerations may restrict certain investments.

The investment activities of certain potential investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent: (i) the Units are legal investments for it; (ii) the Units can be used as collateral for various types of financing; and (iii) other restrictions apply to its purchase or pledge of any Units. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Units under any applicable risk-based capital or similar rules.

Conflicts of interest and related party transactions

OIA, Omantel and any directors (or equivalent) of the foregoing and their Affiliates may have an interest in the Fund or in any transaction effected with or for the Fund, or a relationship of any description with any other person, which may involve a potential conflict with their respective duties to the Fund or otherwise. Such potential conflicts of interest could arise, for example, because of common board of management positions or common shareholdings. Subject to the provisions of applicable law with respect to conflicts of interest, their potential conflicts of interest could lead to the conflicted party acting and taking decisions from time to time that do not necessarily take into account the interests of the Fund or its Unitholders. There is no assurance that such conflicts of interest and/or their resolution would not affect the performance or financial returns of the Fund.

11 FINANCIAL OVERVIEW

This section contains certain forward-looking statements that reflect current plans, estimates and beliefs of the Fund and the Investment Manager, and which are based on assumptions about the future operations of the Fund, which involve risks and uncertainties. Actual results of the Fund could differ materially from those contained in any forward looking statements as a result of the factors discussed below and elsewhere in this Prospectus, particularly in Chapter 10 of this Prospectus.

11.1 Business Model

Pursuant to the Lulu Lease Agreement and the Omantel Lease Agreement, the Fund will receive an annual rental income of OMR 6.531 million from its ownership of the Lulu Property and the Omantel Property. This will increase gradually over the course of 8 years to OMR 7.471 million.

11.2 Cost Structure

The Fund is likely to incur the following key costs:

- Municipality fees;
- VAT on the rental income generated;
- Investment management fees and administrator fees, as detailed further in Chapter 21 of this Prospectus;
- Regulatory and legal costs;
- Operational costs and other contingencies; and
- Profit rate and other financing costs, as agreed with the Financier.

11.3 Income Tax

Pursuant to Article 117 of the Oman Income Tax Law promulgated by Royal Decree Number 28/2009 (as amended), income accruing to Omani investment funds established under the Capital Market Law or funds established outside Oman to deal in Omani securities listed on the MSX shall be exempt from tax.

12 FINANCIAL FORECASTS

The forecasts in this section of this Prospectus have been prepared on the basis of the financial model prepared by the Investment Manager. This Chapter should be read together with the information contained in the "Forward-Looking Statements" Section, Chapter 10 and related notes of this Prospectus. The forecasts in this section have not been reviewed by or audited by the Auditor.

A financial forecast simply illustrates hypothetical results that are mathematically derived from specified assumptions. It has been designed as an evaluation tool and not as an operational model. Thus, it will not readily allow comparisons of actual results against forecasts and does not include an ongoing budget comparison facility.

The information below should not be regarded as a representation or warranty by the Fund, the Selling Unitholders, the Issue Manager, the Investment Manager or any other person that the results of the financial forecast will be achieved. Actual lease rental, and occupancy levels may differ from those assumed for purposes of this section. Accordingly, the Fund's actual performance and cash flows for any future period will almost certainly differ from those shown in this section. Applicants are cautioned not to place undue reliance on the performance or cash flows in the information derived from the following financial forecast information and should make their own independent assessment of the future results of operations, cash flows and financial condition of the Fund.

The forecasts have been prepared based on the contractual agreements signed by the Fund and have been provided for a period of 8 years. The following tables show the forecasted income statement of the Fund for the period 2022-2030. Forecasted income statements are for the respective calendar years.

(OMR)	Notes	2022*	2023	2024	2025	2026	2027	2028	2029	2030
Rental Income for Omantel Property	1	2,264,794	4,291,188	4,291,188	4,291,188	4,291,188	4,591,571	4,806,131	4,806,131	4,806,131
Rental Income for Lulu Property	2	1,182,222	2,240,000	2,419,200	2,508,800	2,508,800	2,508,800	2,508,800	2,709,504	2,809,856
Net Rental Collected		3,447,016	6,531,188	6,710,388	6,799,988	6,799,988	7,100,371	7,314,931	7,515,635	7,615,987
Municipal Tax	3	(68,706)	(137,412)	(137,412)	(137,412)	(137,412)	(144,184)	(144,184)	(144,184)	(144,184)
Net Rental Collection after Municipal Tax		3,378,310	6,393,776	6,572,976	6,662,576	6,662,576	6,956,187	7,170,747	7,371,451	7,471,803
Expenses										
Investment Manager	4	(36,194)	(68,577)	(70,459)	(71,400)	(71,400)	(74,554)	(76,807)	(78,914)	(79,968)
Custodian Fee	5	(10,000)	(13,000)	(13,390)	(13,792)	(14,205)	(14,632)	(15,071)	(15,523)	(15,988)
Shariah Board Fee	6	(5,615)	(5,784)	(5,957)	(6,136)	(6,320)	(6,510)	(6,705)	(6,906)	(7,113)
Board Fee	7	(9,000)	(9,270)	(9,548)	(9,835)	(10,130)	(10,433)	(10,746)	(11,069)	(11,401)
Auditor Fee	8	(10,000)	(10,300)	(10,609)	(10,927)	(11,255)	(11,593)	(11,941)	(12,299)	(12,668)
Other Expenses	9	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Total Expenses		(80,809)	(116,931)	(119,964)	(122,089)	(123,310)	(127,721)	(131,269)	(134,711)	(137,138)
Interest Expense	10	(1,124,424)	(2,114,920)	(2,119,655)	(2,112,804)	(2,111,747)	(2,110,689)	(2,115,412)	(2,108,573)	(2,107,515)
Profit before Tax		2,173,077	4,161,925	4,333,357	4,427,682	4,427,519	4,717,777	4,924,065	5,128,167	5,227,149
Corporate Tax	11	-	-	-	-	-	-	-	-	-
Profit After Tax		2,173,077	4,161,925	4,333,357	4,427,682	4,427,519	4,717,777	4,924,065	5,128,167	5,227,149
Debt Repayment	12	-	(21,900)	(21,900)	(21,900)	(21,900)	(21,900)	(21,900)	(21,900)	(21,900)
Cash available for Dividend		2,173,077	4,140,025	4,311,457	4,405,782	4,405,619	4,695,877	4,902,165	5,106,267	5,205,249
Investment Manager Incentive	13	(86,478)	(169,611)	(203,898)	(222,763)	(222,730)	(280,782)	(322,039)	(362,860)	(382,656)
Distributable Profits	14	2,086,598	3,970,414	4,107,560	4,183,019	4,182,889	4,415,095	4,580,126	4,743,407	4,822,593
Cash available for Dividends per Unit (Bzs)	14	4.9	9.3	9.7	9.8	9.8	10.4	10.8	11.2	11.4

* From 21st June 2022

Note 1: As per the Omantel Lease Agreement dated 21 June 2022 between Omantel and the Fund. More details on the Omantel Lease Agreement can be found in Section 20.5 of this Prospectus. Below is the rental payment schedule agreed as per the agreement:

Passing rent for Omantel Property (OMR)	21st June 2022 to 20th June 2027	4,291,188
	21st June 2027 to 20th June 2032	4,806,130
	21st June 2032 to 20th June 2037	5,382,866

Note 2: As per the Lulu Lease Agreement dated 4 May 2014 between Lulu and OIA. The agreement has been novated to the Fund as per the variation and novation agreement dated 21 June 2022 between OIA, Lulu, EMKE Group – Sole Proprietorship LLC and the Fund. More details on the Lulu Lease Agreement can be found in Section 20.2 of this Prospectus. Below is the rental agreed as per the agreement:

Passing rent for Lulu Property (OMR)	4th May 2019 to 3rd May 2024*	2,240,000
	4th May 2024 to 3rd May 2029	2,508,000
	4th May 2029 to 3rd May 2034	2,809,856

* For the period 2022, rent to Fund will accrue only from 21st June 2022

Note 3: Municipality Tax:

- In relation to the Omantel Lease Agreement: Tax of OMR 687,061 to Muscat Municipality for the period 21 June 2022 to 20 June 2027. This represents 3.2% of the rent payable for the same period.
- In relation to the Lulu Lease Agreement: Dhofar Municipality has waived the municipality tax pursuant to its email dated 21 July 2022.

Note 4: As per the Investment Management Agreement dated 16 March 2021 between OIA and the Investment Manager. The Investment Management Agreement was novated to the Fund pursuant to the novation agreement dated 21 September 2022. More details on the Investment Management Agreement and fee can be found in Section 21.1 of this Prospectus.

Note 5: As per the Custodian and Administrator Agreement dated 13 April 2022 between the Custodian and the Fund. More details on the Custodian and Administrator Agreement and fee can be found in Section 21.2 of this Prospectus.

Note 6: As per the Shariah Advisory Agreement dated 5 October 2021 between OIA and Shariyah Review Bureau W.L.L. The Shariah Advisory Agreement was novated to the Fund pursuant to the novation agreement dated 21 September 2022. More details on the Shariah Advisory Agreement and fee can be found in Section 21.4 of this Prospectus.

Note 7: Based on the Constitutive General Meeting resolution held on 13 April 2022 of the Fund which approved sitting fee of OMR 300 per member per sitting. Assumed 6 meetings a year with full attendance.

Note 8: As per the agreement dated 11 August 2022 between the Auditor and the Fund. More details on the Auditor agreement and fee can be found in Section 21.3 of this Prospectus.

Note 9: Assumed for any other contingent expense during the normal course of business.

Note 10: As per the Ijara agreement dated 21 June 2022 with meethaq Islamic Banking – bank Muscat SAOG. Profit rate assumed to be constant over the forecast period for simplicity. More details can be found in Chapter 9 of this Prospectus.

Note 11: Investment Funds are exempted from corporate tax as per Article 117 of the Income Tax Law promulgated by Royal Decree 28/2009, as amended.

Note 12: As per the Ijara agreement dated 21 June 2022 with meethaq Islamic Banking – bank Muscat SAOG. More details can be found in Chapter 9 of this Prospectus.

Note 13: Incentive fee calculated as 20% of (a) the net annual cash available divided by the average aggregate net asset value of the Fund for the relevant Financial Year, less (b) the average yield at auction of the last '10 year GDB Bond' issued by the Government of the Sultanate of Oman plus 200 basis points, multiplied by the average aggregate net asset value of the Fund for the relevant Financial Year. GDB 62 issued by Oman government in December 2019, being the latest issued 10 year GDB, considered for forecast and assumed to be constant over the forecast period for simplicity. More details on the Investment Manager Incentive fee can be found in Section 21.1 of this Prospectus

Note 14: Actual dividends paid will be subject to the Fund Management Body and Unitholder approval.

Please note that we have assumed a 3% increase per annum for Notes 5,6,7& 8 over the forecast period.

13 DIVIDEND POLICY

The Fund Management Body proposes to follow a reasonable dividend pay-out policy, which maximizes Unitholder returns, subject to debt repayments, any new investments and operational expenditure obligations.

The Fund intends to distribute at least 90% of its Distributable Profits to Unitholders each Financial Year through MCD. This is subject to the Fund having sufficient cash available, after servicing its financing commitments, to make such a distribution and the distribution being in compliance with applicable laws. In accordance with the Facility, the Fund will obtain the prior written consent of the Financier prior to the distribution of dividends to the Unitholders.

The dividends are expected to be declared twice in a Financial Year, in April and in October each year based on audited financial statements. However, the first dividend post Offer is expected to be paid in December 2022 for up to 2 Baiza per Unit based on the audited financial statements, if available, and second dividend post Offer is expected to be paid in April 2023.

It is also worth noting here that all claims of the Unitholders, including any of its entitlement to dividends, are subordinated to any liabilities owed by the Fund to the Financier.

14 VALUATION AND PRICE JUSTIFICATION

The Offer Price has been determined by the Issue Manager in consultation with the Investment Manager of the Fund, on the basis of assessment of market demand for the Offer Units and on the basis of quantitative and qualitative factors as set out below.

14.1 Qualitative factors

- Largest and first leveraged fund in Oman
- Stable cash flow visibility supported by long term lease agreement
- Strong promoters
- Marquee tenants with low vacancy risk
- No significant operating and capital expenditure
- Inflation adjusted cash flows supported by predefined rent escalation clauses

14.2 Quantitative factors

Financial forecasts:

The financial forecasts are based on the potential income from the lease rentals, net operating income, and earnings before interest, tax, depreciation and amortization, cash flows from operating activities, net distributable cash flows and underlying assumptions of the Fund for financial years ending 2022 to 2030. For details of the forecasts and notes thereto, see Chapter 12 of this Prospectus.

Illustrative Dividend Discount Model (DDM):

(OMR)*	Notes	Year Ended								
		31 Dec 22	31 Dec 23	31 Dec 24	31 Dec 25	31 Dec 26	31 Dec 27	31 Dec 28	31 Dec 29	31 Dec 30
Distributable Profits	1	2,086,598	3,970,414	4,107,560	4,183,019	4,182,889	4,415,095	4,580,126	4,743,407	4,822,593
Terminal Equity Value	2									81,984,081
Net Cash flow		2,086,598	3,970,414	4,107,560	4,183,019	4,182,889	4,415,095	4,580,126	4,743,407	86,806,674
Discounted Cash flow	3	2,073,004	3,652,357	3,497,889	3,298,286	3,053,873	2,984,634	2,866,243	2,748,541	46,573,749
Equity Value	4	70,748,577								
Value per Unit		0.167								

*based on the Fund owning the Lulu Property and Omantel Property only

Notes:

1. Dividends based on financial forecasts. For details of the forecasts and notes thereto, see Chapter 12 of this Prospectus.
2. Terminal value based on Dividend Discount as of December 2030.
Terminal Value = (Dividend in 2030 * (1 + expected growth)) / (Cost of capital – expected growth).
Cost of Capital assumed to be 8% and expected growth rate assumed to be 2%
3. Cash flow discounted at cost of capital to arrive at present value.
4. Sum of Discounted cash flow mentioned in Note 3 above.

Comparison with Other Yield Instruments in Oman:

IPO Price per Unit (Baiza)	2023 Distributable Profit per Unit (Baiza)	2023 Distributable Profit Yield	2023-2030 Average Distributable Profit per Unit (Baiza)	2023-2030 Average Distributable Profit Yield
112	9.3	8.3%	10.3	9.2%

Issue Date	Particulars	Tenor	Yield
Mar -22	Time Deposit	>1 Year	3.8%
Jun-22	Sovereign Sukuk 6	7 Years	4.9%
Apr-21	Gov. Bonds Issue 67	7 Years	5.5%
Dec-21	Ominvest Per Sukuk	Perpetual	6.8%
Aug 22	Ahli Bank SAOG	Perpetual	7.5%
Sep 22	Bank Dhofar SAOG	Perpetual	6.8%

Source: MSX, CBO Quarterly Report

15 VALUATION

Savills and Partners LLC – Valuation Report on the Lulu Property

Executive Summary

This Executive Summary must be read in conjunction with the valuation report of which this summary forms part. A copy of the valuation report may be accessed at the offices of the Investment Manager during the issue period.

Client	Oman Investment Authority
For Consideration By	Meethaq Islamic Banking – bank muscat
Date of Instruction	14th July 2021
Address	Plot 102, Block C, Al Wadi, Salalah, Sultanate of Oman
Title	Freehold
Registered Owner	Oman Investment Fund
Purpose of Valuation	The Valuations are required for the purposes of inclusion in the prospectus (either full report or an extract) to be published by the Company in connection with the proposed Initial Public Offering of shares by the Company and private placement.
Interest Valued	Freehold
Basis of Valuation	Market Value
Property Location	The Lulu hypermarket is located opposite the Salalah Garden Mall and the Hamdan complex. It is approximately 8 kilometres from the Salalah airport.
Property Description	The property is a hypermarket, which comprises a supermarket, a departmental store, retail units, food court, amusement area, dry & cold stores, service area, administration offices, loading and unloading bays developed a commercial plot which extend to an area of 34,722.2 sq. metres.
Development Permission	Commercial only
Site Area	34,722.2 sq. metres
Total Built Up Area	33,770.93 sq. metres
Occupancy Details	The property is fully tenanted
Date of Inspection	5th August 2021
Date of Valuation	31st December 2021
Primary Valuation Approach	Income Approach – Discounted cash flow method
Adopted Market Value	OMR 26,100,000 (Rials Omani Twenty-Six million one hundred thousand only)

Savills and Partners LLC – Valuation Report on the Omantel Property

Executive Summary

This Executive Summary must be read in conjunction with the valuation report of which this summary forms part. A copy of the valuation report may be accessed at the offices of the Investment Manager during the issue period.

Client	Oman Telecommunications Company (S.A.O.G)
For Consideration By	Oman Telecommunications Company (S.A.O.G)
Date of Instruction	14th July 2021
Address	Plot No.117, Phase 1, Madinat Al Erfaan, Muscat, Sultanate of Oman
Title	Freehold
Registered Owner	Omantel
Purpose of Valuation	The Valuations are required for the purposes of inclusion in the prospectus (either full report or an extract) to be published by the Company in connection with the proposed Initial Public Offering of shares by the Company and private placement.
Interest Valued	Freehold
Basis of Valuation	Market Value
Property Location	The property is located in the Business Park, Phase 1 of Madinat Erfaan. Madinat Erfaan lies between the Muscat Expressway and Sultan Qaboos Highway. It is a short distance from the Muscat International Airport. The developers of Madinat Erfaan intend for it to be at the heart of Muscat when fully developed.
Property Description	This is an iconic commercial property which is the Omantel Head Quarters. This is a high-quality modern office development which comprises two adjacent buildings known as the Sun and Moon. The Sun comprises ground plus six floors with a roof garden and the Moon comprises ground plus seven floors. These are high-quality office space with associated infrastructure and facilities. The majority of the space has open plan. There are three basements providing car parking and small area used services.
Development Permission	Government
Site Area	21,380 sq. metres
Built up Area	112,981 sq. metres
Airconditioned Area	43,677 sq. metres
Permitted No. of floors	As per approval of the Ministry of Housing and Urban Planning and related government agencies
Tenancy Details	Proposed 15-year Triple Net lease agreement between the Real Estate Investment Fund (REIF) and Oman Telecommunications Company SAOG (Omantel) subsequent to signing of the Sales and Purchase Agreement (SPA) and formation of REIF.

	In a Triple net lease, the costs of regular and structural maintenance and repairs will be paid by the tenant (Omantel), in addition to rent, property taxes and other related taxes, utilities and insurance premiums. REIF will receive rent as owners will not bear any costs or charges related to the property.
Occupancy Details	Currently owner fully occupied by Omantel with a few sub leases to offices and coffee shops and QSR and proposed smart convenience store.
Proposed Rent¹	OMR. 4,053,000 per annum from year 1 to year 5 OMR. 4,539,360 per annum from year 6 to year 10 OMR. 5,084,083 per annum from year 11 to year 15
Special Assumption	Valuation is based on the proposed triple net lease between REIF the new entity and the tenant Omantel to be executed subsequent to the formalities and registration of REIF.
Date of Inspection	14th July 2021
Date of Valuation	28th July 2021
Primary Valuation Approach	Discounted cash flow model
Adopted Market Value	Having regard to the assumptions and special assumptions and factors mentioned in the report the Market value of the property is in the sum of: OMR 50,000,000 (Omani Rials Fifty Million Only)

¹ The proposed rent was revised upwards post issuance of the evaluation report and the latest proposed rent as per the agreements is OMR 4,291,188 per annum (see Section 20.5 for further details).

16 CALCULATION OF NAV

The Administrator will calculate the NAV of the Fund and the NAV per Unit at the times specified by the Fund Management Body. In any case, the Administrator will announce the NAV per Unit within 15 days from each quarter end on the MSX.

The NAV will be calculated by the Administrator (after consulting the appropriate experts) as the value of the total assets owned by the Fund (including accrued income) less the total liabilities attributable to the Fund (including accrued charges and expenses and provisions for contingent liabilities as appropriate).

The assets of the Fund shall be valued as follows:

- investments in real estate shall be valued based on the market value determined by the property valuer;
- investments listed or quoted on the MSX shall be valued at the closing prices on the relevant valuation date provided, however, that in the event such investments are listed on or dealt in upon more than one stock exchange, the Administrator may in its discretion select one stock exchange which the Administrator believes reflects the most accurate value;
- deposits shall be valued at their principal amount plus accrued profit from the date of acquisition or placing; and
- investments for which, in the Administrator's opinion, no appropriate market price is readily available are valued at their market value as determined by one or more independent professional valuers or appraisers, at the sole discretion of the Administrator.

The liabilities of the Fund shall be deemed to include all of its liabilities (including such amount as the Administrator determines in respect of contingent liabilities) of whatever kind and nature. In determining the amount of such liabilities, the Administrator may calculate any liabilities on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any such period. Where applicable, liabilities shall be accrued from day to day.

Pursuant to the REIF Regulation, a valuation of all of the Fund's properties must be conducted at least once every 3 years, however, for auditing purposes, the Fund intends to conduct valuations on a yearly basis or as needed.

17 FUND MANAGEMENT

17.1 Fund Management Body

The Fund is managed under the supervision and oversight of the members of the Fund Management Body duly authorised to transact, contract and litigate in the name, and on behalf of, the Fund.

The Fund Management Body consists of the following five members:

Name	Membership Capacity	Membership Nature
Wahbi Sulaiman Al Riyami	Representing Omantel	Non-independent
Aown Abbas Al Bahrani	Representing OIA	Non-independent
Mohammed Moosa Al Zadjali	Representing Omantel	Non-independent
Fahad Mohammed Al Khalili	Representing himself	Independent
Dawood Abdullah Al Mayasi	Representing himself	Independent

At least two members and at least one-third of all members of the Fund Management Body shall be independent at all times (as defined in the REIF Regulation). The term of each member of the Fund Management Body shall not be more than five years. A member may be re-elected for another term.

At a vote by the Unitholders to appoint members of the Fund Management Body, each Unitholder shall have votes equal to the number of Units owned by it. Unitholders or their proxies may give all votes to one candidate or distribute them amongst the candidates. Election shall be made by secret ballot.

The Constitutive General Meeting held on 13 April 2022 of the Fund approved sitting fees of OMR 300 per member per sitting for the financial year ending 31 December 2022.

17.2 The current Fund Management Body members

Wahbi Sulaiman Al Riyami	
Position:	Chairman
Education:	Wahbi holds a Higher Diploma in Secretarial & Administration Procedures from Tresham College, a Post-Graduate Diploma in Business Administration as well as a Master in Corporate Finance from the University of Salford.
Experience:	Wahbi is a skilled and dedicated General Manager Treasury at Omantel with more than 23 years of experience in planning, coordinating and supporting daily operational, strategic financing, investment, cash management, audit and administrative functions. Prior to joining Omantel, Wahbi worked as the Head of Treasury and Banking at Oman Refineries and Petroleum Industries Company SAOC (ORPIC).
List of other directorships:	Wahbi is currently a board member of United Securities - GCC united Fund, Vision – Vision Alkhair Fund and Frontier Technologies (BSS).

Aown Abbas Al Bahrani	
Position:	Deputy Chairman
Education:	Bachelor of Finance from University of Louisville. Bachelor of Marketing University of Louisville. MBA from University of Liverpool. CFA Charter Holder.
Experience:	Aown has managed a wide array of investment responsibilities in OIA over 18 years. His experience spans multiple asset classes in public and private markets. Within public markets, he has managed OIA's Global Fixed Income and Global Equity portfolios. Before his current role as a director of public markets at OIA, Aown was based in Uzbekistan in the role of Chief Executive Officer leading the largest private markets fund in the country. During his tenure, he oversaw the growth of the fund from a private equity fund to full-fledged investment company active in real estate, public markets, and investment advisory.
List of other directorships:	Aown is currently a board member of CFA Oman, Uzbek-Oman Investment Company and Oman LNG.

Mohammed Moosa Al Zadjali	
Position:	Director
Education:	Bachelor's Degree in Business Management from Staffordshire University
Experience:	For over 11 years, Mohammed has been working at Omantel as a Head Quarter Manager with professional experience in cross functional domains covering expert level competence such as CSR, sales support and solution design. He is also a solution driver who bridges the game between business and operation with expertise in managing complex projects.
List of other directorships:	N/A

Fahad Mohammed Al Khalili	
Position:	Director
Education:	Florida Atlantic University
Experience:	Fahad first worked with the Central Bank of Oman where he was part of the Treasury and Investment division managing billions of USD in international markets. Fahad later joined Al Madina Investment and was instrumental in promoting and raising equity for several successful companies including Al Madina Takaful, Al Madina Real Estate, Tilal Fund and others. His key responsibilities include portfolio management to the tune of hundreds of millions USD, promotion of Greenfield ventures, and handling high net worth individuals. Recently, Fahad has founded Bayan Investment House, which is focused on building long term relationships by provided investment banking and advisory services.
List of other directorships:	Fahad is currently a board member of the Omani Society for the Care of the Holy Qur'an, Oman Fisheries, Oman Charitable Endowment Foundation, Sohar Islamic Bank, Al Kawthar Fund, Al Khalil Group and Asawer Real Estate.

Dawood Abdullah Al Mayasi	
Position:	Director
Education:	Dawood holds a Bachelor Degree in Business Administration from Cairo University, Egypt and an MBA from Liverpool University.
Experience:	Dawood has built a wealth of experience over the span of 34 years. He first started working as a Financial Controller in the Oman Development Bank SAOC and moved to Shell Oman Marketing Company SAOG in 2003. Dawood then joined the Telecommunication Regulatory Authority in 2005 where he was appointed as the Vice President for Competition and Tariffs and Postal Services till 2020.
List of other directorships:	N/A

17.3 Election of the Fund Management Body

A member elected to, or an individual proposed for election to, the Fund Management Body shall satisfy the following conditions:

- he or she must not be:
 - a member of the management of another real estate fund managed by another administrator;
 - a member of the board of directors or a partner of another fund, or the administrator of another fund;
 - a member of the Shariah Supervisory Board; or
 - an employee of any third party entrusted by the Investment Manager to perform any of the tasks assigned to it;
- he or she must:
 - have a sound character, good reputation and good conduct;
 - have the qualifications and experience required to carry out the tasks assigned to him/her;
 - have regard to values of integrity and fairness in performing their functions and responsibilities; and
 - act with skill and caution in performing their functions and responsibilities according to all applicable laws, regulations and systems;
- The membership of the Fund Management Body and Shariah Supervisory Board is prohibited to whomever is subject to the following:
 - a lawsuit was filed under bankruptcy laws or a declaration of bankruptcy in a court judgement unless rehabilitated; or
 - a court judgement convicting him/her of an offence involving moral turpitude or dishonesty unless rehabilitated.

If the seat of a member of the Fund Management Body becomes vacant before the end of their term of office, another member shall be appointed in their place to complete the period in accordance with the procedures stipulated in the REIF Regulation.

Any members of the Fund Management Body appointed outside of an OGM of the Fund shall stand for election at the next OGM.

17.4 Functions and responsibilities of the Fund Management Body

The functions and responsibilities of the Fund Management Body shall include the following, in particular:

- management of the Fund in accordance with:
 - o its investment objectives;
 - o the Articles;
 - o this Prospectus; and

- o all of the provisions and rules stipulated in the relevant laws, regulations and decisions including, without limitation, the Capital Market Law, the Securities Law, the CMA Executive Regulation and the REIF Regulation;
- selecting the appropriate strategy to achieve the proper performance of the Fund in accordance with its investment objectives and policy;
- ensuring that the investment strategy followed is appropriate and is implemented effectively by the Investment Manager (or delegated entity, if any);
- undertaking effective follow-up, measurement, and evaluation of the performance of the Investment Manager (or delegated entity, if any); and
- appointing, dismissing and determining the remuneration of all of the Fund's service providers except for the Investment Manager, whose appointment, dismissal and remuneration shall be determined by an EGM subject to the recommendation of the Fund Management Body.

The AGM will determine the annual remuneration and sitting fees of the chairman of the Fund Management Body and the other members of the Fund Management Body.

Members of the Fund Management Body shall be entitled to the reimbursement of expenses properly and reasonably incurred by them in the execution of their duties subject to the pre-approval of the Fund Management Body as per the CMA Law and the CMA Executive Regulation.

18 RIGHTS AND LIABILITIES OF UNITHOLDERS

All Units enjoy equal and inherent rights in accordance with applicable law. These rights include the following:

- the right to one (1) vote for every Unit held;
- the right to transfer Units in accordance with applicable law;
- the right to view the:
 - o Fund's balance sheet, profit and loss account statement and cash flow statement; and
 - o Unitholders' register at all reasonable times;
- the right to be invited to and attend General Meetings of the Fund and vote in such meetings personally or by proxy;
- the right to request the Fund Management Body to convene a General Meeting provided that this is supported by Unitholders who own severally or jointly at least 5% of the issued Units;
- the right to receive dividends declared by the Fund Management Body and approved by the Unitholders at the General Meetings;
- the right to share in the distribution of the proceeds of the Fund's surplus assets on liquidation;
- the right for Unitholders holding at least 5% of the issued Units to apply for annulment of any resolution made by the General Meeting or the Fund Management Body, if such resolution(s) is detrimental to the Fund or the Unitholders or is contrary to applicable law or the Articles or the internal regulations of the Fund;
- the right to institute legal proceedings against the Fund Management Body or the Auditors; and
- the right to request the Capital Market Authority to suspend resolutions of a General Meeting or Fund Management Body which are detrimental to the Fund, Unitholders, in violation of the applicable law or the Articles or made in favour of or against a certain category of Unitholders, or in the interest of the members of the Fund Management Body or others, provided that this is supported by Unitholders who own at least 5% of the issued Units.

18.1 Listing and Transfer

The Units will be listed on the parallel market in the MSX (similar to public joint stock companies and other real estate investment funds) and will only be transferable in accordance with the provisions of the CMA Executive Regulation REIF Regulation, this Prospectus and the Articles.

18.2 Liability

The liability of each Unitholder will be limited to payment of the value of the Units which the Unitholder has purchased. A Unitholder will not be liable for the debts of the Fund except to the limit of the value of the Units owned by the Unitholder.

18.3 Subordination

The liabilities owed by the Fund to the Unitholders shall be subordinated to any liabilities owed by the Fund to the Financier.

18.4 Financial Statements and Fund Reports

Financial Statements

In accordance with the provisions of Circular Number E/2/2016 issued by the CMA, the Fund shall disclose the initial quarterly and annual un-audited financial results immediately after preparation and in all cases shall disclose them not more than fifteen (15) days from the end of the quarter or the Financial Year as the case may be. It shall be noted in the disclosure that the results are initial and un-audited. The Investment Manager will comply with the provisions of this CMA circular.

The initial quarterly and annual unaudited financial results shall include the following:

- Total sales or revenues;
- Sales costs or total expenses;
- Net profit after deduction of tax;
- Comparison with the same items for the previous year; and
- Any other items required by the CMA or as the Fund may deem necessary to disclose.

The Fund shall prepare annual audited financial statements in accordance with the International Financial Reporting Standards and shall disclose the same, along with the reports mentioned in the REIF Regulation, immediately after approval by the Fund Management Body and not less than two weeks prior to the AGM of the Fund.

The Fund shall disclose quarterly and annual audited and unaudited financial statements and initial results through the electronic transmission system of the MSX in Arabic and English, and if required by applicable law and regulation in newspapers, within the statutory time limits. The electronic transmission system of the MSX is the system provided to send the information of the Fund to the Information Centre of the MSX on its website.

Annual and Interim Reports

The Investment Manager shall prepare annual and interim reports for the Fund in accordance with Articles 172 and 175 of the REIF Regulation.

The Investment Manager shall draft and publish the annual and interim reports of the Fund on the MSX website within two months of the end of the financial period covered by the report. The Investment Manager shall send the annual and interim reports to a Unitholder free of charge via courier within two days of receiving the request from a Unitholder to do so.

Redemption of Units

No redemption of Units in closed-ended funds.

19 GENERAL MEETINGS

Every Unitholder shall have the right to attend General Meetings and shall have one (1) vote for each Unit owned by them. A Unitholder may give a written proxy to any person to attend, represent them and vote on their behalf at the General Meetings. Such proxy may be revoked at any time.

19.1 General Meetings

The General Meeting is the highest authority of the Fund and shall consist of all the Unitholders.

Every Unitholder or their proxy shall have the right to attend the General Meeting and they shall have one vote for each Unit owned by them.

The OGM shall have the authority to consider and decide on all matters which are not, by law or by these Articles or the REIF Regulation or otherwise, reserved for the decision by the Fund Management Body or the EGM.

The AGM shall be held once each year within three months of the end of the Financial Year. Other OGMs shall be convened when required by law or the Articles or the REIF Regulation or when the need arises to hold such meetings.

In all cases, the AGM shall consider the following matters:

- review and approve the Fund's annual report;
- propose and approve distribution of dividends to the Unitholders;
- approve remuneration and sitting fees of the Fund Management Body and Shariah Supervisory Board; and
- appoint auditors for the next financial year and determine their fees.

The Fund's annual report should contain the following:

- Fund information;
- report on Fund performance;
- Investment Manager's report;
- Custodian's report;
- Shariah Supervisory Board's report;
- audited financial statements for the accounting period;
- Auditor's report; and
- Fund Management Body's report.

The EGM shall be convened to consider and decide on all matters which are not exclusively reserved for decision by the OGM, in accordance with the law or the Articles or the REIF Regulation.

The EGM shall be convened to consider the following matters:

- changing the Fund's main investment objectives;
- changing the status of the Fund by merger, separation, transformation or otherwise;
- amending the Articles; and
- dissolution and liquidation of the Fund.

The Investment Manager or the Custodian may convene a General Meeting at any time.

The Unitholders, jointly or via their proxies, may convene a General Meeting without taking into account the provisions prescribed for convening General Meetings and the General Meeting may issue any decisions that are within its authority.

The Investment Manager shall convene the meeting if the Fund Management Body fails to convene a General Meeting.

The Fund Management Body must convene a General Meeting when requested in writing by Unitholders holding severally or collectively at least 5% of the total issued capital of the Fund. The request shall be submitted at the headquarters of the Investment Manager.

The Fund Management Body shall, when convening a General Meeting, abide by the following:

- Send a notice to the Unitholders not less than 14 days before the meeting date;
- Specify in the notice the date, place and time of the meeting and the proposed agenda; and
- Publish the notice on the MSX website within two days from the date of serving the notice on the Unitholders.

The Fund Management Body or the Investment Manager, as the case may be, where the General Meeting is requested by the Unitholders or the Custodian, shall abide by the following:

- Call the General Meeting to convene at least 21 days from the date of receiving the request to hold a General Meeting;
- Send the notice to the Unitholders, according to the following:
 - Notice to be sent at least 10 days before the proposed date of the General Meeting;
 - Publish the notice on the MSX's website and in two daily newspapers, one in Arabic and the other in English, not less than two days before the date of serving the notice on the Unitholders;
- Specify in the notice the date, place and time of the meeting and the proposed agenda; and
- Provide a copy of the invitation to the Custodian.

The General Meeting of the Unitholders shall be chaired in accordance with following:

- If the General Meeting was convened by the Fund Management Body in accordance with regulatory requirements, the Chairman of the Fund Management Body or the Vice Chairman and if the Chairman or Vice Chairman's attendance is not possible then the Fund Management Body shall nominate one of its members to chair the meeting; and
- If the meeting was convened at the Unitholders or Custodian's request, a person nominated by the Unitholders or the Custodian.

The General Meeting shall be valid if Unitholders holding at least 50% of the Units are present in the case of the OGM and Unitholders holding at least 60% of the Units in the case of an EGM, whether in person or by proxy.

In the event that the quorum of the General Meeting is not present within half an hour after the beginning of the meeting, the following measures shall be applied:

- If the meeting is at the request of the Unitholders or the Custodian, the General Meeting shall not convene nor shall it be postponed to another date; and
- If the meeting is requested by other than the Unitholders or the Custodian, the General Meeting shall be postponed to another date within a period not exceeding one month from the date fixed for the first meeting. The notice shall be published on the MSX's website and in two daily newspapers, one in Arabic and one in English, at least one week in advance of the prescribed date.

The second OGM shall be valid regardless of the attendance percentage while the second EGM shall be valid if attended by Unitholders holding at least 50% of the Units.

The decision of the General Meeting shall be disclosed immediately on the MSX's website, before the commencement of the trading session on the first working day following the date of the General Meeting.

The Investment Manager and the Related Parties shall not be allowed to vote at any General Meeting if they have an interest in the outcome of the transaction submitted for approval.

The vote in any decision suggested before the General Meeting shall be conducted by secret ballot. The result of the voting can be announced by any of the following:

- the Chairman;
- the Custodian;
- the Investment Manager; or
- Unitholders which are present or their proxies who own at least 10% of the total Units.

The Investment Manager shall ensure the minutes of the General Meeting include all of the resolutions and procedures taken in the General Meeting and shall file the minutes with the CMA, signed by the secretary of the Fund Management Body, and approved by the meeting chairman, the auditor and the appointed legal advisor within 15 days of the date of the General Meeting.

19.2 Distributions

A minimum of 90% of the Fund's annual net profit must be distributed to the Unitholders (subject to the Fund having sufficient cash available after servicing its financing commitments).

Cash dividends may be distributed to the Unitholders only from the distributable profits. Dividends shall be paid to the Unitholders whose names are recorded at the Registrar at the time of holding the General Meeting which resolved to declare the dividends. Distribution shall be undertaken by MCD.

19.3 Dissolution and Liquidation of the Fund

The Fund Management Body shall recommend to the EGM to dissolve and liquidate the Fund for any reason it deems appropriate including:

- expiration of the Term of the Fund or the purpose of its establishment set in Articles and prospectus;
- the Fund stops carrying out its business without legitimate reason;
- reduction of the NAV of the Fund to a level where the expenses incurred by Unitholders are unjustifiably high;
- on the recommendation of the Investment Manager;
- on issuance of a judgment by a competent court ordering the same; or
- on request by the CMA.

The EGM shall issue the resolution to dissolve and liquidate the Fund including the appointment of a liquidator, specifying its fees and the liquidation process. The powers of the Fund Management Body and the Service Providers shall end immediately upon the appointment of a liquidator.

The proceeds of the liquidation shall be used to discharge the due and payable liabilities of the Fund, after payment of dissolution and liquidation expenses. The balance shall be distributed to Unitholders on a pro rata basis according to their Unit holdings.

The Unitholders may at any time dissolve the Fund by a resolution of the EGM.

20 RELATED PARTY TRANSACTIONS AND MATERIAL CONTRACTS

All Related Party transactions will be executed as follows:

1. on a purely commercial basis;
2. in the interests of the Unitholders; and
3. at a price equal to the value estimated in the valuation report for real estate transactions.

The Investment Manager and a Related Party will not be allowed to vote at any General Meeting if they have an interest in the outcome of the transaction submitted for approval.

The transactions, tradings, investments and appointments of a Related Party to the Fund shall be in accordance with the most favourable conditions to the Fund, and not less beneficial to the Fund in comparison with purely business transactions conducted between independent parties at an arm's length.

Set out below is a summary of the Related Party contracts and material contracts of the Fund.

20.1 Lulu Sale and Purchase Agreement

Immediately following the establishment of the Fund, the Fund (acting as agent of the Financier) entered into the Lulu Sale and Purchase Agreement with OIA, pursuant to which the Fund acquired the legal rights to the Lulu Property. To give effect to the Ijara financing structure (as detailed above in Chapter 9 of this Prospectus), the Lulu Sale and Purchase Agreement required OIA to transfer legal title of the LuLu Property to the Financier (rather than the Fund).

Key terms of the Lulu Sale and Purchase Agreement

The Lulu Sale and Purchase Agreement has the following key terms:

- The total purchase price for the Lulu Property is OMR 28,710,000. Part of the purchase price was paid by the issuance of 145,683,345 Units to OIA and the balance of the purchase price, being OMR 14,141,666 was paid by the Fund to OIA in cash. The purchase price was paid to OIA when the Financier authorised the initial drawdown of the Facility;
- The Lulu Property was transferred free from any encumbrances save for the Lulu Lease Agreement. As set out above, pursuant to the Lulu Sale and Purchase Agreement, OIA transferred legal title to the Lulu Property to the Financier (rather than the Fund); and
- On completion of the transfer of the Lulu Property:
 - o OIA relinquished all rights to the Lulu Property in favour of the Fund but without limiting the rights and obligations of Lulu under the Lulu Lease Agreement; and
 - o the Lulu Property remained, and will remain for the duration of the term under the Lulu Lease Agreement (unless terminated early), in the full possession and control of Lulu and no utility agreements or service agreements needed to be assigned or transferred to the Fund.

20.2 Lulu Lease Agreement

The Fund will not be required to enter into a new lease with Lulu in respect of the Lulu Property and the Lulu Lease Agreement was automatically assigned to the Fund pursuant to the Lulu Sale and Purchase Agreement, without the need to obtain Lulu's prior approval. Lulu, the Fund and OIA entered into an agreement assigning the Guarantee to the Fund and amending the Lulu Lease Agreement by way of a Novation and Variation Agreement dated 21 June 2022 (see Section 8.3 of this Prospectus). The Fund also issued an assignment letter to Lulu which confirms that the Fund is the "Landlord" under the Lulu Lease Agreement and all future payments of rent should be made to the Fund. The rent payable under the Lulu Lease Agreement is OMR 2,240,000 per annum, increasing at five year intervals over the term of the Lulu Lease Agreement as explained below. There

was no need to re-register the Lulu Lease Agreement and the Lulu Lease Agreement remains on the title of the Lulu Property.

Key terms of the Lulu Lease Agreement

The Lulu Lease Agreement has the following key terms:

- The Lulu Property is leased to Lulu for a term of 20 years expiring on 3 May 2034;
- The permitted use of the Lulu Property is as a hypermarket and shopping centre site and any uses ancillary to that use;
- Lulu is currently responsible for all outgoings including taxes and utilities. However, as set out in Section 8.3 of this Prospectus, the Lulu Lease Agreement was amended upon completion of the transfer of the Lulu Property so that the obligation to pay such amounts (excluding any utilities or taxes levied on tenants) shall rest with the landlord (i.e. the Fund). Notwithstanding this, Lulu will remain liable for the payment of such amounts by virtue of the Lulu Service Agency Agreement;
- Rent is paid annually in advance and the current rent is OMR 2,240,000 until 3 May 2024 after which it shall increase to OMR 2,508,800 until 3 May 2029. As set out in Section 8.3 of this Prospectus, there will be an uplift of the rent payable to offset the fee payable by the landlord (i.e. the Fund) pursuant to the Lulu Service Agency Agreement;
- Lulu is currently responsible for maintaining, repairing or if necessary, replacing the buildings, fixtures, fittings, plant equipment and machinery at the Lulu Property which at any time become missing, damaged, broken or destroyed or which are otherwise not fit for purpose. However, as set out in Section 8.3 of this Prospectus, the Lulu Lease Agreement was, for Shariah compliance purposes, amended upon completion of the transfer of the Lulu Property so that such obligation rests with the landlord (i.e. the Fund). Notwithstanding this, Lulu will remain liable for the performance of such obligation by virtue of the Lulu Service Agency Agreement;
- Lulu may not make any structural alterations to the Lulu Property without the consent of the landlord;
- Lulu is responsible for insuring the Lulu Property at its own cost for the full reinstatement cost against damage and destruction and third party risks. However, as set out in Section 8.3 of this Prospectus, the Lulu Lease Agreement was amended upon completion so that such obligation rests with the landlord (i.e. the Fund). Notwithstanding this, Lulu will remain responsible for facilitating and administering the insurance on behalf of the landlord (i.e. the Fund) by virtue of the Lulu Service Agency Agreement;
- Lulu is required to maintain property all risks insurance, third party liability insurance and business interruption insurance which covers a period of not less than 2 years;
- Lulu may not assign the whole of the Lulu Property or underlet the Lulu Property (other than a permitted part) without the consent of the landlord; and
- The landlord (i.e. the Fund) must offer Lulu a further lease commencing on the final day of the term of the existing Lulu Lease Agreement, for a term and on and terms and conditions determined at the landlord's (i.e. the Fund) discretion before offering to lease the Lulu Property to a third party. Lulu will have 20 Business Days to notify the landlord (i.e. the Fund) whether it accepts the terms of the renewal. If the offer is not accepted by Lulu during the prescribed timeframe, the landlord (i.e. the Fund) will be entitled to lease the Lulu Property to any third party.

20.3 Lulu Service Agency Agreement

The Fund entered into the Lulu Service Agency Agreement to appoint Lulu as a service agent to perform certain obligations on behalf of the Fund for the term of the Lulu Lease Agreement. The Guarantee has also been amended to include a guarantee of Lulu's obligations under the Lulu Service Agency Agreement. In consideration of the services being provided by Lulu to the Fund, the Fund will pay Lulu an annual fee that is equivalent to the annual budgeted costs of Lulu of the various goods and services applicable to the maintenance, repair, replacement and insurance of the Lulu Property. To address the costs payable by the Fund to Lulu pursuant to the Lulu Service Agency Agreement, there will be an uplift in the rent payable by Lulu under the Lulu Lease Agreement.

Key Terms

The Lulu Service Agency Agreement is required for Shariah purposes and effectively permits and requires Lulu to perform major repairs and pay proprietorship taxes and insurances. Lulu will be entitled to charge the Fund for such works, services and payments however the Fund will contemporaneously receive back the same amount under the Lulu Lease Agreement as 'additional rent', rendering the transaction neutral from a financial perspective. The annual budgeted costs will be set off against the additional rent and the two amounts must be equal.

20.4 Omantel Sale and Purchase Agreement

Immediately following the establishment of the Fund, the Fund (acting as agent of the Financier) entered into the Omantel Sale and Purchase Agreement with Omantel, pursuant to which the Fund acquired the legal rights to the Omantel Property. To give effect to the Ijara financing structure (as detailed above in Chapter 9 of this Prospectus), the Omantel Sale and Purchase Agreement required Omantel to transfer legal title to the Omantel Property to the Financier (rather than the Fund).

Key terms of the Omantel Sale and Purchase Agreement

The Omantel Sale and Purchase Agreement has the following key terms:

- The total purchase price for the Omantel Property is OMR 55,000,000. Part of the purchase price was paid by the issuance of 279,086,867 Units to Omantel and the balance of the purchase price, being OMR 27,091,313 was paid by the Fund to Omantel in cash. The purchase price was paid to Omantel when the Financier authorised the initial drawdown of the Facility;
- The Omantel Property was transferred free from any encumbrances save for the Omantel Lease Agreement, with the Omantel Sale and Purchase Agreement requiring Omantel to transfer legal title of the Omantel Property to the Financier (rather than the Fund) to give effect to the Ijara finance structure; and
- On completion of the transfer of the Omantel Property:
 - Omantel relinquished all rights to the Omantel Property in favour of the Fund but without limiting the rights and obligations of Omantel under the Omantel Lease Agreement; and
 - the Omantel Property remained, and will remain for the duration of the term under the Omantel Lease Agreement (unless terminated early) in the full possession and control of the Omantel Property and no utility agreements or service agreements will need to be assigned or transferred to the Fund.

20.5 Omantel Lease Agreement

Simultaneously with completion of the transfer of the Omantel Property to the Financier, the Fund leased the Omantel Property back to Omantel for an initial term of 5 years, with 2 x 5-year renewal options exercisable at the Fund's discretion, pursuant to the Omantel Lease Agreement. The Omantel Lease Agreement was, for Shariah compliance purposes, structured in a similar manner to that of the Lulu Lease Agreement, with a service agency agreement entered into between Omantel and the Fund in respect of the Omantel Property on terms similar to the Lulu Service Agency Agreement. The rent payable for the initial 5-year term will be OMR 4,291,188 per annum and shall increase at beginning of each 5-year renewal term as set out below.

Key terms of the Omantel Lease Agreement

The Omantel Lease Agreement has the following key terms:

- The Omantel Property will be leased to Omantel for an initial term of 5 years, commencing on completion of the transfer of the Omantel Property to the Fund (i.e. 21 June 2022);
- The Fund is granted 2 x 5-year renewal options, with the term under the Omantel Lease Agreement to be automatically extended at the end of each 5-year term if the Fund does not provide Omantel with notice at least 12 months prior to the expiry date of the relevant term of its intention to not renew the lease for the first renewal term or the second renewal term (as the context requires);
- The permitted use of the Omantel Property is as a commercial office and any uses ancillary to that use;

- Omantel is responsible for all utility charges and any taxes levied on tenants;
- The landlord (i.e. the Fund) is responsible for all outgoing, including taxes. Notwithstanding this, Omantel remains liable for the payment of such amounts by virtue of the Omantel Service Agency Agreement;
- Rent is payable bi-annually in advance and the rent payable for the duration of the term is:
 - o in respect of the initial 5-year term – OMR 4,291,188 per annum;
 - o in respect of the first 5-year renewal term – OMR 4,806,130.56 per annum; and
 - o in respect of the second 5-year renewal term of 5 years – OMR 5,382,866.23 per annum;
- The landlord (i.e. the Fund) is responsible for maintaining, repairing or if necessary, replacing the buildings, fixtures, fittings, plant equipment and machinery at the Omantel Property, which at any time become missing, damaged, broken or destroyed or which are otherwise not fit for purpose. Notwithstanding this, Omantel remains liable for the performance of such obligation by virtue of the service agency agreement;
- Omantel may not make any structural alterations to the Omantel Property without the consent of the landlord (i.e. the Fund);
- The landlord (i.e. the Fund) is responsible for insuring the Omantel Property at its own cost for the full reinstatement cost against damage and destruction and third party risks. Notwithstanding this, Omantel remain responsible for facilitating and administering the insurance on behalf of the landlord (i.e. the Fund) by virtue of the Omantel Service Agency Agreement;
- Omantel is required to maintain property all risks insurance, third party liability insurance and business interruption insurance which covers a period of not less than 2 years;
- Omantel is not entitled to assign or underlet the whole of the Omantel Property without the consent of the landlord (i.e. the Fund);
- Omantel is entitled to underlet part of the Omantel Property without the landlord's (i.e. the Fund's) consent provided that:
 - o it remains in occupation of at least 40% of the Omantel Property; and
 - o the Omantel Property remains its headquarters;
- Omantel is granted 2 x 5-year renewal options after the expiry of the second renewal term. Omantel will be required to provide the landlord (i.e. the Fund) with notice of its intention to renew the Omantel Lease Agreement at least 3 months, but not more than 6 months, prior to end of the initial term or renewal term (as applicable). Should Omantel exercise the option, the Omantel Lease Agreement shall renew on the same terms and conditions, save for the rent which will be subject to mutual agreement, and failing mutual agreement, as determined by an expert; and
- The Fund is responsible for registering the Omantel Lease Agreement with the Municipality at its own cost. However, if the Omantel Lease Agreement needs to be registered with MOHUP at a later date (see Chapter 10 of this Prospectus), Omantel will be solely responsible for the payment of any fees to MOHUP in this regard.

20.6 Omantel Service Agency Agreement

The Fund entered into the Omantel Service Agency Agreement to appoint Omantel as a service agent to perform certain obligations on behalf of the Fund for the term of the Omantel Lease Agreement. In consideration of the services being provided by Omantel to the Fund, the Fund will pay Omantel an annual fee that is equivalent to the annual budgeted costs of Omantel of the various goods and services applicable to the maintenance, repair, replacement and insurance of the Omantel Property. To address the costs payable by the Fund to Omantel pursuant to the Omantel Service Agency Agreement, there will be an uplift in the rent payable by Omantel under the Omantel Lease Agreement.

Key Terms

The Omantel Service Agency Agreement is required for Shariah purposes and effectively permits and requires Omantel to perform major repairs and pay proprietorship taxes and insurances. Omantel will be entitled to charge the Fund for such works, services and payments however the Fund will contemporaneously receive back the same amount under the Omantel Lease Agreement as 'additional rent', rendering the transaction neutral from a financial perspective. The annual budgeted costs will be set off against the additional rent and the two amounts must be equal.

21 ROLES AND RESPONSIBILITIES OF THE SERVICE PROVIDERS

21.1 Investment Manager (Sohar International Bank SAOG)

The Investment Manager has been appointed by OIA to act as the investment manager for the Fund. The agreement was novated to the Fund after the Fund was established in accordance with a novation agreement dated 21 September 2022. In this role, the Investment Manager will be responsible for the day-to-day management of the Fund's assets in accordance with the rules and principles stated in this Prospectus and the terms of the Investment Management Agreement. The Investment Manager will also adhere to the investment strategies adopted by the Fund Management Body and the Shariah Guidelines. The Investment Manager will take all actions aimed at achieving the objectives of the Fund as stated in the Prospectus and the Articles.

The general responsibilities of the Investment Manager are to:

- Evaluate, recommend and assist in implementing the most appropriate acquisition structure, divestments / enhancement plan, optimal capital structure, and funding structure for the Fund;
- Liaise and co-ordinate with other advisors (including legal advisors, auditors, valuers and underwriters, as applicable) in respect of the Fund;
- Manage the structuring process to ensure an efficient structure from an ownership, tax, leverage and operational perspective;
- Prepare and publish annual financial reports and quarterly progress reports and manage and report on the finances of the Fund;
- Organize, manage and record the Fund Management Body meetings;
- Ensure the legality and validity of all contracts entered into in favour of the Fund and the compliance of the Fund operations with applicable laws and regulations;
- Supervise the performance of the third parties with whom the Fund is contracted;
- Identify, review and evaluate prospective investments consistent with the objectives of the Fund and carry out due diligence; and
- Undertake all activities of Investment Manager as required by the REIF Regulation.

The Investment Manager also has specific responsibilities in respect of managing the Fund's investments and activities and reporting to the Fund Management Body.

Fees payable to the Investment Manager

Pursuant to the terms of the Investment Manager Agreement, the Investment Manager is entitled to the following fees for the ongoing performance of its services as investment manager:

- An annual management fee equal to the higher of (a) 1% of the annual gross rent collected by the Fund based on the Fund's audited financial statements for the relevant Financial Year and (b) OMR 50,000, to be paid in equal quarterly instalments and accruing from the date of establishment of the Fund;
- An annual incentive fee calculated as 20% of (a) the net annual cash distributed to Unitholders divided by the average aggregate net asset value of the Fund for the relevant Financial Year, less (b) the average yield at auction of the last '10 year GDB Bond' issued by the Government of the Sultanate of Oman plus 200 basis points; and
- A transaction fee equal to 1% of the total purchase or sale consideration paid or received by the Fund in relation to any real estate or real estate-related asset directly or indirectly acquired, sold or divested from time to time by the Fund. This fee is payable on a transaction-by-transaction basis and will not be payable on any acquisition of assets which are at least 50% owned, directly or indirectly by OIA or Omantel or on any disposal of the Properties (if applicable).

In addition, the Investment Manager is entitled to receive a one-off performance fee in the event of an initial public offering of the Fund on the MSX. The performance fee will be payable within 10 Business Days of the later to occur of admission of the Units on the MSX or receipt of all funds from investors. The performance fee will be calculated as 1.5% of (a) the issue price excluding expenses of each new Unit being issued or an existing Unit being transferred as part of the public offer less (b) the aggregate net asset value of the Fund as calculated in its audited financial statements on admission to the MSX divided by the aggregate number of existing and new Units being issued in the Fund and (c) multiplied by the aggregate number of new and existing Units being issued and/or transferred.

Key Personnel of the Investment Manager and Roles

The key personnel of the Investment Manager are entrusted with the responsibility for the daily operations of the Fund.

The Investment Manager will work with the Fund Management Body to determine the strategy for the Fund to ensure that the Fund operates in accordance with the Investment Manager's stated investment strategy. Additionally, the Investment Manager will be responsible for planning the future strategic development of the Fund. The Investment Manager is also responsible for strategic planning, the overall day-to-day management and operations of the Fund and working with the Investment Manager's investment, asset management, financial and legal and compliance personnel in meeting the strategic, investment and operational objectives of the Fund.

Manager

Mr. Kumail Ali Moosa, CFA, Senior Specialist, Fund & Portfolio

- Kumail has over 8 years of experience in investment banking, marketing and valuing global investment products such as mutual funds, bonds, life insurance products, REITS, and local and GCC equities.
- Prior to Sohar International Bank, Kumail has worked at GBCM, Standard Chartered Bank Wealth Management Division, Ahli Bank Investment Banking Division, and Vision Investment Services US Equity Market Division.
- He has managed funds, including pension funds, with assets under management of OMR 10 million.
- He has a bachelor's degree from Anglia Ruskin University in Business Administration. He is also a Chartered Financial Accountant.

Senior Team Members

Mr. Naji Al Riyami, VP & Head, Asset Management

- Naji has over 16 years of professional experience in investment management. He has considerable experience in strategic asset allocation, managing equity, fixed income and alternative investments assets for large pension funds both in local and international markets
- Prior to Sohar International Bank, he was Head of Local Asset Management at Public Authority for Social Insurance (PASI) in Oman. Before PASI, he managed large institutional portfolios at Bank Muscat Asset Management. He also worked with KPMG Oman as an auditor.
- He has served on the board of directors of Majan Development Co. SAOC, Oman Cables Industry SAOG and Asafa Foods SAOG.
- He holds a bachelor's degree in accounting from the University of Portsmouth (UK).

Mr. Gigi Tharian Varghese, Sr. V.P & Head- Investment Banking

- Gigi heads the Investment Banking practice at Sohar International Bank. He has more than 18 years of investment experience and proven track record of successfully managing multi-million dollar portfolios of pension funds
- He led the AMAN REIT IPO transaction – Oman's first REIT IPO, private placement of perpetual sukuk by Takaful Oman Insurance, the first ever perpetual sukuk in Oman. He brings to the table expertise of portfolio management in the international and GCC in the fixed income and equity space.
- His core competencies are stock picking, identifying investment opportunities, analysis, valuation and risk management.
- Prior to joining Sohar International Bank, he was Senior Investment Specialist at Diwan of Royal Court Pension Fund for

6 years, where his role was asset allocation strategy including the management of the equity and bond portfolio of the Pension Fund Investments. He was also involved in recommending real estate and private equity investments of the pension fund. Before that he was spearheading the research department of EFG-Hermes Holding in Dubai and Oman.

- He holds a Master's Degree in Business Administration (MBA) specializing in Finance from Pune University. He has also completed an executive program in behavioural economics from the London School of Economics.

21.2 Custodian and Administrator (Gulf Custody Company SAOC)

The Custodian and Administrator has been appointed by the Fund to act as the custodian and administrator for the Fund. In this role, the Custodian will be responsible for preserving the money of the Fund for the purpose of protecting and preserving the interests of the Unitholder. As the Administrator of the Fund, Gulf Custody Company SAOC will be responsible on calculating the NAV, maintaining the Fund's records and managing the governance of the Fund amongst other responsibilities. The Custodian and Administrator will perform its duties in accordance with the rules and principles stated in this Prospectus, the REIF Regulation, the terms of the Custodian and Administrator Agreement and will also adhere to the investment strategies adopted by the Fund Management Body and the Shariah Guidelines.

The scope of work of the Administrator is, primarily, to:

- maintain the financial records of the Fund, including valuation reports of the Fund's financial assets carried out by independent evaluators;
- liaise with the auditors to prepare the financial statements of the Fund in compliance with the IFRS/ AAOIFI;
- calculate the NAV and all relevant fees (including management fees and performance fees);
- calculate and facilitate distributions, dividend payments as and when applicable;
- prepare and file the quarterly extensible business reporting language (XBRL) file as required by the CMA; and
- perform all other administrative related functions.

The scope of work of the Custodian is, primarily, to:

- hold or arrange to hold in safe custody, the Fund's property, financial instruments or any other items belonging to the Fund and ensure that such property and assets are registered and held in the name of the Fund;
- hold and keep track of the Fund's securities and funds in segregated accounts, complying with the investment rules pertaining to the investment funds registered with the CMA and the rules stipulated in this Prospectus and Articles and ensure that any violation is reported to the Fund Management Body and the CMA within 30 days of such violation;
- open, operate and maintain account(s) as advised by the Investment Manager with licensed banks in the name of the Fund;
- maintain proper records showing all the transactions and accounts belonging to the Fund;
- receive all income in respect of the Fund's properties and credit the same to the Fund's bank account;
- arrange for making any payments arising out of or in connection with the Fund's Properties whether as a result of its being called or redeemed or otherwise becoming payable;
- receive, hold and pay out funds as settlement of executed transactions for securities listed on the MSX or not;
- ensure the accuracy of transactions undertaken by brokers;
- receive and hold for the account of the Fund all securities, title deeds, certificates, agreements and other physical documents received by the Custodian evidencing the Fund's ownership of the property portfolio; and
- perform other custodial related functions which comply with the applicable provisions of this Prospectus.

Fees payable to the Custodian and Administrator

Pursuant to the terms of the Custodian and Administrator Agreement, the Custodian and Administrator is entitled to the following fees for the ongoing performance of its services:

- during the first year of the Fund's operations, a flat fee of OMR 10,000 per annum; and
- from the start of the second year of the Fund's operations, the fees will be OMR 13,000 per annum thereafter.

In addition to the above, the Custodian and Administrator is entitled to receive OMR 200 per each XBRL report.

management transactions. He is currently a faculty member at the Saudi Electronic University, Riyadh. Before that, he was a faculty member and director of the Islamic Banking and Finance Center at King Fahd University of Petroleum and Minerals in Dhahran. He has published multiple research papers and articles related to the Islamic banking sector, most notably Al-Eqtisadiah newspaper.

Sheikh Faraz Adam – Executive Member of the Shariah Supervisory Board

Faraz Adam has spent almost a decade studying Islamic law. He completed a six-year Alimiyyah program in the United Kingdom and subsequently completed the Ifta course in South Africa. Faraz holds a Master's Degree in Islamic Finance, Banking and Management from Newman University in the United Kingdom in 2017. Over time, he has attained various finance-industry qualifications such as the IFQ, CIFE and is a Certified Shariah Advisor and Auditor (CSAA). He has published several research papers on contemporary financial issues and has authored several chapters in books focusing on Fintech. He currently serves on several Shariah boards and Shariah advisory positions for Islamic financial institutions across the world in the United States, United Kingdom, Switzerland, Bahrain, Singapore, Dubai and other countries. He is currently the Shariah advisor at Simply Ethical, Introcrowd, Vanguard Credit Union, I Will Solicitors, Qardus, Izdiyar, Ethica Institute of Islamic Finance, Blockchainology, Shariyah Review Bureau (SRB), Gateway Islamic Advisory LLP and Five Pillar Pte.

Role of the Shariah Supervisory Board

The primary role of the Shariah Supervisory Board is to ensure the Shariah compliance of the Fund. This involves, among other measures, making an initial evaluation of the Shariah compliance of the Fund and its initial portfolio, drawing up the Shariah Guidelines to ensure that the Fund is, and continues to remain, Shariah compliant, and issuing the Shariah certification.

The Shariah Supervisory Board's responsibilities also include to:

- examine and verify all relevant documents and agreements entered into by the Fund as well as data, statistics and financial information of the Fund to ensure that they are compliant with Shariah principles, including the Articles and this Prospectus as well as the Lulu Sale Purchase Agreement, Omantel Sale Purchase Agreement, Lulu Lease Agreement, Omantel Lease Agreement and the service agreements;
- monitor the operations of the Fund periodically through the annual Shariah audit and on an ad hoc basis with a view to ensuring Shariah compliance;
- advise on all aspects of real estate investment and fund management business in accordance with Shariah principles;
- provide Shariah expertise and guidance in all matters, particularly on the Articles and this Prospectus, the Fund structure, investments, and other operational matters;
- ensure that the Fund is operated and managed in accordance with Shariah principles, relevant CMA regulations and/or standards, including resolutions issued by professional bodies in Shariah regulatory matters;
- advise on and institute procedures for the cleansing of revenue or income that is deemed to be Shariah non-compliant and advising and guiding the Investment Manager on all Shariah matters in relation to the Fund;
- review the annual Shariah audit and compliance review on, among others, the Fund's physical properties;
- review the Fund's compliance report and investment transaction report issued by the Investment Manager and/or the Custodian to ensure that the Fund's investments are in line with Shariah principles; and
- prepare a report to be included in the Fund's annual and interim reports stating the Shariah Supervisory Board's opinion on whether or not the Fund has been operated and managed in accordance with Shariah principles for the financial period concerned.

If any position on the Shariah Supervisory Board becomes vacant before the end of the term of office, another member shall be selected to complete these terms according to the procedures stipulated in the Articles and the REIF Regulations.

Any person appointed as a member in more than one Shariah supervisory board in funds managed by the same Investment Manager shall act independently for each fund.

Fees payable to the Shariah Advisor

Pursuant to the terms of the Shariah Advisory Agreement, the Shariah Supervisory Board is entitled to an annual fee of USD 14,600, payable in two equal instalments on a semi-annual basis. The Shariah Supervisory Board has the option to increase the fee after a period of two years from signing the Shariah Advisory Agreement with prior consent of the Fund.

22 SHARIAH GUIDELINES AND FATWA

The below guidelines are the Shariah Guidelines as approved by the Shariah Supervisory Board and which comply with the AAOIFI Shariah standards and, where the AAOIFI standards are silent, international best market practices according to the Shariah Supervisory Board's interpretation. Any potential departures from these guidelines due to certain unique conditions or unusual situations will require the Shariah Supervisory Board's prior approval before implementation.

(a) Pre-Investment Process

The Shariah Guidelines for each investment of the Fund include, but are not limited to, the following:

Core Business Activity (Source of Income) Screening

- The Fund shall not acquire properties where the existing business operation of the property involves the following Shariah non-compliant activities on a full-capacity basis:
 - o companies in the financial services industry that are involved in interest-based lending and/or distribution of interest-based products. This includes financial intermediaries such as conventional banks, conventional insurance, interest-based lending (excluding windows operating in compliance with Shariah principles);
 - o manufacturing or distribution of alcohol and tobacco;
 - o companies operating in betting and gambling operations like casinos or manufactures and providers of slot/gambling machines;
 - o the production, packaging, processing, or any other activity related to pork and non-halal food and beverages;
 - o bio-technological companies involved in human genetic manipulation, alteration, mutation and cloning; excluding those that are involved in medical research;
 - o Shariah non-compliant entertainment, that deals with the operation of cinema theatres, composing, production and distribution or sale of music or pornography, the operation of Shariah non-compliant TV or radio stations; and
 - o any other activities not permissible under Shariah, as determined by the Shariah Supervisory Board.
- Standards of legitimacy for the sale or lease of assets of the Fund:
 - o the Fund may utilize its money for the purchase and operation of real estate projects under the condition that they are Shariah compliant and do not involve interest in any kind;
 - o the Fund must not demand or receive any interest or other levied financial penalty/ late payment fee from any involved party not fulfilling its contractually agreed upon obligations. The Investment Manager should ensure that appropriate judicial proceedings are applied to receive their dues; and/or
 - o the Investment Manager may rent out Fund-owned properties before they are sold, provided that they are not utilized for non-Shariah compliant purposes, i.e. renting out property to a conventional bank.
- The Fund can acquire properties that are already leased to tenants who do not fulfill the Shariah principles including banks, insurance, gambling, alcohol, etc. whose lease rentals are equal to 5% or less of the total revenues based on the following terms:
 - o the revenues derived from non-Shariah tenants will be given to the charity;
 - o if the Fund can replace the non-Shariah tenant with the Shariah tenant without incurring any financial and legal obligation then it should do so with providing 3 months' notice to such tenants;
 - o if replacing such tenant is expected to incur financial penalty and legal obligations then the lease term for such tenant should be completed. Upon completion of the lease term non-Shariah tenant should be replaced; and
 - o if the Fund acquires a new building or a property that does not have any tenants and starts leasing the property to tenants, then in this case, the property should not be leased to a non-Shariah tenant even if it amounts to 5% or less of the total revenues.
- The Fund may not accept a new tenant(s) whose activities are fully non-permissible, or which may result in a breach of the permitted threshold.

Financing

- If a property to be acquired by the Fund has an existing conventional borrowing facility with a conventional bank, the Fund shall, upon completion of the acquisition, either:
 - o retire that conventional facility by making full settlement; or
 - o if it wishes to continue having financing leverage, seek to re-finance the facility with a new Islamic financing facility.
- The Fund may obtain financings to make investments or finance its operational activities by way of obtaining financing provided that the financing instrument adopted is a Shariah compliant instrument only and as approved by the Shariah Supervisory Board.

Preference Shares

- The Fund is neither allowed to acquire preference shares or become a preference shareholder in a targeted investment asset, in circumstances whereby shareholders within the same class of share have preferential economic and financial rights over other shareholders within another class of share.

Purification

- Any income derived from non-halal activities (which is less than 5% of the total rental income of the Fund's property) shall be purified entirely to the Shariah Supervisory Board's approved charitable bodies.

Cash Management

- The Fund shall keep its cash in Islamic money market instruments, Islamic accounts or wherever not applicable, a non-interest bearing account. The Fund shall at all times use its best efforts to search for and utilise a Shariah compliant product in all instances.
- Any interest income derived from any overnight placements (prior to deployment of the Fund's money for investment purposes) that becomes part of the Fund's assets shall be disposed of to one or more charities approved by the Shariah Supervisory Board for purification purposes.
- The Fund shall not avail itself of an overdraft facility against payment of fees or interest that is calculated taking into consideration the amount withdrawn and the utilisation period. The Fund may utilise an overdraft facility under an Islamic instrument or other available instrument which does not contravene the requirements of Shariah and as approved by the Shariah Supervisory Board.
- Un-invested cash assets of the Fund may be invested in Shariah compliant short-term investment products with one or more Islamic financial institutions or Islamic window operations of a conventional financial institution as approved by the Shariah Supervisory Board.

Use of Hedging Techniques

- All hedging activities and structured instruments for the Fund's investment activities shall only be carried out and used after obtaining the written approval of the Shariah Supervisory Board to ensure that they are Shariah compliant. Accordingly, only Shariah compliant hedging products shall be utilised and such hedging products shall only be used for risk management purposes and not for investment purposes.
- The Fund may not subscribe to conventional derivatives products either for hedging or investment purposes. Such conventional derivatives products include: options; forwards; futures; swaps; securities lending; and products of a similar nature. However, the Fund may utilise Shariah-compliant equivalent products of the abovementioned which offer the same economic objective, but which are based on a different product structure which adhere to Shariah principles, such as those utilising the following product structures:
 - o Forwards: Bai' Al Salam/Wa'd (undertaking) for the purposes of hedging for risk-management purposes, and is limited to the Fund's existing exposure to foreign exchange
 - o Futures: Wa'd
 - o Options: Wa'd
 - o Swaps: Islamic profit rate swaps based on the contract of commodity Murabaha
 - o Securities Lending: Double sale contract with Wa'd

(b) Post-Investment Shariah Monitoring Process

Annual Audit

- The Investment Manager will arrange for the annual Shariah audit of the Fund by the Shariah Supervisory Board. The audit exercise shall review and monitor the investment activities of the Fund to ensure that each investment as undertaken by the Fund shall comply with the Shariah Guidelines and any other direction as provided by the Shariah Supervisory Board.
- Upon successful completion of the audit, the Shariah Supervisory Board would issue a compliance certificate to the Fund.

Proceeds Purification: Calculation and Disposal

- The following procedures to cleanse any Shariah non-compliant proceeds received from an asset in the Fund's portfolio must be followed:
 - o the Shariah Supervisory Board requires that purification of Shariah non-compliant proceeds should be performed at least once each year and in all cases before distribution of proceeds to the Unitholders;
 - o upon calculation of the impure proceeds portion, the same shall be deducted from the overall proceeds and transferred to the non-compliant income account; and
 - o such impure proceeds portion shall be donated to charitable bodies as pre-approved by the Shariah Supervisory Board. As a general rule, any charitable body may be selected for this purpose except only for those which involve the propagation of religion other than Islam or those which may directly or indirectly implicate the image of Islam.

23 OFFER CONDITIONS AND PROCEDURES

The table below sets out an overview of some of the key statistical information in respect of the Offer:

	Category I Investors	Category II Investors
Number of offered Units	156,103,050	52,034,350
Percentage of offered Units	75%*	25%*
Offer Price	112 Baiza	
Basis of price	Fixed price	
Basis of allotment*	Discretionary	Pro-rata
	Maximum 10% of the total Units per investor, unless there is undersubscription	Any unsubscribed portion will be allocated to Category I Investors
Minimum subscription**	5,000,000 Units and thereafter in multiples of 100 Units	1,000 Units and thereafter in multiples of 100 Units
Maximum subscription	No maximum subscription, subject to the restriction set out in the basis of allotment above	4,999,900 Units
Terms of payment	Upfront funding at time of application, select institutional investors may fund just before allotment	Upfront funding at time of application

*See Allocation Basis below for further details.

**Notwithstanding this description of the minimum subscription, the Fund Management Body may reduce the minimum subscription from time to time to maximize investor participation, and the Fund Management Body may accept multiples of less than 100 Units, in its sole discretion.

Eligibility for the subscription of Offer Units

The Offer will be open to Omani and non-Omani individuals and juristic persons. All GCC individuals and juristic persons are treated as Omani individuals and juristic persons for the purpose of applying for and owning Units.

Prohibitions with regards to the Applications

The following Applicants shall not be permitted to subscribe to the Offer:

- Sole proprietorship establishments: The owners of sole proprietorship establishments may only submit Applications in their personal names.
- Trust accounts: Customers registered under trust accounts may only submit Applications in their personal names (except as detailed below). This restriction does not apply to investment funds and waqfs.
- Multiple Applications: An Applicant may not submit more than one Application.

- **Joint Applications:** Applicants may not submit applications in the name of more than one individual (including on behalf of legal heirs).
- **Selling Unitholders:** The founding unitholders of the Fund may not subscribe to the Offer Units in the IPO.

All such Applications will be rejected without contacting the Applicant. As an exception, the Applications by the trust accounts may be accepted in the Offer, at the discretion of the Issue Manager, if the Collecting Agent is satisfied that none of the underlying subscribers applying through such trust accounts have also applied through their names or their personal establishments. The Issue Manager may reject such Application if it becomes aware that there are multiple applications from such investors applying through trust accounts.

The Collecting Agent accepting Applications by the trust accounts will need to get an undertaking signed by the Applicant providing further details of the underlying investors / beneficiaries on whose behalf the Application has been made. The Collecting Agent will clearly communicate to Applicant that in case of multiple Applications by the trust account and the underlying investor in their names or their personal establishments, one or both Applications are liable to be rejected at the discretion of the Issue Manager.

Subscription on behalf of Minor Children

For the purpose of this Offer, any person under 18 years of age on the date of submission of an Application will be defined as a minor. Only a legal guardian may subscribe on behalf of minor children.

If an Application is made on behalf of a minor by any person other than the legal guardian's, the person submitting the Application will be required to attach a legally valid Shariah compliant power of attorney issued by the competent authorities authorising him or her to deal in the funds of the minor through sale, purchase and investment.

Applicant MCD Number

Any Applicant who applies for the Offer must have an account and Investor Number with the MCD. Any Applicant may apply to obtain an Investor Number and open an account by completing the MCD application forms. This may be obtained from the MCD or its website at www.mcd.gov.om, or from brokerage companies licensed by the CMA. The completed form may be submitted by an Applicant through any of the following channels:

- At the head office of the MCD, at P.O. Box 952, Postal Code 112, Ruwi, Muscat, Sultanate of Oman;
- At the office of any brokerage company licensed by the CMA; or
- By opening an account through the MCD website at www.mcd.gov.om.

In order to open an account with the MCD, a juristic person will be required to furnish a copy of its constitutional documents, in the form prescribed by the MCD, along with a completed MCD application form in order to open an account and receive an Investor Number.

Applicants who already hold accounts with the MCD are advised, before submitting the Application, to confirm their details as noted in the Application. Applicants may update their particulars through any of the channels mentioned above.

All correspondence will be sent to each Applicant's contact details as recorded with the MCD. Applicants should ensure that their details as provided to the MCD are correct and kept up-to-date.

Each Applicant should secure from the MCD its Investor Number as the Investor Number will be required in order to complete an Application. Each Applicant is responsible for ensuring that the Investor Number set out in their Application is correct. Applications not bearing the correct Investor Number will be rejected without contacting the Applicant.

For more information on these procedures, Applicants should contact the MCD at:

Muscat Clearing & Depository SAOC

P.O. Box 952, Postal Code 112, Ruwi, Muscat, Sultanate of Oman

Tel: +968 2482 2222; Fax: +968 2481 7491, Web: www.mcd.gov.om.

Offer Period

The Offer Period shall commence on 16 October 2022 and shall end on 30 October 2022.

Mode of Application

The Offer will be conducted only through the E-IPO Mechanism. The Applicants will be able to submit Applications either through Collecting Banks or through Collecting Brokers:

- **Application through Collecting Banks**

1. E-IPO channel by the Collecting Banks:

The Applicant will need to get in touch with their respective bank which has been appointed as a Collecting Bank for further guidance on the E-IPO channel provided by the respective bank.

The Application Fund will be paid by the Applicant as per the terms of the E-IPO collection process utilised by each Collecting Bank. The Applicant will be required, before completing the Application through E-IPO, to carefully read this Prospectus, including the conditions and procedures governing the E-IPO Application.

2. E-IPO Platform

The Applicants can furnish all particulars in the E-IPO Platform at the following website: www.mcd.gov.om.

After verifying all the particulars, the Applicant will need to print the E-IPO Application. The Applicant needs to submit the E-IPO Application along with supporting documents and Application Fund to one of the Collecting Banks. The Collecting Bank in turn after verifying the supporting documents and confirming the receipt of the Application Fund will validate the E-IPO Application in the E-IPO platform and share a copy of the acknowledgment of the E-IPO Application with each Applicant. The Applicant needs to ensure that they receive a copy of the acknowledgement from the Collecting Bank as a valid proof of their Application.

Each Applicant can make payments through the following routes: (i) by cash; or (ii) by cheque or demand draft in favour of "The Pearl REIF IPO"; or (iii) instruct their bank to debit their bank account (provided the bank has been appointed as a Collecting Bank) for the Application Fund at the time of submission of the Application.

- **Application through Collecting Brokers**

The Applicants will provide instructions along with supporting documents and Application Fund to their brokers (provided the broker has been appointed as a Collecting Broker) to apply in the IPO on their behalf. The Collecting Brokers on receipt of such instructions along with supporting documents and upon confirmation of the receipt of Application Fund will create an E-IPO Application on behalf of the Applicant on the E-IPO Broker Platform. The Collecting Broker who makes the Application on behalf of the Applicant will download and share a copy of acknowledgment of the E-IPO Application to each Applicant. The Applicant needs to ensure that they receive a copy of the acknowledgment from the Collecting Broker as a valid proof of their Application.

Each Applicant can make payments through the following routes: (i) by cheque or demand draft in favour of "The Pearl REIF IPO"; or (ii) bank transfer to their broker (provided the broker has been appointed as a Collecting Broker); or (iii) instruct their broker to debit their brokerage account (provided the broker has been appointed as a Collecting Broker) for the Application Fund at the time of submission of the Application.

Minimum limit for the Offer

- The minimum number of Units for category I investors will be 5,000,000 Offer Units and in multiples of 100 Offer Units thereafter.
- The minimum number of Units for category II investors will be 1,000 Offer Units and in multiples of 100 Offer Units thereafter.

Notwithstanding this description of the minimum offer, the Fund Management Body may reduce the minimum capital participation from time to time to maximize investor participation, and the Fund Management Body may accept multiples of less than 100 Offer Units, in its sole discretion.

Maximum limit for the Offer

- There is no maximum subscription of Units for category I investors, subject to the restriction set out in the Allocation Basis below
- The maximum number of Units for category II investors will be 4,999,900 Offer Units.

None of the Fund, Joint Global Coordinators and Bookrunners and/or the Issue Manager is liable for any changes in applicable laws or regulations that occur after the date of this Prospectus. Applicants are advised to make their own independent investigations to ensure that their Applications comply with prevailing laws and regulations.

Terms of Payment

The Collecting Agents will open escrow accounts entitled the "The Pearl REIF IPO" for the collection of the Application Fund from each Applicant. These escrow accounts will be managed by each Collecting Agent and will on the next two working days after the receipt of the Application Fund transfer the collection proceeds to the common escrow account maintained by MCD.

Certain Category I highly solvent institutional investors may at the discretion of the Collecting Agents be provided with the option to make payment immediately prior to the final allotment of the Offer Units.

Particulars of the Bank Account of the Applicant

In accordance with the instructions of the CMA, each Applicant needs to verify the details of the bank account listed in the records of the MCD. The bank account listed in the records of the MCD will be used for the transfer of refunds.

Documentation Required

- A copy of a valid power of attorney duly endorsed by the competent legal authorities must be included in the event the Application is on behalf of another person (with the exception of an Application made by a father on behalf of his minor(s), in which case a certified copy of the passport (or civil card) of the father and the passport of the minor(s) must be included with the Application).
- In the case of Applications by juristic persons (non-individuals) which are signed by a person in his or her capacity as an authorised signatory, a certified copy of adequate and valid documentation evidencing such authority must be submitted along with the Application.
- In case of Applications by trust accounts, further details and documentation of the underlying investor will need to be furnished as instructed by the Collecting Agent.

Collecting Agents receiving the Applications

The Applications will be accepted at all the branches of the Collecting Agents during official working hours only.

The Collecting Agent receiving the Applications is required to accept the Application, after confirmation of compliance with the procedures for Applications set out in this Prospectus. The Collecting Agent must instruct the Applicants to comply and fulfil any requirements set out in the Application.

Applicants must submit an Application to one of the Collecting Agents on or before the closing of the Offer Period. The Collection Agent shall refuse any Application received after the end of official working hours on the Offer Closing Date.

Acceptance of Applications

The Collecting Agents will not accept Applications in the following circumstances:

- If the Application does not bear the signature of the Applicant;
- If the Application Funds are not paid by the Applicant in accordance with the terms and conditions set out in this Prospectus;
- If the Application Funds is paid by cheque and the cheque is dishonoured for any reason;
- If the Application is submitted in joint names;
- If the Applicant is a sole proprietorship or trust account;

- If the Applicant submits more than one Application in the same name (in which case all of the Applications made by that Applicant may be rejected);
- If the required supporting documents are not enclosed with the Application;
- If the Application does not contain all the particulars of the bank account of the Applicant;
- If the particulars of the Applicant's bank account provided in the Application are found to be incorrect, inaccurate or not to be a bank account in the name of the Applicant, in the last case with the exception of Applications submitted in the names of minor(s), which are allowed to make use of the particulars of the bank accounts held by their fathers or guardians;
- If the relevant power of attorney is not attached to the Application in respect of an Applicant who applies on behalf of another person (with the exception of fathers who apply on behalf of their minor(s) in which case a certified copy of the passport (or civil card) of the father and the passport of the minor(s) must be included with the Application);
- If appropriate documentation confirming the authority of a signatory to sign an Application is not included with an Application by juristic persons (non-individuals) which are signed by a person in his or her capacity as an authorised signatory;
- If the Application does not comply with the legal requirements as provided for in this Prospectus or otherwise under applicable law or regulation; and
- If the Application is received after official working hours on the Offer Closing Date.

If the Collecting Agent receives an Application that does not comply with the procedures set out in this Prospectus, due effort will be taken to contact the Applicant so that the mistake may be corrected. If the Applicant does not rectify the Application within a specified period prior to the Offer Closing Date, the Collecting Agent will return the Application together with the relevant Application Funds to the Applicant.

Refusal of Applications

The Collecting Agent, Issue Manager may reject any Application under any of the conditions referred to above, subject to securing the approval of the CMA and submission of a comprehensive report furnishing the details of the Applications that are rejected and the reasons behind the rejections.

Enquiry and Complaints

Any Applicant, who intends to seek clarification or file complaints with regard to issues related to the allotment or rejection of Applications or refund of the Application Fund in excess of the subscription, may contact the head office of the Collecting Agent where the subscription was made. In case there is no response from the branch, the Applicant may contact the person whose details are set out below:

Collecting Agent	Contact Name	Postal Address	Contact Details
Sohar International Bank SAOG	Hussain Al Lawati	P.O. Box 44 Postal Code 114 Sultanate of Oman	T: +968 24 730125 F: +968 24 730344 E: InvestmentSettlementOps@soharinternational.com
Ahli Bank SAOG	Duaa Al Zaabi	P.O. Box 454 Postal Code 116 Sultanate of Oman	T: +968 24 577922 F: +968 24 567841 E: Duaa.ALZaabi@Ahlibank.om
Bank Muscat SAOG	Alya Wahaibi	P.O. Box 134 Postal Code 112 Sultanate of Oman	T: +968 24 768593 F: +968 24 788864 E: brokeragebackoffice@bankmusct.com
	Mohamed Najwani		T: +968 24 767950 F: +968 24 788864 E: brokeragebackoffice@bankmusct.com

National Bank of Oman SAOG	Salim Al Musallami	P.O. Box 751 Postal Code 112 Sultanate of Oman	M: +968 99 625152 T: +968 24 778075 F: +968 24 778993 E: nbobackoffice@nbo.co.om E: ibo@nbo.co.om
	Reem Al Abri		M: +968 91 920209 T: +968 24 778754 F: +968 24 778993 E: nbobackoffice@nbo.co.om E: ibo@nbo.co.om
Ubhar Capital SAOC	Talal AL Balushi	P.O. Box 1137 Postal Code 111 Sultanate of Oman	T: +968 24 949051 F: +968 24 949099 E: talal@u-capital.net
	Osama Qinna		T: +968 24 949009 F: +968 24 949099 E: o.qinnal@u-capital.net
United Securities LLC	Ayman Al Lawati	P.O. Box 2566 Postal Code 112 Sultanate of Oman	T: +968 24 763337 F: +968 24 503750 E: ayman@usoman.com

If the Collecting Agent fails to resolve the requested clarification or complaint with the Applicant, it will refer the subject matter to the Issue Manager and will keep the Applicant informed of any progress and development in respect of the subject matter of the clarification or complaint.

Allocation Basis

- If the total number of Offer Units applied for by Category I Investors is equal to or less than 156,103,050 Units (75% of the Offer Units) (the "Category I Allocation") and the total number of Offer Units applied for by Category II Investors is equal to or less than 52,034,350 Units (25% of the Offer Units) (the "Category II Allocation"):
 - all Category I Investors will be allocated the number of Offer Units they have applied for; and
 - all Category II Investors will be allocated the number of Offer Units they have applied for.
- If the total number of Offer Units applied for by Category I Investors is more than the Category I Allocation and the total number of Offer Units applied for by Category II Investors is equal to or less than the Category II Allocation:
 - all Category II Investors will be allocated the number of Offer Units they have applied for; and
 - the remaining number of Offer Units will be allocated to the Category I Investors on discretionary basis as far as they have been applied for.
- If the total number of Offer Units applied for by Category II Investors is more than the Category II Allocation:
 - all Category II Investors will be allocated the number of Offer Units they have applied for on a pro rata basis up to an aggregate cap of 72,848,090 Units (35% of the Offer Units); and
 - the remaining number of Offer Units will be allocated to the Category I Investors on a discretionary basis as far as they have been applied for.
- A maximum of 10% of the Units will be allocated to any single Category I Investor (or group of Category I Investors acting together), unless not all of the Offer Units have been subscribed for, in which case the Issue Manager, in consultation with the CMA, may allocate more than 10% of the Units to any single Category I Investor (or group of Category I Investors acting together).

The final allocation of Offer Units on the above basis will be decided by the Fund Management Body, the Issue Manager and the MCD in consultation with the CMA.

If fewer than 50% of the Offer Units are applied for by Applicants, then the Fund and the Issue Manager reserve the right to cancel the IPO after the approval of CMA and, at the Fund's discretion and subject to regulatory requirements thereafter undertake a further offer of Offer Units by way of IPO at the same or a different (which may be higher or lower) Offer Price. In the event that the IPO is so cancelled, refunds of Application Funds will be made on or by 20 November 2022.

Allotment and Refund

The Issue Manager will arrange to allot the Offer Units to all eligible Applicants within 7 working days after the end of the Offer Period after receiving the written approval of the CMA on the basis of allotment. MCD will undertake the reconciliation of funds and refund the excess Application Fund to eligible Applicants within maximum of 3 days after receiving the approval of the CMA on the proposed allotment. Any Applicant, for whom the refund of excess Application Fund could not be processed due to incorrect details of the bank account registered with MCD, may approach MCD for the refunds. Any unclaimed amount within 30 days of the end of the Offer Period will be transferred to the Unclaimed Funds Account with the CMA. MCD will notify Applicants who have been allotted Offer Units in accordance to their details registered with the MCD.

Proposed Timetable

The following table shows the timetable for the Offer:

Procedure	Date*
CMA approval	11 October 2022
Announcement of the Offer	12 October 2022
Offer Opening Date	16 October 2022
Offer Closing Date	30 October 2022
Deadline to receive Applications and Application Funds from Collecting Agents for Category II Investors	1 November 2022
Deadline to receive Applications and Application Funds from Collecting Agents for Category I Investors	3 November 2022
Notification to the CMA of the outcome of the subscription and the proposed allotment	8 November 2022
Approval of the CMA on the proposed allotment	10 November 2022
Notifying Applicants of allotment	16 November 2022
Registration of Offer Units and commencement of refund and dispatch of notices regarding allotment	16 November 2022
Listing of the Offer Units with MSX	20 November 2022
Refund of Application Fund in the event the IPO is cancelled	20 November 2022

*the dates are indicative and may change

Listing and Trading of Units

The Offer Units will be listed on the parallel market in the MSX (similar to public joint stock companies and other real estate investment funds) in accordance with the laws and procedures in force on the date the application is made to the MSX for the listing and registration of the Units.

Responsibilities and Obligations

The Issue Manager, the Collecting Agents and the Fund must abide by the responsibilities and obligations set out by the directives and regulations issued by the CMA. The Issue Manager and the Collecting Agents must also abide by any other responsibilities that are provided for in the agreements entered into among them and the Fund and Selling Unitholders.

The parties concerned will be required to take remedial measures with regard to any liability arising from any negligence committed in the performance of the functions and responsibilities assigned to them. The Issue Manager will be the entity responsible before the regulatory authorities for taking suitable steps and measures for redressing such liability.

24 UNDERTAKINGS

24.1 The Fund

The below members of the Fund Management Body jointly and severally hereby undertake the following on behalf of the Fund:

- that to the best of their knowledge, the information provided in this Prospectus is true and complete;
- due diligence has been undertaken to ensure that no material information has been omitted, the omission of which would render this Prospectus misleading; and
- to comply with all the provisions set out in the Capital Market Law, the Securities Law, the CMA Executive Regulation, the REIF Regulation, and the rules and regulations issued pursuant to them have been complied with.

Signed for and on behalf of:

The Fund

Signature:

Signature:

24.2 The Issue Manager

Pursuant to our responsibilities under the Capital Market Law, the Securities Law, the CMA Executive Regulation, the REIF Regulation and the directives issued by the CMA, we, the Issue Manager, have reviewed all the relevant documents and other material required for the preparation of this Prospectus.

We, the Issue Manager, shall bear the responsibility with regard to the correctness of the information provided in this Prospectus, and we, the Issue Manager, confirm that to the best of our knowledge no material information has been omitted, the omission of which would have made this Prospectus misleading.

We confirm that we have conducted due diligence required by our profession with regard to this Prospectus which was prepared under our supervision and, based on the reviews and discussions with the Fund, the Fund Management Body and other Related Parties, we confirm the following:

- We have conducted reasonable due diligence to ensure the information given to us by the Fund and included in this Prospectus is conformant with the facts in the documents and other materials of the Offer;
- To the best of our knowledge and from the information available from the Fund, the Fund has not omitted any material information, the omission of which would render this Prospectus misleading;
- This Prospectus and the Offer to which it relates are conformant with all the rules and terms of disclosure stipulated in the Capital Market Law, the Securities Law, the CMA Executive Regulation, the REIF Regulation, the prospectus models applied by the CMA, and the directives and decisions issued in this regard;
- The information contained in this Prospectus in Arabic (and the unofficial translation into English thereof) is true, sound and adequate to assist the Applicants to make the decision as to whether or not to invest in the Offer Units and in case of any discrepancy, the Arabic version shall prevail.

Signed for and on behalf of:

Sohar International Bank SAOG

Signature:

24.3 The Legal Adviser

The Legal Adviser, whose name appears below, hereby confirms to the CMA that all the procedures taken for the Offer Units which are the subject matter of this Prospectus are in line with the laws applicable to the Fund, the Capital Market Law, the Securities Law, the CMA Executive Regulation, the REIF Regulation and the regulations and directives issued pursuant to them, and the requirements and rules for the offer of the Units issued by the CMA and under the Articles. The Fund has obtained all the consents and approvals of the official authorities required for the Units to be offered as part of the Offer.

Signed for and on behalf of:

Nasser Al Habsi & Saif Al Mamari Law Firm

Signature:

24.4 The Investment Manager

The Investment Manager, whose name is shown below, hereby declares to the CMA that all actions taken to offer the Units that are the subject of this Prospectus are in accordance with the laws applicable to the Fund, the Capital Market Law, the Securities Law, the CMA Executive Regulation, the REIF Regulation and directives, and the regulations and the directives with regards to the offering of units issued by the CMA.

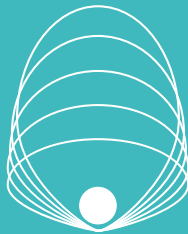
We confirm that the Fund has obtained all the consents and approvals of the official authorities required for the Units to be offered as part of the Offer.

Signed for and on behalf of:

Sohar International Bank SAOG

Signature:





الؤلؤة Pearl

صندوق اللؤلؤة للاستثمار العقاري
Real Estate Investment Fund

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