Riyad Fixed Income Fund IV

Investment Teaser

Fund Executive Summary

General

Fund Name
Riyad Fixed Income Fund IV

Fund Manager
Riyad Capital

Objective
The Fund is a Shariah compliant closed-ended private fixed income fund that aims to generate income

Targeted Investors:
- Institutional Clients
- Qualified Clients
- Retail Clients up to SAR 200k

Fund Tenor
3 years

Financials:

Minimum Subscription
SAR 100

Target Fund Size
SAR 500 million

Subscription Fee
No subscription fees

Management Fee
0.50% from the total net assets of the fund

Targeted Net Return
7.70% annually

Fund Currency
Saudi Riyal

Distribution Frequency
On a Quarterly Basis

Zakat Exemption
The fund will be treated as a capital by the Issuer and thus Zakat on the fund will be consolidated into the Issuer's overall zakat calculation.

Sukuk Issue

Issuer:
Rawabi Holding Company

Tenor Repayment:
3 Years

Utilization of Proceeds:
To part finance the repayment of existing debt and general working capital

Issuer Rating:
Long-term and short-term national ratings with a stable outlook of "saA" and "saA1", respectively, by Capital Intelligence Ratings. Long-term and short-term entity ratings of "A-" and "T-3", respectively, by Simah Rating (TASSNIEF).

Scheduled Redemption:
Principal payable fully as bullet payment at end of tenor

About the Company

RAWABI

- Rawabi Holding Company (RHC) boasts a dominant market presence within the marine, safety, and mud engineering sectors, spanning the entire oil and gas value chain. The company has cultivated a strong, 35-year partnership with Saudi Aramco, which accounted for over 75% of RHC's consolidated revenue in both 2022 and 2023.
- In 2023, RHC's revenue surged by 35% (Y/Y) to reach SAR 4.8 billion, driven by increased revenue from its contracting operations and the deployment of its new marine vessels within its energy services portfolio.
- EBITDA for 2023 climbed by 74% to SAR 2,716 million, compared to SAR 1,560 million in 2022. This significant improvement was primarily attributed to higher operating profits and the recognition of gains on financial assets at fair value. These positive factors contributed to a substantial increase in net income, reaching SAR 1.5 billion in 2023 compared to SAR 836 million in 2022.

Why Invest in Riyad Fixed Income Fund IV?

1. **Access to Fixed Income Market:**
   The fund requires a lower minimum to invest.
2. **Zakat Exemption:**
   The Zakat will be paid by the issuer.
3. **Minimizing Re-investments Risk:**
   As interest rates are expected to drop, clients will lock this fixed rate for the coming 3 years.
4. **Steady Cashflows:**
   Fixed Distribution throughout the lifetime of the fund.
5. **Diversification:**
   Clients can diversify their portfolio through this Fixed Income opportunity.
6. **Periodic Reporting:**
   Providing the client with periodic reporting via Riyad Capital digital channels.
7. **Avoid Currency Exchange Risks:**
   As the Fund assets are in Saudi Riyals.

Geographical Exposure

Rating Exposure

Investment

Channels

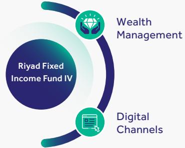
Investing in the fund will be through the following:

- Clients can subscribe Online via Riyad Capital's website and application for amounts up to SAR 200k.
- For Qualified Clients and amounts exceeding SAR 200k, subscriptions will be offline through Wealth Management Advisors.

✓ Wealth Management Advisors.

✓ Riyad Capital Application.

✓ Riyad Capital Online.



For more detailed information,

please review the Fund's Terms & Conditions.

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Investment in the fund is not considered a deposit with any local bank, and that the investor may lose part or all of the invested amount and may have to pay more, and there is no guarantee for unit holders that the fund's performance or its performance compared to the index will be repeated or similar to the previous performance, if any.
The value of the investments in the Fund, their prices and returns are subject to increase and decrease, Also, the income of the security can be exposed to volatility, so the possibility of the value of the investments falling below their original value remains, as the investor can redeem an amount less than the amount he invested. Part of the capital invested
may be used to pay that income. The investor also realizes that he may face difficulty in selling or liquidating the security or obtaining reliable information about the value of the security, and that the change in currency rates can lead to a negative impact on the value, price or income of the security.

Only clients with sufficient knowledge and experience in financial securities and investments to evaluate the merits and risks, should consider an investment in any financial security or market discussed herein. Before making an investment decision the client should seek advice from such independent financial, legal, tax or other advisers as the client deem necessary.

Investing in this fund involves risks, please review them in the terms and conditions of the fund and read them carefully before making an investment decision, and investing in this fund may not be suitable for all types of investors, and the investor is advised to consult an investment advisor to determine the suitability of this investment for him.

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Thank you

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Riyad Capital