

Terms and Conditions of the Fund

Name of fund

Yaqeen IPO Fund
(Public Open-end Investment Fund)

Fund Manager

Yaqeen Capital

Yaqeen IPO Fund has been certified as being Shari'ah compliant by the Shari'ah Board appointed for the Investment Fund.

These are the terms and conditions of Yaqeen IPO Fund, which is a group investment program opened for participation, as it represents a contractual relationship by and between the Fund Manager and the investors therein. It has been registered at Capital Markets Authority of Saudi Arabia on 19/6/1429 AH. Corresponding to 9/6/2008 AH. The terms and conditions of the Fund as well as all documents affiliated thereto are subject to the applicable laws in the Kingdom of Saudi Arabia and the provisions of Investment Funds Regulation issued by Capital Markets Authority of Saudi Arabia and any other amendments or directions issued thereby in this regard.

The investors and the persons receiving these brochure, shall read the terms and conditions stated therein, information memorandum, and other documents carefully and take the advice of their professional counselors, as they shall consider any legal requirements before taking any investment decision in regard of the fund.

Issue date of the terms and conditions of the Fund

5/6/1429 AH corresponding to 9/6/2008 AD

The Date the authority has approved the establishment of the Investment fund and subscription of its units

5/6/1429 AH corresponding to 9/6/2008 AD

This is the modified version of the terms and conditions that reflects the change of the fund auditor as per our letter sent to CMA on 28/07/2022 AD

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1. General Information		
A	Fund Manager	Yaqeen Capital Co, a legal person licensed under License No 060-20-37 dated 29/14/1427 under the Capital Market Institutions regulation issued by the Capital Market Authority.
B	Address of the main office of the Fund Manager	Yaqeen Capital Co. Olaya Main Road P.O. Box 884 – Riyadh 11421 Tele. 8004298888 Fax: +966 (11) 4617268
C	Web Address for the Fund Manager	www.Yaqeen.sa
D	Custodian	Albilad Capital, a Saudi Single closed Joint Stock Company, licensed by Capital Markets Authority of Saudi Arabia, under license number 08100-37 and date of 01/08/1428 H., corresponding to 14/08/2007 to provide the services of acting as principle and agent and underwriter, in addition to the management of investment funds, private portfolios, arrangement, advice, and custody.
D	Web Address of the Custodian	www.albilad-capital.com
2. Governing Law		
Yaqeen IPO Fund and the Fund Manager are subject to the Capital Market Law (CML and its implementing regulations and other applicable and enforced laws and regulations in the Kingdom of Saudi Arabia.		
3. Investment Fund Objectives		
A	A description for the investment fund objectives	The Fund aims for capital growth over the long term by investing mainly in the shares of publicly held companies during the IPO period and / or newly listed company's shares which did not exceed five years since listing in the Saudi stock market (main and parallel - NOMU) or the last 30 companies that have been listed in the market, and in new shares of listed companies the Saudi stock market (main and parallel - NOMU). The Fund Manager will not distribute any dividends to the subscribers, as the dividend will be reinvested in the Fund. The fund aims also to achieve a performance that exceeds the benchmark performance of the Fund (Yaqeen IPO fund Index), whose performance will be announced through the Fund Manager's website.
B	Investment Policies and Procedures	<ol style="list-style-type: none"> 1. To invest mainly in the shares of publicly held companies during the IPO period and in newly listed company's shares which did not exceed five years since listing in the Saudi stock market (main and parallel - NOMU) or the last 30 companies that have been listed. And the new shares resulting from capital increase in previously listed companies in the Saudi stock market (main or parallel) –Nomu, by offering rights issue as the fund may subscribe to the remaining shares during the selling period of the unsubscribed shares, and to hold or sell them at the time of their trading. The fund manager may also invest no more than 50% of the net assets value in shares of small and medium-sized Saudi companies, which refers to all shares of listed companies in the Saudi stock market (main and parallel-NOMU) with the exception of companies whose market size exceeds 15 billion Saudi riyals. The market size calculation is as follows: the share price multiplied by the number of free float shares. 2. The Fund follows the following strategy in the distribution of its assets explained as a percentage of the net asset value of the Fund, where the investment area is updated at least quarterly and / or when new companies are launched. In exceptional circumstances, the Fund Manager may resort to retaining its assets in cash of 100% on a temporary basis to face the sharp fluctuations in the stock

market taking into account the maximum protection possible for the Fund's unit holders

Assets categories	Min	Max
Murabaha funds and money market instruments	0 %	100 %
IPO (main and parallel market – NOMU)	0 %	100 %
Newly listed shares in (main and parallel market – NOMU) up to five years or last 30 listed companies in the Saudi market	0 %	100 %
Small and medium-sized enterprises (SME)	0 %	50 %
The new shares resulting from Capital increase of previously listed companies through rights issue	0 %	15 %
Investment funds	0 %	25 %
Exchange traded funds (ETF)	0 %	25 %
Real estate investment traded fund	0 %	25 %

The Fund seeks to achieve its objectives by investing up to 100% of its net assets in the ordinary shares during the initial public offering period and in newly listed company's shares which did not exceed five years since enlisting or the last 30 companies that have been listed in the Saudi stock market (main and parallel - NOMU) .The fund manager may also invest no more than 50% of the net assets value in shares of small and medium-sized Saudi companies, which refers to all shares of listed companies in the Saudi stock market (main and parallel- NOMU) with the exception of companies whose market size exceeds 15 billion Saudi riyals. The market size calculation is as follows: the share price multiplied by the number of free float market shares . . The Fund Manager may, for the purposes of liquidity management, invest the cash surplus and / or retain part of it in the money market instruments issued from Saudi authorities in Saudi Riyal currency. The issuers of the money market instruments will be selected based on the credit rating adopted by the company where the fund manager will classify it internally based on the financial position and cash flows from operations and management and shall be managed by the Fund Manager himself and/or other fund managers. And/or indirectly invest money through publicly held Murabaha funds denominated in Saudi Riyals licensed by the Capital Market Authority, whether managed by the Fund Manager himself and/or another Manager at a rate of (100%), but not exceeding 25% with one counterparty.

(3) The Fund Manager shall manage the operations of the Fund within the percentages indicated above for the Allocation of the Fund's assets to the target investments to achieve the best results. The Fund Manager shall employ its specialized research and analytical capabilities to reach promising investment opportunities in primary and secondary markets that meet Fund's objectives.

(4) The Fund shall not invest in securities other than those mentioned in paragraph (2.9)

(5) The Fund shall abide by the investment restrictions stipulated in the Regulations of investment funds and regulations issued by the Capital Market Authority in accordance with Shari'ah standards

	<p>(6) Taking into account the availability of sufficient liquidity to meet the requirements of potential redemptions. The Fund will not seek funding by borrowing unless necessary and upon approval by the Board of Directors of the Fund, provided that the volume of borrowing, if any, does not exceed 10% of the value of the Fund's assets and in accordance with Shari'ah standards</p> <p>(7) The Fund invests in the Saudi stock market and money market instruments in the Kingdom of Saudi Arabia.</p> <p>(8) The Fund Manager may invest no more than (25%) of his assets in similar funds offered in Saudi Riyals and licensed by the Capital Market Authority, whether managed by the Fund Manager himself or by another Manager, in line with Shari'ah standards with a goal to achieving additional returns. Provided that, the Fund's shareholding does not exceed (10%) of the Net Asset Value of the Fund whose Units have been acquired. These funds are selected depending on performance, fund size and expenses.</p> <p>(9) Subject to Shari'ah standards in all fund operations, investments in derivatives will not be made</p>
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4. Duration of the investment fund

Yaqeen IPO Fund is a Public Open-end Investment Fund and there will be no specific term nor a maturity date for the Fund.

5. Investment Limits /restrictions

During the Fund's management period, the Fund Manager shall abide by the limitations and restrictions imposed in the investment funds regulations issued by the Capital Market Authority and the terms and conditions of the Fund and the Memorandum of Information in accordance with Shari'ah standards.

6. Fund Currency

The Fund currency is Saudi Riyal. In case of paying for the units with currency other than the Fund currency (Saudi riyal), the Fund Manager shall convert the payment currency to the Fund currency in accordance with the exchange rates prevailing at the time

7. Fees, charges and expenses

A	The payments from the Fund assets and its calculation method	<ul style="list-style-type: none"> - Portfolio management fees: 1.75 % of the net asset value of the Fund per annum paid to the Fund Manager for providing investment management and fund management services to the Fund. Portfolio management fees are calculated as an annual percentage of the net asset value of the Fund on each valuation day and the Fund Manager is paid every three months as receivables. - Benchmark fee: SR 20,000 per annum paid by the Fund as a deduction from its assets. - Custody Fees: 0.02% of the value of assets under custody annually and paid monthly to the Custodian. - Shari'ah Advisory Fees: borne by the fund manager - Audit Fees: SR 23,000 per annum, which is paid by the Fund against its assets (paid by the Fund) - Shariah Funding Fees: At the applicable rates (paid by the Fund). - Independent Directors Compensation: SR 3000 for each meeting and a maximum of SAR 5,000 per month, in cases where more than one meeting per month and shall be paid by the Fund Manager for the Fund - Dealing Fees: operations related to the fund investments and assets portfolio management shall be made at cost. Therefore,
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		<p>any additional cost recognized in this regard will be paid by the Fund and shall be paid as a deduction from its assets.</p> <ul style="list-style-type: none"> - Other operating expenses <p>The Fund will pay the following normal expenses incurred after the commencement of the Fund's business from its assets, after obtaining the necessary authority's approvals</p> <ol style="list-style-type: none"> 1. Fees and expenses of the external auditors of the Fund 2. Expenses for publishing unit details in newspapers, electronic means and other information systems, and listing the Fund's units in stock markets (if any) 3. The expenses of the liquidator in the case of liquidation 4. All dealing costs including regular fees, liquidation fees and fees payable to third parties in return for services to the Fund 5. Expenses related to the annual report publication. 6. Other administrative and operating expenses payable to other persons dealing with the Fund. <p>Value Added Tax:</p> <p>Value Added Tax will be applied in accordance with the instructions of implementing regulation issued from General Authority for Zakat and Income Tax on all fees, expenses, charges, and costs.</p> <p>All fees and expenses stated in the terms and conditions and other documents do not include Value Added Tax, unless otherwise was stated.</p>
B	charges imposed for subscription and redemption	<ul style="list-style-type: none"> - Subscription Fees: Up to 1.50% of the subscription amount as a maximum amount paid by the investor once upon subscription or additional subscription to the offering agent - Redemption Fees: In the case of redemption requests made after the end of the first three months of the subscription date, the fees are not chargeable - Early redemption Fee: Within 3 calendar months from the date of subscription, the redemption will be based on the following valuation rate minus redemption fees of 1% - Ownership Transfer Fee: Not applicable
C	Details of any special commissions executed by the Fund Manager	Not Applicable
8. Valuation and Pricing		
1	Valuation mechanism of fund assets	<ul style="list-style-type: none"> - Listed or traded securities in capital market: it shall be valued with the price of the last done deal in the market. In case these securities were suspended, it will be valued with last price before the suspension. Unless there was a damning evidence that the value of these securities has declined from the suspension price. - Any other investment: the fair value determined by the Fund Manager based upon the methods and rules approved by the custodian and after checking it by the Fund Auditor.
B	Frequency of valuation and valuation points	The fund's units valuation and the net asset value calculation are being done on a daily basis "valuation days".
C	Actions to be taken in case of mis-valuation or mis-pricing	<ul style="list-style-type: none"> - In case of valuating one of Fund assets incorrectly, or calculating the unit price incorrectly, the Fund Manager shall

		<p>document the error directly and inform the authority immediately about the error in valuation or pricing, which its percentage constitutes 0.5% or more of the unit price. Such case shall be disclosed immediately in the website of the Fund Manager, the Market Website and in the Fund reports.</p> <ul style="list-style-type: none"> - The Fund Manager will compensate all affected unitholders(including the previous unitholders) for all valuation or pricing errors without postponement.
D	Details of unit price calculation method	<p>The net asset value of the unit is valued by the administrator in accordance with accepted accounting standards and recognized using the formula:</p> <p>Total value of assets including income due to the Fund minus total liabilities divided by the total number of Fund units existing at the time of valuation. The value of the net assets of the Fund as well as the value of its units are represented in Saudi Riyal and any other items expressed in currencies other than Saudi Riyals shall be converted at the exchange rate prevailing at the time of conversion</p>
E	Place and time to post unit price	<p>The net value of the Fund unit shall be available to investors free of charge through the Fund Manager's offices or through electronic publication on the "Advertisement Days" and in the working days following the Dealings Day (Monday and Wednesday of each week on Tadawul website: www.tadawul.com.sa And the website of the fund manager: www.Yaqeen.sa.</p>
9. Dealings		
A	The Fund Manager responsibilities in regard of subscription and redemption requests	<p><u>Subscription procedures</u></p> <p>The Fund Manager shall accept the subscription and redemption requests in every business day immediately prior to the dealing day. The subscriptions request, which has been received and its terms have been fulfilled shall be deemed as irrevocable. However, regardless of receiving the signed subscription requests or any other applications, the Fund Manager shall retain his right in refusing any subscription request / additional forms without the need to submit reasons. In this case, fund manager shall return the amounts paid by the investor in exchange for the subscription without deduction, addition, or postponement.</p> <p>The fund manager may extend the initial offering period for an additional month after obtaining the approval of the CMA. Moreover, subscribers whose subscription has been accepted shall be informed of the new closing date before extending the initial offering period</p> <p><u>Redemption procedures</u></p> <p>The investors may redeem all of their investment units or part thereof according to the terms and conditions of the fund. In such case, the participant shall retain the minimum limit required for participation.</p> <p>If the investor redeemed his investment with percentage lead to the decline of his participation from the minimum limit required for participation in the Fund, his investment share will be repaid in accordance with the Fund Manager estimation.</p>
B	The maximum period between receiving the redemption	Within two business days

	application and paying the yields for the units' owner	
C	Restrictions of dealings with Fund units	None
D	The procedures with which trading units is postponed or suspended and the procedures followed in such cases	<p>- The Fund Manager is entitled to postponement, suspend the dealing in Fund units in the following cases:</p> <ol style="list-style-type: none"> 1. If the Authority requested so. 2. If the Fund Manager saw that the suspension is in the interests of unitholders. 3. If dealing is suspended in the Main Market in which securities or other Assets are held by the Fund, whether in whole or in respect of Assets of the Fund that the Fund Manager reasonably considers to be material to the Fund's Net Asset Value. <p>In case of suspending the Fund valuation, the subscription and redemption, which are being submitted in the suspension period or after it, it will be implemented in the next day of the dealing, when the valuation suspension is ended. The redemption requests shall be implemented within two business days from the valuation day.</p>
E	The procedures to decide which redemption requests are deferred	<p>Yaqeen is not obligated to execute redemption requests for more than 10% of the net asset value of the Fund on any dealing day. If the Fund's valuation has been suspended, the redemption request for the Fund Units submitted on or after the Suspension Date shall be executed on the next trading date when the valuation suspension is terminated</p> <p>The redemption requests are deferred on the basis of the settlement and the redemption amount, where the Fund Manager will execute the redemption requests received first within 10% of the net asset value of the Fund. As for the remaining redemption requests, it shall be postponed to the next dealing day.</p>
F	The provisions regulating the transfer of unit ownership to other investors	The Fund Manager shall not allow the property transfer of the units to other investors.
G	The Fund Manager investment in the Fund	As a Fund Manager, Yaqeen Capital may participate in the Fund as of its inception, and its contribution may be gradually reduced to the level considered appropriate. This procedure reflects Yaqeen's trust in the fund and its investment strategy.
H	Dates for submitting Subscription and Redemption Requests on any Dealing Day	<p>The subscription and redemption is allowed on every dealing day. The deadline for submitting the subscription and redemption requests is up to the end of the last business day falling prior to the dealing day.</p> <p>. Subscription shall be made on (Monday and Wednesday of each week) "Dealing days".</p> <p>In case of receiving subscription requests or depositing the subscription amount after the specified date, its procedures shall be conducted (unless the Fund Manager decided otherwise) based upon the valuation price in the next deal.</p>
I	Subscription and redemption procedures	<p><u>Subscription procedures:</u></p> <p>- Investors, who wish to purchase units in the fund, shall do that through filling the form of the subscription request, sign it, and deliver it to any of Yaqeen Branches, or filling the subscription application and approve the terms and conditions of the Fund</p>

		<p>through Yaqeen System for E-Services and deposit the subscription amount in the account dedicated for that.</p> <ul style="list-style-type: none"> - In case of bank remittances, the investment in the Fund will be implemented only through receiving a notification with the liquidation of set-off or remittance. - In case of paying the remittance in a currency other than the Fund currency (Saudi Riyal), the currency will be converted to the Fund currency by the Portfolio Manager in accordance with the exchange rates prevailed at the time, then the purchase will be enforced based upon the price after the conversion. <p><u>Redemption procedures:</u> The subscriber shall fill the form of redemption request, sign, and deliver it to the Fund Manager and through its offices in every business day or fill the redemption request and deliver it through Yaqeen System for E-Service. The redemption requests are being processed in the dealing day following the receiving of redemption requests.</p>
J	The minimum limit for subscription or redemption	None
K	The minimum amount that The Fund Manager intends to collect, and the impact on The Fund of failure to reach the minimum amount.	<p>The necessary "minimum amount" to start the Fund is 5 million Saudi riyals. In case of not collecting the minimum limit with the first offering period for the Fund Manager and after obtaining the Authority's approval to extend the first offering period for 21 days at maximum. This shall be disclosed on the Fund Manager Website and if the minimum limit was not collected with the first offering period, the Fund Manager will return the subscription amounts any yields resulted due to its investment to the unitholders without any deduction. The Fund Manager has fulfilled this requirement in the first offering period for the Fund.</p>
L	The necessary corrective procedures to guarantee the requirement of 10 million Saudi riyals or its equal	The Fund Manager shall follow the provisions stated in the regulation of investment funds and circulars issued from the Capital Markets Authority of Saudi Arabia in regard of the necessary requirement to start the Fund work (whenever applicable).
10. Distribution Policy		
The profits of the fund units will not be distributed to the investors, as the profits generated by the fund will be reinvested in the fund		
11. Reporting to unitholders		
A	<ul style="list-style-type: none"> - The Fund Manager shall prepare the interim financial reports for every half year within 35 days from the expiration of the period, which has been inspected by an external auditor, as it shall include the interim financial statements, information about the Fund Manager, and any other information during the period. - The Fund Manager shall prepare an audited annual report, includes the financial data, which is being prepared in accordance with the financial laws and the applicable laws in the Kingdom of Saudi Arabia within 70 days from the end of the Fund fiscal year, including details of the fund's financial position and performance in addition to information about the fund manager and custodian at the end of fiscal year The annual financial statements shall be audited and approved by the external auditors for the Fund accounts. - Within 30 days from the end of every year, a report shall be sent to the fund investors, clarifying the Fund operation within this period, in addition to the number and value of the units, which the investor owns at the period end and the total Charges for Services, fees, and expenses deducted from the unitholder. 	

B		<ul style="list-style-type: none"> - These reports shall be delivered when requested, through the offices of Fund Manager without any fees and it will be published on the Fund Manager Website and the Market Website as well. - Any other financial information required to be published including units' prices or announcement for any suspension for the units' valuation will be published in the Fund Manager Website, the Market Website, and it will be available for investors through the Fund Manager offices without any fees. - Any notices for the investors, the Fund Manager shall send it in accordance with the addresses registered in the record of units' holders and when necessary or according to laws requirements, it will be published in the daily newspapers.
C		The unitholders shall be provided with annual financial statements when required through the Fund Manager offices without any fees and it will be published in the Fund Manager website and Market Website.
12. Unitholders Record		
The Fund Manager shall prepare and update a record for unitholders and maintain it in the Kingdom of Saudi Arabia.		
13. Unitholders Meeting		
A	The circumstances in which a meeting of unitholders is called unitholders unitholders	<ul style="list-style-type: none"> - The Fund Manager may call for a meeting of unitholders through an initiative from it. - The Fund Manager shall call for the meeting of unitholders within (10) days from receiving a written request from the Custodian. - The Fund Manager shall call for a meeting of unitholders within (10) days from receiving a written request from one owner or more of the unitholders, who solely or collectively own 25% at least from the value of the Fund units.
B	The procedures of calling for a meeting of Unitholders	<ul style="list-style-type: none"> - The invitation for the meeting of unitholders shall be by announced in the Fund Manager website and the Market website and by sending a written notice to all unitholders and the Custodian <ol style="list-style-type: none"> 1. At least ten days prior to the meeting 2. Within a period up to (21) days prior to the meeting and the notice shall include the date, place, time of the meeting and proposed decisions. - The unitholders meeting is valid only if it was attended by a number of unitholders, who together own 25% at least from the value of the public fund units. - If the stated quorum in the above paragraph was not fulfilled, the Fund Manager will call for a second meeting by announcing that in the Fund Manager Website and the Market Website and send a written notice to all unitholders and the Custodian before the second meeting date with a period not less than (5) days. The second meeting shall be considered valid regardless of the percentage value owned by the attendees (Unitholders). - - Every unitholder may assign a representative to represent him in the meeting of unitholders.
C	Unitholders vote	Each unitholder may give one vote in the meeting of unitholder's for each units he owns at the time of the meeting.
14. Unitholders Rights		
<ul style="list-style-type: none"> - Obtaining the information memorandum and key information summary in Arabic for free from the Fund Manager. 		

- Obtaining the key information summary, which is prepared by the Fund Manager in a brief and simple form and it includes the information related to the Fund features.
- Obtaining a summary for the unit holders record (as this summary shall demonstrate all information related to the holder, who submitted the request only) for free, when requested.
- Practicing all rights related to the units including – for example without limitation – right of vote in the meeting of unit holders.
- Receiving a notification from the Fund Manager with the details of fundamental changes on the Fund and that before 10 days from implementing the change.
- Redeeming the units (in the open public Fund) before the application of any fundamental change without redemption fees (if any).
- Receiving a written notice from the Fund Manager with any proposed significant changes before (21) days from implementing the change.
- redeeming units (in the open public Fund) before the application of any significant change without redemption fees (if any).
- Receiving a written notice from the Fund Manager with any change due for notification in the public Fund before (8) days from implementing the change.
- Receiving an immediate notification from the Fund Manager, when he imposes the suspension of subscription or redemption for Fund units in addition to clarification of suspension reasons.
- Receiving an immediate notification from the Fund Manager, when he ends the suspension of subscription or redemption for Fund units.
- The affected unit holders are entitled to obtain a compensation from the Fund Manager for all valuation or pricing errors.
- Issue a decision related to demanding the dismissal of any member of the Fund board of Directors, as this request shall be addressed to the Fund Manager.
- The Fund Manager shall oblige to apply all requirements of unit holders meeting in accordance with article (70) of investment Funds regulations.
- The Fund Manager shall oblige to apply all requirement of reports submission to unit holders in accordance with article (71) of investment Funds regulations.
- In case of merging the Funds, the Fund Manager shall oblige to apply all requirements of chapter (7) of investment Funds regulations.
- Receiving an immediate written notification from the Fund Manager, when he dismisses the Custodian appointed by him.
- Receiving a written notification from the Fund Manager before a duration not less than (21) days from the intended date to terminate the public Fund.

15. Unitholder's Liability

The unitholders liability shall be limited to bearing the losses in his investment in the Fund or part thereof, where he shall not be liable towards the Fund debts and obligations.

16. Units Characteristics

The Fund Manager may issue unlimited units' number of Yaqeen IPO Fund, all units are the same type and have the same value and rights. The rights don't include voting rights. each unit represents an equal standard share in the Fund assets equal to all other units.

17. Changes to the Fund's Terms and Conditions

A	This Fund shall subject to all provision that govern the changes of terms and conditions of public investment funds, approvals, and notifications determined by investment funds regulations.
B	<ul style="list-style-type: none"> - By owning units in the Fund, the participant shall approve that the terms and conditions of the Fund stated in this brochure, subscription requests items, and any other documents in relation with the fund, will govern the relation between him and the Fund Manager. - The participant shall also agree that Fund Manager may from time to time, in accordance with the regulative requirements and applicable regulation, amend these terms and conditions or any other documents after obtaining the approval of unitholders, then the approval of Capital Markets Authority of Saudi Arabia on the fundamental changes in the terms and conditions of

	<p>the Fund. In this case the Fund Manager shall notify the unitholders and disclose the details of fundamental changes in its website and Market website and that before (10) days from implementing the change.</p> <ul style="list-style-type: none"> - The Fund Manager shall notify Capital Markets Authority of Saudi Arabia and the unitholders in writing with any proposed changes in the terms and conditions of the Fund. In this case, Fund Manager shall notify the unitholders with the significant changes before (21) days from implementing the changes. In addition, the Fund Manager will disclose the details of significant changes in its website and the Market website and that before (10) days from implementing the change. - The Fund Manager shall notify Capital Markets Authority of Saudi Arabia and unitholders with any changes needs to be notified and that before (8) days from implementing the change. In addition, the Fund Manager will disclose the details of changes needs to be notified in its website and the Market website and that before (21) days from implementing the change.
18. Fund Termination	
	<ul style="list-style-type: none"> - If the Fund Manager noticed that the size of Fund assets is not sufficient to justify the permanent operation of the Fund or in case of occurrence of any change in the law or regime or any other conditions, in which the Fund Manager sees that it is an appropriate reason to terminate the Fund. The Fund Manager shall notify Capital Markets Authority of Saudi Arabia and the unitholders in writing with its desire to terminate the Fund and that within 21 days from the intended date of terminating the Fund. - In this case the Fund assets shall be liquidated and the debts related to the deductions shall be paid, where the remainder of net asset shall be distributed on the participants within 30 (thirty) days from the liquidation start and with the percentage held by their units attributed to the units' total. The Fund Manager shall issue a confirmation with that. In case of starting the Fund liquidation, no distribution will be made for the investors, unless all fund assets were liquidated and the liquidation outcome was received by Fund Manager.
19. Fund Manager	
A	<p>Fund Manager tasks, duties, and responsibilities</p> <ul style="list-style-type: none"> - The Fund Manager (Yaqeen Capital) shall assume the Fund management in reasonable care for the purpose of achieving the investment objective for the Fund included in this brochure. Where, he shall consider in all cases the interest of the units' holders in line of the terms and conditions of the Fund. - The Fund Manager shall comply with the standards stated in paragraph (3) (investment fund objectives) of this brochure and also with the controls in relation stated within article (41) (investment restrictions) stated in the investment funds regulation. - The Fund Manager shall comply with Shariah guidelines for investment, as it shall periodically make sure of the computability of all Fund investments with Shariah and standards approved by the shariah committee under the supervision of shariah committee and informing the Fund Board of Directors immediately with any fundamental violations. - The Fund Manager, in the context of its tasks, shall make sure of the availability of sufficient liquidity to fulfill any potential redemption requests.
B	<p>The Fund Manager right to appoint a Sub-Fund Manager</p> <p>The Fund Manager is entitled to appoint Sub-Fund Manager if it saw a need for that.</p>
C	<p>Governing provisions for the dismissal of Fund Manager or replacing it</p> <p>The Authority is entitled to dismiss the Fund Manager and take any action it deems necessary to appoint a replacement for the Fund to take any</p>

		<p>other measure, it deems appropriate and that in the occurrence of any of the following cases:</p> <ol style="list-style-type: none"> 1. The Fund Manager has stopped the practice of management activity without notifying the authority thereby, under the regulation of licensed persons. 2. The annulment of the Fund Manager license in practicing the management activity, withdraw it, or suspend it by the Authority. 3. Submitting a request to the Authority from the Fund Manager to cancel the license in practicing the management activity. 4. If the Authority saw that the Fund Manager has breached – in a way, the authority deems fundamental – the law obligation or its implementing regulations. 5. Death of the investment portfolio manager, who runs the invest fund assets, his disability, or resignation without the existence of another registered person at the Fund Manager, who is capable to manage the investment fund assets or funds’ assets ran by the portfolio manager. 6. In any other case, which the Authority – based upon reasonable grounds – see it as sufficiently material.
20. Custodian		
A	Tasks, duties, responsibilities of the Custodian	The custodian (AlBilad Capital) shall be the entity responsible for the custody of the assets of the Fund and the execution of the administrative services relating to the maintenance of records, the issuance of financial positions, the valuation of the Net Asset Value and the issuance of net asset value to the Fund Unit
B	The Custodian right to appoint a Sub-Custodian	The Custodian may not appoint a Sub-Custodian.
C	The provisions that govern the dismissal of the Custodian or its replacement	<ul style="list-style-type: none"> - The Authority is entitled to dismiss the Custodian appointed by the Fund Manager or take any measures it deems appropriate in case of the occurrence of any of the following cases: - The Custodian ceases to provide custody services without notice to the CMA in accordance with the Authorized Persons Regulations. - The Custodians’ license to practice custody activity is canceled, revoked or suspended by the CMA. - The Custodian submits an application to the CMA to cancel its license to provide custody services; - The Custodian is deemed by the CMA to have committed any material violation of the Capital Market Law or its implementing regulations; - Any other case that the CMA considers - on reasonable grounds - to be sufficiently material. <p>In this case, the Fund Manager will appoint a substitute Custodian and transfer the custodianship responsibilities to the substitute Custodian within 60 days from its appointment.</p> <p>The Fund Manager may dismiss the Custodian under a written notice, if it was in a reasonable manner that the Custodian dismissal will in the interest of unitholders. In this case, the Fund Manager will appoint a substitute custodian within (30) days from the date, in which the Custodian received the written notice. The appointment of a substitute</p>

		Custodian will be disclosed immediately in Fund Manager website and the Market website.
21. Auditor		
A	Name of the Auditor	PricewaterhouseCoopers (pwc).
B	Tasks, duties, and responsibilities of the Auditor	The Auditor shall review the interim and annual financial statements for the Fund.
C	Provisions that governs the dismissal of the Auditor	In case the Fund Manager desired to appoint any substitute Auditor, it shall take the approval of the Fund Board of Directors. The Members of Board of Director are entitled to refuse the appointment of Auditor or direct the Fund Manager to change the appointed Auditor in any of the following cases: <ul style="list-style-type: none"> - The existence of standing claims about professional misconduct for the Auditor related to the performance of its tasks. - If the Auditor is no longer independent. - If the Fund Board of Directors decided that the Auditor does not possess the sufficient qualifications and expertise to perform the audit tasks - If the Authority requests, at its sole discretion, the auditor appointed for the fund to be changed.
22. Fund Assets		
A	All Fund assets are in custody of the Custodian stated in paragraph (20) of this brochure for the interest of Fund.	
B	The Custodian shall separate the assets of each investment fund from its assets and from the assets of its other clients.	
C	The assets of the investment fund are owned collectively for the unitholders. The Fund Manager, Sub-Fund Manager, the custodian, Sub-Custodian, the advisor, or the distributor may not have any interest in the Fund assets, or claim in regard of these assets, unless the Fund Manager, Sub- Fund Manager, Custodian, sub-Custodian, advisor, or the distributor is unitholder and that within the limits of his ownership or these claims was allowed under the provisions of investment funds regulations and it was disclosed in the terms and condition or information memorandum.	
23. Unitholder declaration		
By the participation of the units' owner in the Fund, he acknowledges that he has viewed the terms and conditions of the fund, information memorandum, and the summary of key information related to the Fund and he also acknowledges his approval on the units' features, in which he has participated.		

Information Memorandum

Fund Name

Yaqeen IPO Fund
" Public Open-end Investment Fund"

Fund Manager

Yaqeen Capital Company

Custodian

AlBilad Capital Company

Date of issuing the information memorandum and last update for it

05/06/1429 H corresponding to 09/06/2008

Last update for it, on the date of

28/07/2022

The information memorandum related to Yaqeen IPO Fund and its contents subject to the provisions of Investment Funds Regulation issued from Capital Markets Authority.

"investors are advised to read and understand the contents of the Information Memorandum, if in doubt, please consult a professional advisor"

Important Notification

“The information memorandum has been reviewed by the Fund Board of Directors and it was approved. The Fund Manager and members of board of directors solely or collectively shall be fully liable for the accuracy and completion of information stated in the information memorandum. The members of the Fund board of Directors and the Fund Manager also acknowledge and confirm the validity and completion of the information stated in the information memorandum, as they also acknowledge and confirm that the information stated in the information memorandum is not misleading”.

Capital Markets Authority has approved the establishment of the investment Fund and the subscription of its units and it relieve itself from any liability and from any loss resulted due to what was stated in the information memorandum or depending on any part thereof. Capital Markets Authority does not give any recommendation in regard of investment feasibility in the Fund and its approval on the establishment of Fund does not mean its recommendation with investment therein or confirmation of information validity stated in the terms and conditions and information memorandum. It also assures that the decision of investment in the Fund returns to the investor or its representative. (Yaqeen IPO Fund) has been certified as being Shari'ah compliant by the Shari'ah Board appointed for the Investment Fund.

1- **Information about the Investment Fund**

A. Name of Investment Fund

Yaqeen IPO Fund

B. Issue Date of the Terms and Conditions of the Fund

05/06/1429 H corresponding to 09/06/2008.

C. Date of the Authority Approval on the Establishment of the Investment Fund and offering of its Units.

09/06/2008.

D. Fund Duration and Maturity Date

E. Yaqeen IPO Fund is a Public Open-ended Investment Fund and there will be no specific term nor a maturity date for the Fund Investment Fund Currency

Saudi Riyal

2- **Investment Policies and Practices:**

a) The Investment Objectives for the Investment Fund

The Fund aims for capital growth over the long term by investing mainly in the shares of publicly held companies during the IPO period and / or newly listed company's shares which did not exceed five years since listing or the last 30 that have been listed in the Saudi stock market (main and parallel - NOMU). The Fund Manager will not distribute any dividends to the subscribers, as the dividend will be reinvested in the Fund. The fund aims also to achieve a performance that exceeds the benchmark performance of the Fund (Yaqeen IPO fund Index), whose performance will be announced through the Fund Manager's website.

b) Type of Securities, in which the Fund will mainly invests

To invest mainly in the shares of publicly held companies during the IPO period and in newly listed company's shares which did not exceed five years since enlisting in the Saudi stock market (main and parallel - NOMU) or the last 30 companies that have been listed. And the new shares resulting from capital increase in previously listed companies in the Saudi stock market (main or parallel) –Nomu, by offering rights issue as the fund may subscribe to the remaining shares during the selling period of the unsubscribed shares, and to hold or sell them at the time of their trading. The fund manager may also invest no more than 50% of the net assets value in shares of small and medium-sized Saudi enterprises, which refers to all shares of listed companies in the Saudi stock market (main and parallel- NOMU) with the exception of companies whose market size exceeds 15 billion Saudi riyals. The market size calculation is as follows: the share price multiplied by the number of free float shares.

c) Any policy to concentrate investment in specific securities, industry, group of sector, certain country, or certain geographic region:

The Fund follows the following strategy in the distribution of its assets as a percentage to the net asset value of the Fund as the investment aspect is updated at least quarterly and / or when new companies are offered. In exceptional circumstances, the Fund Manager may hold its assets in a 100% To cope with sharp fluctuations and declines in the stock market, taking into account the maximum possible protection for the Fund's unit holders.

Assets Categories	Minimum limit	Maximum limit
Money market Instruments and Murabaha Funds	0%	100%
Public initial offering (Main and Parallel –NOMU)	0%	100%
Newly listed shares in Stock Market (Main and Parallel –NOMU) up to five years or the last 30 listed companies in the Saudi Market	0%	100%
Small and Medium-sized enterprises (SME)	0%	50%
New shares resulting from the capital increase of companies listed previously in the Saudi stock market main or parallel –NOMU by offering rights issue	0%	15%
Investment Funds	0%	25%
Exchange traded funds (ETF)	0%	25%
Real estate investment traded funds	0%	25%

d) Securities Markets, in which the Fund may sell or purchase its investments

The Fund invests in Saudi Stock Market and money market instruments in the Kingdom of Saudi Arabia

e) Transactions, methods, and tools, which the Fund Manager can use for the purpose of taking its investment decisions for the Investment Fund:

- The Fund seeks to achieve its objectives by investing up to 100% of its net assets in the ordinary shares during the public initial offering period and in the shares of new listed company's shares which did not exceed five years since listing or the last 30 companies that have been listed in the Saudi stock market (main and parallel - NOMU) .The fund manager may also invest no more than 50% of the net assets value in shares of small and medium-sized Saudi companies, which refers to all shares of listed companies in the Saudi stock market (main and parallel- NOMU) with the exception of companies whose market size exceeds 15 billion Saudi riyals. The market size calculation is as follows: the share price multiplied by the number of free float shares The Fund Manager may, for the purposes of liquidity management, invest the cash surplus and / or retain part of it in the money market instruments issued from Saudi authorities in Saudi Riyal currency. The issuers of the money market instruments will be selected based on the credit rating adopted by the company where the fund manager will classify it internally based on the financial position and cash flows from operations and management and shall be managed by the Fund Manager himself and/or other fund managers. And/or indirectly invest money through publicly held Murabaha funds denominated in Saudi Riyals licensed by the Capital Market Authority, whether managed by the Fund Manager himself and/or another Manager at a rate of (100%), but not exceeding 25% with one counterparty
- The Fund Manager manages the operations of the Fund within the percentages indicated above to distribute the Fund's assets to the target investments to achieve the best results. The Fund Manager employs his specialized research and analysis capabilities to reach promising investment opportunities in primary and secondary markets that meet the objectives of the Fund.

f) Types of Securities that cannot be listed among the Fund investments

The Fund will not invest in securities other than the ones stated in paragraph (2/C).

g) Any other restriction on the type (s) of securities or other assets to which the Fund may invest

The Fund shall abide by the investment restrictions mentioned in paragraph 41 of the Regulations of the Investment Funds issued by the Authority. In addition, the Fund will not invest in any securities that are not in consistent with the approved shariah standards from the Fund Shari'ah Supervisory Committee.

h) The limit, in which the Fund assets can be invested in the units of investment Fund(s) managed by other Fund Manager(s).

The Fund Manager may invest no more than (25%) of its assets in similar Funds, which are offered in Saudi Riyals as a public offer and are licensed by the Capital Market Authority, whether managed by the Fund Manager himself or by another Manager, in accordance with Shari'ah standards to achieve additional returns. The Fund's ownership ratio shall not exceed (10%) of the net asset value of the Fund whose units have been owned. These Funds will be selected according to the performance, the size of the Fund and the expenses.

i) The Fund's borrowing rights, the Fund Manager's policy regarding the exercise of these rights, and its policy with respect to pledging assets of the Fund.

Taking into consideration the availability of sufficient liquidity to meet the requirements of the possible redemptions. The Fund will not seek Funding by borrowing unless necessary and after the approval of the Board of Directors of the Fund, Provided that the volume of borrowing, if any, does not exceed 10% of the net asset value of the Fund. The Fund shall be financed in accordance with Shari'ah standards.

j) Disclosing the Maximum Limit for Dealing with any Counterparty

Not Applicable

k) The Fund Manager Policy to manage the Fund Risks

- Investment in the Fund is considered to be a high-risk investment and the Fund Manager does not guarantee the success of strategies to address potential risks. The Fund investments subject to multiple risks as stated among paragraph (3) (main risks for investment in the Fund). However, the Fund Manager will take all possible actions to deal with risks, to which the Fund may be exposed and reduce its effects in line with the achievement of the unitholders interest. In the following, we display the followed strategy to deal with the risks:
- Complying with Capital Market laws and its implementing regulations, investment Funds regulation issued by Capital Markets Authority of Saudi Arabia, and other relative applicable laws and regulations in the Kingdom of Saudi Arabia.
- Complying with investment limits as stated in the terms and conditions of the Fund.
- Complying with the mechanism of taking the investment decision for the Fund and seek to obtain the largest amount of information related to the investment, which the Fund decides to enter.
- Diversify the investment base by distributing investment to asset categories as a percentage of net asset value to reduce concentration risk.
- Retain assets in the form of 100% cash on a temporary basis to cope with sharp fluctuations and falls in the stock market, taking into account the maximum possible protection for the units of the Fund
- Follow up with compliance department with the Fund activities and the Fund Manager compliance with its investment limits and its duties towards the client.
- As for the unpredictable risks, Yaqeen will do its best to try and study these risks before taking the investment decisions.

l) Benchmark:

- The Fund's Benchmark is Yaqeen IPO index
- Benchmark Provider: Saudi Stock Exchange (Tadawul).
- Methodology used to calculate the benchmark: Yaqeen IPO Index is calculated by multiplying the value of the benchmark of the previous day by the change percentage in the market value of free float shares for the companies included in the calculation of the benchmark

The equation below shows the mechanism of calculating the benchmark:

$$\text{benchmark} = (\text{total market value of free float shares for the day} / \text{total free float share market value of the previous day}) \times \text{the value of the index for the previous day}$$

m) Objective of Use of Derivatives Contracts

Taking into account the shariah standards in all Fund operations. There will be no investment in derivatives.

n) **Any exemptions approved by Capital Markets Authority of Saudi Arabia in regard of investment limits and restrictions:**

None.

3. **Main Risks for Investment in the Fund:**

- a. Investment in the Fund is considered to be a high-risk investment because of its investment in shares of new and emerging companies with a limited performance record. However, investment in the Fund is more secure than direct investment in the stock market where the Fund's investment manager has the technical and professional capabilities necessary to manage risk and reduce its impact on the return
- b. The previous performance for the investment Fund or the previous performance for the index does not refer to the future performance of the Fund.
- c. The Fund does not guarantee to the unitholders that the Fund performance in the future (or its performance comparing to the benchmark) will be repeated or will be similar to the previous performance.
- d. The investment in the Fund is not deemed as a deposit at any local bank that markets or sales its securities or follows the Investment Fund.
- e. The Fund investors may be exposed to the risks of partial or total financial losses for their investment in the Fund units.
- f. Main possible risks related to the investment in the Fund.

For example:

- **Disclosure Risk:**

Disclosure risk is related to the possibility of incorrect data or omission of important data in the **prospectus** of the issue of the initial offering. In view of the Fund Manager's significant adoption of the investment decision based on the information included in the **prospectus** of the issue issued by the companies, the risk of making an incorrect investment decision remains a possibility due to omission of important data or incorrect statements in the **prospectus** of the issue issued by the companies, despite the Capital Market Authority's supervision of initial and professional issuances in which the Fund Manager manages its investment operations

- **Risks of Future Financial Expectations:**

The expectations for the future financial results of companies and the availability of the factors necessary to achieve returns and future sustainability are important tools on which the Fund Manager builds its investment decisions. However, these expectations may or may not be realized as expected, which may lead to the deviation of the results of the operations of the Fund expectations and after the announcement of the financial results of the company, the market price of its share may move in a direction contrary to those expectations, as in the case of low profitability of companies that list its shares

- **Risks of Slowing the Initial Offering Process:**

In accordance with the Capital Market Authority's balanced policy, companies are accepted and **dates of companies offering will be determined according to the initial offering market conditions at that time.** There may be a slowdown in the initial issuance process sometimes, and the slowdown may occur as a result of the macroeconomic conditions of the initial offering market

- **Limited Performance Record:**

The Fund is new in concept and has no previous record of performance and is based on the Fund Manager's experience in managing this type of investment and cannot be confirmed that investment objectives of the Funds will be realized.

- **Potential Fluctuations in Stock Markets:**

Stock prices in secondary markets are subject to sharp fluctuations, which may include sudden and sharp downward movement, no guarantee or confirmation of the future performance of securities, and past performance records do not reflect what will happen in the future. Stock prices fluctuations in emerging

markets may be larger than in advanced stock markets, which could pose risks to the Fund's investments in the event of a sharp and sudden drop in the market value of securities.

- **Risks of Initial Offering:**

The shares of public companies may be offered in general through initial offering in the primary market. Investment in initial offerings may include Limited stock available for subscription during the initial public offering period. The investor's knowledge of the issuing company may be insufficient or may have a performance history and issuers of securities may belong to new economic sectors. Some companies may be in the development stage and do not achieve short-term operating income, which increases the risk of subscription of their shares.

- **Risks of investing in small and medium enterprises:**

Investing in the shares of small and medium enterprises is subject to more risk than other investments, including the possibility that these companies will not achieve the expected profits and the high volatility in their performance in addition to the lack of experience or mismanagement of these companies that may lead to fluctuation in their results and price fluctuations. Its shares, which may adversely affect the performance of the fund and the unit price.

- **Risks of Listing Delay:**

Delays in the listing of shares of a company whose shares were acquired during the initial offering period may occur for a period of up to two months or more from the date of the initial offering, which may result in the Fund being unable to sell the shares.

- **Risks of Opportunities to participate in Initial Offerings**

The Fund may face difficulties relating to its participation in the initial offerings of shares of companies where there is no guarantee to the Fund to receive the invitation to participate in the initial offerings shares of some companies. As the Fund receives the invitation, among other companies and Funds to participate in the initial offerings available, it may limit the ability of the Fund to invest in the shares of some companies during the initial offering period.

- **Investment Concentration Risk:**

The market value of a given stock may be more responsive to market fluctuations than in the same market. As a result, if the shares of a particular issuer represent an important part of the market value of the Fund's assets, the change in the market value of the shares of that issuer may result in a material fluctuation in the value of the Fund's units as compared to the normal circumstances. In addition, a less diversified Fund may suffer from reduced liquidity if a substantial portion of its assets invest in the shares of a limited number of issuers. The Fund may not be able to liquidate its investment with a particular source easily to meet the Fund's redemption requirements

- **Market Risk:**

Market risk is related to potential fluctuations that may occur in stock markets in which the Fund invests. The market value of the shares of new and emerging companies is subject to the ups and downs that may occur in the stock markets and sometimes sudden and unexpected. In such cases, the Fund may be exposed to risks resulting from the sudden reversal of stock markets that may occur in response to any information related to negative economic returns, changes in investor behavior or consensus that leads to excessive market capitalization of shares

- **Risks associated with Shari'ah standards**

The application of Shari'ah standards on the Fund's investments generally limits the scope and number of shares available for investment by the Fund and the companies in which the Fund invests after the acquisition of its shares may exceed the permissible shariah standards which causes the Fund to dispose of the shares of such companies at times that may be inappropriate, The occurrence of such cases may limit the scope of investment opportunities available to the Fund

- **Risks of Allocation Results:**

Under the initial public offering system, the subscription may be limited to specific categories that are allowed to subscribe and minimum and maximum subscription limits may be set for both natural and legal persons. In addition, if the subscription is completed and the demand for the offered shares is raised, the maximum number of shares will be determined to each subscriber. The remaining shares will be allocated in a limited number to each subscriber. This may be accompanied by terms related to the availability of the shares offered for subscription. Such restrictions may limit the Fund's freedom to subscribe to shares during the initial public offering period, which may cause the Fund to lose some investment opportunities that could have increased the Fund's returns

- **Political Risk:**

The performance of the Fund may be affected by uncertainties resulting from inappropriate policy changes that may occur on a national, regional or global scale that may affect the performance of secondary markets and the market value of the securities in which the Fund is investing. These risks may also result from economic and market conditions, Uncertainties associated with changes in government policies, restrictions on movement of capital, changes in laws, regulations and tax requirements, and economic recession prevailing in different markets

- **Systematic Risk:**

The requirements of systems and disclosure standards may be lower in some emerging stock markets than in developed countries. Therefore, the general information available about a particular issuer may be limited. The general information regarding the financial results and future expansion plans of companies may not be clear or accurate. It is also possible to omit material data or incorrect data on which investment decisions may be made which may adversely affect performance.

- **Liquidity Risk**

Liquidity risk means the speed and ease with which assets can be converted into cash without loss of market value. The Fund may face the risk of not selling some of its investments because of economic conditions or market conditions. However, The Fund will seek to maintain part of its investments under Fund assets allocation limits stated in paragraph (2) above, the "major investment policies", in high-liquidity investments in the short term to meet potential redemption requirements

4. General Information:

A) Targeted Category:

The Fund mainly targets the investors of individuals, institutions, governmental authority, and others who have the desire to invest in the Saudi stock market, which allows them to participate and indirect investment in the shares of companies during the initial public offering of their shares and / or the shares of newly listed companies that did not exceed five years to be listed on the Saudi stock market (main and parallel - NOMU)

B) Distribution of Profits:

The Fund Manager will not distribute the profits to the subscribers. Whereas the distributed profits will be reinvested in the Fund.

C) The previous Performance of the Fund:

a) The total Return:

Accumulated return – 31 st December 2021	One year	3 years	5 years	Since establishment
Fund	22.74%	70.83%	30.64%	266.02%

b) Total Annual Returns for the past ten years:

Annual return	Fund
For 2011	22.20 %
For 2012	53.78 %

For 2013	48.55 %
For 2014	24.71 %
For 2015	-13.65 %
For 2016	-3.69 %
For 2017	-13.57 %
For 2018	-11.52%
For 2019	18.71%
For 2020	17.24%
For 2021	22.74%

- c) The Fund performance in comparison with the benchmark during the last five years or since the establishment

	2017	2018	2019	2020	2021
Fund	-13.57%	-11.52%	18.71%	17.24%	22.74%
benchmark	-22.28%	-25.07%	1.73%	12.43%	11.49%

- d) Date of profits distribution over the last three years
Not Applicable.
- e) The Fund reports are available for the investors through the Fund Manager Website.

D) Unit Holders Rights:

- Obtaining the information memorandum and key information summary in Arabic for free from the Fund Manager.
- Obtaining the key information summary, which is prepared by the Fund Manager in a brief and simple form and it includes the information related to the Fund features.
- Obtaining a summary for the unit holders record (as this summary shall demonstrate all information related to the holder, who submitted the request only) for free, when requested.
- Practicing all rights related to the units including – for example without limitation – right of vote in the meeting of unit holders.
- Receiving a notification from the Fund Manager with the details of fundamental changes on the Fund and that before 10 days from implementing the change.
- Redeeming the units (in the open public Fund) before the application of any of fundamental change without redemption fees (if any).
- Receiving a written notice from the Fund Manager with any proposed significant changes before (21) days from implementing the change.
- redeeming units (in the open public Fund) before the application of any significant change without redemption fees (if any).
- Receiving a written notice from the Fund Manager with any change due for notification in the public Fund before (8) days from implementing the change.
- Receiving an immediate notification from the Fund Manager, when he imposes the suspension of subscription or redemption for Fund units in addition to clarification of suspension reasons.
- Receiving an immediate notification from the Fund Manager, when he ends the suspension of subscription or redemption for Fund units.
- The affected unit holders are entitled to obtain a compensation from the Fund Manager for all valuation or pricing errors.

- Issue a decision related to demanding the dismissal of any member of the Fund board of Directors, as this request shall be addressed to the Fund Manager.
- The Fund Manager shall oblige to apply all requirements of unit holders meeting in accordance with article (70) of investment Funds regulations.
- The Fund Manager shall oblige to apply all requirement of reports submission to unit holders in accordance with article (71) of investment Funds regulations.
- In case of merging the Funds, the Fund Manager shall oblige to apply all requirements of chapter (7) of investment Funds regulations.
- Receiving an immediate written notification from the Fund Manager, when he dismisses the Custodian appointed by him.
- Receiving a written notification from the Fund Manager before a duration not less than (21) days from the intended date to terminate the public Fund.

E) Unit Holders Liability

The liability of unit holders shall be limited to incurring the losses in its investment in the Fund or part thereof, where he shall not be liable towards the Fund debts and obligations.

F) Cases that require the termination of the Fund:

- If the Fund Manager noticed that the size of Fund assets under the management is not sufficient to justify the economic operation of the Fund or in case of occurrence of any change in system or any other conditions, in which the Fund Manager sees that it is an appropriate reason to terminate the Fund. The Fund Manager shall notify Capital Markets Authority of Saudi Arabia and the unit holders in writing with his desire to terminate the Fund and that within 21 days from the intended date of terminating the Fund.
- In this case the Fund assets shall be liquidated and the debts related to the deductions shall be paid, where the remainder of net asset shall be distributed on the participants within 30 (thirty) days from the liquidation start and with the percentage held by their units attributed to the units' total. The Fund Manager shall issue a confirmation with that. In case of starting the Fund liquidation, no distribution will be made for the investors, unless all Fund assets were liquidated and the liquidation outcome was received by Fund Manager.
- G) The Fund Manager shall evaluate the Fund risks periodically in accordance with the internal mechanism for the assessment of risks related to Fund assets.

5. Fees, charges and expenses:

A) All types of payments from the Fund assets:

- **Portfolio Management Fees:** 1.75% of assets net value annually paid for the Fund Manager for investment management services for the Fund. It shall be counted as an annual percentage from Fund net assets value on each valuation day and it will be paid for the Fund Manager every three months as dues.
- **Benchmark Fees:** SR 20.000 per annum, payable by the Fund deducted from its assets.
- **Custody Fees:** 0.02% of the value of the assets under Custody annually and paid monthly to the custodian.
- **Shari'ah Advisory Fees:** borne by the Fund Manager for the Fund.
- **Audit Fees:** SR 23.000 per annum to be paid by the Fund deducted its assets (Paid by the Fund)
- **Shari'ah Charges:** At the applicable rates (Paid by the Fund manager)
- **Independent Directors' Remuneration:** SR 3.000 for each meeting and a maximum of SAR 5.000 per month. In cases where more than one meeting per month is paid by the Fund Manager for the Fund
- **Dealing Expenses:** Dealings relating to the Fund's investments and the management of its asset portfolio are carried at cost and therefore any transaction expenses recorded in this framework will be paid by the Fund and will be deducted from its assets.
- **Other Operating Expenses:**
The Fund shall incur the following ordinary expenses incurred after the start of the Fund from its assets, after obtaining the necessary approvals of the Commission

- 1- Fees and expenses of the Fund's external auditors
- 2- Expenses of Publication of details of prices of units in newspapers, electronic media and other information systems and the inclusion of units of the Fund in stock markets (if any).
- 3- The expenses of the liquidator in the case of liquidation
- 4- All dealings costs including regular fees, liquidation fees and fees payable to third parties in return for providing services to the Fund.
- 5- Annual Reporting Expenses
- 6- Other management and operating expenses payable to other persons dealing with the Fund.

Value-Added Tax "VAT"

- The VAT will be applied in accordance with the regulations issued by the General Authority for Zakat and Income Tax on all fees, expenses and costs.
- All fees and charges mentioned in these Terms and Conditions do not include VAT unless otherwise stated.

B) Fees and expenses:

	Type of fees and expenses	How to calculate it	Payment time
1	Fund management fees	Calculated proportionately on the days of the year (365 days) deducted on each valuation day.	Shall be paid every 3 months as dues
2	Custodian fees	0.02%, shall be calculated at term end	Shall be paid monthly
3	Benchmark Fees	20,000 Saudi riyals	Shall be paid annually
4	Audit Fees	23,000 Saudi riyals	Shall be paid annually
5	Fees of reviewing and following up the disclosure	7.500 Saudi Riyals	Shall be paid annually
6	Dealing expenses (mediation)	Shall be registered at cost or any costs related to the shares trading (paid by the Fund)	Paid at the time

C) Details of deals charges imposed on subscription and redemption:

	How to calculate it	Counter
1	Subscription Fees (payable by the investor at the time of subscription or addition)	1.50% of the subscription amount
2	Redemption Fees	Redemption requests made after the end of the first three months of the subscription date are not subject to redemption Fees
3	Early redemption fees (payable by the investor)	Upon redemption within three calendar months from the date of subscription, the redemption shall be in accordance with the following, nominal price minus 1% redemption fee
4	Ownership Transfer fees	None

D) Special commissions executed by the Fund Manager:

None

- E) **In the following a hypothetical example for the fees and expenses of the Fund calculated based upon the grounds of the Units' holder with the amount of 50,000 Riyal for a year and total Fund assets value 10 million Riyals. By assuming the non-achievement of profits or losses for the Fund during the years.**

	Fund	Units' holder
Total of assets value at the year start	10,000,000 SR	50,000 SR
Deducted:		
Subscription fees	-	-750 SR
Fund management fees	-175,000 SR	-875 SR
Custodian fees	-2,000 SR	-10 SR
Auditor fees	-23,000 SR	-115 SR
Regulatory fees	-7,500 SR	-38 SR
Benchmark Fees	-20,000 SR	-100 SR
Dealing fees	In case it exists	
Fees and expenses total at the year end	-227,500 SR	-1,888 SR
Assets net value at year end	9,772,500	48,113SR

6. **Pricing and Valuation:**

A) **valuation of the assets owned by the Fund:**

- Listed or traded securities in capital market: it shall be valued with the price of the last done deal in the market. In case these securities were suspended, it will be valued with last price before the suspension. Unless there was a damning evidence that the value of these securities has declined from the suspension price.
- Any other investment: the fair value determined by the Fund Manager based upon the methods and rules approved by the custodian and after checking it by the Fund Auditor.

B) **Number of assessment points:**

The Fund's units and net asset value are valued on a daily basis "valuation days"

C) **The procedure, which will be taken in case of an error in valuation nor pricing:**

- In case of valuating one of Fund assets incorrectly, or calculating the unit price incorrectly, the Fund Manager shall document the error directly and inform the authority immediately about the error in valuation or pricing, which its percentage constitutes 0.5% or more of the unit price, where that shall be disclosed immediately in the website of the Fund Manager, the Market Website and in the Fund reports.
- The Fund Manager will compensate all affected unitholders (including the previous unitholders) for all valuation or pricing errors without Postponement.

D) **Details of the unit price calculation method**

- The net asset value of the unit is valued by the Administrator in accordance with generally accepted accounting standards, using the formula:
- Total value of assets including income due to the Fund minus total liabilities divided by the total number of The Fund units present at the time of valuation.

The value of the net assets of the Fund as well as the value of its units in the Saudi Riyal and any other items expressed in currencies other than Saudi Riyals is exchanged according to the exchange rate prevailing at the time of exchange.

E) **Place and time of publishing the unit price**

The net assets value per unit are available to investors for free via the Fund Manager's offices or via E-publishing in "Publishing Days" which are the working days following the dealing day (Monday and Wednesday) of each week on Tadawul website www.tadawul.com.sa and Fund Manager's website www.Yaqeen.sa

7. Dealing

A. **Initial Offering Details**

- Date of Offering Start: on 21/06/2008.
- Date of Offering Close: on 02/07/2008
- Initial unit price: SR 1,000

The Fund Manager shall have the right to extend the initial offering period of the Fund Units for an additional period of one month after obtaining the approval of the Capital Market Authority. Participants whose subscriptions have been accepted prior to the extension of the offering period will be informed of the new closing date.

B. **The deadline and end dates for subscription and redemption applications**

Subscription and redemption can be made every business day by the end of the business day immediately prior to the trading day. Subscription is processed based on the calculated calendar rate on Monday and Wednesday of each week of "Dealing Days". If the Subscription Application or the Subscription Amount is received after the due date, its procedures shall be (unless otherwise decided by the Fund Manager) on the basis of the next trading day.

C. **Subscription and redemption Procedures**

▪ **Subscription Procedures**

- Investors who wish to buy units in the Fund must fill in the request form, sign it, and deliver it to any branch of Yaqeen. Alternatively, to fill out the request form and to approve the terms and conditions of the Fund through the Yaqeen Electronic Services System, and deposit the amount of participation in the dedicated account.
- In the case of bank transfers, the approval of subscription and investment in the Fund shall be executed only upon receiving of notice of liquidation clearing or the transfer with the next calendar rate.
- In the case of payment to units in a currency other than the currency of the Fund (the Saudi Riyal), The value of the subscription shall be converted into the currency of the Fund at the prevailing rates of exchange prevailing at the time of transfer. The subscription shall therefore be based on the unit value on the next trading day.

▪ **Redemption Procedures**

- The unit holder will fill out, sign and deliver the redemption request form to the Fund Manager through its offices on each business day, or fill out the redemption request and deliver it via the Yaqeen Electronic Services system. The redemption requests shall be processed on the next trading day to receive redemption requests.
There is no minimum subscription or redemption limit. The Fund Manager may, at its discretion based on the interest of the Fund, modify the minimum subscription or minimum balance limit, with the approval of the CMA.

▪ **Register of unit holders**

The Fund Manager prepares and maintains a record of unit holders in Saudi Arabia. This record is conclusive proof of the ownership of the units installed in it. The Fund Manager shall provide a summary of the register of unit holders to each owner of the units free of charge upon request by contacting the Fund Manager directly or through a Fund Manager's office.

- The proceeds of the contributions received during the initial offering period of the Fund's units in cash or equivalent or in low risk investments such as cash market transactions with a party subject to SAMA regulation or a similar regulatory body outside the Kingdom and compliant with Islamic Shari'ahh until the end of the Initial Offering Period.

- **The minimum amount of offering and the impact of not reaching this limit**

The minimum bid and the impact of non-reaching the minimum limit ("minimum") required to start the work of the fund is SR 5 million. If the minimum amount is not raised during the period of initial offering of the Fund Manager and after obtaining the Authority's approval, the initial offering period shall be extended for a maximum period of 21 days and disclosed on the Fund Manager's website. If the minimum amount is not raised during the initial offering period, The Fund Manager shall refund the subscription amounts and any proceeds arising from its investment to the unit holders without any deduction.

The Fund Manager has fulfilled this requirement in the Fund's initial offering period.

- **Corrective measures necessary to ensure that the requirement of SR 10 million or its equivalent is met as a minimum net asset value of the Fund**

The Fund Manager shall follow the provisions of the CMA Regulations issued by the Capital Market Authority regarding the requirements for the commencement of the Fund (where applicable).

- **Cases that delay or suspend the dealing in units and the procedures followed in those cases**

The Fund Manager shall have the right to suspend or postpone the dealing in the Fund's units in the following cases:

- 1) If requested by the Authority.
- 2) If the Fund Manager saw that the suspension is in the interests of unitholders.
- 3) If dealing is suspended in the Main Market in which securities or other Assets are held by the Fund, whether in whole or in respect of Assets of the Fund that the Fund Manager reasonably considers to be material to the Fund's Net Asset Value.

If the Fund calendar is suspended, redemption or subscription requests submitted on or after the suspension date shall be executed on the next trading date when the calendar suspension is terminated. redemption requests are executed within two business days of the calendar date. The minimum refundable amount is SR 5,000 for all participants

- **Procedures under which redemption requests to be deferred are selected**

Yaqeen is not obligated to execute redemption requests for more than 10% of the net asset value of the Fund on any trading day. If the Fund's calendar has been suspended, the redemption request for the Fund Units submitted on or after the Suspension Date shall be executed on the next trading date when the suspension of the Calendar is terminated. redemption requests that are deferred on the basis of precedence and redemption volume are selected where the Fund Manager performs the redemption requests received first within 10% of the net asset value of the Fund. The remaining redemption requests are deferred to the next trading day.

8. Unit Characteristics

The Fund Manager may issue unlimited units' number of Yaqeen IPO Fund, all units are the same type and have the same value and rights. The rights don't include voting rights. each unit represents an equal standard share in the Fund assets equal to all other units.

9. Accounting and reporting

A) Financial Reports

Yaqeen prepares interim financial reports every half year within 35 days of the end of the period examined by the External Auditor of the Fund. These reports contain the preliminary financial statements, information about the Fund Manager and any other information on the Fund's activities during the period. As well as an audited annual report covering the financial statements prepared in accordance with the financial laws and regulations applicable in the Kingdom of Saudi Arabia within 70 days after the end of the Fund's fiscal year, including details of the Fund's financial position and

performance as well as information on the Fund Manager and Custodian as at the end of the fiscal year. The annual financial statements are audited and approved by the external auditor of the Fund.

B) Places and means of making financial reports available

These reports will be delivered upon request through the Fund Manager's offices and will be posted on the Fund Manager's website and on the CMA website. Any other financial information required for publication, including unit prices or announcement of any suspension of the units' valuation, will be posted on the Fund Manager's website or on the CMA website and will be available to investors through the Fund Manager's offices at no charge.

Any notices to investors shall be sent by the Fund Manager to investors according to their addresses registered in the unit holders register. When necessary or in accordance with the requirements of regulations, they will be published in the daily newspapers.

C) The end of the Fund's first fiscal year shall be on 31/12/2008. The Fund Manager shall also acknowledge the availability of the financial statements for the Fund's first fiscal year and every calendar year thereafter.

D) The audited annual financial statements of the Fund are provided free of charge upon request.

10. Board of Directors of the Fund

A) Members of the Board of Directors of the Fund

The Board of Directors of the Fund is as follows:

- 1) Mr. Moath bin Qassem Al-Khasawneh (Chairman of the Board)**
- 3) Mr. Saleh Bin Nasser Al-Omair (dependent Member)**
- 4) Mr. Abdulkreem Bin Hamed Al-Njeedy (Independent Member)**
- 5) Mr. Mohammed Bin Msfer Al-Malky (Independent Member)**

B) Qualifications of the Board of Directors of the Fund

1) Mr. Moath bin Qassem Al Khasawneh (Chairman of the Fund):

Mr. Moath Al-Khasawneh is the General Director of Yaqeen Capital. He has more than ten years of experience in the field of financial advisory and investment, during which he worked in a number of sectors, notably: banking, industry, real estate and health, as well as the retail sector. Before he took over the tasks of the General Director, he worked as Chairman of Investment Banking Group in Yaqeen Capital; he has also worked as a consultant to senior management and members of the Board of Directors in many companies in Saudi Arabia. Mr. Moath has joined Yaqeen in 2008 after he worked as a consultant for Deloitte Canada, where he had the opportunity to deal with a number of leading companies through the provision of advisory services in risk management, corporate governance and financial advisory services. He also holds a bachelor's degree in both finance and banking as well as in information systems from St. Mary's University in Canada, in addition to the Master's degree in Business Administration from the Dalhousie University in Canada.

3) Mr. Saleh Bin Nasser Al-Omair (dependent Member):

Mr. Saleh Al-Omair holds a master degree in change management from Swansea University, Britain, in 2010, in addition to a bachelor's degree in business administration from the University of South Florida, United States, in 1981. He also has an American Medical Insurance Associate (HIA) certificate from the American Health Insurance Association in addition to a Certificate of Specialization in Managed Health Care (MHP) from the American Health Insurance Association and a Certificate in General Insurance from the Royal British Insurance Institute, London. Mr.

Saleh has extensive experience of more than 38 years, and he is currently a member of the Board of Directors of Nayifat Finance Company.

4) Mr. Abdulkreem Bin Hammed Al-Njeedy (Independent Member):

Mr. Abdulkreem Bin Hammed Al-Njeedy holds a master degree in Executive Management from King Fahad for Petroleum and Engineering in 2012 and holds a degree of doctor in languages from Oklahoma States, United States in 2013 he has more than 32 years of experience in addition his board member and CEO of Maharah Human Resources.

5) Mr. Mohammed Bin Msfer Al-Malky (Independent Member)

Mr. Mohammed Bin Msfer Al-Malky holds a master degree in business administration from AlFaisal University – 2013, he has certificates as compliance approval from American Academy Management Finance – 2008, and he has experience more than 27 years in Financial Sector in Financial Markets and Banking and supervises business and regulatory oversight, beside he is deputy director of Finance in small and medium authority, board member at export-import bank Saudi, board member in Saudi Fintech, board member of executive and audit committees in fund of funds company under public investment fund, chairman of the credit committee indirect lending initiative in private sector, board member in Saudi Venture Capital in initiative of private sector, board member and credit committee in supporting sustainability in initiative private sector, board member in Kafalah program under credit guarantee, board member in Swan Trade Co., board member auditing in Arab Sea Information Technology.

A. Roles and Responsibilities of the Board of Directors of the Fund:

The responsibilities of Board members include, but are not limited to, the following:

1. Approve all contracts, resolutions and material reports to which the Fund is a party.
2. Adopt a written policy regarding voting rights relating to the Fund's assets.
3. Supervise and, if appropriate, approve any conflict of interest disclosed by the Fund Manager in accordance with the Investment Funds Regulations.
4. Meeting at least twice a year with the compliance and risk (Compliance and risk Committee) officer with the fund manager, the money laundering and terrorist financing reporting officer to ensure that the fund manager complies with all applicable laws and regulations.
5. Approve any recommendation made by the liquidator in case of his appointment.
6. Ensure that the terms and conditions of the Fund, the Memorandum of Information and any other document of the Investment Funds Regulations are complied with.
7. Ensure that the Fund Manager carries out its responsibilities to the benefit of the unit holders in accordance with the terms and conditions of the Fund and the provisions of the Investment Funds Regulations.
8. Work honestly and for the benefit of the investment fund and unit holders therein.
9. Record the minutes of the meetings that reflect all the proceedings of the meetings and the decisions taken by the Council.

B. Remuneration of Board Members:

Independent Directors of the Fund shall be granted a remuneration of SAR 3,000 for one meeting up to a maximum of SR 5,000 riyals per month if more than one Board meeting is held during the month.

C. Conflicts of Interest:

Any Member shall disclose to the Board of Directors of the Fund about the existence of any conflict of interest in the event of voting on any decision taken by the Board of Directors of the Fund, in which the Board Member may have directly or indirectly a special interest.

D. All fund boards in which the relevant member of the Board of Directors participates:

Members of the Board of Directors of the Fund are members of the Board of Directors of the following funds:

- Yaqeen Fund for Saudi Equity.
- Yaqeen Fund for Murabaha in Saudi Riyal.
- Yaqeen Saudi Equity ETF.
- Yaqeen Petrochemical ETF.

The fund board hold the same positions in the following private funds:

- Yaqeen Murabaha financing fund
- Yaqeen Arar hills fund

11. Shari'ah Supervisory Committee:

A. Committee members and their qualifications:

The Shari'ah advisor to the Fund is the members of the legal board of Yaqeen Capital, which consists of the following scholars:

▪ **His Excellency Sheikh Abdullah bin Suleiman Al-Manea:**

Sheikh Abdullah Al-Manea is a member of the Council of Senior Scholars in the Kingdom of Saudi Arabia since its establishment, a consultant in the Royal Court, a member of the Shura Council and a former judge of the Court of Cassation in Makkah. Sheikh Al-Manea is the Vice Chairman of the Shari'a Council of the Accounting and Auditing Organization for Islamic Financial Institutions and the Chairman and Member of several Shari'ah Committees in Saudi and Gulf Banks. He has many publications in Islamic banking.

▪ **Dr. Mohammed bin Ali Al-Qari:**

Dr. Mohammed Al-Qari holds a master's degree and a PhD in economics from the University of California. He is Professor of Islamic Economics at King Abdul Aziz University in Jeddah, and an expert of Fiqh Academy of the Muslim World League. Dr. Al-Qari is a member of many Shari'ah boards of Islamic banks in many banks around the world.

▪ **Sheikh / Abdulrahman bin Abdulaziz Al-Nafeesh:**

Master of Islamic Economics, more than ten years of experience in the field of Shari'ah supervision, Islamic financial dealings, a lecturer in cooperation at Imam Muhammad bin Saud Islamic University, He is a member of a number of Shari'ah boards in the Kingdom of Saudi Arabia. He participated in the research of SABIC Chair for Financial Market Studies and Islamic Economics magazine in King Abdulaziz University in Jeddah. He has a number of research papers, including: Book of investment funds (Shari'ah regulations and statutory provisions).

B. Roles and Responsibilities of the Shari'ah Supervisory Committee:

1. Study and review the Fund's investment objectives, policies, and the Fund's documents to ensure that they comply with Shari'ah standards.
2. Provide advice to the Fund Manager on matters related to Shari'ah compliance, if requested by the Fund Manager.

3. Provide advice in determining the Shari'ah criteria necessary for the selection of securities and companies or any other investments in the primary or secondary market in which the Fund is expected to invest.
4. Periodic monitoring of the compliance of the Fund's investments with Shari'ah standards.
5. Provide Shari'ah view on the extent to which the work of the Fund is in compliance with Shari'ah standards and to be included in the annual audited report of the Fund.
The Fund Manager shall abide by the standards and recommendations issued by the Shari'ah Supervisory Committee and shall ensure that they are applied to all investments of the Fund at all times.

C. Remunerations of Shari'ah Supervisory Committee Members:

Borneby the Fund Manager for the Fund.

D. The criteria applied to determine the legitimacy of assets prepared for investment, the periodic review and the procedures followed in case of non-conformity with Shari'ah standards:

The following are the Shari'ah standards adopted by the Shari'ah board of Yaqeen for the selection of shares of companies:

- Company Objectives:
The shares of companies engaged in one or more of the following activities shall not be dealt with:
 - Dealing with interest rates or non shariah financial instruments, including activities of forbidden traditional banks.
 - Production, distribution and marketing of forbidden goods such as tobacco, alcohol, drugs, pigs meat and meat of other than those mentioned in Shari'ah, gambling, resorts, hotels and restaurants with forbidden activities.
 - Producing and disseminating means and publications that calls for pornography.
 - Derivatives that include futures, options, carry trades and traditional equities.
- Dealing in futures contracts for currencies.
- Securities issued by companies whose sources of income are related to the following sectors:
 - Traditional banks and insurance companies or activities related to interest rates.
 - Production and distribution of alcohol products.
 - Production and distribution of weapons.
 - Gambling.
 - Production and distribution of pork or any related illegal activities.
 - Hotels and resorts offering illegal services.
 - Production and distribution of alcohol and drugs, and so on.

The committee carries out periodic reviews. If one of the Fund's assets does not comply with Shari'ah standards, the Fund Manager shall liquidate the asset, taking into consideration that the unit holders are not harmed by liquidating the asset.

12. Fund Manager

A. Name of Fund Manager.

Yaqeen Capital

B. License No. issued by the Capital Market Authority.

The company is licensed by the Capital Market Authority under license No. 06020-37 to carry out dealings and agent services, underwriting and manage investment funds and portfolios, arranging, advising and custody of securities.

C. Registered address and address of the Fund Manager.

Yaqeen Capital Company
Al Olaya Street

P.O. 884 Riyadh 11421

Phone: 8004298888

Fax + 966 (11) 4617268

D. The date of the license issued by the Capital Market Authority.

The date of the license was 29/4/1427 H corresponding to 27/05/2006.

E. Paid up capital for the Fund Manager.

SR 150,000,000.

F. Financial information of the Fund Manager.

G. Yaqeen Capital

H. (Saudi Closed Joint Stock Company)

I. Consolidated Income Statement

J. (All amounts are in SAR unless otherwise specified)

صندوق دلكم للطروحات الأولية		
قائمة الدخل الشامل		
للسنة المنتهية في ٣١ ديسمبر ٢٠١٨		
(جميع المبالغ بالريال السعودي ما لم يذكر غير ذلك)		
للسنة المنتهية في ٣١ ديسمبر		ايضاح
٢٠١٧	٢٠١٨	
		الدخل
١,٩٧٣,٢٩٠	٢,٠٧٣,٨٧٩	دخل من توزيعات ارباح
٢٤,٦٣٣	-	عمولة استرداد مكر
٤٣,١٤٥	-	عوائد عقود مراهنة
(٣١,٩١٧,٤٦٤)	٢٠٧,٧٨٨	ارباح / (خسائر) بيع موجودات مالية بالقيمة العادلة من خلال الربح او الخسارة
		(خسارة) / ربح غير محققة في التغير في القيمة العادلة للموجودات المالية بالقيمة العادلة من خلال الربح او الخسارة
١٢,٣٦٩,٠٩٥	(٩,٥٨٧,٦٩٢)	اجمالي الخسارة
(١٧,٥٠٧,٣٠١)	(٧,٣٠٦,٠٢٥)	
		المصاريف
(٢,٣٦١,٢١٠)	(١,٣٥٨,٩٥٨)	٧
		اتعاب ادارة
(٧٠,٠٧٣)	(٦٣,٢٨٩)	مصاريف اخرى
(٢,٣٣١,٢٨٣)	(١,٤٢٢,٢٤٧)	مجموع المصاريف
		خسارة السنة
(١٩,٨٣٨,٥٨٤)	(٨,٧٢٨,٢٧٢)	الدخل الشامل الاخر
-	-	مجموع الخسارة الشاملة للسنة
(١٩,٨٣٨,٥٨٤)	(٨,٧٢٨,٢٧٢)	

تعتبر الإيضاحات المرفقة في الصفحات من رقم ٨ إلى رقم ٢٠ جزءاً لا يتجزأ من هذه القوائم المالية.

-٥-

K. Members of the Board of Directors of the Fund Manager.

▪ **Abdulmehsen bin Mohammad Al Saleh (Chairman and Dependent member)**

He enjoys with experience over 40 years in business and investments and consultant and management through working in Samba and City Bank. He holds Bachelors degree in business and economy from Witter University in California State in 1967. In addition he

holds several positions in many companies as below.

- Board member and head of audit committee and member in remuneration committee of Malath Insurance.
- Chairman/Owner of Masader Holding.

- **Abdul Mohsen bin Abdul Rahman Al-Suwailem (Vice President)**

Mr. Abdul Mohsen Al Suwailem has more than 20 years of experience in the financial and banking sector and a financial and administrative consultant licensed by the Ministry of Commerce. He holds a Bachelor of Science in Administrative Sciences from King Saud University in 1992. Mr. Abdul Mohsen Al Swailem is currently the CEO and Managing Director of Al-Naifat Financing Company, and is a member of several boards of directors as shown below:

- Member of the Board of Directors - FALCOM Holding Company
- Member of the Board of Directors - Nayifat Financing Company.
- Member of the Board of Directors – Stores & Support Services Company.
- Member of the Board of Directors – Guld Integrated Industries Company.

- **Mr. Moath bin Qasim Al-Khasawneh (Executive Managing Director/CEO)**

Mr. Moath Al-Khasawneh is the General Director of Yaqeen Capital. He has more than ten years of experience in the field of financial advisory and investment, during which he worked in a number of sectors, notably: banking, industry, real estate and health, as well as the retail sector. Before he took over the tasks of the General Director, he worked as Chairman of Investment Banking Group in Yaqeen Capital; he has also worked as a consultant to senior management and members of the Board of Directors in many companies in Saudi Arabia. Mr. Moath has joined Yaqeen in 2008 after he worked as a consultant for Deloitte Canada, where he had the opportunity to deal with a number of leading companies through the provision of advisory services in risk management, corporate governance and financial advisory services. He also holds a bachelor's degree in both finance and banking as well as in information systems from St. Mary's University in Canada, in addition to the Master's degree in Business Administration from the Dalhousie University in Canada.

- **Fahad bin Ibrahim Al Mufarej (Board Member)**

He enjoys with an experience in handling monetary policy. He holds a bachelor degree in Administration from King Abdulaziz in 1986. In addition, he has completed many courses in monetary policy, banking, and financial analysis and has trained in an international entity, IMF. In addition he is a board member of the following companies.

- Board member and Chairman of the Audit Committee - Samba Bank
- Board member and member of the Audit Committee - Saudi Printing & Packing

Company

- **Mohammad Ibrahim Abu Jabal (Board Member)**

He has more than 15 years of experience in financial and monetary, consulting and financial sector. He commenced his career at External Audit at EY Jordan, and then working as a consultant and an external auditor at Price Water House Coppers in Qatar and Saudi Arabia. He has obtained good experience in audit for commercial transaction and financial sector in GCC and Jordan markets. He has commenced financial accounting at Yaqeen Capital , and he has been appointed the CFO Yaqeen Capital and FALCOM Holding Company. In addition, he is board member and a member of the audit committee of several companies.

He has experience in the financing department and consultant at several business units, and been responsible to reviewing and performance financial reports and administration. He holds a bachelor degree from Jordan Private. In addition, he has many courses, programs, and training in financial analysis, financial controlling and corporate governance.

- **Bin Shehween (dependent Member):**

Mr.Salman bin Shahween has more than 37 years of experience in various fields in several government sectors. He hold a bachelor's degree in Shariah sciences from Imam Mohammed bin Saud Islamic University in 1400AH. He also currently is:

- A member of the board of directors of FALCOM Holding.
- A member of the nominations and remuneration committee of FALCOM Holding.

H. Roles, Responsibilities and Duties of the Fund Manager.

- The Fund Manager manages the Fund wisely and fairly to achieve the investment objectives of the Fund included in this statement and in all cases takes into consideration the interests of the Unit Holders in accordance with the terms and conditions of the Fund.
- The Fund Manager shall abide by the controls set out in paragraph (2) ("Investment Policies and practices") of this Prospectus and the relevant controls set forth in Article (41) ("Investment Restrictions") contained in the Investment Funds Regulations.
- The Fund Manager shall also abide by the Shari'ah Rules for Investment and shall periodically ensure that all of the Fund's investments are in compliance with Shari'ah standards and controls approved by the Shari'ah Board of the Fund under the supervision of the Fund's Shari'ah Board and notify The Fund's Board of Directors of any material irregularities at the time.
- The Fund Manager shall, within the framework of its functions, ensure that sufficient liquidity is available to meet any potential redemption requests.
- The Fund Manager may appoint a Sub-Fund Manager if he deems it necessary.

I. Tasks assigned to a third party by the Fund Manager in respect of the Fund.

None

J. Any other business activities or interests of the Fund Manager that are of Fundamental importance.

None

K. Provisions governing the removal or replacement of the Fund Manager.

The Authority may dismiss the Fund Manager and take any action it deems appropriate to appoint an alternate Fund Manager for the Fund or to take any other measures it deems appropriate in case of any of the following cases:

1. The Fund Manager ceases to exercise the activity of the Administration without the Authority's notice to do so under capital market institutions regulations.
2. Cancellation of the license of the Fund Manager to exercise or withdraw or suspension of the activity by the Authority.
3. The Fund Manager submits an application to the Authority to cancel its license of the exercise of management activity.
4. If the Authority considers that, the Fund Manager has violated - in the form that the Authority deems essential - the obligation of the system or its executive regulations.
5. The death of the manager of the investment portfolio that manages the investment Fund's assets, its disability or its resignation, with no other person registered with the Fund Manager capable of managing the assets of the investment Fund or the assets of the Funds managed by the portfolio manager.
6. Any other case that the Authority considers - on reasonable grounds - that it is of Fundamental importance.

13. The Custodian

A. Name of the Custodian

AlBilad Capital Company

B. License No. issued by the Capital Market Authority.

AlBilad Capital Company is a single person Saudi company with closed shareholding licensed by the Capital Market Authority under license no. 08100-37 dated 01/08/1428 H corresponding to 14/08/2007 to carry out transactions and agent services, underwriting and manage investment Funds and portfolios, arranging, advising and custody of securities.

C. Registered address and work address of the Custodian.

AlBilad Capital Company
King Fahd Road, Al Olaya
P.O. 140 RIYADH 11411
Phone: 920003636
Fax + 966 + (11) 2906299

D. The date of the license issued by the Capital Market Authority.

The date of the license is 01/08/1428 H corresponding to 14/08/2007

E. The basic roles and responsibilities of the Custodians in relation to the investment Fund.

Preserving the assets of the Fund and carrying out the administrative services related to record keeping, issuance of financial positions, assessment of Net Asset Value and issuance of Net Asset Value to the Fund Unit.

F. The tasks entrusted to a third party by the Custodian in respect of the investment Fund.

Not Applicable

G. Provisions regulating the dismissal of the Custodian.

- The Authority may dismiss the Custodian designated by the Fund Manager or take any measure it deems appropriate in the event of any of the following cases:
 1. The Custodian ceases to exercise the activity of custody without the Authority's notice to do so under capital market institutions regulations.
 2. Cancellation of the license of the Custodian to exercise or withdraw or suspension of the activity by the Authority.
 3. The Custodian submits an application to the Authority to cancel its license of the exercise of management activity.

4. If the Authority considers that, the Custodian has violated - in the form that the Authority deems essential - the obligation of the system or its executive regulations.

In this case, the Fund Manager shall appoint an alternate Custodian and transfer the custody responsibilities to the alternate Custodian within 60 days of its appointment.

- The Fund Manager may also dismiss the Custodian by written notice if he reasonably considers that the Custodian is to be dismissed in the interest of the unit holders. In this case, the Fund Manager shall appoint an alternate Custodian within 30 days of receiving the written notice by the Custodian. Appointment of an alternate Custodian will be disclosed on the website of the Fund Manager and the e-Market website.

14. Investment Consultant

Not Applicable

15. Distributor

Not Applicable

16. Auditor.

A. Name of the Auditor.

PricewaterhouseCoopers (pwc).

B. Registered address and work address of the Auditor.

PricewaterhouseCoopers
Kingdom Tower - 24th floor
King Fahd Highway
Riyadh 11414, Saudi Arabia
Tel: +966 11 211 0400
Fax: +966 11 211 0401
Pwc.com

C. Core roles and responsibilities of the Auditor in relation to the Investment Fund.

The Auditor reviews the Fund's primary and annual financial statements.

17. Other Information

a. The Fund grants unit holders the right to have access to policies and procedures to address conflicts of interest and any potential or actual conflict of interest upon request and without charge.

b. Special discounts and commissions

The Fund Manager shall be entitled to exempt some participants from the subscription fees or any part thereof as may be appropriate for the benefit of the Fund and the unit's holders without giving reasons for such.

c. Zakat or Tax.

- The Fund Manager shall not pay Zakat for the Fund

- Value Added Tax: The Value Added Tax will be applied in accordance with the executive regulations issued by the General Authority for Zakat and Income Tax on all fees, expenditure, expenses and costs. All fees and expenditure mentioned in the Fund's documents do not include Value Added Tax unless otherwise stated

d. Information and details of meeting of unit holders

1. The Fund Manager shall convene the meeting of the unit holders within 10 days of receipt of a written request from the Custodian.

2. The Fund Manager shall convene the meeting of the unit holders within 10 days of receipt of a written request from one or more of the unit holders who together or individually own at least 25% of the value of the units of the Fund

3. Invitation to the meeting of the unit owners shall be announced on the website of the Fund Manager and the website of the Market and by sending a written notice to all unit holders and Custodian (if any)
 - 1) At least ten days prior to the meeting.
 - 2) Not more than (21) days prior to the meeting.The notification will include the date, place, time and decisions proposed
4. The meeting of the unit holders shall not be valid unless attended by a number of unit holders having together at least 25% of the value of General Fund units.
5. In case of not meeting the quorum stated in Clause 4. The Fund Manager will convene a second meeting by announcing this on the Fund Manager's website and the website of the market and by sending written notice to all unit holders and Custodian prior to the second meeting by five days at least. The second meeting shall be valid regardless of percentage of the units represented at the meeting
6. Each unit holder may appoint an agent to represent him at the meeting of the unit holders:
7. Each unit holder may make one vote at the meeting of unit holders of each unit held by him on the meeting time

e. Termination of the Fund

- The Fund Manager may terminate the Fund if he finds that the value of the Fund's assets under management is insufficient to justify the economic operation of the Fund or in the event of any change in regulations or other circumstances which the Fund Manager deems sufficient to terminate the Fund. In this case, the Fund Manager shall notify the Capital Market Authority and notify the unit holders in writing of its desire to terminate the Fund not less than 21 days from the date on which the Fund is to be terminated
 - In the case of termination of the Fund, the assets of the Fund are liquidated and the debts and liabilities relating to the liabilities are repaid and the remaining assets from liquidation are distributed to the participants within thirty (30) days from the beginning of liquidation with the percentage of their units to the total units. A confirmation from the Fund Manager shall be issued. In case of the Fund liquidation commencement, no distributions will be made to investors unless all the assets of the Fund have been liquidated and the liquidation proceeds are received by the Fund Manager.
- f. The Fund Manager will submit complaints processing procedures upon request and free of charge. The Unit Owner may, in the event of any complaint or comment about the Fund, send them to the following address:
- Yaqeen Capital Company
 - Compliance and Risk Management Group
 - Al Olaya street
 - P.O. Box: 884 Riyadh: 11421
 - Phone: +966 (11) 2114722 – Fax: +966 (11) 2032546
 - Comments can also be sent to the following e-mail:
Addingvalue@yaqeen.sa
- g. The Judicial Agency Competent to solve any dispute
The Committee for the Resolution of Securities Disputes in the Kingdom of Saudi Arabia is the Judicial Agency Competent to solve any dispute arising out of or in respect of investment Funds.
- h. The Fund Manager grants unit holders the right to review the terms, conditions of the Fund, the summary of key information and each contract stated in the Information Memorandum and financial statements of the Fund Manager
- i. All assets of the Fund are collectively held by the unit holders. The Fund Manager, the Sub-Fund Manager, the Custodian, the Sub-Custodian, the Consultant or the Distributor may not have any interest in the Fund's

assets or claim in respect of such assets, unless the Fund Manager, Sub-Fund Manager, the Custodian, the Sub-Custodian, the Consultant or the Distributor are holders of the units of the Fund, within the limits of its ownership, or if such claims are permitted under the provisions of these Regulations and disclosed in the terms and conditions of the Fund or the Information Memorandum.

- j. There is no other known information that may enable existing or potential unit holders or their professional advisors to make a decision to invest in the Fund contrary to what is stated in the Terms and Conditions and the Information Memorandum.
- k. Any exemptions from investment regulation restrictions have been approved by the Committee in advance, contrary to what has been stated in the investment policies and practices

None

1. Voting Rights Policy

In accordance with inside Yaqeen's regulations of voting rights, in cooperation with the Board of Directors of the Fund, compliance, Compliance and Risk Management group, this system will be followed in case of voting. The Fund Manager will also make voting decisions within the framework of this system by consulting the Compliance and Risk Management group.

18. Additional information requirements for certain types of Funds

Not Applicable

Summary of Key Information

Name of Fund

Yaqeen IPO Fund
(Public Open-ended investment Fund)

Fund Manager

Yaqeen Capital Company

Last updated on

28/07/2022 AD

This information summary is mainly prepared for investors to enable them to study the opportunity available to them to purchase units in the Yaqeen IPO Fund and potential investors to read the terms, conditions and other documents thoroughly before making any decision on investing in this Fund.

A. Key Information

1. Name of Investment Fund

Yaqeen IPO Fund
(Public open-ended investment Fund)

2. Investment Objectives of the Fund

3. The Fund aims for capital growth over the long term by investing mainly in the shares of publicly held companies during the IPO period and / or newly listed company's shares which did not exceed five years since listing or the last 30 that have been listed in the Saudi stock market (main and parallel - NOMU). The Fund Manager will not distribute any dividends to the subscribers, as the dividend will be reinvested in the Fund. The fund aims also to achieve a performance that exceeds the benchmark performance of the Fund (Yaqeen IPO fund Index), whose performance will be announced through the Fund Manager's website.

3. Investment Policies and Practices

To invest mainly in the shares of publicly held companies during the IPO period and in newly listed company's shares which did not exceed five years since listing in the Saudi stock market (main and parallel - NOMU) or the last 30 companies that have been listed. And the new shares resulting from capital increase in previously listed companies in the Saudi stock market (main or parallel) –Nomu, by offering rights issue as the fund may subscribe to the remaining shares during the selling period of the unsubscribed shares, and to hold or sell them at the time of their trading. The fund manager may also invest no more than 50% of the net assets value in shares of small and medium-sized Saudi enterprises, which refers to all shares of listed companies in the Saudi stock market (main and parallel- NOMU) with the exception of companies whose market size exceeds 15 billion Saudi riyals. The market size calculation is as follows: the share price multiplied by the number of free float shares.

The Fund follows the following strategy in the distribution of its assets as a percentage to the net asset value of the Fund as the investment area is updated at least quarterly and / or when new companies are launched. In exceptional circumstances, the Fund Manager may hold its assets in the form of 100% cash temporarily to meet the sharp fluctuations in the stock market, taking into account the maximum possible protection of the Fund unitholders

Asset Categories	Minimum	Maximum
Money market instruments and Murabaha funds	0%	100%
Initial public offering (main market and parallel-NOMU)	0%	100%
Newly listed stocks in the main stock market and parallel - NOMU up to five years or the last 30 listed companies in the Saudi Market	0%	100%
Small and Medium-sized enterprises (SME)	0%	50%
The new shares resulting from the increase of the capital of the companies listed previously through the rights issue.	0%	15%
Investment funds	0%	25%
Exchange traded funds	0%	25%
Real estate investment traded funds	0%	25%

4. The Main Potential Risks Associated With Investing In The Fund

For example, but not limited to:

▪ Disclosure Risk:

Disclosure risk relates to the possibility of incorrect data in the Prospectus or omission of material data. In view of the Fund Manager's fundamental reliance on the investment decision on the information contained in the prospectus issued by the companies, the risk of making an incorrect investment decision remains a possibility in the event of the omission of material data or the existence

of incorrect data in the issuance of companies, in spite of the supervision by the CMA of the initial public offering in which the Fund Manager manages its investment operations.

- **Risks of Future Financial Expectations:**

The expectations of the future financial results of the companies and the availability of the factors necessary to achieve the returns and their continuation in the future is one of the important tools on which the Fund Manager determines its investment decisions. However, these expectations may or may not be realized as expected, which may lead to a deviation from the outlook for the Fund's operations. In addition, after announcing the financial results of the company, the market price of its shares may move in a direction contrary to those expectations, as in the case of low profitability of companies that listed their shares.

- **Risks of Slowing The Initial Issuance Process:**

In accordance with the CMA's balanced policy, the timing of offering companies is determined and approved according to a specific schedule in line with the current conditions of the Initial Public Offering market. Therefore, there may be a slowdown in the initial issuance process at times. The slowdown may occur as a result of macroeconomic conditions of the Initial Public Offering market.

- **Limited Performance Record:**

The Fund is new in concept and has no previous performance record and is based on the Fund Manager's experience in managing this type of investment. It cannot be confirmed that Fund's investment objectives will be realized.

- **Potential Fluctuations In Stock Markets:**

Stock prices in secondary markets are subject to sharp fluctuations, which may include sharp and sudden downward movement. No guarantee or confirmation of the future performance of securities can be provided and past performance records do not reflect what will happen in the future. Emerging market stock price fluctuations may be larger than in advanced stock markets, which could pose risks to the Fund's investments in the event of a sharp and sudden drop in the market value of securities.

- **Risks Of Initial Offerings:**

Shares of public companies are generally offered through initial offerings in the primary market. Investment in initial offerings may include the risk of limited stock available for subscription during the initial public offering period. The investor's knowledge of the issuing company may be insufficient or may have a limited performance history. Issuers may belong to new economic sectors. Some companies may be in the development stage and do not achieve operating income in the short term, which increases the risk of subscription in its shares.

Risks of investing in small and medium enterprises:

Investing in the shares of small and medium enterprises is subject to more risk than other investments, including the possibility that these companies will not achieve the expected profits and the high volatility in their performance in addition to the lack of experience or mismanagement of these companies that may lead to fluctuation in their results and price fluctuations. Its shares, which may adversely affect the performance of the fund and the unit price.

- **Risks of Listing Delay:**

Delays in the listing of shares of a company whose shares were acquired during the initial offering period may occur for a period of up to two months or more from the date of the initial offering, which may result in the Fund being unable to sell the shares.

- **Risks Of Opportunities To Participate In The Initial Offerings:**

The Fund may face difficulties relating to its participation in the initial offerings of shares of companies where there is no guarantee to the Fund to receive the invitation to participate in the initial offers of shares of some companies. As the Fund receives the invitation, among other companies and funds to participate in the initial offerings available, it may limit the ability of the Fund to invest in the shares of some companies during the Initial Offering Period.

- **Investment Concentration Risk:**

If the shares of a particular issuer represent an important part of the market value of the Fund's assets, the change in the market value of the shares of that asset may result in a material fluctuation in the value of the Fund's units compared to normal circumstances. In addition, a less diversified fund may suffer from reduced liquidity if a substantial portion of its assets is being invested in shares of a limited number of issuers. Fundamentally, the Fund may not be able to easily monetize its investment with a particular issuer to meet the redemption requirements in the Fund.

- **Market Risk:**

Market risk relates to potential fluctuations that may occur in equity markets in which the Fund invests. The market capitalization of new and emerging companies is vulnerable to the ups and downs that may occur in the stock markets and, in some cases, suddenly and unexpectedly. In such cases, the Fund may be exposed to risks resulting from the sudden reversal of stock markets that may occur in response to any information related to negative economic returns, changes in investor behavior or consensus that leads to excessive market value of shares.

- **Risks Related to Shari'ah standards:**

The application of Shari'ah standards on the Fund's investments generally limits the scope and number of shares available for investment by the Fund. The companies in which the Fund invests after the acquisition of its shares may exceed the permissible Shari'ah standards, which cause the Fund to dispose of the shares of such companies at times that may be inappropriate. The occurrence of such situations may limit the scope of investment opportunities available to the Fund.

- **Risks of Allocation Results:**

In accordance with the Initial Public Offering system, the subscription may be limited to specific categories to be subscribed, and minimum and maximum subscription limits may be set for both natural and legal persons. In addition, if the subscription is raised and the demand for the offered shares is raised, a higher limit shall be set for the number of shares per subscriber. The remaining shares shall be allocated in a limited number to each subscriber. This may be accompanied by conditions relating to the availability of the shares offered for subscription. Such restrictions may limit the Fund's freedom to subscribe to shares during the initial public offering period, which may cause the Fund to lose some investment opportunities that would have increased the Fund's revenues.

- **Political Risk:**

The Fund's performance may be affected by uncertainties resulting from inappropriate policy changes that may occur on a country, regional or global scale that may affect the performance of secondary markets and the market value of the securities in which the Fund invests. These risks may also result from economic and market conditions, uncertainties associated with changes in government policies, restrictions on the movement of capital, changes in laws, regulations and tax requirements, and economic downturns prevailing in different markets.

- **Regulatory Risk:**

The requirements of regulations and disclosure standards may be lower in some emerging stock markets than in developed countries. Therefore, general information available about a particular issuer may be limited, and general information regarding the financial results and future expansion plans of companies may not be clear or accurate. It is also possible to omit material data or the existence of incorrect data based on which investment decisions are made which may adversely affect performance.

- **Liquidity Risk:**

Liquidity risk means the speed and ease with which assets can be converted into cash without loss of market value. The Fund may face the risk that some of its investments may not be sold because of economic conditions or market conditions. However, the Fund will seek to maintain part of its investments within the Fund's asset allocation limitations set out in paragraph (2), the "Main Investment Policies" above, in high-liquidity investments in the short term to meet potential redemption requirements.

5. Previous Performance of the Investment Fund

A. Total Return:

Cumulative Return – 31 December 2021	One year	Three years	Five years	Since established
The Fund	22.74%	70.83%	30.64%	266.02%

B. Total Annual Return for each of the past ten years

Annual Return	The Fund
For the year 2011	22.20 %
For the year 2012	53.78 %
For the year 2013	48.55 %
For the year 2014	24.71 %
For the year 2015	-13.65 %
For the year 2016	-3.69 %
For the year 2017	-13.57 %
For the year 2018	-11.52%
For the year 2019	18.71%
For the year 2020	17.24%
For the year 2021	22.74%

C. The Fund's performance compared to the guiding Index over the past five years

	2017	2018	2019	2020	2021
The Fund	-13.57%	-11.52%	18.71%	17.24%	22.74%
The Benchmark	-22.28%	-25.07%	1.73%	12.43%	11.49%

B. Services, Commissions and Fees:

- **Portfolio Management Fees:** 1.75 % of the net asset value of the Fund annually paid by the Fund Manager for its investment management services and fund management. Portfolio management fees are calculated as an annual percentage of the net asset value of the Fund on each calendar day and the Fund Manager is paid every three months as receivables.
- **Benchmark Fee:** SR 20,000 per annum to be paid by the Fund deducted from its assets.
- **Custody Fees:** 0.02% of the value of the assets under Custody annually and paid monthly to the custodian.
- **Shariah Consultation Fees:** borne by the Fund Manager.
- **Audit Fees:** SR 23,000 per annum to be paid by the Fund deducted from its assets (paid by the Fund)
- **Shari'ah Financing Charges:** At the applicable rates (borne by the Fund)
- **Independent Directors Remuneration:** SR 3,000 for each meeting and a maximum of SR 5,000 per month in cases where more than one meeting per month, paid by the Fund Manager for the Fund.
- **Dealing Expenses:** Dealing relating to the Fund's investments and the management of its asset portfolio are carried at cost and therefore any transaction expenses recorded in this framework will be borne by the Fund and paid against its assets.
- **Other Operating Expenses:** The Fund has incurred the following regular expenses incurred after the commencement of the Fund's work from its assets, after obtaining the necessary approvals of the Authority:
 1. Fees and expenses of the Fund's external auditors.
 2. Expenses of publishing unit details in newspapers, electronic means and other information systems and listing the units of the Fund in stock markets (if any).
 3. The expenses of the liquidator in the case of liquidation.
 4. All dealings costs including regular fees, liquidation fees and fees payable to third parties in return for services to the Fund.

5. Expenses related to the publication of annual reports.
 6. Other management and operating expenses payable to other persons dealing with the Fund.
- **Subscription Fees (paid by the investor upon subscription or addition):** 1.50% of the subscription amount.
 - **Redemption Fees:** Redemption requests made after the end of the first three months of the subscription date are not subject to Redemption fees.
 - **Early Redemption Fees (paid by the investor):** Upon Redemption within three calendar months from the date of subscription, the Redemption shall be in accordance with the following valuation rate minus 1% of the Redemption fees.
 - **Fees For Refund of Transfer Charges:** None

Value Added Tax

- Value Added Tax will be applied in accordance with the regulations issued by the General Authority for Zakat and Income on all fees, expenses, expenditures and costs.
- All fees and charges stated in these Terms and Conditions do not include Value Added Tax unless otherwise stated.

C. For additional information about the "Yaqeen IPO Fund" and its other documents, please view the company's website www.Yaqeen.sa or the nearest Yaqeen Capital branch or call our customer service number 8004298888.

D. Name and Address of the Fund Manager

Yaqeen Capital Company
P.O. Box: 884 Riyadh: 11421
Phone: 8004298888
Fax: +966 (11) 4617268
www.Yaqeen.sa

E. Name and Address of the Custodian

AlBilad Capital Company
King Fahd Road, Al Olaya
P.O. Box: 140 Riyadh: 11411
Phone: 920003636
Fax: +966 (11) 2906299

F. Name and Address of the Distributer

Not Applicable