

This document presents essential investor details regarding this fund, distinct from market content. It is mandated by regulations to facilitate your comprehension of the fund's characteristics and associated risks. We strongly recommend reviewing it to enable an informed investment decision.

### INVESTMENT OBJECTIVE

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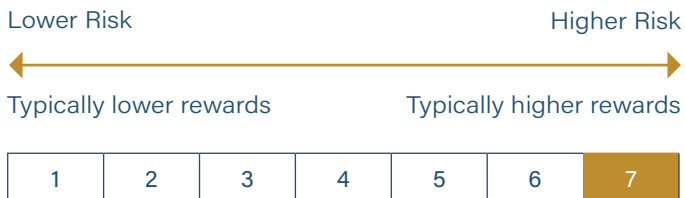
The investment objective of the Arvocap Sharia Special Fund (KES) is to attain a high level of profitability by maintaining a value portfolio in adherence to Sharia regulations.

#### INVESTMENT POLICY

The Arvocap Sharia Special Fund (KES) follows the guiding principles of Shariah-compliant investments in Kenya. Given the deficiency of Sharia compliant products in the Kenyan capital markets, the fund will seek to create special custom investment solutions in addition to the listed market opportunities. Given the illiquidity of some of the investments to be made, care has been taken to educate the clients on the nature of investments made and turnaround times in case of exits or distressed sales. The investments by the fund will be made across various asset classes.

The fund strictly adheres to Sharia principles, following the S&P 500 Shariah Indices Methodology and the FTSE Shariah Methodology, while prohibiting investments in companies involved in non-compliant activities such as alcohol, gambling, pork, pornography, and tobacco. Sector-based screens exclude businesses related to non-Islamic activities like advertising of prohibited products, media and entertainment, cinema operations, alcohol, and financials not meeting Shariah criteria. The selection process involves reviewing each company's latest financial statements to ensure compliance with Sharia principles, with non-compliant companies screened out. These measures ensure that the Arvocap Sharia Special Fund (KES) aligns with Islamic investment principles and offers Shariah-compliant investment opportunities.

### RISK AND REWARD PROFILE



#### WHY THE FUND IS CATEGORY 7?

The fund is rated category 7 due to its exposure to equities/shares, unlisted equities, alternative investments, and structured products and the inherent nature of the underlying assets and their risks as outlined below. The factors below have an impact on the value of investments and expose the fund to potential losses.

The price of shares and any income derived from them such as dividends may rise and fall and the investors when liquidating may not get back an equal amount to what they have invested.

Some of the underlying assets are illiquid or not listed and thus affected by liquidity issues making it hard to promptly exit when need be.

It may be difficult for a fund to liquidate and redeem its underlying assets in a short notice during extreme market conditions without suffering a loss.

Some of the equities the fund is invested in may be re-categorized from Sharia compliant to being non-compliant leading to forced liquidation of the funds holding which may impact the net asset value of the fund.

Investing may lead to payment of additional fees and expenses in relation to the fund executing its trades.

#### WHAT THE NUMBERS MEAN

The numbers rate how the fund will behave and how much risk there is to your invested capital. Generally, in markets the chance to make large gains means a risk of suffering higher losses.

##### Risk category 1:

A category 1 fund is not a risk-free investment. It means the risk of losing your invested capital is small, but also the risk of making gains is small.

##### Risk category 7:

In a category 7 fund, the potential for huge returns is high but also the risk of losing your money is also high.

Note: The seven-category risk scale (The Synthetic Risk and Reward Indicator, SRRI, series) is a complex undertaking and a scale category of 2 does not imply that it is twice as risky as category 1 risk.

Additional risks to the fund have been outlined in the supplementary information memorandum of the fund in addition to the risks outlined in the Arvocap Unit Trust Scheme Information Memorandum.

## CHARGES

These charges are used to pay the administrative costs of running the Fund, including the costs of cloud computing, system maintenance marketing, research, subscriptions and selling. Overall, they reduce the growth of your investment.

### ONE OFF CHARGES BEFORE YOU INVEST

Entry Charge 0.5% Initial Fee

Exit Charge 0

### CHARGES TAKEN FROM THE FUND OVER A YEAR

Fund Management Fees 2.0% of AUM per annum in management fees

### CHARGES TAKEN FROM THE FUND UNDER CERTAIN SPECIFIC CONDITIONS

Performance Fee 20% of the total annual net return after subtracting all expense ratios of the average assets under management

The entry and exit charges shown are the maximum figures. In some cases, you might pay less - you can find this out from your financial adviser.

The fund management fee is a fixed charge and is same year to year unless changed through an amendment of the information memorandum upon the Authority's approval. This figure excludes portfolio transaction costs, which may vary from year to year based on trading activity in the portfolio.

You can find out more details about the charges by looking at the Fees" section of the Information Memorandum and read together with Supplementary Information Memorandum.

## PAST PERFORMANCE



## PRACTICAL INFORMATION

Custodian: NCBA BANK KENYA PLC

About the Fund

- Arvocap Mabruk Sharia Special Fund "Fund" is a CIS product established under the Capital Markets regulations as a unit trust under the provisions of the Capital Markets (Collective Investment Schemes) Regulations 2023 ("the CIS Regulations").
- The Fund shall operate as an open-ended fund and its units shall therefore be continuously offered through the Fund Manager and its authorised agents.
- The unit holders' interest in the Fund will be represented by the units held in the Fund determined by the Net Asset Value of the Fund.
- This Fund is subject to tax laws and regulations of Kenya. Depending on your home country of residence, this might have an impact on your personal tax position. For further details, please consult your adviser.
- The currency of the fund is in KES.

Find out more

- Further information about the Fund, copies of the prospectus, annual and half-yearly reports may be obtained free of charge in English. Write to the Manager, at Arvocap Asset Managers Limited, Reliable Towers, 8 th Floor - Wing B, Mogotio Road, Westlands, Nairobi, Kenya or visit the website [www.arvocap.com](http://www.arvocap.com)
- Other practical information including the latest share prices are available at the registered office of the Manager and the Trustee, NCBA BANK KENYA PLC, NCBA House, Mara & Ragati Road, Upperhill, Nairobi, Kenya, during normal business hours and will be published on the Arvocap Asset Managers Limited website, [www.arvocap.com](http://www.arvocap.com)

- This Fund is authorised in Kenya and regulated by the Kenya Capital Markets Authority.
- The Fund Manager, Arvocap Asset Managers Limited "Arvocap" is regulated by the Capital Markets Authority (Kenya) under license number 190 issued on 30<sup>th</sup> October 2023.

This Key Investor Information is accurate as at 1st February 2024 and shall remain current and relevant as at such date