

BankDhofar GCC Equity Fund (open-ended Fund)

(Shariah Compliant) (under formation)

Offering of a minimum of 2,000,000 units for private placement, at an issue price of 1.000 Rial Omani per unit.



Prospectus (Private Placement)

This prospectus has been prepared in accordance with the requirements set by the Financial Services Authority. The Financial Services Authority does not bear any responsibility for the accuracy or adequacy of the data and information contained herein, and does not bear any responsibility for any damage or loss resulting from any person's reliance on Or its use of this information, this Arabic version of the prospectus approved by the Financial Services Authority in accordance with Administrative Resolution No. K/69/2024 dated 27th November 2024 this Prospectus does not constitute an offer to sell or an invitation by the Fund or on its behalf to buy any of the Units in any region outside the Sultanate of Oman where such distribution is illegal.



His Majesty Sultan Haitham bin Tarik

Investment Manager	Issue Manager	Collecting Banks	Legal Advisers
BankDhofar SAOG	BankDhofar SAOG	BankDhofar SAOG & Dhofar Islamic	Al Busaidy, Mansoor Jamal & Co.
		 	

TO ALL INVESTORS

This Prospectus contains material information regarding BankDhofar GCC Equity Fund (Shariah Compliant), under formation, an open-ended unlisted investment fund regulated by Financial Services Authority (FSA) under the Securities Law (Royal Decree 46/2022). This Prospectus has been prepared in accordance with the rules and regulations issued by FSA.

FSA assumes no responsibility for the accuracy and adequacy of the statements and information contained in this Prospectus nor shall it have any liability for any damages or loss howsoever arising from the reliance upon or use of any part of the same by any person.

This Prospectus does not constitute an offer to sell or an invitation by or on behalf of the Fund to subscribe for Units in any jurisdiction outside Oman where such offering or subscription is, or may be, unlawful.

None of the Fund's Sponsor, Investment Manager, Issue Manager or Legal Advisor shall be held responsible for any information interpreted differently from the approved original Arabic Prospectus.

Bank Dhofar GCC Equity Fund (Shariah Compliant)(under formation)

P.O. Box 1507, P.C 112, Sultanate of Oman

P.O. Box 1507, Postal Code 112, Ruwi, Sultanate of Oman

Tel: +968 22652198

Email: assetmanagement@bankdhofar.com / investmentbackoffice@bankdhofar.com

Subscription Start Date: 05 January 2025

Subscription End Date: 30 January 2025

**Investment Manager, Issue
Manager and Collecting Bank**



Bank Dhofar SAOG

P.O. Box 1507, Postal Code 112, Ruwi, Sultanate of Oman

Tel: +968 22652561

Email: investmentbackoffice@bankdhofar.com

Auditor



BDO LLC

P.O. Box 1176, Postal Code 112,

Tel: +968 24955100

Email: unmesh.bhome@bdo.com.om

Legal Adviser



Al Busaidy, Mansoor Jamal & Co.

P.O. Box 686, Postal Code 112

Tel: +968 24829200

Email: mj-co@amjoman.com

Custodian/ Fund Administrator/ Registrar & Transfer Agent



الشركة الخليجية لحفظ الأوراق المالية
Gulf Custody Company

Gulf Custody Company S.A.O.C.

PO Box 1110, P.C. 114, Muttrah Port District,

Sultanate of Oman

Tel: +968 24216941

Email: gccotrade@gulfcustody.com

Important Notice

The purpose of this Prospectus is to present material information that may assist potential investors to make an appropriate investment decision as to whether or not to subscribe for in the Units.

All investors should examine and carefully review this Prospectus in order to decide whether it would be appropriate for them to subscribe for the Units by taking into consideration all the information contained in this Prospectus, in particular the risk factors set out in Chapter IV.

Investors should not consider this Prospectus a recommendation by the Fund, the Sponsor, the Investment Manager, the Issue Manager, the Collecting Banks or the Custodian and Fund Administrator (each as defined below) to subscribe for the Units.

No person has been authorised to make any statements or provide information in relation to the Fund, the Investment Manager or the Units other than the persons whose names are indicated in this Prospectus. Where any other person makes any statement or provides information it should not be taken as authorised by the Fund, the Sponsor, the Investment Manager, the Issue Manager, the Collecting Banks or the Custodian and Fund Administrator.

This Prospectus does not constitute an offer to sell or an invitation by or on behalf of the Fund to subscribe for Units in any jurisdiction outside Oman where such offering or subscription is, or may be, unlawful. It is the responsibility of any Prospective Investor in possession of this Prospectus and any persons wishing to apply for Units to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdiction when evaluating and/or subscribing for Units including to the legal requirements applicable when subscribing for Units, all applicable regulations, laws and taxes in the country of their respective citizenship, residence, domicile or incorporation.

The delivery of this Prospectus to a prospective investor or the issue of Units shall not be interpreted as a representation that there has been no change in the information contained in this Prospectus or that the affairs of the Fund have not changed since the date of this Prospectus.

US Persons are not permitted to subscribe for Units. The Units have not and will not be registered under the United States Securities Act 1933, the United States Investment Company Act 1940, or the securities laws of any of the States of the United States of America and may not be directly or indirectly offered or sold in the United States of America or for the account or benefit of any US Person.

Investments made by the Fund are subject to market fluctuations and to the risks inherent in all investments. Therefore, the NAV of Units may go down as well as up and the value of an Investor's investment may be subject to sudden and substantial loss.

The Units may not be a suitable investment for all investors. Every Prospective Investor is responsible for undertaking its own independent evaluation of making an investment in

the Units including obtaining professional advice on the investment in the Units and for conducting an independent evaluation of the information and assumptions contained in this Prospectus using whatsoever analysis or projections the investor deems appropriate in light of its own circumstances. In particular, each potential investor should:

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

Sources of Information and Forward-Looking Statements

DISCLAIMER: Unless otherwise noted, the information in this Prospectus has been derived from sources believed to be accurate as of the date of this Prospectus. Information derived from different sources is believed to be reliable; however, we do not independently verify or guarantee its accuracy or validity. This material contains general information only and should not be construed as investment advice, recommendation or be relied on in any way as a guarantee, promise, forecast or prediction of future events regarding an investment or the markets in general. The opinions and predictions expressed are subject to change without prior notice. Subject to any contrary provisions of applicable law, BankDhofar and its respective affiliates, and officers, directors, employees, agents, disclaim any express or implied warranty of reliability or accuracy and any responsibility arising in any way for errors or omissions in this document or in the information or data provided in this document.

Past performance is not a reliable indicator of future performance and should not be relied upon to make investment decisions. The value of investments and the income from them may fall as well as rise. Investing involves risk, including possible loss of principal. The financial market outlook is based on current market conditions. There is no assurance that such events or projections will occur and actual conditions may be significantly different than that shown here. This Prospectus may contain 'forward looking' information that is not purely historical in nature. These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe the Fund's strategies, objectives, plans or goals are also forward-looking statements. Such information may include, among other things, projections and forecasts. There is no guarantee that any forecasts made will come to pass. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. The

Sponsor has conducted the required due diligence to the best of their knowledge and believes that the Prospectus reflects the executable future plan of the Fund. Reliance upon information in this material is at the sole discretion of the reader. Important factors that could cause actual results to differ materially from the Fund's expectations include, among others:

- Global and local economic and business conditions;
- Changes in interest rates;
- Inability to estimate future performance;
- Inability to find suitable investments; and
- Changes in laws and regulations that apply to the Fund or its investments.

For a further discussion of factors that could cause actual results to differ, see Chapter IV entitled "Risk Factors" of this Prospectus.

This Prospectus has been authorized and approved by the FSA and will be governed by the rules and regulations of the Sultanate of Oman and the FSA.

The FSA is not responsible for the accuracy and adequacy of the information provided in this Prospectus. The FSA does not take any responsibility for any loss that may arise from dependence on information contained in this Prospectus. The FSA has not assessed the suitability of the Units to which this Prospectus relates to any particular investor or type of investor.

The Arabic language version is the official version of this Prospectus. In case of any difference or discrepancy between Arabic and English versions, the Arabic version shall prevail.

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CHAPTER I ABBREVIATIONS AND DEFINITIONS

Administrator	Entity responsible for administration of the Fund, as per the Fund Administration Services Agreement.
Articles of Association	Articles of association of the Fund, which set out the rights, obligations and powers of Unitholders, the Fund, the Investment Manager and service providers.
Bank Dhofar	BankDhofar SAOG, a public joint stock company registered under the laws of the Sultanate of Oman and licensed by FSA to undertake Portfolio Management, Investment Manager, Fund Administrator, Marketing of Non-Omani Securities and Issue Management.
Baisa/Bzs Rial	1000 baisa equals (1) Rial Omani.
Business Day	Any day on which banks and stock exchanges in Oman and Kingdom of Saudi Arabia are open for business, except Friday, Saturday and official holidays.
Business Hours	Official banking hours presently 8.00 am to 2.00 pm.
Collecting Bank	A bank appointed to collect applications for Units during the Initial Subscription Period.
Continuous Offer Period	Period when the Fund reopens for continuous Subscription and Redemption of Units following the conclusion of the Initial Subscription Period.
Custodian	Company/entity responsible for safekeeping the assets of the Fund as per the terms of the Custodian Agreement.
Custodian Agreement	Agreement signed between the Custodian and the Fund, represented by the Management Body.
Developed Markets	Financial markets that are considered most developed with regard to their economy, ease of access to its capital markets, liquidity, foreign ownership laws, and corporate governance requirements as determined by the Investment Manager.
Dividend	Distribution per Unit made by the Fund to Unitholders.

EGM	Extraordinary General Meeting of the Unitholders.
Embargoes	Countries subject to comprehensive sanctions, bans on trade, or other like prohibitions imposed by any applicable statute, law or regulations of the Sultanate of Oman, the United States of America, the European Union, the United Kingdom, Hong Kong and the United Nations.
Executive Regulations of the Capital Market Law	Executive Regulations of the Capital Market Law issued by the Capital Market Authority (currently the Financial Services Authority) issued pursuant to the Administrative Decision No. 1/2009.
Financial Year	The period of twelve months starting on 1 January and ending on 31 December of that particular year.
FSA	Financial Services Authority of Oman.
Fund	BankDhofar GCC Equity Fund (Shariah Compliant).
Fund Administration Services Agreement	Agreement signed between the Administrator and the Fund pursuant to which the Administrator provides investment fund administration services to the Fund.
GCC	Gulf Cooperation Council comprising Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates.
GDP	Gross Domestic Product.
General Meeting	The General Meeting of the Unitholders.
IFRS	International Financial Reporting Standards.
Initial Subscription Period	The period during which Units of the Fund will be available for subscription at the Initial Subscription Price.
Investment Management Agreement	The agreement signed by the Investment Manager and the Fund.
Investment Manager	The entity responsible for managing the assets of the Fund, as per the Investment Management Agreement.

Management Body	A body having overall responsibility for the affairs of the Fund and comprising the persons whose details appear in Chapter VII of this Prospectus.
MSX	Muscat Stock Exchange Company SAOC.
NAV (of the Fund)	The total assets less all liabilities of the Fund. The Net Asset Value of the Fund is calculated and published on daily basis.
NAV (per Unit)	The Net Asset Value per Unit, which is calculated at any point of time by dividing the Net Asset Value of the Fund by the total number of Units in issue at such point of time.
NRV	The Net Realizable Value of the Fund.
OGM	Ordinary General Meeting of the Unitholders.
Oman	The Sultanate of Oman.
Prospectus	This prospectus document that has been filed with the FSA providing details on the offer of Units in the Fund.
Redemption	Redemption of Units through the submission of a duly completed Redemption Form to the Administrator.
Redemption Form	Redemption Form to be used to redeem Units in the Continuous Offer Period.
Rial Omani/OMR	The lawful currency of Oman.
Sanctioned Persons	Any persons (whether natural or juristic) identified on as part of any applicable law or regulation or any applicable governmental or other published list of the Sultanate of Oman, the United States of America, the European Union, the United Kingdom, Hong Kong and the United Nations with whom the Fund, the Investment Manager or the Administrator is prohibited or otherwise restricted from transacting business, or any person (whether natural or juristic) owned or controlled by such persons.
Shariah Supervision Board	The Shariah Supervisory Board currently provided by Shariah Review Bureau in its capacity as Shariah advisor of the Fund or such Shariah advisor as may be appointed from time to time by the Fund, shall be responsible for supervising the investments of the Fund

to the extent of verifying that the Fund's investments are compliant with the principles of Shariah.

Securities Law	The Securities Law issued by Royal Decree 46/2022.
Sponsor	BankDhofar SAOG which is sponsor of the Fund.
Subscriber	Subscriber for Units in the Initial Subscription Period or Continuous Offer Period.
Subscription	Subscription for Units, through the submission of a duly completed Subscription Application, to the Administrator during the Continuous Offer Period.
Subscription Application	The subscription application form to be signed by a prospective investor for subscribing for the Units, and as accepted by the Fund (at its sole discretion). Further details of the Subscription Application and the subscription process are set out in Chapter X of this Prospectus.
Subscription Amount	The amount of subscription for Units to be paid by such investor pursuant to this Prospectus and the relevant Subscription Application.
Sub-Custodian	A Sub-Custodian appointed by the Custodian to provide custody services for the Fund in jurisdictions other than Oman.
Unitholders	A natural or legal person that holds Units.
Units	means each Unit in the Fund, having a nominal value of OMR 1.000 (One Rial Omani) each.
USA	United States of America.
USD	The official currency of the United States of America.
US Person	(a) a citizen of the United States; (b) an entity or juristic person organised under the laws of a jurisdiction other than those of the United States or any state, territory or possession of the United States;

(c) the government of the United States or of any state, territory or possession of the United States; or

(d) a representative of, or entity controlled by, any person referred to in any of paragraphs (a) through (c).

Valuation Day

each Business Day on which the Administrator calculates the NAV.

CHAPTER II SUMMARY

The information set out below has been derived from, and should be read in conjunction with, the full text of this Prospectus. The Fund is a collective investment vehicle. The Fund is constituted under the provisions of the Securities Law, the Executive Regulations of the Capital Market Law and Shariah guidelines. The Fund's Management Body will supervise the activities and assets of the Fund.

Investments in the Fund are exposed to various economic and financial risks. The Fund does not guarantee any returns. Please refer to Chapter IV for further discussions on key risk factors applicable to this Fund.

Fund Name	BankDhofar GCC Equity Fund (Shariah Complaint) under formation
Address	BankDhofar GCC Equity Fund (Shariah Compliant) (under formation), P. O. Box 1507, Postal Code 112, Ruwi, Sultanate of Oman.
Fund Structure	Open-ended unlisted investment Fund.
Fund Objectives	The primary objective of the Fund is to generate attractive total returns by building and managing a diversified portfolio with long term focused growth companies in GCC region and target to outperform market returns with dividends and price appreciation. Given that the Fund is intended to be a Shariah-compliant fund, it shall only invest in those securities which are certified / confirmed as Sharia compliant in accordance with pertinent Sharia principles by the Shariah Supervisory Board or another certifying body of suitable authority.
Fund Currency	OMR
Fund Capital	Minimum: 2,000,000 (Two Million Rials Omani).
Initial Issue Price per Unit	OMR 1.000.
Initial Subscription Period	05 January 2025 to 30 January 2025
Minimum Subscription During Initial Subscription Period	OMR 1,000 and in multiples of OMR 100 thereafter

Maximum Subscription	No Maximum Limit
Receiving Redemption and Subscription requests	Daily
Processing Redemption and Subscription requests	Daily
Valuation/ NAV Frequency	Daily
Investment Manager	BankDhofar S.A.O.G
Issue Manager	BankDhofar S.A.O.G.
Custodian, Administrator and Registrar	Gulf Custody Company S.A.O.C.
Auditors	BDO LLC
Legal Advisors	Al Busaidy, Mansoor Jamal & Co.
Collection Bank	BankDhofar SAOG (including the Islamic window, Dhofar Islamic)
Eligible Investors	The Fund is open for investment to Omani investors and non-Omani investors (except US Persons) that are both retail and non-retail investors. All investors are responsible for ensuring they inform themselves of, and are permitted to subscribe for Units under, all applicable laws and regulations, including the laws and regulations of Oman. Please also carefully read the information set out in the Important Notice above.
Subscription fees	Up to 0.5% of the subscription amount plus any applicable VAT and other taxes.
Management Fees	The Investment Manager is entitled to management fees of 1.5% per annum of the Net Asset Value of the Fund plus any applicable VAT and other taxes. The management fee will be calculated based on the daily NAV of the Fund and paid monthly in arrears.
Performance Fee	10% over hurdle rate of annualized return of 8%.

Operating Expenses	The Fund will also deduct other operating expenses as discussed in detail in Chapter XIV.
Method of Payment	All payments will be made by bank transfer or account debit.
Fund's Financial Year	From 1 st January until 31 st December of each year. The first year will commence at the end of the Initial Subscription Period and end on 31 st of December 2025.

CHAPTER III OFFER EXPENSES

The expenses incurred in connection with the establishment of the Fund are estimated at OMR 23,900. The breakdown of the estimated expenses incurred is provided in the table below:

Estimated Issue Expenses

Item	Amount (OMR)*
Fees for approving the prospectus	2,000
Printing, legal advisors fee and other miscellaneous fees	21,900
Total	23,900

*above amount is excluding VAT and are indicative

CHAPTER IV RISK FACTORS

The risks described in this Prospectus should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in the Fund. Potential investors should be aware that there may be risks which are not known to the Fund at this stage or currently deemed as not material which may impact an investment in the Units and the business, financial conditions and/or operating results of the Fund.

Prospective investors should review this Prospectus carefully and, in its entirety, and consult with their professional and financial advisors before subscribing for Units. Prospective investors are advised that the value of Units and any income from them may go up and down as well and, accordingly, an investor may suffer losses, and an investment should only be made by persons who can sustain a total loss of their investment.

Past performance of the Investment Manager or any of their affiliates or any other related fund should not be relied upon as an indicator of future performance. The securities and instruments in which the Fund would invest are subject to normal market fluctuations and other risks inherent in investing in such investments and there can be no assurance that any appreciation in value will occur or that the investment objective of the Fund will actually be achieved.

An investment in the Units is only suitable for investors who are capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which might result from such investment.

- (a) **Market Risk:** The Fund invests in companies listed in GCC region that are emerging/frontier markets. The Fund will be exposed to risk related to emerging/frontier markets. Given these companies are listed in equity markets, these are subject to price fluctuations and related volatility. Additionally, the Fund might be exposed to liquidity challenges in case the traded volumes in underlying securities decrease.
- (b) **Geopolitical and regulatory policies changes risk:** The Fund might be exposed to regional and global geopolitical events, change in legislation relating to the level of foreign ownership, changes in regulatory policies, taxation, etc.
- (c) **Concentration Risk:** The performance of the Fund may be impacted due to higher concentration to specific stocks or countries.
- (d) **Currency Risk:** The Fund will be exposed to multiple currencies across GCC region, USD, Euro and GBP. Changes in exchange control regulations and economic or monetary policies can impact net asset value of the Fund.

- (e) **Legal Risk** The legislation may change in countries where the Fund intends to invest and this may have an impact on the performance of the Fund and may impact the investments held by the Fund.
- (f) **Company-Specific Risk (Unsystematic Risk):** Individual stocks can be affected by company-specific factors, such as poor financial performance, management issues, legal troubles, or changes in the competitive landscape.
- (g) **Taxation Risk:** The Fund is exempt from tax as per the prevailing regulation applicable in Oman but may be subject to local taxation to the extent income is derived from other jurisdictions. It is possible, therefore, that the current interpretation of the law or understanding of practice may change or, indeed, that the law may be changed with retrospective effect. Accordingly, it is possible that the Fund could become subject to taxation in the countries in which the Fund may invest that is not anticipated either at the date of this document or when investments are made, valued or disposed of.
- (h) **Financing Risk:** The Fund can obtain shariah compliant financing facility up to 10% of the NAV. The use of such financing may create additional risks.
- (i) **Other risks:** The foregoing list of risk factors is not comprehensive. Investment in the Fund should be regarded as long-term in nature. Prospective Unitholders should consult their own advisors before deciding to subscribe for Units.

CHAPTER V THE FUND AND ITS INVESTMENT POLICY

a. The Fund

The Fund is being established as an unlisted open-ended fund under the auspices, and the regulatory supervision, of the FSA. The Fund's strategy will be to generate attractive total returns by building and managing a diversified portfolio with long term focused growth companies in GCC region that are listed and target to outperform market returns with dividends and price appreciation. Given that the Fund is intended to be a Shariah-compliant fund, it shall only invest in those securities which are certified / confirmed as Sharia compliant in accordance with pertinent Sharia principles by the Shariah Supervisory Board or another certifying body of suitable authority.

The Fund will be investing in equity securities such as shariah compliant equity shares, convertible sukuks, funds, and other equity like securities. The assets of the Fund that are not deployed in above securities will be deployed in other Shariah compliant instruments such as short-term money market funds or instruments, deposits, cash etc. that yield short term income to the Fund. The Fund strategy will be to focus on GCC region. However, it shall not limit itself to investing locally. The Fund will also target to invest in GCC companies listed on exchanges outside GCC Exchanges.

The Fund will invest only in instruments/securities that are denominated in any GCC Currencies, United States Dollars, Great British Pounds or Euros and are confirmed as Shariah-compliant.

The Fund is sponsored by Bank Dhofar, and it will subscribe for minimum 5% of the capital of the Fund which it will, in accordance with the Executive Regulations of the Capital Market Law, neither sell nor redeem for at least three years from the date of closure of the Initial Subscription Period.

The Fund will be managed and supervised by the Management Body elected at a general meeting in accordance with the provisions of Fund's Articles of Association. The First Fund Management Body will be appointed at the time of the formation of the Fund. The Fund shall entrust the management of its investments to Bank Dhofar, the Fund's Investment Manager as appointed by the Management Body. The Fund may also obtain shariah compliant financing facility up to 10% of net asset value as per the Executive Regulations of the Capital Market Law to be used for liquidity purpose only.

b. Dividend Policy

The Management Body may approve dividends, in respect of any financial period, to be paid to Unitholders out of distributable annual profit after auditing the financial statements.

The Management Body will decide to pay cash dividend and/or bonus Units to the Unitholders from the distributable annual profit after auditing the financial statements.

The Management Body shall not declare dividend from the proceeds from the issue of Units.

c. Investment Policy

i. Fund Investment Objective

The primary objective of the Fund is to generate attractive total returns by building and managing a diversified portfolio in publicly listed, long term focused growth companies in the GCC region and target to outperform market returns with dividends and price appreciation.

ii. Fund Investment Strategy

The Fund will be investing in equity securities such as shariah compliant equity shares, convertible sukuks, funds, and other equity like securities. The assets of the Fund that are not deployed in above securities will be deployed in short term money market funds or instruments, deposits, cash etc. The Fund will conduct research and analysis on a list of predominant companies in the GCC region. Investment decisions shall be taken on the basis of fundamental analysis to create a diversified portfolio of companies.

iii. Investment Restrictions

The Fund will be investing its capital with the following restrictions:

- The Fund shall invest at least 75% of its capital to achieve its main investment objectives.
- The Fund's investments shall comply with the following rules:
 1. The Fund shall not hold more than 10% of the outstanding securities of any issuer.

2. The Fund's investments in any securities issued by any single issuer shall not exceed 10% of the net asset value of the fund (NAV). This provision shall not apply to index funds.
3. The Fund shall not obtain financing facility more than 10% of its net asset value.

iv. Shariah Compliant Investments

The Fund shall only invest in Shariah-compliant securities and investments

BankDhofar has also obtained a fatwa issued from Shariah Supervision Board confirming that the instruments the Fund intends to invest in are compliant with Islamic Shariah principles.

CHAPTER VI INVESTMENT RATIONALE

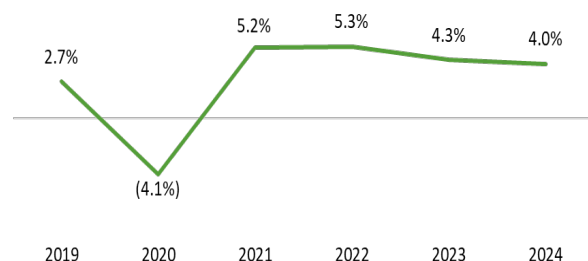
GCC economies are seeing strong growth opportunities as a result of key government initiatives, stable oil prices and tactical diversification into non-oil driven areas. There is a strong case for investment in GCC countries on account of the rapid economic transformation that is underway in the region. The GCC economies in a bid to lower dependence on oil prices are diversifying and driving growth in sectors such as tourism, technology, renewable energy, financial services and real estate. This is evident from the falling share of oil in GDP over the years and in the robust non-hydrocarbon growth in GCC countries. The non-oil GDP growth is the key focus of governments in the GCC region as it brings in greater stability to overall growth and also generates new employment opportunities for citizens. The non-oil GDP growth has been higher than overall GDP growth. In future, growth in GCC region is expected to be resilient, aided by a young population, strong domestic consumption growth, increased gross capital inflows and implementation of reforms.

GCC Real GDP Growth, %



Source: World Bank

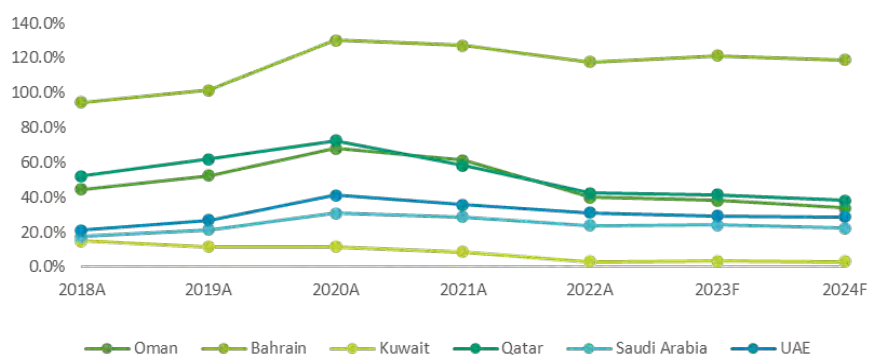
GCC non-oil GDP Growth, %



Source: IMF

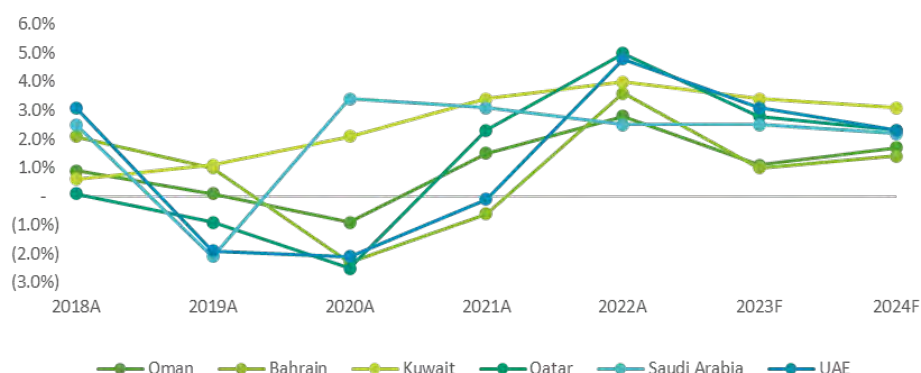
In addition, the macroeconomic strength of the GCC region is well reflected in its low levels of government debt to GDP, low and largely stable inflation rates and benign unemployment rates when compared to other emerging and developed markets. Most of the GCC countries in the past three years reduced sovereign debt, consolidated their balance sheets and improved their credit ratings. Following the pandemic, most GCC countries have adopted strict fiscal discipline to foster healthier economic conditions.

GCC Government Debt as a % of GDP



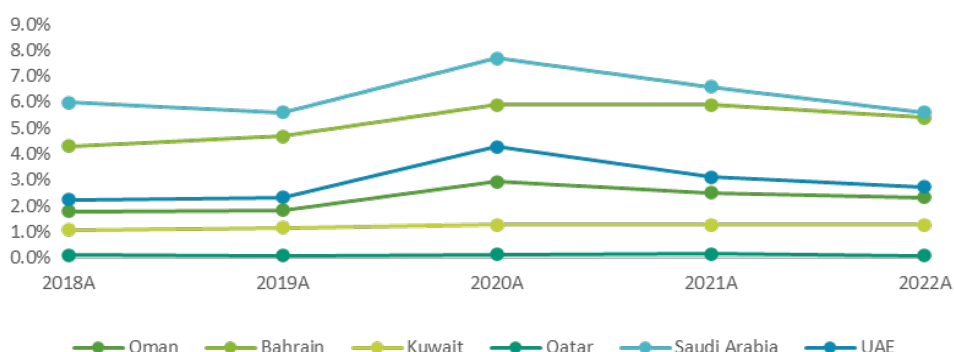
Source: IMF

GCC Inflation Rate, Average CPI



Source: IMF

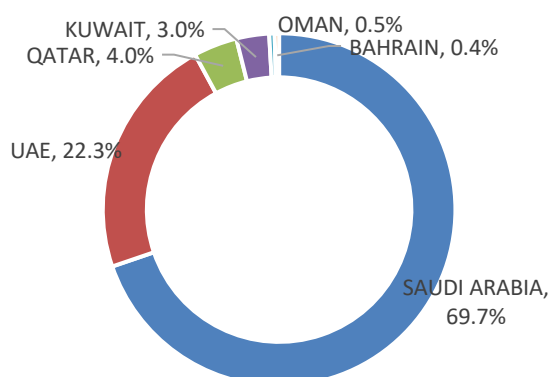
GCC Unemployment Rates



Source: IMF

Growth driven economic policies, business-friendly regulations and taxation schemes are attracting foreign investors to GCC markets. Since the year 2020, most GCC countries have provided avenues for FDI and ownership in local shares. Privatization of state-owned entities is being undertaken at a steady pace. Apart from that, a number of IPOs of companies (outside of oil & gas sectors) is helping deepen the GCC equity markets as they provide a broader range of investment opportunities. Foreign investor participation has also been rising since many of the large companies are being included into the benchmark/indices. As a result, GCC region is witnessing a steady rise in its market capitalization.

GCC Market Capitalization by Country



Source: Bloomberg

Strategic Initiatives in GCC

All the GCC countries are implementing detailed plans for national economic transformation and diversification in the form of vision programs: Oman Vision 2040, Saudi Vision 2030, We the UAE 2031, Qatar National Vision 2030, Bahrain Economic Vision 2030, Kuwait Vision 2035, et cetera. These strategic initiatives are aimed at diversification of economic activities, promoting innovation and entrepreneurship, digital transformation, job creation and economic growth.

Saudi Arabia, the largest economy in GCC, as part of its Vision 2030 program will be spending US\$1 trillion on giga projects such as NEOM (a planned cross-border city in Tabuk Province), King Abdullah Financial District (KAFD) in Riyadh and The Red Sea, a tourism development. In order to attract global companies to shift their regional headquarters to Riyadh, Saudi Arabia is offering a 30-year tax incentive.

Oman, as part of its Vision 2040 plan is promoting economic diversification, attracting investments in non-oil sectors, and fostering entrepreneurship. The government has introduced reforms in state-owned enterprises and is gradually equitizing the large state-owned companies through IPOs. Small and medium enterprises are being incentivized to grow their businesses. Government is bringing in greater efficiency and convenience through digitalization of processes. Over the last three years, Oman has strengthened its balance sheet and has worked towards fiscal consolidation thereby improving its sovereign rating. The government also instituted a 5% value-added-tax to diversify revenue sources.

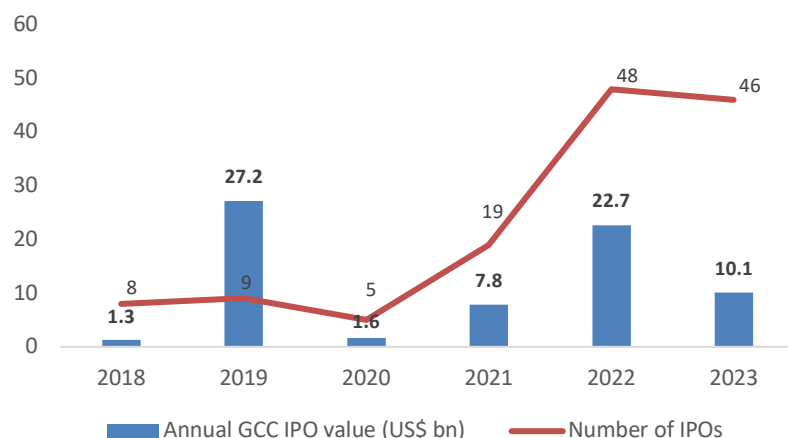
In other initiatives, GCC countries are prioritizing tourism as a key pillar of growth and building new tourist infrastructure including hotels, festivals, sports events and giga projects. Saudi has set a target of 150 million tourists by the year 2030. It surpassed 100 million tourists for the year 2023. UAE and Oman both reported over 20% year-on-year growth in tourist arrivals in 2023. The GCC countries have recently approved the Unified Tourist Visa that would allow free movement of tourists between them.

Saudi Arabia is taking the lead in the region by bidding for and winning the rights to host coveted global events such as the World Expo 2030 in Riyadh and the FIFA World Cup in 2034. Saudi officials expect 40 million visitors to the World Expo event in Riyadh.

Strong IPO pipeline in GCC

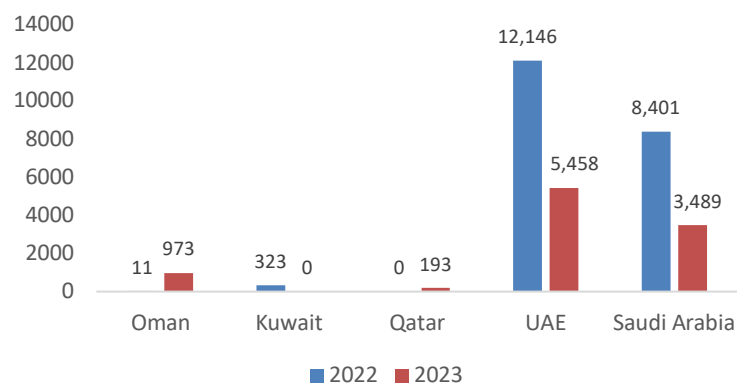
The year 2023 witnessed strong IPO pipeline in the GCC exchanges with leading companies such as: OQ Gas Networks, Abraj Energy Services, Luberef, Dubai Taxi, Armah Sports Co, ADES Holding, SAL Saudi Logistics, Pure Health, etc getting listed. The IPO market continues to remain vibrant due to privatization, growing appetite of private sector companies to raise capital and robust investor demand. Strong post-listing performance of regional companies has increased the popularity of IPOs, leading to a rise in the pipeline for new public floats. In the year 2023, there were 46 IPOs in the region, marginally lower than the 48 issuances in 2022. Oman's sovereign wealth fund, the Oman Investment Authority is set to launch about 30 IPOs over the next five years as the country seeks to enhance private sector participation in deepening the capital market, paving the way for an upgrade by MSCI from frontier to emerging market status.

Annual GCC IPO Value



Source: Bloomberg, FactSet

Country-wise breakdown of GCC IPO Proceeds (in US\$ mn)

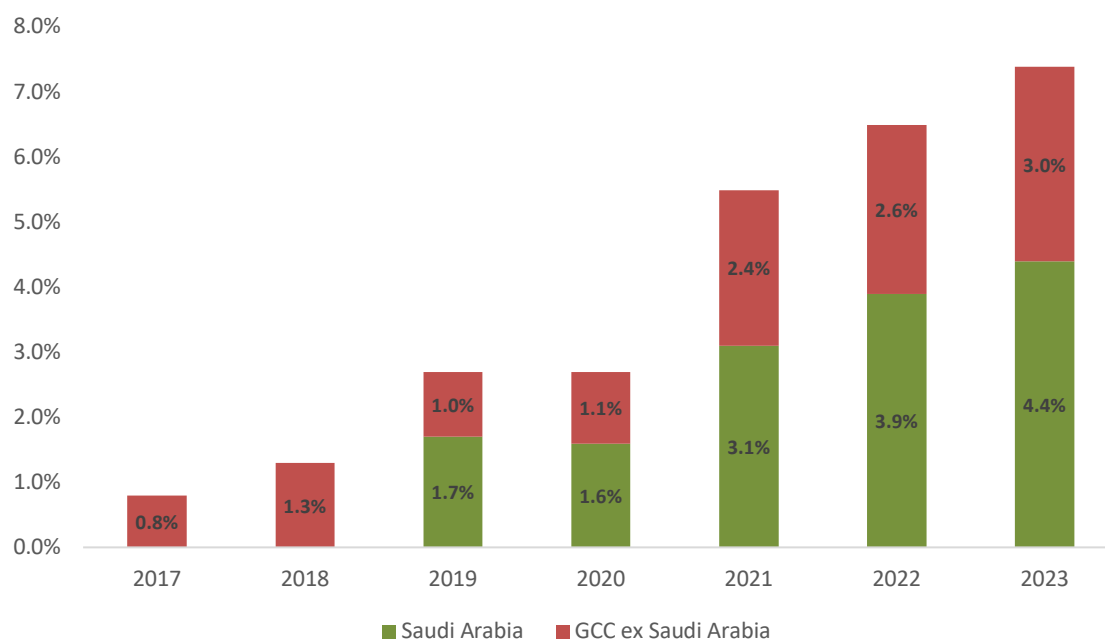


Source: Bloomberg, FactSet

Growing Weight in EM Index

The GCC equity markets present a very exciting opportunity to participate in the enormous transformation taking place in the region. Favorable regulatory environment, government support and easing capital market rules are encouraging investors, both regional and foreign to participate in GCC equities. This shift is evident from the rising weight of GCC in MSCI Emerging Markets Index from less than 1% in 2017 to nearly 7.5% in 2023.

GCC and Saudi Arabia's Rising Weight in MSCI Emerging Market Index



Source: MSCI

In addition to the reforms, the region is also taking initiatives to promote investor interest and confidence. The market liquidity has significantly improved through support from domestic institutions which are helping in market-making activities as well as actively backing equity and debt offerings. In order to make the market more vibrant, the major stock exchanges in the region are working to introduce more exchange-traded funds and derivatives, reduce trading commissions, and extend market hours.

To conclude, GCC equities provide investors a great opportunity for capital appreciation along with potential dividend income through a diversified risk managed portfolio.

CHAPTER VII THE MANAGEMENT OF THE FUND

The initial Management Body will be appointed by the Investment Manager in coordination with the Sponsor, provided that its term does not exceed one year from the date of registration of the fund in the register of investment funds with the FSA. After one year has passed from the date of registration of the fund in the register of investment funds with the authority, the management will invite Fund unitholders to the OGM to elect a new Management Body in accordance with the laws, regulations and the Articles of Association. Members of the Management Body shall be elected by secret ballot at an OGM for Unitholders, for a period of five years at most, a member of the Management Body may be re-elected for another term.

Where any member's position falls vacant prior to the end of the term, the other members, representing at least the majority of the remaining members of the Management Body, may elect a replacement member of the Management until the end of the term.

The Management Body shall carry out oversight and supervision of the Fund's activities and shall undertake the following:

1. Evaluation of the Fund's investment performance compared to similar funds or any other benchmark taking into account the investment objectives of the Fund.
2. Ensure the Fund's compliance with the Prospectus, Articles of Association and statutory requirements.
3. Evaluation of the performance of the Investment Manager and other service providers.
4. Ensure adequacy of the Fund's systems to safeguard its assets and ensuring that adequate accounting controls are in place.
5. Ensure the Investment Manager's systems and controls are adequate to ensure compliance with the interests of the Fund and Unitholders.
6. Avoid conflicts of interest and ensure that adequate measures are in place to resolve any conflict of interest in the best interest of the Fund and Unitholders.
7. Ensure segregation of functions and responsibilities when one company provides service to more than one Fund.
8. Approve the transactions with related parties and disclose the same.
9. Approve the annual report, financial statements and other information and disclose the same to the public and Unitholders to ensure that disclosure is fair, timely, transparent and not misleading.
10. Appointment and removal of service providers and determining their fees
11. Taking decisions pertaining to distribution of dividends.

The members of the Management Body shall satisfy the following criteria:

1. Having a record of good conduct and sound reputation.
2. Not be convicted in any crime or offence involving dishonesty, or breach of trust or a crime stipulated in the Securities Law, Commercial Companies Law or Oman's Commercial Law unless rehabilitated.
3. Not be declared as bankrupt and have the ability and necessary experience to fulfil the work needed.

Members of the Initial Management Body

Mr. Salim Mohammed Al Mashaikhi

Experience

Mr. Salim Al Mashaikhi is currently employed in the Expenditure Department of Royal Court Affairs. He has extensive experience in investments and has served as a member of the fund management body of many successful funds in Oman. Mr. Salim is currently also a board member of Sohar International Bank S.A.O.G.

Mr. Gopakumar Karumathil

Experience

Mr. Gopakumar Karumathil is currently the Acting CEO of BankDhofar S.A.O.G after having joined the bank as Deputy Chief Executive Officer in November 2021. He is a veteran finance professional with more than thirty (30) years of experience in various leadership roles in Wholesale Banking, Retail Banking, Treasury & FI, Investment Banking, Asset Management, Private Banking, Financial Control and Operations with renowned financial institutions. Prior to joining BankDhofar S.A.O.G, Mr. Gopakumar held several leadership positions at banks in Oman. He has also held positions as a member of fund management body in many leading registered funds in Oman. He is a qualified Chartered Accountant, Cost Accountant and Company Secretary from India, a member of the Chartered Institute of Management Accountants, London, Member of the ACI - The Financial Markets Association, London and a Member of the Corporate Treasurers, London. He also holds an MBA from IMD Lausanne, Switzerland.

Mr. Kamal Al Maraza	
Professional experience	Mr. Kamal Al Maraza is an experienced banker with over 23 years of experience in Corporate Banking, Relationship Management, Sales and Marketing, Risk Management and Business Strategy. Prior to his appointment as GM & Chief Islamic Banking Officer at Dhofar Islamic, he has held senior positions in BankDhofar and other leading banks in Oman. Mr. Kamal holds a bachelor's degree in marketing from Saint Louis University in USA. He also attended the Harvard Advanced Management Program, in addition to several specialized banking programs locally and internationally.

As on the date of the Prospectus the Management Body consists of three (3) members which shall be increased to four (4) following the establishment of the Fund.

Management Body Meetings

The Management Body meeting shall observe the following requirements:

1. The Management Body must meet at least four times annually, provided that the period between any two meetings does not exceed a maximum period of four months.;
2. The number of attending members shall not be less than two thirds of the total strength of the Fund Management Body;
3. A member of the Management Body shall not take part in discussions and/or voting on matters if he or his spouse or relatives up to second degree have an interest in such matters;
4. Decisions are taken by a majority of the members of the Board of Directors present; And
5. Objection by a member of the Management Body to any resolution shall be recorded in the minutes of the meeting.

Unitholders that hold at least 5% of the Units may request the Management Body to cancel any resolution adopted by the Management Body or the General Meeting as the case may be, if such resolution is detrimental to the Fund or Unitholders. The cancellation request shall be referred to the same body which has issued the resolution, to decide on it.

The Shariah Supervisory Board

The Shariah Supervisory Board shall be responsible for supervising the investments of the Fund to the extent of verifying that the Fund's investments are compliant with the principles of Shariah. Shariah Review Bureau licensed by Central Bank of Bahrain has been appointed as Fund's Shariah advisor to advise the Fund on Shariah compliance and interpretation of Shariah principles. As of the date of this Prospectus, the Shariah Supervision Board is comprised as follows:

Shaikh Muhammad Ahmad	
Qualifications	• Masters (A'alamiyah) in Fiqh and Usool ul Fiqh from Jami'ah Ahsan UI Uloom • Bachelors in Islamic sciences from Jamia D.ar-ul-Uloom,
Professional experience	• Sharia Advisor for UBAF France • Member of Sharia Supervisory Board for Rusd Capital Dubai • Member of SSB Credi Max Bahrain • Sharia Advisor for Beehive Group Dubai • Member of SSB for Investrade Company Bahrain • Member of Sharia Supervisory American Express Ltd KSA • Sharia Supervisor for Bupa KSA • Member of SSB for SEIB Insurance & Re-insurance Qatar • Member of Sharia Supervisory Board Wataniya Insurance KSA • Sharia Supervisor for Tawuniya Insurance & Re-insurance KSA

Dr. Salah Fahad Al Shalhoob	
Qualifications	• PhD: the University of Edinburgh, UK • MA: High Institute of judgment in al-Imam University in Riyadh • BA: Shari 'a College in al-Imam University in Riyadh
Professional experience	• Member of Sharia Supervisory Board for Banque Saudi Fransi KSA • Member of Sharia Supervisory Board for Rusd Capital Dubai • Member of Sharia Supervisory Board for CBI Al Islami Dubai • Shari'a Committee Member for AlKhabeer Capital, KSA • Member of Sharia Supervisory American Express Ltd KSA • Member of Sharia Supervisory Board Credi Max Bahrain • Member of Sharia Supervisory Board for Tharawat Bahrain • Member of Sharia Supervisory Board for Investrade Company Bahrain • Member of Sharia Supervisory Board for BMW Financial Service Dubai • Member of SSB for Arabian Shield Insurance KSA • Member of SSB for SEIB Insurance & Re-insurance Qatar • Member of Sharia Supervisory Board for Wataniya Insurance KSA

Mufti Irshad Ahmad Aijaz	
Qualifications	• Ph.D. Islamic Banking and Finance, Shaikh Zayed Islamic Center, University of Karachi • MBA Finance, Iqra University, Pakistan • Masters in Arabic and Islamic Studies, Jamiat-ul-Uloom Islamiyyah, Pakistan. • Takhassus fil-Iftaa (Specialization in Islamic Jurisprudence and Fatwa) Jamia Dar-ul-Uloom, Pakistan.
Professional experience	• Member of Sharia Board for AAOIFI Bahrain • The Pearl Real estate Investment Fund Oman • Member of Sharia Board for EFCO Ethical Finance New Zealand • Member of Shari'ah Supervisory Board for Introspect Capital Dubai • Member of Sharia Board for Eqraz Inc. Canada • Member of Shari'ah Supervisory Board for Horizon Capital Switzerland • Member of Sharia Board for Al Saqr Finance JSC Kazakhstan • Member of Sharia Board for SICO Bank Bahrain • Member of Sharia Board for Zain Tamam BAHRAIN • Member of Sharia Board for Kazakhstan Ijara Company Kazakhstan • Chairman of Sharia Board for BankIslami Pakistan • Member of SSB for Tharawat Investment House Bahrain • Member of SSB for Standard Chartered Bank Pakistan • Chairman of Shari'ah Advisory Board of State Bank of Pakistan Pakistan • Member of Shari'ah Supervisory Board for Rusd Capital Dubai • Chairman of Shari'ah Supervisory Board for BankIslami Pakistan • Chairman of Shari'ah Supervisory Board Summit Bank Ltd Pakistan

Role of the Shariah Supervisory Board

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

CHAPTER VIII THE INVESTMENT MANAGER

BankDhofar has been appointed as the Investment Manager of the Fund pursuant to an Investment Management Agreement entered into between the Fund and the Investment Manager. The services of the Investment Manager will be bound by the details provided in the Investment Management Agreement, as per the Executive Regulations of the Capital Market Law. The Investment Manager, if required, will appoint a technical advisor which amongst other may be responsible to undertake following activities. If the technical advisor is appointed by the Investment Manager, a copy of the agreement appointing such advisor shall be made available for inspection at the office of the Investment Manager.

- (a) assisting the Investment Manager regarding the purchase and sale of the securities;
- (b) assisting the Investment Manager with respect to the acquisition and disposition of the assets in accordance with the Investment Policy and objectives of the Fund;
- (c) assisting the Investment Manager in implementing the Fund's investment strategy in accordance with the Investment Policy and objectives of the Fund;
- (d) providing research, analysis and investment opinions to the investment manager regarding securities and market conditions in the various geographical areas that fall within the scope of the Fund; and
- (e) attending meetings of the Fund's administrative body and unit owners, as and when invited.

Duties and Responsibilities of the Investment Manager

The duties of the Investment Manager include the following:

1. Managing the portfolio of the Fund in accordance with the investment objectives of the Fund;
2. Taking all investment decisions or other decisions in relation to the Fund in the best interests of the Fund and its Unitholders;
3. Ensure that the Fund's portfolio complies with the investment guidelines and restrictions;
4. Support the Fund Management Body with information, rationale and explanation with respect to assets of the Fund
5. Procuring and supervising the accurate recording of all purchase and sale transactions undertaken in favour of the Fund and in keeping with their time sequence;
6. Maintaining an accounting system to classify, monitor and check all transactions in the Fund's portfolio which are entered into the system and adjusting to the cash and securities accounts opened in the name of the Fund with the Custodian;
7. Managing liquidity for the Fund to discharge any Fund obligations;
8. Safeguarding the Fund from any unnecessary investment risks;
9. Procuring the preparation of financial reports and statements and publication of the same in accordance with the provisions of the Articles of Association; and
10. Providing updates to unitholders of the Fund.

Profile of the Investment Manager

The Investment Manager is an Omani public joint stock company that was established on 01/01/1990 and registered on 14/01/1990. The commercial activities of the Investment Manager include but are not limited to:

- Portfolio Management;
- Issue Management;
- Investment Manager;
- Funds Administrator;
- Marketing of Non-Omani Securities.

CHAPTER IX OTHER SERVICE PROVIDERS

Custody Services

Gulf Custody Company S.A.O.C has been appointed as the Custodian of the fund under the Custodian Agreement. A copy of the Custodian Agreement must be available for inspection in the Investment Manager's office after appointment. All services provided by the Custodian to the Fund must be included in the Custodian Agreement.

Services of the Custodian

Fund's assets will be kept with the Custodian whose principal place of business is within Oman. To facilitate transactions done outside Oman, assets may be kept abroad. In such cases, the Custodian may appoint a sub-Custodian to keep the assets located outside Oman. Appointment of Sub-Custodian shall not exonerate the main Custodian of any of its obligations.

The assets of the Fund shall be registered in the name of the Fund, however, in the event that the rules and regulations of the relevant GCC market, require assets to be registered in the name of the Custodian or Sub-Custodian or their respective nominee, as the case may be, then the assets shall be registered in such manner, with an account number or other designation in the records of the Custodian or Sub-Custodian or the nominee, to establish that the ownership of the assets is vested with the Fund.

The Custodian or sub-Custodian shall exercise due diligence in keeping the assets of the Fund and shall protect the interests of the Fund in every act, and they shall be liable for any loss to the Fund's assets resulting from any omission or wrongful act by them or their respective employees, directors or managers.

Written consent of the Management Body shall be obtained for all contracts concluded with the sub-custodian and such contracts shall provide adequate protection for the assets of the Fund on terms and conditions consistent with the contract with the main Custodian.

All contracts concluded with the main Custodian or Sub-Custodian shall at least cover:

1. Requirements that enable the Fund to exercise all the rights pertaining to the assets kept with the Sub-Custodian;
2. Requirements pertaining to the location where the Fund's assets are kept;
3. Method of holding the assets;
4. Care and liability for loss;
5. Review and compliance reports; and
6. Fees, method of payment and timing of payment.

No contract concluded with the main Custodian or sub-Custodian shall provide for creation of any encumbrance on the assets of the Fund, except for claims of payment of fees and charges to the Custodian or the sub-Custodian for acting in such capacities. The contracts shall not contain any provision that would require the payment of fees or expenses to the Custodian or sub-Custodian in the form of transfer of ownership of assets belonging to the Fund. The Management Body and Investment Manager shall ensure that the Custodian Agreement and Sub-Custodian Agreement, if any, shall cover these requirements.

Administrator

Gulf Custody Company S.A.O.C. shall be appointed as the Administrator of the Fund pursuant to the terms of the Fund Administration Services Agreement and is licensed to carry out such function. A copy of Fund Administration Services Agreement signed between the Administrator and the Fund shall be available for inspection at the office of the Investment Manager/ Administrator after its appointment.

Services of Administrator

Under the supervision of the Management Body, the Administrator will be responsible for providing certain fund administration services to the Fund in accordance with the provisions of the Fund Administration Services Agreement. These include the calculation of the Net Asset Value of the Fund and the Net Asset Value per Unit as well as transfer agency services in connection with the subscription and redemption of Units in the Fund.

The Services of the Administrator shall include, but not be limited to the following, as per the Fund Administrator Services Agreement:

1. The Administrator shall administer the issue of Fund's Units in accordance with this Prospectus and instructions of the Management Body;
2. The Administrator shall be responsible for maintaining the accounts of the Fund and all financial records as required by law. The Administrator shall prepare quarterly and annual accounts of the Fund, including the Fund's income and expenses and accruals, in accordance with the accounting policies set out in this Prospectus, and prepare and file the quarterly and annual XBRL file as required by the FSA.
3. The Administrator shall determine the NAV of the Fund and NAV per Unit, the Net Realized Value (NRV) and the subscription price and redemption price of units as per the Prospectus. Also, it will make such details of the NAV available to the Management Body, the Investment Manager and the FSA;
4. The Administrator shall calculate all fees payable by the Fund and calculate the Fund's returns as required by the rules and regulations of the MSX and the FSA;
5. The Administrator calculates all fees owed by the Fund and calculates the Fund's returns in accordance with the rules and regulations of the MSX and the FSA.
6. The Administrator shall process the subscription and redemption of Units;

7. The Administrator shall supervise the orderly liquidation or dissolution of the Fund;
8. The Administrator shall carry out the corporate governance of the Fund;
9. The Administrator shall carry out daily process of the back-office including settlement of daily trading and bank settlements; and
10. The Administrator shall provide or procure the provision of all general administrative services required in connection with the business and operation of the Fund consistent with the Fund Administration Services Agreement and its associated service level memorandum in addition to keeping safe custody of all documents held by it in performance of its duties hereunder or otherwise in relation to the Fund.

The Administrator's obligations and liabilities are only to the Fund and only as provided in the Fund Administration Services Agreement.

Save as required by law, the Administrator has no regulatory or fiduciary responsibility to either the Fund or the Unitholders. The Administrator does not provide any investment management or advisory services to the Fund and, therefore, is not in any way responsible for the Fund's performance, the repayment of capital to the Fund's Unitholders, the monitoring of the Fund's investments or the Fund's compliance with its investment objectives or restrictions, financing facility restrictions or operating guidelines.. The Administrator was not involved in preparing, and accepts no responsibility for any information contained in, this Offering Document.

Distributors

The Fund may appoint more distributors pursuant to distribution agreements in future for the purpose of marketing and distribution of the Fund. The fee payable to the distributor shall be limited to the subscription fee for subsequent subscriptions (following the Initial Subscription Period) and will be charged to the relevant Unitholder. Any such distributor will only be appointed after obtaining the approval of the relevant distribution agreement from the Management Body.

Shariah Advisor

The Fund is committed to complying with Shariah governance practices. To achieve this, the Fund has appointed Shariyah Review Bureau ("SRB") as Shariah Supervision Board to focus on adhering to the best practices and guidelines on Shariah governance. In this role, Shariah Supervision Board will facilitate Shariah related discussions, product research, and Shariah reporting while working with the head of functions to augment Shariah principles and rulings at different levels of the organization. SRB will also help ensure that the members of the Sharia Supervisory Board shall operate with independence and autonomy and warrants effective decision-making and Shariah assurance practices.

External Auditor

An external auditor shall be appointed for the Fund's financial audit on an annual basis. BDO LLC has been appointed as the external auditor for the first financial year of the Fund.

Legal Advisor

Al Busaidy, Mansoor Jamal & Co has been appointed as legal advisor for initial launch of the Fund and may subsequently be retained for provision of annual services.

CHAPTER X SUBSCRIPTION CONDITIONS AND PROCEDURES

Eligibility

The initial subscription (private subscription) offer will be open to certain Omani and non-Omani individuals and institutional investors only who will receive a copy of the Subscription Application (whether by post or email) directly from the Investment Manager or Collecting Banks (the “Initial Investors”) who are permitted to invest in the Units during the Initial Subscription Period. Investment in the Fund by the Initial Investors shall be undertaken in accordance with the laws and regulations of both Oman and the foreign jurisdictions in which they are incorporated and to the laws of which they are subject.

For the purpose of this initial subscription, any person below 18 years of age as on last subscription date will be treated as a minor. Only a father may subscribe on behalf of his minor children. If the subscription is made on behalf of a minor by any person other than the father, he/she shall be required to attach a valid legal Power of Attorney issued by the competent authorities authorizing him/her to deal in the Fund of the minor through sale, purchase and investment.

Subscription Application

The form of the Subscription Application shall only be made available to the Initial Investors.

Minimum Initial Subscription Size

The Fund will be established with an initial size of no less than 2,000,000 Rials Omani and if the subscription received during the Initial Subscription Period is less than Two Million Rials Omani in this case the Fund will not be established, and all application funds received will be refunded during the Initial Subscription Period to applicants.

Initial Subscription Price

The initial subscription price is 1.000 Rial Omani per unit.

Initial Subscription Period

The Initial Subscription Period shall be from 05 January 2025 to 30 January 2025 during Business Hours.

Sponsor Subscription

The unitholding of the Sponsor shall be no less than 5% of the Fund’s capital.

Collecting Banks

BankDhofar (including the Islamic banking window Dhofar Islamic) has been appointed as Collecting Bank and has been authorized to receive the paid Subscription Amounts from the Initial Investors.

The Investors shall be responsible for submission of their Subscription Application to the Collecting Banks before closing of the Initial Subscription Period. In this regard, the Collecting Bank shall have the right not to accept any application for subscription that is received after the official working hours on the closing date of the Initial Subscription Period.

The Collecting Banks receiving the initial subscription shall be required to accept the Subscription Application after confirmation of compliance with the procedure and subject matter, in line with the required documents as provided for in this Prospectus. Hence, the Collecting Banks shall instruct the Investors to comply and fulfill any requirement that may appear in the application submitted.

Allotment Notices and Refund of Money

Collecting Banks will submit the subscription results to the FSA within five (5) working days from the relevant Initial Subscription Period and shall seek approval for allotment of the Units. In case any Subscription Application is rejected, Collecting Banks shall arrange for refund of the application money to the applicants whose Subscription Applications have been rejected.

Collecting Banks will send allotment notices to the Initial Investors who have been allotted Units.

The Subscription Process During Continuous Offer Period

- a) The Fund will offer daily subscriptions during the Continuous Offer Period. Completed subscription applications must be submitted along with full payment for requested units and must be received by the Registrar & Transfer Agent on any Business Day by 11:00 AM in order to receive units at NAV of the same Business Day. Applications received after 11:00 AM will be deemed as received the next Business Day and the units will be issued based on relevant NAV. The day of relevant NAV is considered as Ts day.
- b) Subscription may only be made by submitting the application prepared for such purposes in accordance with instructions contained therein. The Subscriber shall be required, before filling the Subscription Application, to carefully review the Prospectus (particularly the Subscription conditions and procedures) and the terms and conditions of the Subscription Application. The applications can be submitted with the Investment Manager or Registrar & Transfer Agent.
- c) The Subscribers shall be required to complete Subscription Application and furnish all their required particulars, including their personal identity number (for individuals) or Commercial Registration Number (for companies) and any other data required from them in the Subscription Application together with necessary supporting documents along with the relevant Subscription Amount.

- d) The subscription price will be based on the applicable NAV plus subscription charges as per the terms of the Prospectus. The Fund will allot units as mentioned herein above on allotment Ts day + 1 day.
- e) The subscription price shall be made known to Unit holders through an account statement that gives units allotted, price, amount received net of subscription fees and date of allotment. The Registrar & Transfer Agent will issue allotment notification to holders through email of new Units within 5 working days of the relevant Valuation Day.
- f) Subscription to the Fund will be in Minimum of OMR 100 (One Hundred Rials Omani) for existing unitholders and OMR 1,000 (One Thousand Rials Omani) for new unitholders. Fraction of Units will be issued up to three decimal places.
- g) The payment for Fund subscription can be done through bank transfer in favor of the Fund or through branches of BankDhofar S.A.O.G or Dhofar Islamic.
- h) The submitted Subscription Applications are irrevocable unless the Management Body otherwise agrees.

Anti-Money Laundering

The Fund will be managed and operated in a manner which complies with the laws and regulations in force in the Sultanate of Oman including, to the extent applicable to the Fund, the CBO's relevant circulars and instructions.

"Know Your Customer" and Combating Money Laundering

BankDhofar reserves the absolute right to require further verification of the identity of the Unitholder or that of the person or entity on whose behalf the Unitholder is applying for the purchase of the Units and/or the source of funds.

Each Unitholder must provide satisfactory evidence of identity and if so required, the source of funds within a reasonable timeframe determined by the Fund. Pending the provision of such evidence, application for Units will be postponed. If the Unitholder fails to provide satisfactory evidence within the time specified, or if the Unitholder provides evidence but the Fund was not satisfied therewith, the application may be rejected immediately, in which event the money received on application, if any, will be returned without any profit.

The Fund will comply with Royal Decree No 30/2016 promulgated on 2 June 2016 with respect to Prohibition of and Combating Money Laundering.

Required documents for Initial AND Continuous Offer Period Subscriptions

Applicant	Documents Required
Omani Male & Female - 18 years and above	1. Copy of identity card/passport 2. Proof of Bank Account 3. Proof of residential address
Non-Omani Nationals	1. Passport copy 2. Resident Card copy 3. Proof of Bank Account 4. Proof of residential address
Minor below 18 years, Both Omani and Non-Omani Nationals	1. Copy of birth certificate of the minor/passport 2. Father's Identity Card or Passport Copy (where he is applying on behalf of the minor). 3. Proof of Bank Account 4. For non-Omani nationals: resident card copy 5. Proof of residential address
Companies and Enterprises	1. Commercial registration copy or its equivalent for overseas registered companies 2. List of authorized signatories as registered with the Ministry of Commerce & Industry and Investment Promotion. 3. ID copies of the signatories to the application 4. Proof of Bank Account 5. Ultimate Beneficial Owner details and other detail as may be required
Authorities and Pension Funds	1. Copy of constitutive decree or establishment decision. 2. List of authorized signatories 3. ID copy of the signatory to the application 4. Proof of Bank Account

The applicant shall indicate a bank account number along with proof of bank account for the receipt of dividends or units and other distributions on the application approved by the Investment Manager designed for the subsequent subscription. The Registrar and Transfer Agent or Investment Manager or Fund Administrator may ask any additional documents, if required.

Rejection of Initial Subscription or Continuous offer Subscription

The Collecting Banks or Registrar and Transfer Agent will reject a Subscription Application if:

- a) the Subscription Application contains more than one name of the Subscriber;
- b) the Subscription Application does not bear the signature of the Subscriber;
- c) in case of failure to pay the value of the Units subscribed in accordance with the conditions provided for in the Prospectus;
- d) the supporting documents referred to in the Prospectus and the Subscription Application for Subscription are not enclosed with the Subscription Application;
- e) the Subscription Application does not contain all the particulars of the bank account of the Subscriber;
- f) any particulars of the bank account held by the Subscriber as provided for in the Subscription Application are incorrect;
- g) in case of failure to enclose the Power of Attorney attached with the Subscription Application in respect of the person who subscribes and signs on behalf of the Subscriber; and
- h) the Subscription Application does not meet any of the legal and regulatory requirements provided in this Prospectus.

Proposed Timetable for the Initial Subscription Process

Process	Estimated Date for Completion
Issuance of the FSA's approval of the Prospectus	27 November 2024
Date of opening the subscription	05 January 2025
Initial Subscription Period	30 January 2025
Date of receipt by the Issue Manager of the Subscription Applications from the Collecting Banks	03 February 2025

Process	Estimated Date for Completion
Notification to the FSA of the subscription results and the proposed allotment of Units	04 February 2025
FSA's approval on the allotment of Units	06 February 2025
Completion of the allotment of Units and reimbursement of monies relating to rejected Subscription Applications	09 February 2025

The above-mentioned dates are estimates and may subject to change.

Enquiry & Complaints

Enquiries and complaints in relation to subscription should be addressed to:
Investment Backoffice
BankDhofar SAOG
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Responsibilities & Obligations

The Sponsor and the Collecting Banks shall abide by the responsibilities and functions specified in instructions and regulations laid down by the FSA. The said bodies shall also abide by any other responsibilities provided for in the agreements entered into between them and the Fund.

The parties concerned shall be required to take remedial measures with regard to the damages arising from any negligence committed in the performance of the functions and responsibilities assigned to them. BankDhofar shall coordinate with the regulatory authorities in order to take all necessary actions and procedures in this regard.

CHAPTER XI REDEMPTION OF UNITS

During the Continuous Offer Period Units may be redeemed for cash on daily basis i.e on each Business Day. Investors intending to redeem Units should fill redemption application form and submit the same before 11:00 am on any Business Day with Registrar & Transfer Agent or Investment Manager. All the redemption application forms received before 11:00 am on a Business Day will be processed for redemption based on the NAV prevailing as of such Valuation Day. All redemption forms received after 11:00 am on a Business Day shall be processed on (and at the NAV prevailing as of) the next following Valuation Day. Redemption requests should be addressed to the Fund Administrator and such requests may be given in writing (if the Fund has previously received a completed indemnity with respect to emailed instructions) to the Administrator. To be effective, the request must refer to the Fund and contain full registration details, the number of Units to be sold and the bank details for the payment of the redemption proceeds. If the Administrator determines that its requirements for redemption have not been satisfied, the Administrator shall notify the investor who has given the redemption order, by the end of the Business Day following the receipt of the redemption order, that its requirements have not been satisfied and further specify the procedures that would have to be completed or the documents which are needed to be submitted by the Investor.

In the event the Registrar & Transfer agent determines that a request for redemption submitted does not satisfy the requirements for redemption and such request cannot be processed then such application will be returned, and the Unitholder will have to submit a fresh application for redemption, which will then be processed on the following Valuation Day. The Fund shall pay the price of the redeemed units to the Investor on or before the third Business Day from the date of calculation of the NAV which was used in calculating the redemption price.

The minimum value of the redemption application shall be for Units aggregating in value to OMR 1,000 or more. In the event that the value of units held by an applicant is less than OMR 1,000 then the applicant must apply for redemption of all the Units held by the applicant.

Redemption Settlement

1. All redemption applications should reach Registrar & Transfer Agent as specified in Redemption of Units above.
2. The Registrar & Transfer Agent will process the redemption applications.
3. The Fund shall pay the price of redeemed units to the investor after deducting the charges including any applicable performance fees, on or before the third business day from the date of calculation of the NAV which was used in establishing the redemption price.
4. Units shall be redeemed only in cash and cannot be made through transfer of interests of securities and assets of other funds.

Reasons for Rejection of Redemption

1. If the request was not accompanied by completed redemption form.
2. If the request does not contain the details of the bank account of the investor, or if the details were not correct.
3. If the bank account details contained in the redemption application were not specific to the subscriber with the exception of the names of minor children who may use the bank account details of their parents
4. If the Unitholder does not attach a copy of the request of attorney set forth in the bulletin for the person who subscribed (signed) on behalf of another person (except for the parents who are subscribing for their minor children)
5. If the Unitholder does not meet the demand of any regulatory and legal requirements.

Suspension of Redemption Rights

As per the Executive Regulations of the Capital Market Law, the Fund may not suspend the right of the investor to redeem the value of its Units except:

1. For any period during which trading is suspended on securities representing at least 51% of the total assets of the Fund.
2. In accordance with any limits or provisions clearly stated in the Articles of Association of the Fund.
3. No more than 5% of Net asset value of the Fund's capital may be redeemed on any single business day. If the Fund receives redemption for more than 5% of the Fund for any Valuation Day, applications will be satisfied pro rata amongst those requesting redemption. Undischarged redemption requests, unless revoked by Unit holders with the consent of the investment manager, will be carried forward to the next Valuation Day.
4. In accordance with any limits or provisions clearly stated in the Articles of Association of the Fund, which include for any period:
 - a. when as a result of political, economic, military, legal, regulatory or monetary events or any other circumstances outside the control, responsibility and power of the Investment Manager or if this is practically possible without harming the interests of the unitholders in general, or if the investment manager believes that the redemption price cannot be calculated fairly or that such behaviour may harm the unitholders;
 - b. during which any breakdown occurs in the means of communication normally employed in determining the value of the assets of the Fund or when for any other reason the value of any of the investments or other assets cannot reasonably or fairly be ascertained;
 - c. during which breakdown occurs in the normal functioning of the Administrator in calculating the NAV;

- d. during which market conditions are considered to be abnormal as a result of which the Administrator opines that it is not practical to calculate the NAV;
- e. when payments due or Redemption cannot, in the opinion of the Investment Manager, be effected at normal prices or normal rates of exchange; or
- f. following service of a notice of the general assembly meeting to the Unitholders at which a resolution is to be proposed to wind up the Fund or a resolution has been passed for the winding-up of the Fund.

5. In exceptional circumstances approved by the FSA.

If the Fund suspends Redemptions, it shall, within the next Business Day after the date of suspension, send a notice to the FSA and shall disclose the same on the MSX website to Unitholders.

The Investment Manager or Administrator or the Sponsor shall not be liable for any costs incurred by an investor as a result of the suspension of redemptions set out above.

Compulsory Redemption by the Fund

Should (i) the representations and warranties of the Unitholder given by the Unitholder as a condition to subscription under this Prospectus be false or misleading, (ii) the Unitholder become a US Person, or (iii) the Unitholder be or become a Sanctioned Person or be or become located or headquartered in a jurisdiction which is or becomes subject to Embargoes, then the Fund shall have the right to freeze the account of any such Unitholder and a right to compulsorily redeem, at its sole and absolute discretion and at any time, the relevant Unitholder's Units at the prevailing NAV less the costs and liabilities caused to the Fund as a result of the Subscriber's breach of such representations and warranties.

Dissolution and Liquidation of the Fund

The Management Body shall recommend the dissolution and liquidation of the Fund to (an extraordinary) General Meeting for any reason including:

- i. Expiration of the term of the Fund;
- ii. Accomplishment of the objective for which the Fund was established pursuant to the Articles of Association and this Prospectus.
- iii. Reduction of the NAV of the Fund to less than OMR 500,000.
- iv. Fund ceasing to carry on business without a legitimate reason.

- v. Reduction in the NAV to the extent that expenses incurred by the investors are unreasonably high.
- vi. On recommendation by the Investment Manager.
- vii. On request by the FSA.

The General Meeting shall issue the resolution to dissolve and liquidate the Fund including appointment of liquidator, setting its fees and the liquidation process. The powers of the Fund's management and service providers shall end immediately on appointment of the liquidator.

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

CHAPTER XII NET ASSET VALUE

The calculation of NAV is the responsibility of the Administrative of the Fund and is to be effected at the close of each Valuation Day. The valuation of the Units will be carried out on each Valuation Day.

NAV will be calculated by the Administrator as the value of the assets attributable to the Fund (including accrued income) less the attributable liabilities (including accrued charges and expenses (other than subscription and exit fees) and provisions for contingent liabilities, if any, where appropriate) and each purchase, issue, sale or redemption of Units shall be reflected in the first calculation of NAV following any such transaction. The manner of calculation of NAV and how it is stated must be similar to the manner it is calculated and stated in the financial statements.

The NAV per Unit will be calculated by dividing the NAV of the Fund by the total number of Units outstanding on the relevant Valuation Day. NAV per Unit will be published on the MSX on a daily basis.

If the NRV of the Units is less than the NAV that is calculated on the basis of the redemption value, the NAV must not be discounted by more than 10%. This does not apply in the case of redemption at the liquidation of the Fund. All investments shall be valued as per IFRS.

The Articles provide for the method of valuation of the assets and liabilities of the Fund. The Articles provide that the value of any investment listed or dealt in on a regulated market shall be calculated by reference to the last closing price. Where an investment is listed or dealt in on more than one regulated market the relevant exchange or market shall be the principal stock exchange or market on which the investment is listed or dealt on or the exchange or market which the Investment Manager determines provides the fairest criteria in determining a value for the relevant investment.

The assets of the fund include the following: common equity shares, convertible sukuks, Funds, and other equity like securities; all cash in hand, or on deposit, or on call, including any profit-share accrued thereon; all demand notes, promissory notes and accounts receivable; all other investments held for the fund and all other assets of the fund of every kind and nature including prepaid expenses as valued and defined by the Management body.

The assets of the Funds will be valued as follows:

1. Units in any quoted securities such as common equity shares, convertible sukuk, Funds, and other equity like securities, the quoted price of which is directly related to the underlying value of its net assets will be valued by reference to closing price on relevant exchange as at close of business on the relevant Valuation Day
2. Cash in hand, pre-paid expenses and cash dividends declared and accrued but not yet received shall be valued at their full nominal amount thereof unless in any case the Management Body is of the opinion that the same is unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Management Body may consider appropriate in such case to reflect the true value thereof.
3. Demand notes, promissory notes and accounts receivable shall be valued at their face value or full amount thereof after making such discount as the Management Body may consider appropriate to reflect the true current value thereof.
4. The deposits will be valued by the initial deposit amount plus all accumulated profit rates till date.
5. Certificates of deposit and Islamic treasury bills shall each be valued (on the basis of a notification to the Management Body by a person approved by the Management Body for the purposes of this paragraph whose business includes dealing in or effecting transactions in the relevant investment) according to the normal dealing practice therein and at the price of the relevant investment at close of business on the relevant Valuation Day.

Investments listed or traded on a regulated market, but acquired or traded at a premium or at a discount outside or off the relevant exchange or market may be valued taking into account the level of premium or discount at the valuation point provided that the Investment Manager must ensure that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the investment.

The Articles provide that where quoted prices are for some reason unavailable or do not, in the opinion of the Investment Manager, represent fair market value and in the case of investments which are not listed or dealt in on a market, the value of such investments shall be the probable realisation value estimated with care and in good faith by the Investment Manager or by another competent person appointed by the Investment Manager. In ascertaining such value, the Investment Manager is entitled to accept an estimated valuation from a market-maker or other person qualified in the opinion of the Investment Manager to value the relevant investments. Where reliable market quotations are not available the value of such securities may be determined using matrix methodology compiled by the Investment Manager whereby such securities are valued by reference to the valuation of other securities which are comparable in rating, yield, due date and other characteristics.

For the purposes of ascertaining quoted, listed, traded or market dealing prices, the Fund, the Management Body, the Investment Manager, the Administrator or their agents are entitled to use and rely upon mechanized or electronic systems of pricing dissemination with regard to the pricing of assets held by the Fund and the prices provided by any such system will be deemed to be an accurate price for that asset.

Notwithstanding the foregoing, the Fund, the Management Body or the Investment Manager may, at their absolute discretion, permit such other method of pricing or valuation which, in their opinion, better reflects fair value and direct the Administrator to apply this to the calculation of the Net Asset Value of the Fund. The Management Body will have ultimate authority and responsibility to value investments/assets of the Fund and to calculate Net Asset Value in accordance with the Articles of Association.

The Administrator in consultation with the Management Body and the Investment Manager shall postpone or suspend calculation of the NAV, in the event of exceptional circumstances (such as those set out in the paragraph above entitled “Suspension of Redemption Rights”).

Limitations of Net Asset Value Information

Prospective investors in the Fund should ensure that they understand the nature of NAV information. Where, for example, the underlying assets are illiquid or speculative, NAV should be viewed in the same way as investments in private equity or venture capital strategies. The involvement of third-party service providers (such as the Administrator) in the NAV calculation process should not be equated with a representation or guarantee as to realizable value. Pricing and valuation techniques are limited and may not have application to all portfolio and investment strategy types.

CHAPTER XIII UNIT OWNERSHIP AND RIGHTS

Unit Ownership

Each Unitholder shall hold an indivisible proportionate unit in the Fund, the proportion being equal to the proportion of the total number of Units in issue held by the relevant Unitholder.

Unitholders Rights

Each Unitholder has a right to exercise a vote at any general assembly meeting of Unitholders. Each Unit will represent one vote.

The Unitholders are entitled to the net returns realized by the Fund after deducting all liabilities, including fees, expenses and tax (if any).

All the Unitholders will enjoy equal and inherent rights, which, in accordance with the Executive Regulations of the Capital Market Authority, are:

- i. The right to receive dividends declared in the General Meeting;
- ii. The right to share in the distribution of the proceeds of the Fund's assets on liquidation;
- iii. The right to be invited to attend the General Meeting and vote in such meetings personally or by proxy;
- iv. The right to apply for annulment of any resolution made by the General Meeting or the Management Body if such resolution(s) are contrary to the law or the Articles of Association or other internal regulations of the Fund;
- v. The right to redeem their Units in the Fund subject to the provisions of this Prospectus;
- vi. The right to institute legal proceedings on behalf of the Unitholders or the Fund against the Management Body or the auditors of the Fund; and
- vii. The right to approach the FSA (provided that the move is supported by Unitholders who own at least 5% (five percent) of the Units), to request the FSA to exercise its authority to stop the resolutions of the General Meeting which are made in favour of a certain category of Unitholders or against a certain category of Unitholders, or in the interest of the members of the Management Body or others.

Limit on Liability

Liability of the Unitholders for commitments to the Fund is limited only to the extent of contributions to the capital of the Fund. No Unitholder will be obligated to make any payment in excess of its commitment for any liability or for the discharge of the obligations of the Fund. Once the subscription price has been paid in full, a Unitholder will have no further financial liability to any party in respect of their holding of Units or the liabilities of the Fund.

Dividends and Distributions

The Management Body has the discretion to distribute dividends or reinvest the equivalent amount thereof.

Dividends on Units may be paid, in respect of any financial period may be paid to Unitholders out of the following:

- i. Dividends received by the Fund;
- ii. Profits received by the Fund through any deposits or cash investments; and
- iii. Realized and unrealized profits derived from the purchase and sale of securities.

In addition, the Management Body of the Fund may decide to distribute by way of dividends or other distributions to Unitholders of the Fund or reinvest in the Fund any dividends, proceeds and returns from investments or other balances available to the Fund as deemed appropriate by the Management Body after considering the recommendations of the Investment Manager.

Dividend and distribution announcements will be published in two daily newspapers in Oman, one in English and one in Arabic. Unitholders may receive dividends through payment by electronic bank transfer, net of bank charges. Payment will be made in the currency of the respective unit class that the investor has chosen at the time of subscription.

Transfer of Units

Units will be transferable in accordance with the provisions of Article 233 of the Executive Regulations of the Capital Market Law. Ownership of the Units shall transfer on registration in the register. Transfer of Units can be effected by the Administrator only. The transfer of ownership shall be registered free of charge within three days from the date of receipt of the necessary documents. Units in respect of which a Redemption request has been received by the Administrator will not be transferable unless the Redemption request is revoked with the consent of the Fund. Transfers of Units may only be made to persons (natural or juristic) that would be eligible to subscribe directly for the Units under the terms of this Prospectus.

General Meetings

The General Meeting is the supreme authority of the Fund and shall comprise all Unitholders and shall be held in accordance with the Articles of Association.

The OGM shall be held:

- To elect members of the Management Body; or
- for any other purpose as deemed fit by the Management Body or Investment Manager.

EGMs

The EGM may be held if the Fund's interest so requires or in accordance with the law or regulation or on request by one or more investors who hold 10% or more of the Fund's capital. However, the EGM shall be convened to consider the following:

- i. Amendment to the Articles of Association;
- ii. Change of main investment objectives of the Fund;
- iii. Change in the frequency of calculation of NAV or NRV;
- iv. Reducing the frequency or limits on Redemption;
- v. Change of the Funds status such as a merger, spinoff or conversion of the Fund; and
- vi. Dissolution and liquidation of the Fund.

Where the Management Body fails to convene the General Meeting, the Investment Manager shall convene it.

Notice to attend the General Meeting shall not be valid unless it also includes the agenda. Notice to attend the General Meeting shall be published, after approval by the FSA, in at least two daily newspapers for two consecutive days. The notice shall be sent to the Unitholders by ordinary post or delivered by hand to their respective representatives after recording their signature, at least two weeks prior to the date of the meeting together with authorization form, agenda, memos and documents to be discussed at the meeting.

The Management Body shall establish the agenda of the General Meeting or it may be established by Investment Manager if the meeting is convened by the Investment Manager. The agenda shall also include proposals by any investor who holds at least 5% of the capital, at least two weeks prior to the date of sending the notice to the Unitholders to attend the meeting. The General Meeting shall not consider any issues that are not included in the agenda.

- Every Unitholder or his proxy carrying a written authorization may attend the General Meeting and shall have one vote for every Unit held by him.

- As per Article 256 of the Executive Regulations of the Capital Market Law, Unitholders and proxies who hold all the Units of the Fund may hold a General Meeting without regard to the rules stipulated for such meeting. The meeting may adopt any resolutions within the authority of the General Meeting.

The General Meeting shall be valid if attended by investors or proxies representing at least 50% of the Units in case of an OGM and at least 60% for EGMs. Where the required quorum is not present, a second General Meeting shall be called within one month from the date of the first meeting. The notice shall be published in the daily newspapers at least one week prior to the date of the meeting. The second OGM shall be valid regardless of the percentage of attendance. The second EGM shall require attendance by Unitholders holding at least 50% of the Units.

Resolutions of the ordinary general meeting and extraordinary general meetings shall be adopted by absolute majority unless the Articles of Association provide for a higher percentage.

The General Meeting shall be chaired by the Chairman of the Management Body or by the Vice Chairman, and by the Investment Manager if the Chairman and Vice Chairman are absent and the Investment Manager has called the General Meeting. The General Meeting shall appoint a secretary to record the minutes including deliberations, resolutions and votes. Every investor shall have the right to access the minutes.

The FSA may send an observer to attend all general meetings, supervise its procedures and ensure that resolutions are adopted in accordance with the law. The minutes signed by the secretary and approved by the chairman of the meeting, auditor and the legal advisor, shall be filed with the FSA within fifteen days from the date of the meeting.

CHAPTER XIV FEES & CHARGES

Issue Expenses

a. The Initial Subscription Period

The expenses incurred during Initial Subscription Period shall be the following:

- a. Regulatory charges
- b. Legal Advisor's fee
- c. Collecting bank charges
- d. Printing charges
- e. Marketing expenses
- f. Distribution Agent Fee

b. Other Fees & Charges

Subscription Fees: The Investment Manager is entitled to subscription fees of up to 0.5% of the subscription amount from the unitholders at the time of Initial and Continuous Offer Subscription plus any applicable VAT and other taxes.

Management Fees: The Investment Manager is entitled to management fees of 1.5% per annum of the Net Asset Value of the Fund plus any applicable VAT and other taxes. The management fee will be calculated based on the daily NAV of the Fund and paid monthly in arrears.

Custody and Administration Fees: The Fund pays the Administrator and the Custodian fees for its services as agreed from time to time by the Fund and the Administrator and the Custodian. The Administrator and the Custodian are entitled to be reimbursed by the Fund for all reasonable out-of-pocket expenses. The Fund will pay to the Administrator, R&T Agent & Custodian a fee totalling 0.2% per annum of the total Net Asset Value of the Fund (with a minimum fee of OMR 10,000 from 2nd calendar year of operation of the Fund) plus transaction fee of up to OMR 10 for each buy and sell transaction, for XBRL preparation and filing of OMR 200 / quarter, OMR 75 for opening per bank account or securities account. The Fee will be calculated based on the daily Net Asset Value of the Fund and will be payable fifteen (15) days from every quarter end.

Performance Fee: Investment Manager will be entitled to a performance fee of 10% over hurdle rate of annualized return of 8%. Performance fees are calculated and payable at the end of the Financial Year. In the event any Unitholder redeems prior to end of each Financial Year, then the relevant Performance Fee for such Financial Year, if applicable, will be separately calculated and charged to the redeeming Unitholder.

c. Accumulation of Fees/Expenses

As the Fund may invest in other funds, the Fund may incur a duplication of fees and commissions (such as, but not limited to, management fees including performance fees, custody and transaction fees, subscription and redemption fees, administration fees, other service providers' fees and any expenses). To the extent these funds are permitted to invest in turn in other funds, the Fund may incur a third layer of the fees mentioned below (and potentially other fees).

Other Fees/expenses: Any other expenses directly related to the Fund, which includes, but may not be limited to:

- a. Brokerage commission on purchase and sale of securities or any other investments;
- b. Printing, publishing and distribution expenses of NAV, accounts, General Meetings, and other notices/materials as required by regulation;
- c. Losses/expenses incurred as a result of daily management of the Fund;
- d. Expenses with respect to auditors, Shariah advisory, banking charges, Islamic insurance or takaful, Management Body sitting fees etc.; and
- e. Taxes, duties or any other government levy, as and when applicable, if any.

CHAPTER XV FUND ACCOUNTING AND TAXATION

Fund Accounts & Accounting Policy

The financial statement of the Fund shall be prepared as per IFRS and as required by Omani law.

- The Fund shall have a financial liability independent from the Investment Manager and the Management Body.
- Independent and separate bank account(s) for the Fund shall be maintained by the Custodian in Oman and where necessary outside Oman, for making withdrawals and deposits on behalf of the Fund.
- The Fund shall be treated, in respect of all sales and purchases and other transactions, as an independent entity and shall be credited in case of sales and debited in case of purchases. All costs related to the Fund shall be directly paid from the assets of the Funds.
- Accounting records for the Fund shall be maintained independently from the records of the Investment Manager and shall be audited by independent auditors approved or nominated by the Management Body.
- The Management Body has the power to remove or change the auditors of the Fund during the life of the Fund. The appointment of auditors will be notified to the FSA.
- The Fund's financial year will be from 1 January to 31 December in each year. However, the first financial year of the Fund will start from the end of the Initial Subscription Period of the Fund and will end on 31 December 2025.

Revenues of the Fund

Revenues of the Fund may consist of:

- i. Gains earned as a result of investing in securities;
- ii. Income received from assets of the Fund;
- iii. Profit rates credited to the accounts of the Fund;
- iv. Dividend income from underlying investment securities (if any); and
- v. Any other revenue, directly linked to the Fund and resulting from the investment of the assets of the Fund.

Expenses of the Fund

The expenses of the Fund shall include:

- i. The cost of holding any meeting of Unitholders;
- ii. Fees paid to the Management Body;
- iii. Fees paid to the Investment Manager;
- iv. Fees paid to the Custodian and sub-custodians if any;
- v. Fees paid to Administrator and/or R&T agent;
- vi. The fees paid to the FSA and any other licensing and listing fees or similar charges and expenses;
- vii. Expenses in respect of accounting records and auditing fees;
- viii. Brokerage commission and banking fees paid in connection with the sale and purchase of securities held on behalf of the Fund;
- ix. Any technical, legal or consultancy fees relating to the acquisition, maintenance and disposal of assets of the Fund;
- x. All liabilities of the Fund in relation to taxation, whether due on the assets or income of the Fund;
- xi. Any expenditure related to the exercise of rights and duties in respect of the assets of the Fund;
- xii. The cost of preparing, printing, publishing and distributing public notices, annual and interim reports, valuations, accounts and price lists and such other reports or documents as may be allowed or required under the applicable laws or regulations of Oman and any other communications to Unitholders;
- xiii. Costs of printing any certificates or proxies;
- xiv. Any losses incurred as a result of dealing in securities held on behalf of the Fund;
- xv. The cost of maintaining accounts;
- xvi. The cost of preparing and filing all official documents concerning the Fund, including registration statements and offering circulars with all authorities having jurisdiction over the Fund or the offering of Units;
- xvii. Shariah Supervisory Board or any other Shariah compliance related cost;
- xviii. Legal fees and any other expenditure directly related to the Fund; and
- xix. Any other expenditure directly related to the Fund.

Financial Reports and statements

The Administrator along with the Investment Manager will prepare unaudited quarterly financial statements for the first, second and third quarter of each Financial Year. It will also prepare a full year financial statement within two months from the end of the Financial Year comprising the audited balance sheet, profit and loss account, and statement of changes in Units, cash flow statement and report of the Management Body. These statements will be disclosed to the public and Unitholders in a manner that is fair, timely, transparent and not misleading.

The un-audited quarterly financial statements will be forwarded to the Information Centre of the MSX within 30 days from the end of each quarter, or any other legal period prescribed by the disclosure rules and conditions issued by the FSA, through the private electronic transmission system of the MSX. The statements shall be published in two daily newspapers in Oman, one in Arabic and one in English.

Taxation

As per the Income Tax Law No. 28 of 2009 (as amended), income accruing to investment funds set up in Oman under the Securities Law and the Executive Regulations of the Capital Market Law shall be exempted from tax in Oman. However, the income earned by the Fund may be subject to foreign taxation to the extent income is derived from other jurisdictions.

Investors may also be subject to taxes on income or gains from Units located in their jurisdiction. Investors must confirm through their financial advisors the cases in which taxes are imposed in accordance with the laws and jurisdictions to which they are subject due to the ownership or sale of investment units. Note that taxes and other legal matters are not considered legal or tax advice for fund unit holders. Prospective investors should consult their legal advisor regarding tax laws and regulations. The taxes and other matters described in this prospectus are subject to change from time to time and do not constitute, and should not be construed as, legal or tax advice to prospective unitholders. Investors are encouraged to read the chapter entitled "Risk Factors".

CHAPTER XVI UNDERTAKINGS

First: BankDhofar GCC Equity Fund (Shariah Compliant)

The Members of the Management Body of the Fund jointly and severally hereby confirm that:

- all reasonable efforts have been made in order to ensure that the information furnished in this Prospectus is complete, correct and accurate, and to avoid omission of any material facts or information that would make the contents of this Prospectus misleading.
- All the provisions set out in the Articles of Association of the Fund, the Securities Law, the Executive Regulations of the Capital Market Law, the Commercial Companies law (CCL), and the rules and regulations issued pursuant to them have been complied with.

On behalf of the Fund Management Body

Signed by:

The Fund

Second: Legal Adviser

The legal adviser whose name is indicated below confirms that all actions taken on the offering of the Units is in accordance with the provisions of the laws and legislation related to the activities of the Fund and the Securities law and Executive Regulations of the Capital Market Law and instructions issued by virtue of which and the requirements and the conditions for issuing units and form prospectus applicable to the FSA.

Signed by:

Al Busaidy, Mansoor Jamal & Co.

Third: Issue Manager

In accordance with the responsibilities assigned to us pursuant to the provisions of the Securities Law and Executive Regulations of the Capital Market Law and instructions issued by the authority, we have reviewed all the relevant documents and other material required for the preparation of this Prospectus and establishment and issuance of Fund Units through private placement.

Issue Manager shall bear the responsibility with regards to corrections of the information provided for in the Prospectus, and they have confirmed not to have omitted any fundamental information there from, omission of which would make the Prospectus misleading.

The Issue Manager hereby confirms:

1. We have taken necessary and reasonable care in ensuring that the information furnished to us by the issuing party and that contained in the Prospectus is consistent with the facts available in the documents and material pertaining to the issue.
2. On the basis of our perusal and information made available to us by the Fund, it is hereby confirmed that the Fund has neither concealed any fundamental information nor omitted any important information, omissions of which would have made the Prospectus misleading.
3. The Prospectus and the information contained therein is consistent with all the rules and conditions governing transparency as provided for in the Executive Regulations of the Capital Market Law along with its amendments thereof, the regulations of FSA along with its amendments thereof and applicable specimen prospectus available with the authority.
4. The data and information presented in the Arabic Prospectus are correct, reasonable and adequate as per our perusal to assist the investor in taking an appropriate decision whether or not to invest in the Units issued for the Subscription in accordance with the rules and conditions governing the transparency.

Signed by:

BankDhofar SAOG



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