

PROSPECTUS
of Freedom Finance IPO Fund Exchange Traded Notes due August 30, 2034
dated December 13, 2022

*This Prospectus is amended and restated Prospectus, initially dated December 14, 2020,
for the purposes of AIFC Market Rules*

General

- The Freedom Finance IPO Fund Exchange Traded Notes (the “**ETNs**” or the “**Notes**”) are senior unsecured debt obligations of Fund of Initial Public Offerings SPC Limited (the “**SPC**” or “**Issuer**”), a special purpose company incorporated in the Astana International Financial Center (the “**AIFC**”) whose sole assets are units in a closed-end unit investment fund of market financial instruments “Fund of Initial Public Offerings” (the “**Units**”) (the “**Underlying Fund**”) and Cash. The base currency of the Underlying Fund is the U.S. Dollar (U.S.\$).
- The Underlying Fund is a closed-end unit investment fund of market financial instruments incorporated in the Russian Federation and managed by Management Company East-West LLC. The main investment target of the Underlying Fund is to participate in the initial public offerings, primarily the initial public offerings of U.S. companies on the New York Stock Exchange or Nasdaq Stock Market. The Underlying Fund is described in more detail on pages 31 to 32 of this Prospectus (this “**Prospectus**”).
- The ETNs seek to provide investors a return linked to the performance of the Underlying Fund by holding mainly the units of the Underlying Fund in its assets. **Any payment on the ETNs is subject to the SPC’s ability to pay its obligations (as such obligations described in the Section headed “General terms of the Notes” on pages 15 to 22 of this Prospectus) as they become due.**
- The ETNs are issued by the SPC, which is governed by the AIFC Special Purpose Company Rules (AIFC Rules No. GR0001 of 2017). The SPC is a wholly-owned subsidiary of AIX FM Limited (“**AIX FM**”). AIX FM is itself a wholly-owned subsidiary of Astana International Exchange Limited (“**AIX**”). Neither AIX FM nor AIX bears any responsibility towards the ETN Holders for obligations of the SPC.
- Freedom Finance Joint Stock Company (“**Freedom Finance**”) is acting as an Investment Adviser to the SPC. In this role Freedom Finance is responsible for the determination of the investment strategy of the SPC, including the decision on Permitted Assets as described in more detail on page 17 of this Prospectus.
- As of the date of this Prospectus, Freedom Finance assumed obligations to cover all expenses of the SPC. Should this arrangement change, then the expenses of the SPC will be paid out of its assets, decreasing the NAV by the amount of such expenses.
- **Any payment to any ETN Holder upon Maturity, Early Termination or Redemption (each of procedure described in the Section headed “General terms of the Notes” on pages 15 to 22 of this Prospectus) will be effected by payment of the Settlement Amount, which is the Units (with possible supplement of Cash). The ETNs bear no principal or face value, therefore the SPC is not obliged to pay any amount in cash.**
- The ETNs are exchange traded securities and all transactions with the ETNs (except for permitted transactions between the Authorized Participant and the SPC) should be carried out on the Stock Exchange. No over-the-counter transactions are allowed.
- **An investment in the ETNs involves significant risks and is not appropriate for every investor. The ETNs should be purchased only by knowledgeable investors who understand the potential consequences of investing in the ETNs. Investors should consider their investment horizon as well as potential transaction costs when evaluating an investment in the ETNs and should regularly monitor their holdings of the ETNs to ensure that they remain consistent with their investment strategies.**
- The ETNs are senior unsecured debt obligations of the SPC and mature on August 30, 2034.
- The ETNs do not guarantee any return on your investment. Prior to maturity of the Notes, unless the ETNs are either redeemed or terminated in accordance with their terms, the ETN Holders will only be able to realise the value of their investment by selling the ETNs through a broker that is a trading member of AIX, the stock exchange within the AIFC. On maturity of the ETNs, the ETN Holders will receive the Units (which could be supplemented with Cash).

- The ETNs pay a coupon in the amount of dividends related to the Units owned by the SPC, less possible deductions. In case if dividends from the Units are equal to zero, then the coupon will also be equal to zero.
- The base currency of the ETNs is the U.S. Dollars (U.S.\$) and the nominal value of the ETNs shall be expressed in U.S. Dollars (U.S.\$). The initial nominal value of one ETN calculated as at the date of the first issuance was equal to 28,79 U.S. Dollars (U.S.\$). This nominal value is not a principal amount and, accordingly, does not provide the ETN Holder with a right to claim this amount from the SPC. The value and price of the ETNs will be subject to change on a daily basis, as described in more detail on pages 15 to 22 of this Prospectus.
- The ETNs are listed and traded on AIX under the ticker symbol “**FIPO**”. The SPC will use all its reasonable efforts to maintain the listing on AIX, but no assurance can be given that the listing on AIX will be maintained. In case if the listing of the ETNs on AIX will be cancelled or suspended for any reason, the SPC is obliged to declare the early redemption of all of the ETNs.
- This Prospectus and any changes or amendments to this Prospectus (in the form of supplementary prospectus) will be published on the website of the Stock Exchange (AIX).
- 18 000 ETNs have been issued by the SPC in the amount of the Initial Placement and are sold off-exchange to the Investment Adviser acting as an Initial Purchaser under the Initial Purchaser Agreement concluded with the SPC, where the consideration provided by the Investment Adviser consisted of the Units with the approximate value of 500,000 (five hundred thousand) U.S. Dollars (U.S.\$). This amount represents the amount of of the Initial Placement. Following the Initial Placement, ETNs are eligible for any public market sales. The Issuer may issue additional ETNs or redeem the existing ETNs as further described in this Prospectus. As at the date of this Prospectus, the issued number of ETNs was 18 000 ETNs.
- Further issuances of the ETNs are carried out by the SPC only upon the request of the Authorised Participants. Such additional issuances of the ETNs will be sold by the SPC to the Authorised Participants off-exchange at the price intended to be approximately close to the NAV. Upon completion of the further issuance (On-Going Placement), ETNs are eligible for any public market sales. The Authorised Participants have a right to redeem the ETNs purchased from the Issuer or on AIX. The redemption of the ETNs will be made off-exchange. **The ETN Holders (other than Authorised Participant(s)) shall have no right to require the SPC to redeem the ETNs.** The SPC and its certain affiliates may engage in purchase and resale transactions in the ETNs, although they are not required to do so and may stop at any time. For a detailed description of these procedures, please refer to the Section headed “General terms of the Notes” on pages 15 to 22 of this Prospectus.

Investing in the ETNs involves a number of risks not associated with an investment in conventional debt securities. See the Section headed “Risk Factors” starting on page 23 of this Prospectus for more information.

Astana International Exchange Ltd (AIX) and its related companies and their respective directors, officers and employees do not accept responsibility for the content of this Prospectus including the accuracy or completeness of any information or statements included in it. Liability for this Prospectus lies with the SPC. Nor has AIX, its directors, officers or employees assessed the suitability of the securities to which this Prospectus relates for any particular investor or type of investor. If you do not understand the contents of this Prospectus or are unsure whether the securities are suitable for your individual investment objectives and circumstances, you should consult an authorised financial adviser.

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DEFINITIONS AND KEY TERMS

Acting Law of the AIFC	Has the same meaning as defined in clause 1 of Article 4 of the Constitutional Statute of the Republic of Kazakhstan “On the Astana International Financial Centre” No. 438-V ZRK, dated 7 December 2015.
AIFC	Astana International Financial Centre.
AIX CSD	Astana International Exchange Central Securities Depository Limited, a private company incorporated under the Acting Law of the AIFC within the AIFC licensed by the Astana Financial Services Authority for securities settlement and depositary activities (license no. 092018-001).
AIX Registrar	Astana International Exchange Registrar Limited, a private company incorporated under the Acting Law of the AIFC within the AIFC and registered by Astana Financial Services Authority in the public register https://publicreg.myafsa.com/ . AIX Registrar acts as an agent of the SPC for the purpose of maintaining a register of ETN Holders under a separate agreement with the SPC dated December 10, 2020.
Auditor	IAC Russell Bedford A+ Partners LLP, a company, incorporated and operating under the laws of the Republic of Kazakhstan, with its registered office at 202, Al-Farabi Avenue, Almaty, Republic of Kazakhstan.
Authorised Participant	Any legal entity that enters into bulk-sized transactions (subscription or buyback) in respect of ETNs with the SPC on pursuant to and in accordance with the terms and conditions set out in an Authorised Participant Agreement between with the SPC and such legal entity, including the Investment Adviser, which entered into the Authorised Participant Agreement with the SPC as of December 14, 2020.
Authorised Participant Agreement	An authorised participant agreement concluded between the Authorised Participant and the SPC establishing terms and conditions for ETNs creation and redemption.
Business Day	Any day that is not a Saturday or Sunday or that is not a day on which banking institutions are generally authorised or obligated by law, regulation or executive order to close in New York, the United States of America, or Astana, Kazakhstan.
Cash	Cash in the U.S. Dollars and Kazakhstani tenge in the hands of the SPC and, to the extent only that it is immediately available for withdrawal or otherwise immediately available to the SPC, all deposits of the SPC with any bank/brokerage company. Cash will be held in a bank account of the SPC with Bank CenterCredit JSC.
Coupon Amount	Total amount payable to the ETN Holders equal the sum of the cash dividends received by the SPC after all deductions related to the Units of the Underlying Fund owned by the SPC and divided by the number of ETNs outstanding as of the Coupon Record Date.
Coupon Announcement Date	The date on which the SPC announces the next Coupon Record Date, Coupon Amount and Coupon Payment Date.
Coupon Payment Date	Any date being a Business Day within 2 Business Days following the date on which the SPC will receive net cash dividends related to the Units.
Coupon Record Date	Record date as declared by the Underlying Fund.
Creation Amount	50 ETNs, subject to the right of the Management Company to modify the Creation Amount at any time at its sole and absolute discretion.
Early Termination	Redemption of all of the ETNs outstanding before the Maturity Date.
Early Termination Right	Right of the SPC to declare the Early Termination and to redeem all, but not less than all, of the issued and outstanding ETNs, as described in this Prospectus on page 18.
ETN Holder(s)	The end investor, whether an individual or legal entity, who owns the ETNs for its own account and enjoys the benefits of ownership of the ETNs, notwithstanding the fact that the ETNs are held or recorded in the depositary system of AIX CSD under another name (for example, under a name of a nominee).
Expenses	All expenses paid or to be paid by the SPC in connection with the ETNs, as described in this Prospectus on pages 17 to 18.

Governing Law and Arbitration	<p>The ETNs (including without limitation the binding agreement relating to arbitration between the SPC and the ETN Holders, described in the Section headed “Arbitration” below on pages 52 to 53 of this Prospectus), including any non-contractual obligations arising out of or in connection with them, shall be governed by, and construed in accordance with, the Acting Law of the AIFC.</p> <p>Any dispute, controversy, difference or claim, whether contractual or non-contractual, arising out of or in relation to this Prospectus, including its existence, validity, interpretation, performance, breach or termination, shall be referred to and finally resolved by arbitration administered by the IAC in accordance with the IAC Arbitration and Mediation Rules in force on the date on which the Request for Arbitration is filed with the registrar of the IAC, which Rules are deemed to be incorporated by reference into this Prospectus. The details of the binding nature of the agreement between the SPC and the ETN Holders in relation to the Notes are set forth on page 53 of this Prospectus.</p>
IAC	International Arbitration Centre of the AIFC.
IFRS	International Financial Reporting Standards (including international accounting standards, international financial reporting standards and interpretations of those standards) as in force from time to time.
Initial Placement	The direct subscription by the Investment Adviser pursuant to and in accordance with the Initial Purchaser Agreement.
Initial Purchaser Agreement	An agreement between the SPC and the Initial Purchaser whereby the Initial Purchaser has agreed to purchase 18 000 ETNs from the SPC in exchange for the Units.
Investment Adviser	Freedom Finance JSC, a legal entity incorporated under the laws of the Republic of Kazakhstan which enters into the Investment Advisory Agreement with the SPC.
Investment Advisory Agreement	An agreement concluded between the SPC and the Investment Adviser, pursuant to which the Investment Adviser provides investment advisory services to the SPC.
Investment Advisory Fee	A fee payable to the Investment Adviser for its services, which is calculated as a positive or negative difference of (i) an amount equal to the Total Expense Ratio multiplied by the NAV averaged over that year; over (ii) the Expenses accrued over that year. For the avoidance of doubt, if the difference is negative, the Investment Adviser shall not be entitled to any Investment Advisory Fee and obliged to pay to the SPC the amount of such negative difference.
ISIN	KZX000000591.
Issuer or SPC	Fund of Initial Public Offerings SPC Limited (“SPC”, “we”, “our” or “us”), a special purpose company, registration number 201140900163, incorporated under the Acting Law of the AIFC on November 18, 2020 with registered address at Mangilik El 55, building 19, Astana, Kazakhstan, telephone +7(717) 223 53 66 and registered by Astana Financial Services Authority in the public register https://publicreg.myafsa.com/details/201140900163/ . SPC’s activities are governed by the AIFC Special Purpose Company Rules (AIFC Rules No. GR0001 of 2017).
Kazakhstan	Republic of Kazakhstan.
Kazakhstani tenge	Lawful currency of Kazakhstan.
Listing	The ETNs are listed on the official list of securities of AIX and admitted to trade on AIX.
Management Company	AIX FM Limited, a private company incorporated under the Acting Law of the AIFC within the AIFC and registered by Astana Financial Services Authority in the public register https://publicreg.myafsa.com/ . AIX FM Limited is a wholly-owned subsidiary of AIX.
Maturity Date	August 30, 2034.
Method of Notification to ETN Holders	All notifications to the ETN Holders, as well as publication of annual reports and other information concerning the ETNs, shall be made available via AIX’s website at www.aix.kz .
Method of Placement	The ETNs are issued in exchange for the Units only.
Method of Redemption	The ETNs are redeemed in exchange for the Units and/or Cash.

NAV or Net Asset Value	The net asset value of the SPC or ETN (as appropriate) (as further described in the “General Terms of the Notes” Section on page 16 of this Prospectus).
On-Going Placement(s)	The ETNs issued from time to time to the Authorised Participants in exchange for the Units, in each case at the consideration intended to be approximately close to the NAV.
Permitted Assets	The only assets which the SPC is permitted to hold and own as of the date of this Prospectus are: <ul style="list-style-type: none"> • the Units; and • the Cash.
Placement Notice	An irrevocable request provided by the Authorised Participant to the SPC pursuant to and in accordance with the Authorised Participant Agreement.
Redemption(s)	The right of the Authorised Participant to require the SPC to redeem ETNs as at the Redemption Date, subject in all cases to compliance with the procedures described in this Prospectus on page 20. The ETN Holders (other than Authorised Participant(s)) shall have no right to require the SPC to redeem the ETNs.
Redemption Amount	50 ETNs, subject to the right of the Management Company to modify the Redemption Amount at any time at its sole and absolute discretion.
Redemption Date	Any Business Day determined as the redemption date by the SPC.
Settlement Amount	NAV which will be paid by the Units and could be supplemented with Cash.
Stock Exchange or AIX	Astana International Exchange Limited, , a private company incorporated under the Acting Law of the AIFC within the AIFC and licensed by the Astana Financial Services Authority for operating an exchange (license no. 042018-001).
Term of the ETNs	13 years 8 months from the date of issuance of the ETNs, subject to the right of the Authorised Participant to require the SPC to redeem the ETNs, the right of the SPC to exercise its Early Termination Right or (as the case may be) the right of the SPC to extend the term of the ETNs, each as described on pages 15 to 22 of this Prospectus.
Total Expense Ratio	A measure of the total expenses of the SPC which are for the account of the ETN Holders, determined by the Investment Adviser and denoted as a percentage of the total annualized accrued and/or paid Expenses to the NAV averaged over that year (as further described in the sub-Section headed “Expenses” in the “General Terms of the Notes” Section on pages 17 to 18 of this Prospectus).
Underlying Fund	Closed-end unit investment fund of market financial instruments “Fund of Initial Public Offerings”. For a detailed description of the Underlying Fund see page 31 of this Prospectus.
Units	Units in the Underlying Fund, a legal entity established in the Russian Federation.
United States or U.S.	United States of America, its territories and possessions, and any state of the United States and the District of Columbia.
U.S. Dollars, or U.S.\$ or cents	Lawful currency of the United States of America.

PROSPECTUS SUMMARY

INTRODUCTION AND WARNINGS

Notes	Freedom Finance IPO Fund Exchange Traded Notes due August 30, 2034 ISIN KZX000000591
Issuer	Fund of Initial Public Offerings SPC Limited, a special purpose company, registration number 201140900163, incorporated under the Acting Law of the AIFC on November 18, 2020 with registered address at Mangilik El 55, building 19, Astana, Kazakhstan, and governed by the AIFC Special Purpose Company Rules (AIFC Rules No. GR0001 of 2017). The contact details of the Issuer are: Mangilik El 55, building 19, Astana, Kazakhstan, and its telephone number is +7(717) 223 53 66. The LEI (Legal Entity Identifier) code of the SPC is 2549001LC69TQD6NF428.
Investment Adviser	Freedom Finance JSC, a legal entity incorporated under the laws of the Republic of Kazakhstan on September 9, 2013, business identification number 061140003010, licence number 3.2.238/15 issued by the National Bank of Republic of Kazakhstan on October 2, 2018 with registered address at 77/7, Al-Farabi ave., Esentai Tower BC, 7-th floor, Almaty, A15E3H4 (050059), Kazakhstan.
Person seeking for admission to trading on AIX	Fund of Initial Public Offerings SPC Limited
Stock Exchange that approved the Prospectus	Astana International Exchange Limited, 55/19 Mangilik El st., block C 3.4. Astana, Kazakhstan, telephone +7(717) 223 53 66
Date of approval of the Prospectus by the Issuer	December 13, 2022. This Prospectus is amended and restated prospectus, initially approved on December 14, 2020

This summary must be read as an introduction to and is qualified in its entirety by the more detailed information contained elsewhere in, this Prospectus, and any decision to invest in the ETNs should be based on a consideration of this Prospectus as a whole. Civil liability attaches only to those persons who are included in this summary, including any translation thereof, but only where this summary is misleading, inaccurate or inconsistent, when read with the other parts of this Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the ETNs.

The ETNs are fully exposed to any decline in the Underlying Fund. If the price of the Units on the date of your sale is less than the price of the Units at the date of your purchase, you will lose some or all of your investment at maturity, upon Redemption or upon exercise by the SPC of its Early Termination Right (as the case may be).

KEY INFORMATION ABOUT THE ISSUER

Who is the Issuer of the Notes?

Issuer	Fund of Initial Public Offerings SPC Limited, a special purpose company, registration number 201140900163, incorporated under the Acting Law of the AIFC on November 18, 2020 with registered address at Mangilik El 55, building 19, Astana, Kazakhstan. The Issuer is registered by Astana Financial Services Authority in the public register https://publicreg.myafsa.com/details/201140900163/ and governed by the AIFC Special Purpose Company Rules (AIFC Rules No. GR0001 of 2017), LEI: 2549001LC69TQD6NF428.
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	The contact details of the Issuer are: Mangilik El 55, building 19, Astana, Kazakhstan, and its telephone number is +7(717) 223 53 66.
Principal activities of the Issuer	The SPC is incorporated with the principal business purpose of issuing and maintaining ETNs, the purchase of which will enable ETN Holders to participate in the performance (i.e., gains or losses) of the Underlying Fund.
Auditor	The independent auditors of the Issuer are IAC Russell Bedford A+ Partners. The licence for providing audit services is issued by the Ministry of Finance of the Republic of Kazakhstan under number 18013076 on July 03, 2018.
Directors	AIX FM, a wholly-owned subsidiary of AIX, shall act as the sole director and secretary of the Issuer. The appointment of AIX FM, being a body corporate, as a director of the Issuer is permitted in Rule 6.1 of the AIFC Special Purpose Company Rules (AIFC Rules No. GR0001 of 2017).

The ETN Holders will participate in the performance (i.e., gains or losses) of the Underlying Fund.

AIX FM, a private company limited, by shares, incorporated the SPC and is the SPC's sole shareholder. AIX FM was incorporated by the AIFC as a private company on 2 October 2019 with an initial share capital of U.S.\$1,500,000. Nothing contained in this Prospectus, and nothing done pursuant to this Prospectus shall constitute nor be construed as a guarantee or commitment, express or implied, with respect to the use of AIX FM's share capital to support the activities of the SPC.

As at the date of this Prospectus, the AIX is the sole shareholder of AIX FM.

Freedom Finance is acting as an Investment Adviser to the SPC. In this role Freedom Finance is responsible for the determination of the investment strategy of the SPC, including the decision on Permitted Assets.

As of the date of this Prospectus, Freedom Finance assumed obligations to cover all Expenses of the SPC. Should this arrangement change, then the Expenses of the SPC will be paid out of the SPC's assets, decreasing the NAV.

What is the key financial information regarding the Issuer?

Assets

Assets of the Issuer are represented by Units with the the total value of 230,379 thousand KZT as at December 31, 2021.

Liabilities

Liabilities of the Issuer consists of ETNs issued only; the total amount of the liabilities is equal to 230,378 thousand KZT as at December 31, 2021.

Share capital

Share capital of the Issuer is represented by one (1) share in the amount of one (1) U.S. Dollar.

What are the key risks that are specific to the Issuer?

The ETNs are subject to the credit risk of the SPC

The ETNs are senior unsecured debt obligations of the SPC and are not, either directly or indirectly, an obligation of any third party. Any payment to be made in respect of the ETNs, including any payment at maturity, upon Redemption or upon the exercise by the SPC of its Early Termination Right (as the case may be), depends on ability of the SPC to satisfy its obligations as they become due. As a result, any adverse changes in the market's view of creditworthiness of the SPC will affect the market value, if any, of the ETNs prior to maturity, upon Redemption or upon the exercise by the SPC of its Early Termination Right (as the case may be). In addition, in the event the SPC was to default on its obligations, you may not receive any amounts owed to you under the terms of the ETNs.

The SPC is a newly established entity with limited track record of operation

The SPC has been established on November 18, 2020 and has limited track record of operation.

KEY INFORMATION ON THE SECURITIES

What are the main features of the Securities?

The Notes	Freedom Finance IPO Fund Exchange Traded Notes due August 30, 2034 ISIN: KZX000000591
Issue Price	The value and price of the ETNs are subject to change on a daily basis as described in more detail on pages 15 to 22 of this Prospectus
Currency and denomination of the Notes	The base currency of the ETNs is the U.S. Dollars (U.S.\$) and the nominal value of the ETNs shall be expressed in the U.S. Dollars (U.S.\$). The initial nominal value of one ETN calculated as at the date of the initial Prospectus dated December 14, 2020 was equal to 28,79 U.S. Dollars (U.S.\$). This nominal value is not a principal amount and, accordingly, does not provide the ETN Holder with a right to claim this amount from the SPC. The value and price of the ETNs are subject to change on a daily basis, as described in more detail on pages 15 to 22 of this Prospectus.
The number of Notes issued and their term	Number of the ETNs issued as at the date of this Prospectus: 18 000. The Issuer may issue additional ETNs and/or redeem issued ETNs as further described in this Prospectus. Term of the Notes: 13 years 8 months from the date of issuance of the ETNs, subject to the right of the Authorised Participant to require the SPC to redeem the ETNs, the right of the SPC to exercise its Early Termination Right or (as the case may be) the right of the SPC to extend the term of the ETNs, each as described on pages 15 to 22 of this Prospectus.
The rights attached to the Notes	Each ETN Holder is eligible to receive the Settlement Amount on the Maturity Date, subject to certain conditions being satisfied, as described in more detail on page 20 of this Prospectus.
Issue Date	December 14, 2020. The SPC is obliged to disclose all further issuances of ETNs on AIX.
Maturity Date	August 30, 2034
Interest Rate and Interest Payment Dates	The ETNs bear a floating coupon rate directly linked to the cash dividends received by the SPC after deductions in relation to the Units owned by the SPC. Coupon Payment Date is any date being a Business Day within 2 Business Days following the date on which the SPC will receive cash dividends related to the securities of the Underlying Fund.
Transferability	The ETNs are freely transferable in accordance with the relevant legislation of the AIFC provided that transfer transactions are carried out on AIX only (except for transactions between the SPC and Authorised Participant, which are effected off-exchange).
Ranking of ETNs	The ETNs constitute direct, unconditional, and unsecured obligations of the Issuer and rank and will rank: (i) <i>pari passu</i> , without any preference among themselves; and (ii) as senior debt with preference over all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in each case, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

Where will the Securities be traded?

The ETNs are listed and traded on AIX, the stock exchange within the AIFC.

Is there a guarantee attached to the Notes?

There is no guarantee attached to the Notes.

What are the key risks that are specific to the Notes?

The ETNs may not be a suitable investment for you if:

- You do not seek an investment with a return linked to the performance of the Underlying Fund which invest in various assets, including securities.
- You believe that the price of the Units will decline during the term of the ETNs or the price of the Underlying Fund will not increase by an amount sufficient to meet your investment objectives.
- You do not understand that the trading price of the ETNs at any time may vary significantly from the NAV and that paying a premium purchase price over the NAV could lead to significant losses in the event you sell the ETNs at a time when such premium is no longer present in the market place or (as the case may be) the SPC exercises its Early Termination Right.
- You are not willing to accept the risk that you may lose some or all of your investment.
- You are not willing to actively and frequently monitor your investment in the ETNs.
- You do not have sufficient knowledge and experience to evaluate how the ETNs may perform under different conditions or the merits and risks of an investment in the ETNs.

- You do not understand the terms of the investment in the ETNs or are not familiar with the behavior of the Underlying Fund or financial markets generally.
- You are not willing to hold securities that may be redeemed early by the SPC pursuant to the exercise of its Early Termination Right.
- You are not willing to accept the risk that the price at which you are able to sell the ETNs may be significantly less than the amount you invested.
- You do not have sufficient financial resources and liquidity to bear the risks of an investment in the ETNs, including the risk of loss of such investment.
- You are not comfortable with creditworthiness of the SPC as an issuer of the ETNs.

Investors considering purchasing the ETNs should reach an investment decision only after carefully considering the suitability of the ETNs in light of their particular circumstances.

Risk related to the Units

Russia's recent actions towards Ukraine has resulted in sanctions against Russian governmental institutions, Russian entities, and Russian individuals that may result in the devaluation of Russian currency; a downgrade in the country's credit rating; a freeze of Russian foreign assets; a decline in the value and liquidity of Russian securities, properties, or interests; and other adverse consequences to the Russian economy and Russian assets. Sanctions imposed on the Russian stock market infrastructure providers and Russian counter sanctions could significantly impair or totally restrict operations with Units, that could lead to inability of the SPC to redeem or create ETNs, sell, buy, transfer Units.

You may lose some or all of your investment

The ETNs are fully exposed to any decline in the Underlying Fund. If the price of the Units on the date of your sale is less than the price of the Units at the date of your purchase and taking into account any coupon payments received by you, you will lose some or all of your investment at maturity, upon Redemption or upon exercise by the SPC of its Early Termination Right (as the case may be).

The NAV on the Maturity Date or the Redemption Date may be less than the NAV on the date of your purchase

The NAV on the Maturity Date or the Redemption Date may be less than the NAV on the date of your purchase because the NAV is calculated based on the price of the Units on each Business Day less accrued but unpaid Expenses.

The ETNs bear a floating coupon

There is no guaranteed or fixed coupon attached to the ETNs. The ETNs are bearing a floating coupon, which directly linked to the cash dividends on the Units received by the SPC after deductions. In case if the Underlying Fund will stop paying dividends, then the amount of the coupon on ETNs will be zero.

Amount of coupon paid may not be equal to the amount of dividends declared by the Underlying Fund

Any coupon paid by the SPC on the ETNs is paid out of net cash dividends actually received by the SPC after the deduction of taxes and transactional costs. Thus, Coupon Amount may be lower than the amount of dividends declared and paid by the Underlying Fund.

Tax implications if the ETNs are excluded from the official list of the Stock Exchange

If the ETNs are excluded from the official list of AIX, all income on the ETNs will be subject to taxation based on the Kazakhstan Tax Code. Although the SPC will use its best efforts to maintain the ETNs on the official list of the AIX, in circumstances where this is not possible, the exclusion of the ETNs from the official list of AIX may negatively affect the tax position of ETN Holders for tax purposes, as well as their market price.

Tax on revenues from the Units owned by the SPC may reduce the NAV

In certain circumstances, the SPC may sell the Units it owns to cover its Expenses. Besides, the redemption of ETNs is reflected as a sale of the Units. In circumstances where the difference between the price of sale and the initial price of the Units is positive, such a positive amount will be included in the aggregate annual income of the SPC according to the applicable Kazakhstan tax legislation. Also, the SPC as an owner of Units may receive dividends or other distributions from the Underlying Fund less possible deductions (taxes, transactional fees, etc.). Such dividends and distributions received will be included in the aggregate annual income of the SPC. It is not guaranteed that, at the end of the calendar year, the deductible expenses of the SPC will be higher than the aggregate annual income and there will be no corporate income tax payable. Accordingly, the SPC may be obliged to pay taxes that will decrease the NAV.

The SPC may redeem the ETNs prior to the Maturity Date by exercising its Early Termination Right

On any Business Day, the SPC may elect to redeem all, but not less than all, of the outstanding ETNs with not less than 60 calendar days' prior notice by exercising its Early Termination Right. If the SPC elects to redeem your ETNs pursuant to the exercise by the SPC of its Early Termination Right, you may not be able to reinvest at comparable terms or returns.

Risk of changing interest rates

The value of the Underlying Fund may decline when interest rates fall or rise. This decline can occur because the Underlying Fund may subsequently invest in interest-sensitive assets.

You have no rights or interests in any Units

Investing in the ETNs will not make you a holder of any rights or interests in the Underlying Fund (including the Units). Neither you nor any other holder or owner of the ETNs will have any voting rights, any right to receive fixed dividends or other distributions or any other rights with respect to the Underlying Fund (including the Units). Accordingly, the return on your ETNs may not reflect the return you would realise if you actually owned the Units.

The market value of the ETNs may be influenced by many unpredictable factors

The market value of your ETNs may fluctuate greatly during the term of the ETNs. Generally, the value of the Units will affect the market value of the ETNs more than any other factor. Other factors that may influence the market value of the ETNs include:

- the volatility of the Underlying Fund (i.e., the frequency and magnitude of changes in the value of the Underlying Fund);
- the market price of the Units;
- the volatility, earnings, financial conditions, corporate, industry and regulatory developments, and other events affecting the companies whose common shares, preferred stock or debt instruments are included in the Underlying Fund;
- the prevailing prices and yields for the Units;
- the time remaining to the maturity of the ETNs;
- the supply and demand for the ETNs, including to the extent such supply and demand may be affected by inventory positions held by the SPC or any market maker;
- the economic, financial, political, regulatory, geographical, agricultural, judicial, military, public health, environmental or other events that affect the value of the Underlying Fund, or that affect markets generally; and
- the actual and perceived creditworthiness of the SPC.

These factors interrelate in complex ways, and the effect of one factor on the market value of your ETNs may offset or (as the case may be) amplify the effect of other factors.

The liquidity of the market for the ETNs may vary materially over time and may be limited

As stated in this Prospectus, the SPC sold the Initial Amount of the ETNs to the Investment Adviser. Additional ETNs may also be offered and sold from time to time by the SPC to Authorised Participants. In addition, the number of ETNs outstanding or held by persons other than affiliates of the SPC could be reduced at any time due to redemptions of the ETNs. The SPC may suspend or cease sales of the ETNs at any time, at its sole and absolute discretion. Accordingly, the liquidity of the market for the ETNs could vary materially over the term of the ETNs. Only the Authorised Participants may request redemption of the ETNs prior to their maturity, and the Redemption is subject to the conditions and procedures described elsewhere in this Prospectus.

Changes that affect the calculation of the NAV will affect the market value of the ETNs and the Settlement Amount

The amount payable on the ETNs and their market value could be affected if trading/redemption in the Units is suspended or cancelled, in which case it may become difficult to determine the market value of the ETNs. If events such as these occur, or if the value of the Underlying Fund is not available because of a market disruption event or for any other reason, the SPC will make a good faith estimate at its sole and absolute discretion in its calculation of the NAV.

Historical values of the Underlying Fund should not be taken as an indication of future performance during the term of the ETNs

The actual performance of the Underlying Fund over the term of the ETNs, as well as the amount payable at maturity, upon early Redemption or upon the exercise by the SPC of its Early Termination Right, may bear little relation to the historical performance of the Underlying Fund. As a result, it is impossible to predict whether the price of the ETNs will rise or fall.

There may not be an active trading market in the ETNs on AIX with prohibited sales on the over-the-counter market

The ETNs are traded only on AIX. Despite the actions and efforts of AIX to intensify trading and the presence of a market maker, there can be no assurances that active trading on AIX will exist with significant liquidity. Even if active trading on AIX will exist, it may not provide significant liquidity or trade at prices advantageous to you. As a result, if you sell your ETNs on AIX, you may have to do so at a discount from your initial purchase price and you may suffer significant losses.

KEY INFORMATION ON THE ADMISSION TO TRADING

Under which conditions and timetable can I invest in the Notes?

The ETNs are listed and admitted to trading on AIX on December 25, 2020.

Why is this Prospectus being produced?

This Prospectus has been produced for the ETNs to be admitted to trading on AIX. Besides, in accordance with AIFC Market Rules, SPC may not offer additional ETNs, unless there is an approved prospectus, which is not older than 12 months as at a respective placement date; therefore the SPC shall update the Prospectus from time to time.

Conflicts of Interest

Disclosures on affiliated companies within AIX group.

AIX FM is a wholly-owned subsidiary of AIX and acts as a Management company of SPC and enters into all necessary agreements in this Prospectus on behalf of SPC. Whereas, AIX CSD, AIX Registrar and AIX MLS are wholly-owned subsidiaries of AIX and may from time to time act as administrator, registrar, transfer-agent, representative or otherwise as may be required from time to time in relation to this Prospectus, or be otherwise involved in or with other funds and clients which have similar investment objectives to those of SPC. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the SPC. Each of these companies will, at all times, have regard in such event to its obligations to the SPC and will endeavor to ensure that such conflicts are resolved fairly and taking into account interests of the investors. Each of these companies has measures in place to minimize potential conflicts of interest.

The services of companies provided to the SPC are not deemed to be exclusive and each of these companies shall be free to render similar services to others so long as its services hereunder are not impaired thereby and to retain for its own use and benefit all fees and other money payable thereby and companies shall not be under any duty to disclose to the SPC any fact or thing which comes to the notice of companies in the course of it rendering similar services to others or in the course of its business in any other capacity or in any manner whatsoever otherwise than in the course of carrying out its duties under contracts with SPC.

Conflicts of interest may also arise due to the widespread business operations of companies and their connected persons (CEO, CFO, Directors). The foregoing parties may effect transactions where those conflicts arise and shall not, subject to the terms of contracts be liable to account for any profit, commission or other remuneration arising. However, all transactions carried out by or on behalf of SPC will be on arm's length terms.

In the event that any conflicts of interest arises, each company will, at all times, have regard in such event to its obligations under contracts and, in particular, to its obligations to act in the best interests of the SPC and the ETN holder (s) so far as practicable. Companies will endeavor to ensure that such conflicts are resolved fairly and taking into account interests of the investors.

Disclosures on conflict of interest related to the activity of the Investment Adviser.

Freedom Finance JSC currently acts as a market maker for the Underlying Fund on the Kazakhstan Stock Exchange and on AIX. It is, therefore, possible that in the course of business Freedom Finance JSC and Investment Adviser may have potential conflicts of interest with the SPC. Each of these companies will, at all times, have regard in such event to its obligations to the SPC and will endeavor to ensure that such conflicts are resolved fairly and taking into account interests of investors. Each of these companies has measures in place to minimize potential conflicts of interest.

Use of Proceeds

The net proceeds of the issue of the Notes will be used by the Issuer for investments in the Permitted Assets only.

Estimated Expenses

It is expected but not guaranteed that the Expenses, including the Investment Advisory Fee, shall not exceed the Total Expense Ratio.

As of the date of this Prospectus, the Investment Adviser decided that the Total Expense Ratio shall be nil.

This effectively means that as of the date of this Prospectus the Investment Adviser is responsible for discharging all of the Expenses of the SPC out of the Investment Adviser's own assets. If this arrangement changes, a situation is possible

in which the Expenses of the SPC will be paid at the expense of the SPC's assets. In such a case, the effect of the SPC paying the Expenses at the expense of its assets is to reduce the NAV.

NET ASSET VALUE

As at the date of this Prospectus, the Net Asset Value was equal to 19.35 USD and consist of the following:

Date December 13, 2021

Type of asset	Value, USD
Cash	0.00
Units (18 000 Units in a closed-end unit investment fund of market financial instruments "Fund of Initial Public Offerings")	348,300.00
Gross asset value	348,300.00
Total accrued Expenses for account of ETN Holders	0.00
NAV	348,300.00
NAV per ETN (with 18 000 ETNs outstanding as at the date of this Prospectus)	19.35

Historical Net Asset Value (since inception, end of month values):

Month	NAV per ETN, USD	Month	NAV per ETN, USD
24 December 2020	28.71	December 2021	29.64
December 2020	30.80	January 2022	23.72
January 2021	36.53	February 2022	23.22
February 2021	41.77	March 2022	25.00
March 2021	36.50	April 2022	22.28
April 2021	32.51	May 2022	19.46
May 2021	32.94	June 2022	18.62
June 2021	39.09	July 2022	20.71
July 2021	36.60	August 2022	21.53
August 2021	34.06	September 2022	20.64
September 2021	33.10	October 2022	21.91
October 2021	30.45	November 2022	18.88
November 2021	31.23		

GENERAL TERMS OF THE NOTES

The following are general terms of the ETNs and other considerations you should take into account when deciding whether to invest in the ETNs.

The Notes	Freedom Finance IPO Fund Exchange Traded Notes due August 30, 2034 ISIN: KZX000000591
Issue Price	The value and price of the ETNs are subject to change on a daily basis as described in more detail on pages 15 to 22 of this Prospectus
Currency and denomination of the Notes	The base currency of the ETNs is U.S. Dollars (U.S.\$) and the nominal value of the ETNs shall be expressed in U.S. Dollars (U.S.\$). The initial nominal value of one ETN calculated as at the date of the initial Prospectus dated December 14, 2020 was equal to 28,79 U.S. Dollars (U.S.\$). This nominal value is not a principal amount and, accordingly, does not provide the ETN Holder with a right to claim this amount from the SPC. The value and price of the ETNs are subject to change on a daily basis, as described in more detail on pages 15 to 22 of this Prospectus.
The number of Notes issued and their term	Number of ETNs issued as at the date of this Prospectus: 18 000. The Issuer may issue additional ETNs and/or redeem the issued ETNs as further described in this Prospectus. Term of the Notes: 13 years 8 months from the date of issuance of the ETNs, subject to the right of the Authorised Participant to require the SPC to redeem the ETNs, the right of the SPC to exercise its Early Termination Right or (as the case may be) the right of the SPC to extend the term of the ETNs, each as described on pages 15 to 22 of this Prospectus.
The rights attached to the Notes	Each ETN Holder is eligible to receive the Settlement Amount on the Maturity Date, subject to certain conditions being satisfied, as described in more detail on page 20 of this Prospectus.
Issue Date	December 14, 2020. The SPC is obliged to disclose all further issuances of ETNs on AIX.
Maturity Date	August 30, 2034
Interest Rate and Interest Payment Dates	The ETNs bear floating coupon rate directly linked to the cash dividends received by the SPC after deductions in relation to the Units owned by the SPC. Coupon Payment Date is any date being a Business Day within 2 Business Days following the date on which the SPC will receive cash dividends related to the securities of the Underlying Fund.
Transferability	The ETNs are freely transferable in accordance with the relevant legislation of the AIFC provided that transfer transactions are carried out on AIX only (except for transactions between the SPC and Authorised Participant, which are effected off-exchange).
Ranking of ETNs	The ETNs constitute direct, unconditional, and unsecured obligations of the Issuer and rank and will rank: (i) <i>pari passu</i> , without any preference among themselves; and (ii) as senior debt with preference over all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in each case, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

What are the ETNs and how do they work?

The ETNs are unsecured senior debt obligations of Fund of Initial Public Offerings SPC Limited, a special purpose company governed by the AIFC Special Purpose Company Rules (AIFC Rules No. GR0001 of 2017) and incorporated in the AIFC (the “SPC”). The assets of the SPC are a combination of units in the Underlying Fund (the “Units”) and cash in the U.S. Dollars and/or Kazakhstani tenge in hand of the SPC and, to the extent only if they are immediately available for withdrawal or otherwise immediately available to the SPC, all deposits of the SPC with any bank/brokerage company (the “Cash”). The Cash is held in an account of the SPC with Bank CenterCredit JSC, Kazakhstan; and the Units are held in an account of the SPC with the Investment Adviser.

Over the term of the ETNs, the NAV will generally fluctuate in line with the change in value of the Underlying Fund (as explained in more detail immediately below).

Net Asset Value

The NAV equals to:

the closing price of the Unit as quoted on the Moscow Exchange as of the preceding Business Day (calculated in U.S.Dollars at the official exchange rate of the Central Bank of the Russian Federation as of the same date)

multiplied by

the number of the Units held by the SPC

plus

the Cash

plus

accrued but not received dividends and receivables

plus

any other assets

less

accrued but unpaid Expenses and the Coupon Amount

less

any other liabilities (excluding ETNs issued).

The NAV per ETN is calculated by dividing the NAV by the number of the ETNs outstanding.

The Management Company has a right, acting reasonably and prudently, to adjust the calculation of the NAV by excluding or (as the case may be) including certain items in order to determine the correct value of the assets of the SPC.

The NAV is usually calculated on each Business Day and published on the website of the Stock Exchange at www.aix.kz.

The NAV is rounded down to the nearest cent.

No interim NAV will be calculated and/or published by any person (including, without limitation, the SPC, AIX FM or AIX).

As a result of On-Going Placement(s) and Redemption(s), and the buying and selling of ETNs on AIX, it is expected (but not guaranteed) that the price of the ETNs traded on AIX will over time closely track the NAV.

Currency conversion.

The NAV is calculated and published in US Dollars (US\$). For the purposes of calculation of NAV, all assets and liabilities which are denominated in other currencies will be translated into US Dollars (US\$) at the prevailing market rates.

Permitted Assets

As of the date of this Prospectus, the SPC is entitled to hold the following assets only:

- the Units; and
- the Cash.

The Cash is held in an account of the SPC with Bank CenterCredit JSC, Kazakhstan; and the Units are held in an account of the SPC with the Investment Adviser.

Target asset allocation

The SPC's target asset allocation and asset allocation ranges as of the date of this Prospectus are set out in the table below:

Asset Class	Intended Target	Range
Units	100%	95% - 100%
Cash	0%	0% - 5%

Safekeeping of the SPC's assets

The SPC keeps the Units in the brokerage account of the SPC with the Investment Adviser in accordance with terms of brokerage account agreement № БД-85408 dated December 04, 2020 between the SPC and the Investment Adviser. The Investment Adviser keeps the Units owned by the SPC on the segregated account under the name of the SPC with Kazakhstani Central Securities Depository.

In accordance with the terms of the brokerage agreement, the Investment Adviser is liable for the safekeeping of the Units owned by the SPC and held in the SPC's brokerage account with the Investment Adviser.

The cash in the Kazakhstani tenge and U.S. Dollars is kept in the account of the SPC with Bank CenterCredit JSC, Kazakhstan.

The SPC has the right at its sole and absolute discretion to change arrangements on safekeeping of the Units and Cash (after the preliminary discussion with the Investment Adviser) and transfer all of the Units and/or Cash to another account with immediate notification to the ETN Holders.

Investment Adviser

In accordance with the Investment Advisory Agreement, Freedom Finance has agreed to act as an Investment Adviser to the SPC. In this role Freedom Finance is responsible for the determination of the investment strategy of the SPC, including the decision on the Permitted Assets.

As of the date of this Prospectus, the Investment Adviser has decided that the Permitted Assets shall include only:

- the Units, being units in closed-end unit investment fund of market financial instruments "Fund of Initial Public Offerings"; and
- the Cash.

This decision on the Permitted Assets may be changed by the Investment Adviser at any time, provided that:

- any decision to change the Permitted Assets was made by the Investment Adviser on the basis of reasonable grounds and does not contradict the law and/or interests of the ETN Holders;
- any decision to change the Permitted Assets was preliminary discussed and approved by the Management Company; and
- the SPC informed the ETN Holders about the planned change of the Permitted Assets at least 60 calendar days before the date of the change of the Permitted Assets.

In return for its services, the Investment Adviser is entitled to receive the Investment Advisory Fee.

The Investment Advisory Fee is accrued on a daily basis. The Investment Advisory Fee is calculated as a positive or negative difference of (i) an amount equal to the Total Expense Ratio multiplied by the NAV averaged over that year'; over (ii) the Expenses accrued over that year. For the avoidance of doubt, if the difference is negative, the Investment Adviser shall not be entitled to any Investment Advisory Fee and obliged to pay the SPC the amount of such negative difference.

As of the date of this Prospectus, the Investment Adviser decided that the Total Expense Ratio shall be nil. This effectively means that as of the date of this Prospectus the Investment Advisory Fee is negative.

If the Investment Adviser has failed to comply with its obligations hereunder, including, but not limited to, to cover the Expenses, it shall not be entitled to any Investment Advisory Fee and the SPC will use its Permitted Assets to pay out its Expenses.

Expenses

The SPC is paying the following Expenses:

- Investment Advisory Fee; and
- other expenses.

It is expected but not guaranteed that the Expenses, including the Investment Advisory Fee, shall not exceed the Total Expense Ratio.

The Investment Advisory Fee is described above.

The other expenses include all costs, charges, fees and expenses incurred in the operation of the SPC, including but not limited to the transactional costs, banking costs, brokerage costs, borrowing costs, the costs and expenses of obtaining

and maintaining authorisations or registrations with regulatory authorities, professional fees, expenses for auditing, interest payments and other fees.

The SPC and the Investment Adviser has agreed that all agreements that imply any obligation of the SPC to pay any fee shall be approved in writing by the Investment Adviser, prior to its execution.

In addition, the SPC may, in exceptional circumstances, pay costs that relate to the ETNs that arise outside of agreements and the ordinary course of business such as taxes, litigation expenses and any other extraordinary expenses.

Total Expense Ratio

The Total Expense Ratio is a measure denoted as a percentage of total annualized Expenses, including all fees and costs, accrued on a daily basis, to the NAV averaged over that year.

The Investment Adviser is responsible for the determination of the Total Expense Ratio.

As of the date of this Prospectus, the Investment Adviser decided that the Total Expense Ratio shall be nil.

This effectively means that as of the date of this Prospectus the Investment Adviser is responsible for discharging all Expenses and costs of the SPC out of its own assets.

This decision on the size of the Total Expense Ratio may be changed by the Investment Adviser at any time, provided that:

- at any time the Total Expense Ratio cannot exceed one percent;
- the Investment Adviser has notified the SPC within the reasonable timeframe to enable the SPC to inform the ETN Holders about the planned change of the Total Expense Ratio at least 60 calendar days before the date of the change of the Total Expense Ratio.

In case if the Investment Adviser determined the Total Expense Ratio greater than nil and the Expenses accrued during a respective period exceed the Total Expense Ratio, the Investment Adviser is responsible for discharging this difference (excess of such Expenses over the Total Expense Ratio).

In case if the Investment Adviser has failed to comply with its obligations, including, but not limited to, to cover the Expenses, then the SPC has a right to:

- sell the Units and/or use the Cash to pay its Expenses;
- enforce its Early Termination Right.

In case of such failure, the Expenses of the SPC may exceed the Total Expense Ratio and will be deducted by the SPC from, and reflected in the value of, the SPC and, accordingly, the NAV. The effect of the SPC paying Expenses out of the SPC's assets, which are the Units and Cash, is therefore to reduce the NAV.

Coupon Amount

For avoidance of doubt, the Coupon Amount and any withholding (or other taxes) associated with the net cash dividends related to the Units will not be included in expenses for the purpose of calculation of the Total Expense Ratio.

Any withholding (or other taxes) associated with the net cash dividends related to the Units owned by the SPC will decrease the Coupon Amount and will not affect the NAV.

Dividends and distributions received from the Units

The net cash dividends in the U.S. Dollars actually received by the SPC related to the Units owned by the SPC will be distributed to the ETN Holders in the form of the Coupon Amount.

As soon as the SPC receive any net cash dividends from the Units owned by the SPC, the SPC shall:

- immediately announce payment of a coupon (on a Coupon Announcement Date);
- on a Coupon Payment Date pay the Coupon Amount to the ETN Holders.

The Coupon Amount may differ from the amount of dividends declared by the Underlying Fund because of possible deduction of withholding or other taxes, transactional or other costs.

In case if the SPC will receive cash dividends in currency other than the U.S. Dollars or the SPC will receive other distributions (not in cash), the SPC has a right to take any reasonable actions to convert all and any cash dividends or

other distributions received not in cash in the U.S. Dollars and distribute it to the ETN Holders on the next Coupon Payment Date (or any other date chosen by the SPC).

The ETN Holders eligible to receive the Coupon Amount will be the holders as of the Coupon Record Date based on the information provided by AIX Registrar to the SPC.

In case if the SPC will receive any cash dividends or other distributions related to the Units owned by the SPC after the Maturity Date and/or Redemption Date, they will be distributed to the ETN Holders in the same manner (with the Maturity Date as a Coupon Record Date).

Placement of ETNs

The SPC will issue and place new ETNs via On-Going Placements.

Initial Placement

The Initial Placement of the ETNs carried out via direct subscription by the Investment Adviser pursuant to and in accordance with the terms and conditions of the Initial Purchaser Agreement.

Under the Initial Purchaser Agreement, in December 2020, the Investment Adviser purchased the ETNs in exchange for the Units with approximate value of 500,000 U.S. Dollars. The Investment Adviser provided 18 000 Units to the SPC, and the SPC issued 18 000 ETNs and provided it to the Investment Adviser.

The amount of the Initial Placement – 18 000 ETNs.

Following the Initial Placement, ETNs are eligible for any public market sales; and the terms and conditions of the Initial Purchaser Agreement are not applicable to any on-sale.

On-Going Placements

All On-Going Placements shall be carried out via transactions with Authorised Participants in exchange for the Units in an amount not less than the Creation Amount.

The SPC has absolute discretion to accept or reject in whole or in part any Placement Notice for the ETNs. In addition, the SPC may impose such restrictions as it believes at its sole and absolute discretion that are necessary to ensure compliance with applicable legislation and anti-money laundering procedures.

The SPC has a right to modify the Creation Amount at its sole and absolute discretion at any time with prior written notification to the Authorised Participants published on the website of the Stock Exchange at www.aix.kz.

Procedure for On-Going Placement

On any Business Day the Authorised Participant may:

- submit to the SPC an irrevocable Placement Notice;
- transfer to the SPC the Units and/or Cash to its account with the Investment Adviser in the volume specified in the Placement Notice.

The SPC shall receive the Placement Notice not later than 12 p.m. on this Business Day and confirm to the Authorised Participant that its Placement Notice will be satisfied.

Only integral number of the Units will be accepted by the SPC in any Placement Notice.

On the same Business Day, the Authorised Participant shall transfer the Units and/or Cash to the SPC's account with the Investment Adviser and ensure that the SPC have received these Units and/or Cash not later than 3 p.m. on that day.

Upon receipt of the Units, the SPC shall immediately issue and transfer the ETNs to the Authorised Participant, to its account with AIX CSD.

The number of ETNs issued and provided to the Authorised Participant is calculated based on the proportion of the Units owned by the SPC prior to the Placement Notice to the Units received from the Authorised Participant.

The ETNs purchased by the Authorised Participants as part of the On-Going Placement(s) may be sold by the Authorised Participants on AIX only.

Upon completion of the On-Going Placement, ETNs are eligible for any public market sales; and the terms and conditions of the Authorised Participant Agreement are not applicable to any on-sale.

Any legal entity may apply for an Authorised Participants status to the SPC if such entity indicates its willingness to so participate and the Investment Adviser has agreed with the attraction of such new Authorised Participants.

Market Making

The Authorised Participant is also acts as a market maker for ETNs on the Stock Exchange. Such activity is performed in accordance with a market maker agreement signed between the Authorised Participant and the Stock Exchange.

A market maker is performing market making activities providing two-way bid and ask quotes in relation to the ETNs on AIX with the principal purpose, among others, of providing liquidity and facilitating a reliable price formation process in respect of the ETNs on AIX.

Settlement Amount

The Settlement Amount is a combination of the Units and Cash owned by the SPC less accrued but unpaid Expenses (if any); the Settlement Amount per ETN is equal to the Settlement Amount divided by the ETNs outstanding.

Accrued but unpaid Expenses (if any) will be deducted from the amount of Cash due to the ETN Holder. If the amount of Cash due to the ETN Holder is less than the amount of accrued but unpaid Expenses, then the SPC will decrease the number of the Units that are due to such ETN Holder and increase the Cash due to such ETN Holder, from which the accrued but unpaid Expenses will then be paid in full.

In case if the ETN Holder is unable to receive the Units for any reason, then, the SPC, acting on its sole discretion and if instructed so by such ETN Holder, may sell the Units and receive cash in return. In this case the SPC is obliged to return to such ETN Holder the same amount of cash received less any banking and brokerage fees.

Maturity Date

On the Maturity Date the SPC will pay the Settlement Amount to the ETN Holders in accordance with instructions received from the ETN Holders.

The Settlement Amount will be transferred to the ETN Holders appearing on the register of the ETN Holders provided by AIX Registrar as at the Maturity Date.

On the Maturity Date, the SPC will request that AIX Registrar cancel all of the outstanding ETNs.

Each ETN Holder will be required to provide its banking and securities accounts details not later than 30 calendar days before the Maturity Date. Such instructions shall be submitted via brokerage companies being the participants of AIX CSD.

In the event no details of either a securities account or bank account are provided to the SPC within the required time period or such instructions are missing or include inaccurate information or (as the case may be) such instructions lack the required information, the Units and/or Cash will be retained by the SPC in escrow. Such unclaimed Units will be redeemed or sold after 30 calendar days following the Maturity Date and the monies received from such sale will be held to the order of the relevant ETN Holder together with such other retained Cash, in each case to the extent permissible under applicable law and until such time as such ETN Holder claims such monies and the retained Cash.

Early Termination Right

With 60 calendar days' notice, on any Business Day through and including the Maturity Date, the SPC, at its sole and absolute discretion, may redeem all, but not less than all, of the issued and outstanding ETNs. Such redemption will be effected by the SPC by declaration of a new Maturity Date and respective actions to be undertaken in accordance with procedures described for the Maturity Date.

Any such notification by the SPC of the Early Termination Right is irrevocable.

Upon execution of the Early Termination Right, each ETN Holder will receive the Settlement Amount, which will be calculated as described above. If the amount so calculated is less than zero, the Settlement Amount will be zero.

Redemption

The Authorised Participant may submit an irrevocable request in accordance with and pursuant to the Authorised Participant Agreement (the "**Redemption Notice**") requiring the SPC to redeem the ETNs provided that any such Redemption Notice is in an amount not less than the Redemption Amount.

Such Redemption Notice shall be submitted to the SPC on any Business Day not later than 12 p.m.

Once the Redemption Notice has been confirmed, such Authorised Participant shall transfer the ETNs to the SPC (in the amount specified in the Redemption Notice) and ensure that the SPC receives such ETNs not later than 3 p.m.

Each Redemption Notice shall contain bank and securities accounts details.

Upon the receipt of the ETNs, the SPC shall calculate the number of the Units (corresponding to the number of the ETNs redeemed) and transfer these Units to the Authorised Participant (together with a portion of the Cash held by the SPC prior to the Redemption request, which is calculated in an equal proportion to the ETNs submitted for redemption) and require AIX Registrar to cancel the ETNs redeemed.

No Redemption Notice will be accepted during the period of 30 (thirty) calendar days prior to the Maturity Date.

Default/Liquidation of the Underlying Fund

Since the obligations of the SPC is to return the Units to the ETN Holders, in case if the Underlying Fund will default or will be liquidated/suspended due to any reasons or decide to liquidate itself, then the SPC shall immediately declare Early Termination and pay to the ETN Holders the Settlement Amount (which in this case might be the Units, a mix of the Units and Cash, only the Cash, or other distributions received from the Underlying Fund).

In any case the liability of the SPC towards the ETN Holders is limited only to the amount it has actually received from the Underlying Fund for the Units it owns less any Expenses accrued and/or incurred by the SPC.

Borrowing

The SPC does not intend to borrow money. However, the SPC may borrow money for working capital purposes only and with prior written consent of the Investment Adviser. It is anticipated that, under normal market conditions, any borrowing by the SPC in aggregate will not exceed 3 (three) percent of the SPC's NAV.

Extension of the ETNs' term

The SPC may at any time with the prior written consent of the Investment Adviser extend the maturity of the ETNs with 60 days prior written notification to the ETN Holders by means of notification on the website of the Stock Exchange at www.aix.kz.

Other than the extension of the Maturity Date, all of the other terms of the ETNs will remain the same.

Listing on the Stock Exchange

The ETNs are listed on the official list of AIX and admitted to trade on AIX.

The SPC will use all of its reasonable efforts to maintain the listing on AIX, but no assurance can be given that the listing on AIX will be maintained. In case if the listing of the ETNs on AIX is cancelled or suspended for any reason, the SPC is obliged to declare the Early Termination of all of the ETNs outstanding.

Limitation of the liability of the SPC, Management Company, and Stock Exchange

No obligation lies with the SPC towards the ETN Holders, except the obligation to repay the ETNs by paying the Settlement Amount, which is the Units (with possible supplement of the Cash). The ETNs bear no principal or face value; therefore, the SPC is not obliged to pay any amount in cash.

The SPC is managed by the Management Company as described on pages 32 to 33 of this Prospectus. In accordance with the Management Agreement concluded between the SPC and the Management Company, the Management Company is not liable for any obligations of the SPC and liability of the Management Company is limited only to direct losses of the SPC arisen as a result of willful misconduct and gross negligence by the Management Company.

The Stock Exchange being the ultimate beneficiary owner of the SPC and the Management Company has no obligations or any other liability towards the ETN Holders.

Information published by the SPC

The SPC is publishing the following information on a daily basis on the Stock Exchange's website at www.aix.kz:

- the NAV; and
- the amount of the Cash and Units

Notification to ETN Holders

All notifications to the ETN Holders as well as publication of an annual report and other information concerning the SPC carried out via notifications on the website of the Stock Exchange at www.aix.kz. The SPC can change the notification method with 30 calendar days' prior notice to the ETN Holders, such notification is to be published on the website of the Stock Exchange at www.aix.kz.

Inquiries of ETN Holders

All inquiries and requests of and from the ETN Holders (except notification of the Settlement Amount) shall be sent to the registered post address of the SPC as follows: Mangilik El 55, building 19, Astana, Kazakhstan, to the attention of Fund Operation.

Base of calculation

For all calculations involving the number of days in a year, a calendar year of 365/366 days shall apply.

Changes to this Prospectus

The SPC may amend or change this Prospectus at any time with the prior written consent of the Investment Adviser by the issuance of a supplementary prospectus.

RISK FACTORS

Your investment in the ETNs will involve risks. The ETNs are not secured debt and are riskier than ordinary unsecured debt securities. As described in more detail below, the trading price of the ETNs may vary considerably before the Maturity Date due to, among other things, fluctuations in the markets on which the Underlying Fund and/or its assets are traded and other events that are difficult to predict and beyond control of the SPC. Investing in the ETNs is not equivalent to investing directly in the Underlying Fund. This Section of this Prospectus describes the most significant risks relating to an investment in the ETNs.

The SPC urges you to read the following information about these risks, together with the other information in this Prospectus, before investing in the ETNs.

RISK FACTORS RELATED TO THE ETNs

The ETNs may not be a suitable investment for you if:

- You do not seek an investment with a return linked to the performance of the Underlying Fund which invest in various assets, including securities.
- You believe that the price of the Units will decline during the term of the ETNs or the price of the Underlying Fund will not increase by an amount sufficient to meet your investment objectives.
- You do not understand that the trading price of the ETNs at any time may vary significantly from the NAV and that paying a premium purchase price over the NAV could lead to significant losses in the event you sell the ETNs at a time when such premium is no longer present in the market place or (as the case may be) the SPC exercises its Early Termination Right.
- You are not willing to accept the risk that you may lose some or all of your investment.
- You are not willing to actively and frequently monitor your investment in the ETNs.
- You do not have sufficient knowledge and experience to evaluate how the ETNs may perform under different conditions or the merits and risks of an investment in the ETNs.
- You do not understand the terms of the investment in the ETNs or are not familiar with the behavior of the Underlying Fund or financial markets generally.
- You are not willing to hold securities that may be redeemed early by the SPC pursuant to the exercise of its Early Termination Right.
- You are not willing to accept the risk that the price at which you are able to sell the ETNs may be significantly less than the amount you invested.
- You do not have sufficient financial resources and liquidity to bear the risks of an investment in the ETNs, including the risk of loss of such investment.
- You are not comfortable with creditworthiness of the SPC as an issuer of the ETNs.

Investors considering purchasing the ETNs should reach an investment decision only after carefully considering the suitability of the ETNs in light of their particular circumstances.

Risk related to the Units

Russia's recent actions towards Ukraine has resulted in sanctions against Russian governmental institutions, Russian entities, and Russian individuals that may result in the devaluation of Russian currency; a downgrade in the country's credit rating; a freeze of Russian foreign assets; a decline in the value and liquidity of Russian securities, properties, or interests; and other adverse consequences to the Russian economy and Russian assets. Sanctions imposed on the Russian stock market infrastructure providers and Russian counter sanctions could significantly impair or totally restrict operations with Units, that could lead to inability of the SPC to redeem or create ETNs, sell, buy, transfer Units.

You may lose some or all your investment

The ETNs are fully exposed to any decline in the Underlying Fund. If the price of the Units on the date of your sale is less than the price of the Units at the date of your purchase, and taking into account any coupon payments received by you, you will lose some or all of your investment at maturity, upon Redemption or upon exercise by the SPC of its Early Termination Right (as the case may be).

The NAV on the Maturity Date or the Redemption Date may be less than the NAV on the date of your purchase

The NAV on the Maturity Date or the Redemption Date may be less than the NAV on the date of your purchase because the NAV is calculated based on the price of the Units on each Business Day less accrued but unpaid Expenses.

The ETNs bear a floating coupon

There is no guaranteed or fixed coupon attached to the ETNs. The ETNs are bearing a floating coupon, which directly linked to the cash dividends on the Units received by the SPC after deductions. In case if the Underlying Fund will stop paying dividends, then the Coupon Amount will be zero.

Amount of coupon paid may not be equal to the amount of dividends declared by the Underlying Fund

Any coupon paid by the SPC on the ETNs is paid out of net cash dividends actually received by the SPC after the deduction of taxes and transactional costs. Thus, Coupon Amount may be lower than the amount of dividends declared and paid by the Underlying Fund.

Tax implications if the ETNs are excluded from the official list of the Stock Exchange

If the ETNs are excluded from the official list of AIX, all income on the ETNs will be subject to taxation based on the Kazakhstan Tax Code. Although the SPC will use its best efforts to maintain the ETNs on the official list of AIX, in circumstances where this is not possible, the exclusion of the ETNs from the official list of AIX may negatively affect the tax position of the ETN Holders for tax purposes, as well as their market price.

Tax on revenues from the Units owned by the SPC may reduce the NAV

In certain circumstances, the SPC may sell the Units it owns to cover its Expenses. Besides, the redemption of ETNs is reflected as a sale of the Shares. In circumstances where the difference between the price of sale and the initial price of the Units is positive, such a positive amount will be included in the aggregate annual income of the SPC according to the applicable Kazakhstan tax legislation. Also, the SPC as an owner of Shares may receive dividends or other distributions from the Underlying ETF less possible deductions (taxes, transactional fees, etc.). Such dividends and distributions received will be included in the aggregate annual income of the SPC. It is not guaranteed that, at the end of the calendar year, the deductible expenses of the SPC will be higher than the aggregate annual income and there will be no corporate income tax payable. Accordingly, the SPC may be obliged to pay taxes that will decrease the NAV.

The SPC may redeem the ETNs prior to the Maturity Date by exercising its Early Termination Right

On any Business Day, the SPC may elect to redeem all, but not less than all, of the outstanding ETNs with not less than 60 calendar days' prior notice by exercising its Early Termination Right. If the SPC elects to redeem your ETNs pursuant to the exercise by the SPC of its Early Termination Right, you may not be able to reinvest at comparable terms or returns.

Risk of changing interest rates

The value of the Underlying Fund may decline when interest rates fall or rise. This decline can occur because the Underlying Fund may subsequently invest in interest-sensitive assets.

You have no rights or interests in any Units

Investing in the ETNs will not make you a holder of any rights or interest in the Underlying Fund (including the Units). Neither you nor any other holder or owner of the ETNs will have any voting rights, any right to receive fixed dividends or other distributions or any other rights with respect to the Underlying Fund (including the Units). Accordingly, the return on your ETNs may not reflect the return you would realise if you actually owned the Units.

The market value of the ETNs may be influenced by many unpredictable factors

The market value of your ETNs may fluctuate greatly during the term of the ETNs. Generally, the value of the Units will affect the market value of the ETNs more than any other factor. Other factors that may influence the market value of the ETNs include:

- the volatility of the Underlying Fund (i.e., the frequency and magnitude of changes in the value of the Underlying Fund);
- the market price of the Units;
- the volatility, earnings, financial conditions, corporate, industry and regulatory developments, and other events affecting the companies whose common shares, preferred stock or debt instruments are included in the Underlying Fund;
- the prevailing prices and yields for the Units;
- the time remaining to the maturity of the ETNs;
- the supply and demand for the ETNs, including to the extent such supply and demand may be affected by inventory positions held by the SPC or any market maker;
- the economic, financial, political, regulatory, geographical, agricultural, judicial, military, public health, environmental or other events that affect the value of the Underlying Fund, or that affect markets generally; and
- the actual and perceived creditworthiness of the SPC.

These factors interrelate in complex ways, and the effect of one factor on the market value of your ETNs may offset or (as the case may be) amplify the effect of other factors.

The liquidity of the market for the ETNs may vary materially over time and may be limited

As stated in this Prospectus, the SPC sold the Initial Amount of the ETNs to the Adviser. Additional ETNs may also be offered and sold from time to time by the SPC to Authorised Participants. In addition, the number of ETNs outstanding or held by persons other than the affiliates of the SPC could be reduced at any time due to redemptions of the ETNs. The SPC may suspend or cease sales of the ETNs at any time, at its sole and absolute discretion. Accordingly, the liquidity of the market for the ETNs could vary materially over the term of the ETNs. Only the Authorised Participants may request redemption of the ETNs prior to their maturity, and the Redemption is subject to the conditions and procedures described elsewhere in this Prospectus.

Changes that affect the calculation of the NAV will affect the market value of the ETNs and the Settlement Amount

The amount payable on the ETNs and their market value could be affected if trading in the Units is suspended or cancelled, in which case it may become difficult to determine the market value of the ETNs. If events such as these occur, or if the value of the Underlying Fund is not available because of a market disruption event or for any other reason, the SPC will make a good faith estimate at its sole and absolute discretion in its calculation of the NAV.

Historical values of the Underlying Fund should not be taken as an indication of future performance during the term of the ETNs

The actual performance of the Underlying Fund over the term of the ETNs, as well as the amount payable at maturity, upon early Redemption or upon the exercise by the SPC of its Early Termination Right, may bear little relation to the historical performance of the Underlying Fund. As a result, it is impossible to predict whether the price of the ETNs will rise or fall.

There may not be an active trading market in the ETNs on AIX with prohibited sales on the over-the-counter market

The ETNs are to be traded only on AIX. Despite the actions and efforts of AIX to intensify trading and the presence of a market maker, there can be no assurances that active trading on AIX will exist with significant liquidity. Even if active trading on AIX will exist, it may not provide significant liquidity or trade at prices advantageous to you. As a result, if you sell your ETNs on AIX, you may have to do so at a discount from your initial purchase price and you may suffer significant losses.

The SPC may sell the additional ETNs, but the SPC is under no obligation to issue or sell the additional ETNs at any time. If the SPC sells the additional ETNs, the SPC may limit or restrict such sales, and the SPC may stop and subsequently resume selling the additional ETNs at any time

In its sole discretion, the SPC may decide to issue and sell the additional ETNs from time to time. Trades of the ETNs will be made at market prices prevailing at the time of sale. Additionally, any ETNs held by the SPC or an affiliate in inventory may be resold at prevailing market prices or lent to market participants who may have made short sales of the ETNs. However, the SPC is under no obligation to issue or sell the additional ETNs at any time, and if the SPC sells the additional ETNs, the SPC may limit or restrict such sales, and the SPC may stop and subsequently resume selling the additional ETNs at any time. The SPC may stop selling the additional ETNs for any reason. Furthermore, unless the SPC indicates otherwise, if the SPC suspends selling the additional ETNs, the SPC reserves the right to resume selling the additional ETNs at any time, which might result in the reduction or elimination of any premium in the trading price.

Suspension of additional issuances of the ETNs can also result in a significant reduction in the number of the outstanding ETNs if the Authorised Participants subsequently exercise their right to have the ETNs redeemed by the SPC. If the total number of the outstanding ETNs has fallen to a level that is close to or below the Redemption Amount, the Authorised Participant may not be able to purchase enough ETNs to meet the minimum size requirement in order to exercise its right of Redemption. The unavailability of this right can result in the ETNs trading in the secondary market at discounted prices below the NAV. Having to sell your ETNs at a discounted sale price below the NAV could lead to significant losses. Prior to making an investment in the ETNs, you, together with your financial adviser, should consider whether the trading price is tracking the NAV.

The NAV and the Settlement Amount are not the same as the closing price or any other trading price of the ETNs in the secondary market

The NAV and Settlement Amount are not the same as the closing price or any other trading price, which is the price at which you may be able to sell your ETNs on AIX. The NAV and Settlement Amount are in the form of the Units (with possible supplement of the Cash) and are calculated as described in this Prospectus.

The trading price of the ETNs at any time is the price at which you may be able to sell your ETNs on AIX. In the absence of an active secondary market for the ETNs on AIX, the last reported trading price may not reflect the actual price at which you may be able to sell your ETNs at a particular time. The trading price of the ETNs at any time may vary significantly from the NAV or Settlement Amount at such time due to, among other things, imbalances of supply and demand, lack of liquidity, transaction costs, credit considerations and bid-offer spreads. Paying a premium purchase price over the indicative value of the ETNs could lead to significant losses in the event you sell your ETNs at a time when such premium is no longer present in the market or the ETNs are called. The SPC may, without providing you notice or

obtaining your consent, create and issue the ETNs in addition to those offered by this Prospectus having the same terms and conditions as the ETNs. However, the SPC may suspend issuance of the new ETNs at any time without providing you notice or obtaining your consent. If the SPC limits, restricts or stops sales of such additional ETNs, or if the SPC subsequently resumes sales of such additional ETNs, the trading price and liquidity of the ETNs in the secondary market could be materially and adversely affected, including an increase or decline in the premium purchase price of the ETNs.

Business activities of the SPC or its affiliates may create conflicts of interest or adversely affect the market value of the ETNs

As noted above, the SPC and its affiliates may engage in trading activities related to the Underlying Fund that are not for the account of the ETN Holders or on their behalf. These trading activities may present a conflict between the ETN Holders' interests in the ETNs and the interests the SPC and its affiliates will have in their proprietary accounts, in facilitating transactions, including options and other derivatives transactions, for their customers and in accounts under their management. These trading activities, if they influence the value of the Underlying Fund, could have a material and adverse impact on the market value of the ETNs.

The ETNs are subject to the credit risk of the SPC

The ETNs are senior unsecured debt obligations of the SPC and are not, either directly or indirectly, an obligation of any third party. Any payment to be made on the ETNs, including any payment at maturity, upon Redemption or upon the exercise by the SPC of its Early Termination Right (as the case may be), depends on ability of the SPC to satisfy its obligations as they become due. As a result, any adverse changes in the market's view of creditworthiness of the SPC will affect the market value, if any, of the ETNs prior to maturity, upon Redemption or upon the exercise by the SPC of its Early Termination Right (as the case may be). In addition, in the event the SPC was to default on its obligations, you may not receive any amounts owed to you under the terms of the ETNs.

The SPC is a newly established entity with limited track record of operation

The SPC has been established on November 18, 2020 and has limited track record of operation. The SPC is a special purpose vehicle with a passive investment strategy and the asset classes in which it can invest are limited. Investments by the ETN Holders will be used by the SPC to purchase the Permitted Assets only. Accordingly, the prospects of the SPC are fully dependent on the market demand for its ETNs and the performance of the Underlying Fund.

Counterparty risk to the Investment Adviser and other custodians

The assets of the SPC in the form of the Units are entrusted to the Investment Adviser for safekeeping, as set out in further detail on pages 15 to 16 of this Prospectus. These assets should be segregated from other securities/assets of the Investment Adviser in accordance with applicable law and regulation, which mitigates but does not exclude the risk of non-restitution in case of bankruptcy of the Investment Adviser. The ETN Holders are therefore exposed to the risk of the Investment Adviser not being able to fully meet its obligation to reconstitute all of the Units in case of its bankruptcy. The Investment Adviser may not keep all of the Units owned by the SPC itself but may use a network of sub-custodians which are not always a part of the same group of companies as the Investment Adviser. The ETN Holders may be exposed to the risk of bankruptcy of the sub-custodians in circumstances in which the Investment Adviser may have no liability.

Risk related to Astana International Exchange Limited

The ETNs are expected to be listed and traded on AIX. AIX was launched in July 2018, and therefore, has a very short history of operations. Also, the infrastructure for trading on AIX and the infrastructure for settlement in AIX CSD and for registration in AIX Registrar is newly set up. No assurance can be given about acceptable trading volumes of the Notes on AIX. These factors may negatively impact the liquidity and pricing of the Notes on AIX.

Risk related to the decisions of the Investment Adviser

The Investment Adviser is responsible for the determination of the investment strategy and Permitted Assets. In certain circumstances the Investment Adviser may decide to change the Permitted Assets. Although such change in the Permitted Assets will be announced with the sufficient transition period, such decision may significantly influence the market price of the ETNs, the NAV and the market liquidity.

Risk related to possible affiliation between the Investment Adviser and the management company of the Underlying Fund

According to the information published on the website of the Investment Advisor, the Investment Adviser and Management Company East-West LLC, the management company of the Underlying Fund, belong to the same group of companies. There is also a high expected possibility of affiliation and control appearance between the companies. Although the activities of the Investment Adviser in relation to the SPC are not related to the activities of the management company of the Underlying Fund, there are certain risks associated with the fact that the quality of the Investment Advisor's decisions may be affected by possible affiliation with the management company of the Underlying Fund.

Expenses to be reimbursed by the Investment Adviser

As at the date of this Prospectus, the Investment Adviser has assumed an obligation to pay all of the Expenses of the SPC. Such Expenses may be agreed in advance between the SPC and the Investment Adviser; but some of them may be extraordinary or unpredictable expenses (such as litigation or tax expenses), that may result in an increase of the obligation of the Investment Adviser. In case if the Investment Adviser fails to reimburse such Expenses and/or decides not to reimburse such Expenses to the SPC for any reason, then the SPC may use the Cash it owns and/or sell the Units it owns to cover such Expenses. If the SPC uses its Cash and/or sells the Units it owns, this will decrease the NAV and the market price of the ETNs. If the Investment Adviser fails to reimburse the Expenses in full (provided the Total Expense Ratio is nil) or in part (provided the Total Expense Ratio is greater than nil), the Expenses of the SPC may exceed the Total Expense Ratio.

Risk related to the market maker activities

Despite the fact that as at the date of this Prospectus the market maker for the ETNs is appointed and provides bid and ask quotes for the ETNs, there can be no assurances that the volume of operations of the market maker or its conditions will satisfy the demand from investors. Taking into account that the ETNs will be traded only on AIX, in the absence of a bid and/or ask quotes from the market maker or in case of an insufficient volume of quotes from the market maker, liquidity can drop dramatically, which will also affect the market price of the ETNs.

Delisting of ETNs

According to this Prospectus, the ETNs are listed and traded on AIX only. The SPC will use all of its reasonable efforts to maintain the listing on AIX, but no assurance can be given that the listing on AIX will be maintained. In case if the listing of the ETNs on AIX is cancelled or suspended for any reason, you will not be able to sell or purchase the ETNs. Although in such case the SPC is obliged to declare the Early Termination and to redeem all of the ETNs outstanding with 60 calendar days notification, during this time, you will not be able to sell/redeem the ETNs.

Redemption of ETNs by the Settlement Amount

The ETNs will be redeemed against a payment of the Settlement Amount by the SPC. The Settlement Amount is a combination of the Units and Cash owned by the SPC, and at Maturity Date, Redemption Date, or upon the execution of the Early Repayment Right by the SPC (as the case may be) you will receive the Units of the Underlying Fund, which might not be suitable investments for you. In some cases, the ETN Holders will be required to open accounts with a relevant broker/custodian to be able to receive the Units.

Currency Strategies Risk

Currency exchange rates may fluctuate significantly over short periods of time and can be unpredictably affected by political developments or government intervention. Changes in currency exchange rates may affect the value of the investments.

Country risks

Country, regional and political risks are components of market and credit risk. Financial markets and economic conditions generally have been and may in the future be materially affected by such risks. Potential economic or political pressures in Kazakhstan, including those arising from local market disruptions, currency crises, monetary controls or other factors, may have an adverse impact on the SPC operations.

Sanctions could be imposed and have adverse effects on Kazakhstan capital market

While Kazakhstan maintains strong independent diplomatic relationships with both Russia and Ukraine and has confirmed its neutral position with respect to the war between Russia and Ukraine, Kazakhstan has significant economic and political relations with Russia. Therefore, there is also a risk that sanctions could be also imposed on Kazakhstan, which would have an adverse effect on the internal market and Kazakhstan's economy, which could, in turn, have a material adverse effect on SPC's financial condition, cash flows, results of operations and or the price of the ETNs.

RISK FACTORS RELATED TO THE UNDERLYING FUND

Below are the principal risks related to the Underlying Fund. Potential investors are urged to read the full description of risks associated with the Underlying Fund available at https://ew-mc.ru/?page_id=4 prior to the purchase of any ETNs.

Unitholders of the Underlying Fund bear the risk of losses associated with changes in the market value of the assets owned by the Underlying Fund. The value of the Units may increase or decrease, market prices for financial instruments can either increase or decrease, and changes in market prices are beyond the control of the Underlying Fund.

Russia-related risks.

Russia's recent actions towards Ukraine has resulted in sanctions against Russian governmental institutions, Russian entities, and Russian individuals that may result in the devaluation of Russian currency; a downgrade in the country's

credit rating; a freeze of Russian foreign assets; a decline in the value and liquidity of Russian securities, properties, or interests; and other adverse consequences to the Russian economy and Russian assets.

The Underlying Fund is registered in Russia and Units are Russian domiciled securities. All of above could lead to certain additional risks associated with the Underlying Fund, including:

- Many countries have introduced or increased their sanctions towards some Russian enterprises, including the infrastructure providers for the Russian stock market. In turn, Russia has introduced counter sanctions, including restrictions on rights of foreign investors in respect of Russian securities. This may impair the ability of the SPC to create/redeem ETNs, buy/sell/transfer Units it owns. If it becomes impracticable or unlawful for the SPC to hold Units subject to, or otherwise affected by, sanctions, or if deemed appropriate by the SPC, subscriptions in kind and directed cash subscriptions may not be available for the SPC.

- Sanctions may now, or in the future, result in retaliatory measures by Russia, including the immediate freeze of Russian assets – Units held by the SPC. In the event of such a freeze of any SPC's assets, the SPC may not be able to pay out redemption proceeds in respect of the assets which are frozen

- There are also counterparty risks in connection with the maintenance of the Units with local sub-custodians and securities depositories in Russia. These factors may increase the volatility of Units and hence the risk of loss to the value of your investment.

Other risks.

An investment declaration of the Underlying Fund defines the following principal risks, associated with the investments in the units of the Underlying Fund:

Market risk - the risk of adverse changes in the market value of financial instruments that are a part of the assets of the Underlying Fund, or are planned to be acquired as a part of the assets of the Underlying Fund;

Interest rate risk - the risk of adverse changes in the market value of financial instruments due to adverse changes in market interest rates;

Currency risk - the risk of an adverse change in the value of financial instruments owned by the Underlying Fund due to an adverse change in exchange rates;

Liquidity risk - the inability to buy or sell financial instruments owned (planned to be bought) by the Underlying Fund without significant loss of value;

Credit risk (default risk) - the risk the issuer of the securities owned by the Underlying Fund will fail to meet its obligations, which may lead to a decrease in the value of the securities and the value of the Units accordingly. The Underlying Fund which is not a separate legal entity under Russian legislation also relies on actions of and management by its' managing company which is Management Company East-West LLC. As a result, the Underlying Fund is largely dependent on the satisfactory performance by Management Company East-West LLC.

Regulation risk and possible adverse regulatory developments – the Underlying Fund and Management Company East-West LLC are subject to binding Russian legislation, whereas Freedom Finance is subject to binding Kazakhstani legislation. Although legislation at issue in the Republic of Kazakhstan and Russian Federation covering private investment funds, joint stock companies, securities exchanges, insolvency, banking, currency control is developed and enacted, the legal framework is still evolving and many sub-laws apply to the Underlying Fund, the Management Company East-West LLC and to Freedom Finance. Therefore, it could entail unpredictable legal restrictions or liabilities, including those changing the structure of the Underlying Fund's assets. In the latter case, Management Company East-West LLC must cease any inconsistencies with the new legislation activities and change the structure of the Underlying Fund's assets accordingly. There is also lack of an established system of precedent or consistency in legal interpretation, as well as unclear correlation of Russian and Kazakhstani laws application in this respect.

The Underlying Fund has a short history of operations – the Underlying Fund has a very short history of operations, as it was launched in September 2020, whereas the managing company of the Underlying Fund shall cease its' managing functions in November 2034, according to the trust management rules of the Underlying Fund. Therefore, the ability of the Underlying Fund to attract investments, as well as its' technological capabilities to process transactions, remains relatively untested given the early stage of its operations. There also can be no assurance that the Underlying Fund will be able to ensure acceptable trading volumes in the foreseeable future or at all.

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be used by the Issuer for investments in the Permitted Assets only.

REGISTRATION, PURCHASE AND SALE OF ETNS

Registration of the Notes

The Notes are book-entered non-bearer securities in uncertificated form registered in AIX Registrar. The Notes may be held by the relevant holders in their accounts established either with AIX Registrar or with a participant of AIX CSD. The participants in AIX CSD include the trading members of AIX (brokerage firms) and the custodians who have account(s) with AIX CSD.

Only persons that are registered as the owners of the Notes in the accounts with AIX Registrar or with a participant of AIX CSD will be recognised as the ETN Holders. The owners of the Notes held in a holding (nominee) account with AIX CSD may choose to exercise all of their rights as noteholders against the Issuer through the respective participant of AIX CSD that has such holding (intermediary) account with AIX CSD (subject to such participant's agreement with the owners of the Notes to act in this capacity).

Over-the-counter Transactions with the Notes held with the participant of AIX CSD

No over-the-counter transactions with the Notes are allowed, except for the transactions between the SPC and the Authorised Participant. AIX CSD and/or AIX Registrar have a right to block and refuse to carry out any proposed over-the-counter transaction.

Trading of the Notes on AIX and their Settlement in AIX CSD

The ETNs are expected to be traded on AIX only. The settlement of these on-exchange trades of the ETNs will be made in the depository system of AIX CSD in accordance with the business rules and procedures of AIX CSD.

AIX CSD holds securities for trading members of AIX, for other participants of AIX CSD and for their clients. The potential purchasers of the ETNs on AIX need to have an account opened with the participant of AIX CSD (which may be a trading member of AIX (a brokerage firm) or a custodian with an account at AIX CSD). In such cases the ETNs will be held on behalf of investors in the relevant AIX CSD participant's account at AIX CSD.

AIX CSD facilitates clearing and settlement of the securities transactions conducted on AIX between trading members of AIX. The clearing and settlement process that takes place at AIX CSD provides for the exchange of money and securities on a delivery-versus-payment basis through electronic book entry changes in the accounts of the AIX CSD's participants and their respective clients. The secondary market sales of the ETNs held through AIX CSD will be conducted in accordance with the business rules and the procedures of AIX CSD.

AIX Registrar, as a legal entity which holds and maintains a register of the records of legal owners of the ETNs, interacts with AIX CSD's depository system, and, as part of such interaction, AIX CSD provides details of the ultimate beneficial owners of the ETNs to AIX Registrar to the extent such details are available in the depository system of AIX CSD.

UNDERLYING FUND

THE INFORMATION IN THIS SECTION HAS BEEN TAKEN "AS IS" AS OF THE DATE OF THIS PROSPECTUS FROM THE WEB-SITE [HTTPS://EW-MC.RU/?PAGE_ID=4](https://ew-mc.ru/?page_id=4) MAINTAINED FOR THIS UNDERLYING FUND, AND THE ISSUER SHALL NOT BE LIABLE FOR THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS SECTION. BECAUSE THE PERFORMANCE OF THE UNDERLYING FUND DIRECTLY AFFECTS THE VALUE AND PRICE OF THE ETNS, POTENTIAL INVESTORS SHOULD REVIEW INFORMATION ABOUT THE UNDERLYING FUND AVAILABLE AT THE WEB-SITE [HTTPS://EW-MC.RU/?PAGE_ID=4](https://ew-mc.ru/?page_id=4) PRIOR TO PURCHASING ANY ETNS.

Information about the Underlying Fund

Full name – Closed-end unit investment fund of market financial instruments "Fund of Initial Public Offerings"

Date of incorporation – February 05, 2020

Registration number – 3964

Term of the Underlying Fund – till November 30, 2034

ISIN of the Units – RU000A101NK4

Net asset value of the Underlying Fund (as of November 10, 2022) – 321 863 551,95 U.S. Dollars (U.S.\$)

Net asset value of one Unit (as of November 10, 2022) – 20,36 U.S. Dollars (U.S.\$)

Investment policy of the Underlying Fund

The investment policy of the Underlying Fund is disclosed in the trust management rules of the Underlying Fund available at https://ew-mc.ru/?page_id=4.

Information about the management company of the Underlying Fund

Full name – Management Company East-West Limited Liability Company.

Registered address – office 7, 10th floor, 15, 1st Krasnogvardeiskiy Ave, Moscow, 123112, Russian Federation.

License – Management company license to carry out management activities for investment funds, mutual funds, and non-state pension funds dated August 24, 2010 No. 21-000-1-00749, issued by the Federal Service for Financial Markets of Russian Federation.

Web-site - https://ew-mc.ru/?page_id=4.

Information about the relationships between the Underlying Fund and the Investment Advisor

As of the date of the Prospectus it is expected (but not guaranteed) that Management Company East-West LLC will soon be renamed and will be affiliated with the Investment Advisor.

Information about the depository of the Underlying Fund

Full name – United Specialized depository R.O.S.T. Joint Stock Company .

Registered address – room 18, office III, 1st floor, building 14, 38A, 2nd Khutorskaya street, Moscow, 127287, Russian Federation.

License – License of a specialized depository to carry out activities of the specialized depository of investment funds, mutual investment funds and non-state pension funds dated July 29, 2010 No. 22-000-0-00094, issued by the Federal Service for Financial Markets of Russian Federation.

Information about the registrar of the Underlying Fund

Full name – United Specialized depository R.O.S.T. Joint Stock Company.

Registered address – room 18, office III, 1st floor, building 14, 38A, 2nd Khutorskaya street, Moscow, 127287, Russian Federation.

ISSUER / SPC

Fund of Initial Public Offerings SPC Limited, a special purpose company incorporated under the laws of the AIFC on November 18, 2020 and governed by the AIFC Special Purpose Company Rules adopted by the board of directors of the Astana Financial Services Authority (“**AIFC Rules No. GR0001 of 2017**”). The Legal Entity Identifier (the “**LEI**”) code of the SPC is 2549001LC69TQD6NF428. The SPC passed the necessary resolutions by virtue of which the ETNs have been created.

In addition to incorporating the SPC, AIX FM incorporated a number of special purpose companies in the AIFC. Each special purpose company issued/or is expected to issue exchange traded notes linked to the performance of various underlying assets where such notes are intended to be listed and traded on the Stock Exchange.

Main business purpose

Fund of Initial Public Offerings SPC Limited is incorporated with the principal business purpose of issuing and maintaining the ETNs, the purchase of which will enable the ETN Holders to participate in the performance (i.e., gains or losses) of the Underlying Fund.

Legal form

Fund of Initial Public Offerings SPC Limited is incorporated in the form of a special purpose company in accordance with the AIFC Rules No. GR0001 of 2017.

The AFSA Registrar of Companies has issued a certificate of incorporation with respect to the SPC on November 18, 2020; and registration information is available in the AFSA’s public register at <https://publicreg.myafsa.com/details/201140900163/>.

Articles of association of the SPC

The articles of association of the SPC provide that the purpose of the SPC is limited to conducting the following Exempt Activities (as such term is defined in the AIFC Rules No. GR0001 of 2017):

- (a) the issuance of exchange traded notes and conducting of any other transactions involving exchange traded notes;
- (b) the acquisition (by way of leasing, title transfer, risk transfer or otherwise), the holding and the disposal of any asset (tangible or intangible, including, for example, receivables and shares) in connection with and for the purpose of the transactions referred to in paragraph (a) above;
- (c) the obtaining of any type of financing (banking or capital markets), the granting of any type of security interest over its assets, the providing of any indemnity or similar support for the benefit of its shareholders or any of its subsidiaries, or the entering into any type of hedging arrangements, in connection with and for the purpose of transactions referred to in paragraph (a) above;
- (d) any other activity approved in writing by the Registrar of Companies of the AIFC; and
- (e) any activity ancillary to an activity mentioned in paragraphs (a) to (d).

Directors

AIX FM, a wholly-owned subsidiary of AIX, act as the sole director and secretary of the SPC. The appointment of AIX FM, being a body corporate, as a director is permitted under Rule 6.1 of the AIFC Special Purpose Company Rules (AIFC Rules No. GR0001 of 2017).

AIX FM and its directors are described in the Section below headed “Management Company” on pages 33 to 34 of this Prospectus.

Auditor

The SPC has appointed IAC Russell Bedford A+ Partners LLP as its Auditor. The audited financial statements prepared in accordance with IFRS are published on the website of the Stock Exchange at www.aix.kz each year not later than the end of May.

Management Company

The SPC has appointed AIX FM, a wholly-owned subsidiary of AIX, as the Management Company, as described in this Prospectus. AIX FM and/or its affiliates is responsible for the provision of certain services and has a right to receive the management fee pursuant to the Management Agreement and as described on this and the next pages of this Prospectus.

The SPC is run operationally by the Management Company under the Management Agreement. The Management Company outsources some of its functions from AIX.

Details of the Management Agreement

Under the Management Agreement, the Management Company will, including by way of outsourcing of the relevant services from AIX and others, provide, supply, and render such management, administrative, and operational support services that are necessary to be provided to the SPC and, as more specifically described below:

- administer and supervise all the finances of the business, including payroll, taxes, accounting, bookkeeping, record keeping, managing or accounts payable, and accounts receivable, banking, operations with securities issued or owned by the SPC, financial records and reporting functions as they pertain to the business of the SPC. The Management Company shall prepare and maintain the accounting records of the business according to IFRS principles and shall provide the SPC with monthly financial reports including but not limited to cash flow statements, income statements, balance sheets and other reports and information as may be requested by the SPC from time to time;
- supervise and control the purchase of all materials and supplies, and acquire, lease, dispose of and repair equipment and facilities necessary to provide safe and adequate service to the business of the SPC;
- manage all costs and all pricing on a customer-by-customer basis, estimate all costs on new contracts, bid on and enter into new contracts, and control all costs for contracts in progress;
- provide legal services, including commence, defend and control all legal actions, arbitrations, investigations and proceedings that arise due to events occurring in connection with the business of the SPC during the term of this Agreement;
- provide IT services, including maintenance of IT systems, disaster recovery, data backup, creation of websites and its further maintenance;
- provide the SPC with office or storage space sufficient to maintain the SPC's files, including utilities and telecomms;
- review operational procedures, internal audit inspections, compliance;
- publish the NAV (and related components) on a daily basis;
- develop the marketing strategy of the SPC and prepare appropriate marketing and promotional materials;
- review all sales and marketing materials for compliance with applicable laws and conditions of any applicable order, and file such materials with the financial services authority when necessary or appropriate;
- manage bank accounts of the SPC, including making/receiving any payments from such bank accounts;
- to exclusively receive and process all orders for purchases of the Creation Amount of the ETNs issued by the SPC from the Authorised Participant;
- to exclusively receive and process all orders for disposal of Redemption Amounts of the ETNs issued by the SPC from the Authorised Participant; and
- provide any other services necessary for the functioning of the SPC.

In addition to the services mentioned above, the Management Company has a right to act on behalf of the SPC, including, but not limited to:

- the execution and signature of any agreements with third parties, including but not limited to custodians, auditors, brokers, Authorised Participants, etc., as well as supplemental agreements thereto;
- sending payment orders on behalf of the SPC to banks, custodians, brokerage companies, Authorised Participants and other third parties; and
- receiving any information related to the activity of the SPC from any third party.

The Management Company

AIX FM, a private company limited by shares, incorporated the SPC. AIX FM is the SPC's sole shareholder. AIX FM was incorporated by the AIFC as a private company on 2 October 2019 with an initial share capital of U.S.\$1,500,000. Nothing contained in this Prospectus, and nothing done pursuant to this Prospectus shall constitute nor be construed as a guarantee or commitment, express or implied, with respect to the use of AIX FM's share capital to support the activities of the SPC. As at the date of this Prospectus, AIX is the sole shareholder of AIX FM.

Sole shareholder of the Management Company

AIX is the sole shareholder of AIX FM. The following entities are the shareholders of AIX: Astana International Financial Centre Authority JSC (68.43%), Shanghai Stock Exchange (21.18%), Nasdaq Technology AB (2.71%), China-Kazakhstan Production Capacity Cooperation Fund Co., Ltd. (4.22%), and Goldman Sachs International (3.46%).

The major shareholder of AIX, Astana International Financial Centre Authority JSC, is a joint stock company incorporated under the Kazakhstan legislation, and its legal status is defined in Article 11 of the Constitutional Statute of the Republic of Kazakhstan "On the Astana International Financial Centre" No. 438-V ZRK, dated 7 December 2015.

As at the date of this Prospectus, the SPC has signed the following agreements with AIX FM and other entities:

- the Management Agreement with AIX FM;
- the agreement with AIX Registrar for keeping the register of the ETNs;
- the Initial Purchaser Agreement with the Initial Purchaser;
- the Investment Advisory Agreement with the Investment Adviser; and
- the Authorised Participant Agreement with the Authorised Participant.

Only Director of the Management Company

AIX FM must have at least one Director. Mr. Zharas Mussabekov as a sole Director of AIX FM was appointed by a resolution of the sole shareholder of AIX FM dated May 05, 2021 with effect as of 24 May 2021.

The business address of the Director of AIX FM is: 55/19 Mangilik El st., block C 3.4. Astana, Kazakhstan.

There is no potential or current conflict of interests between the personal interests of the Director of AIX FM and that of the duties such director owes to the Issuer or the business interests of the Issuer. There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which the director of AIX FM was or is currently their director.

The Issuer has not established any committees or sub-committees (including in respect of audit, nomination or remuneration) of the board of directors of AIX FM as at the date of this Prospectus.

Zharas Mussabekov has over 10 years of experience in financial services and he led the Fund Operations division at AIX. Previously he led the Treasury Department at the Kazakhstan Temir Zholy National Company JSC. Mr. Mussabekov also worked in the Baiterek National Management Holding at corporate finance and was involved in raising funds from the National Fund and the Republican budget. As an employee of the Development Bank of Kazakhstan JSC (the "Bank"), he participated in the Bank's borrowings at debt capital markets and worked at the Bank's Treasury. Zharas started his career as an auditor at Deloitte in Financial Services Industry. He has the degree of a Bachelor of Finance at L.N. Gumilyov Eurasian National University.

Ultimate Holding Company

AIX, being a sole shareholder of AIX FM, is the ultimate holding company for the SPC.

The board of directors of AIX comprises:

Timothy Bennett - Chairman of the Board;
Nurlan Kussainov – Director;
Hao Fu – Director;
Janet Heckman – Independent Director;

Patrick O'Brien – Independent Director; and
Renat Bekturov – CEO of AIX

Timothy Bennett was appointed as a Chairman of the Board of AIX in May 2021. Before this appointment he was CEO of AIX (from May 2018) and CEO of NZX, the operator of New Zealand's securities and derivatives markets and provider of trading, post-trade and data services. Mr. Bennett led NZX through a period of significant organizational and regulatory change, including the replacement and upgrading of NZX's trading and clearing systems, and the launch of 23 ETF's through NZX Funds Management. Prior to joining NZX, Mr. Bennett was a Partner with Oliver Wyman and the Boston Consulting Group in Asia. Mr. Bennett has an MBA from the Wharton School, University of Pennsylvania and a B.C.A from Victoria University of Wellington.

Nurlan Kussainov has extensive work experience; he held the position of Deputy Chairman of the National Bank of Kazakhstan for two years, headed the Development Bank of Kazakhstan JSC, worked as a managing partner in the Al Falah Partners direct investment fund, headed the "Center for Marketing and Analytical Research" JSC, was an adviser to the Minister of Economy and Budget Planning of the Republic of Kazakhstan, and led a special group of the Ministry of Industry and Trade of the Republic of Kazakhstan on accession to the World Trade Organization in Geneva, Switzerland. He graduated from the Kazakh State Academy of Management and Stanford Business School.

Hao Fu is a Vice Chair of the Global Business Committee, Shanghai Stock Exchange. Dr. Fu holds Ph.D. in Finance from Fudan University, and Master's degree in Economics, Bachelor's degree in International Trade from Sichuan University, China. He serves as the Managing Director of the Global Business Development Department and Leader of the Free Trade Zone Trading Platform Preparation team of Shanghai Stock Exchange. Dr. Fu has received awards for Shanghai Financial Leading Talent (2017) and Shanghai Financial Innovative Figure (2014).

Janet Heckman was the Managing Director for the Southern and Eastern Mediterranean (SEMED) Region at the European Bank for Reconstruction and Development (EBRD) from February 2017 until December 2019. Based in Cairo, she was also the Country Head for Egypt. Mrs. Heckman joined the EBRD in Almaty in July 2012 from Citi as Director, Head of Kazakhstan and appointed as an independent Air Astana Board Director in 2019. During her long career at Citi, she spent time as EMEA Corporate and Investment Managing Director and held a number of field roles across EMEA and was responsible for Global Relationship Banking across CEMEA. Mrs. Heckman holds a Master's of Science in Foreign Service with distinction from Georgetown University, Washington, D.C. and a BA in History from Kenyon College, Ohio. She also studied at the American University of Beirut, Lebanon.

Patrick O'Brien is the founding partner of Blizzard Partners Limited, a UK-based investment and advisory boutique with interests in the UK and Asia. Patrick currently sits on the Advisory Boards of a number of companies & funds. Prior to that, he spent over six years as a Partner of ADM Capital LLP based in London. Patrick joined ADM Capital from UBS Investment Bank which he left after 21 years, most recently as the Head of European Debt Capital Markets responsible for 33 financing and risk management activities of the bank in Europe. His investment experience includes early stage, growth, and opportunistic investment, taking both majority and minority positions across a wide range of sectors including technology, consumer, healthcare, agriculture, manufacturing, renewable energy, leisure, real estate, transportation, and education. Patrick has an LLB(Hons) from University College London.

Renat Bekturov is an ex-CFO of AIX. Previously held a position of the Head of Asset management development department of AIFC Authority. He has over 10 years of experience in financial services industry. Prior to joining AIFCA he was head of Treasury at the National Investment Corporation of the National Bank of Kazakhstan. Mr. Bekturov also worked at the Development Bank of Kazakhstan JSC and was involved in number of the landmark debt capital market transactions, such as first Sukuk issue in CIS region. Renat is a member of the Presidential Youth Personnel Reserve. Renat holds MSc degree in Banking and Finance with Distinction from University of Leicester and is a CFA Charter holder..

The business address of all of the members of the board of directors of AIX is: 55/19 Mangilik El st., block C 3.4. Astana, Kazakhstan.

The Investment Adviser

Freedom Finance JSC is a Joint Stock Company registered in the Republic of Kazakhstan on 1 November 2006 as Seven Rivers Capital JSC and re-registered under the current name on September 9, 2013. Freedom Finance JSC was renamed

and re-registered according to the decision No. 28 of Investment Company Freedom Finance LLC, the sole shareholder of Freedom Finance JSC since August 26, 2013. Freedom Finance JSC is regulated by the National Bank of the Republic of Kazakhstan (the “NBRK”). It operates under licenses No. 0403201437 dated March 21, 2007 for brokerage and dealing activities on capital markets with the right of book keeping as the nominee holder and No. 040120061 dated March 21, 2007 for investment portfolio management issued by the NBRK. The above licenses have been replaced by the NBRK with a single license No. 4.2.111/218 dated July 3, 2014 for brokerage and dealing activities on capital markets with the right of book keeping as the nominee holder and investment portfolio management issued by the NBRK.

Due to the change in the legal address of Freedom Finance JSC, on October 2, 2018, the existing license was renewed for a new license No. 3.2.238/15 for brokerage and dealing activities on capital markets with the right of book keeping as the nominee holder and investment portfolio management without the right to attract voluntary pension contributions.

On April 4, 2019, Freedom Finance JSC received a license No. 4.3.12 to conduct banking operations in foreign currency, which gives the right to conduct exchange operations with foreign currency, with the exception to conducting petty cash foreign exchange operations.

Freedom Holding Corp. is the only shareholder of Freedom Finance JSC. The ultimate controlling party is Timur Turlov.

The principal activities of Freedom Finance JSC are operations in the professional securities market, securities market advisory services, brokerage and dealing, issuance, placement, and underwriting of securities, securities trading as an agent on its own behalf and at its own expense, and rendering of asset management services.

The management board of Freedom Finance JSC comprises:

Sergey Lukyanov – Chairman of the management board;
Tusup Nukenov – Deputy Chairman of the management board;
Renat Tukanov – Deputy Chairman of the management board;
Salykbayev Azamat – Deputy Chairman of the management board.

Sergey Lukyanov, from 2009 to 2016, held executive positions at the Finam investment holding. In October 2016, he was appointed as a head of the investment department of VTB 24, responsible for the development of the retail brokerage business. In March 2018, he took over as the vice president of Otkritie Bank and was a director of Otkritie Investments, where he oversaw the brokerage business. He is an independent director at the National Association of Stock Market Participants and a member of the Moscow Exchange Council, as well as a member of the Financial Markets Commission of the Russian Union of Industrialists and Entrepreneurs. He currently holds the position of Chairman of the Management Board at Freedom Finance JSC.

Tusup Nukenov is currently the Deputy Chairman of the Management Board of Freedom Finance JSC. He has experience in banking, as well as extensive knowledge in taxation. From 2015 to 2017, he headed the branches of Freedom Finance JSC in Aktau and Shymkent. In July 2017, he headed the branch of Investment Company Freedom Finance LLC in Ukraine. In 2009, he graduated from the Kazakh National University named after I. Al-Farabi majoring in Finance. In 2010, he became a Master of Finance. In 2012, he received a bachelor’s degree in law from the D.M. Kunaev University.

Renat Tukanov graduated from the University "TURAN" with a degree in Marketing and Commerce. He has experience of working in various organizations in the field of marketing, working with clients, information technology as well as has significant experience in the implementation of corporate management systems. He currently holds the position of Deputy Chairman of the Management Board of Freedom Finance JSC.

Salykbayev Azamat graduated from KIMEP university in 2009 with a degree in accounting and finance. Has experience in the financial sector, securities market, financial and managerial control, business process automation, financial forecasting, control over the implementation of prudential requirements, audit support. He currently holds the position of Deputy Chairman of the Management Board of Freedom Finance JSC.

Additional information

Investments Information

(a) the Issuer's principal investments for each financial year for the period covered by the historical financial information up to the date of the Prospectus – detailed information on the Issuer's investment is presented under “Financial information of the Issuer” section on pages 43 to 46 of this Prospectus.

(b) description, (including the amount) of the Issuer's principal investments for the period referred to in (a) - detailed information on the Issuer's investment is presented under “Financial information of the Issuer” section on pages 43 to 46 of this Prospectus.

(c) a description of the Issuer's principal investments that are in progress, including the geographic distribution of these investments (home and abroad) and the method of financing (internal or external) – the Issuer is planning to hold the Permitted Assets only, including the Units. Financing of acquisition of the Units will be carried out at the expense of the funds attracted via the issuance of the ETNs.

Actual and proposed business activities

A detailed description of the actual and proposed principal operations of the Issuer including:

(a) the history of the Issuer – the Issuer has been incorporated on November 18, 2020 and has a limited history of operations. Financial results of operations are presented under “Financial information of the Issuer” section on pages 43 to 46 of this Prospectus.

(b) a description of the principal activities and business of the Issuer - Principal activity of the Issuer – issuance of the Exchange Traded Notes.

(c) a description of important events in the development of the Issuer's business – the Issuer has been incorporated on 18 November 2020 and from that date there were no important events in the development of the Issuer's business till the date of this Prospectus.

(d) a description of, and key factors relating to, the nature of the Issuer's operations and its principal activities, specifying the main categories of products sold and/or services performed for each financial year for the period covered by the historical financial information - Principal activity of the Issuer – issuance of the Exchange Traded Notes as described in the Prospectus; historical information is provided under “Financial information of the Issuer” section on pages 43 to 46 of this Prospectus.

(e) an indication of any significant new products and/or services that have been introduced by the Issuer and, to the extent the development of new products or services has been publicly disclosed, the status of the development – the only product of the Issuer are ETNs that are offered to trading on AIX.

(f) a description of the principal markets in which the Issuer operates, including a breakdown of total revenues by category of activity and geographic market for each financial year for the period covered by the historical financial information –

the principal market for the Issuer is the Republic of Kazakhstan; all revenues are generated from the Republic of Kazakhstan.

(g) details of any major customers, suppliers or other material dependencies of the Issuer – not applicable, the Issuer has no major customers, suppliers or other material dependencies.

(h) if material to the Issuer's business or profitability, a summary of the extent to which the Issuer is dependent on any patents or licences, industrial, commercial or financial contracts or new manufacturing processes – not applicable, the Issuer do not need patents or licenses; and has no material contracts or new manufacturing processes.

(i) the basis for any statement made by the Issuer regarding its competitive position - not applicable, the Issuer has not made any statements regarding its competitive position.

Significant factors affecting income/operations

(a) Information regarding significant factors, including unusual or infrequent events or new developments, which are materially affecting or may likely to so affect the Issuer's income from operations, indicating the extent to which income was so affected – not applicable.

(b) Where the financial statements disclose material changes in net sales or revenues, a narrative discussion of the reasons for such changes – there were no material changes in net sales or revenues of the Issuer as of the date of this Prospectus.

(c) Information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the Issuer's operations – the Issuer's operations might be affected by the number of policies or factors, that could affect the operations of the Underlying Fund.

Production and sales trends

(a) Information about the most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of the Prospectus – not applicable, the Issuer has no production or inventory. There are no significant trends in sale of ETNs since any sales of ETNs are conducted in operations with the Authorised Participant.

(b) If:

(i) there has been no material adverse change relating to the information referred to in (a) since the date of its last published financial statements, a statement to that effect – not applicable.

(ii) the Issuer is not in a position to make such a statement, details of the material adverse change – not applicable.

(c) Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the past 12 months – There are no trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects, known to the Issuer as

of the date of the Prospectus.

Constitution

A summary of the provisions of the constitution of the Issuer including:

- (a) a description of the Issuer's objectives and purpose and where they can be found in the constitution – for a brief description of the Issuer's objectives, purposes and its Articles of Association please refer to the page 32 of the Prospectus.
- (b) a summary of any provisions of the constitution with respect to its Directors and any Person involved in the senior management of the Issuer including the members of the administrative, management and supervisory bodies – the information about the management of the Issuer is provided on pages 32 to 36 of this Prospectus;
- (c) a description of the rights, preferences and restrictions attaching to each class of the existing Securities – the Issuer has one share issued and owned by the Management Company as described in this Prospectus;
- (d) a description of what action is necessary to change the rights of holders of the Securities, indicating where the conditions are more significant than is required by any law applicable to the Issuer; - not applicable;
- (e) a description of the conditions governing the manner in which annual general meetings and extraordinary general meetings of holders of Securities are called including the conditions of admission to the meeting – not applicable, the Issuer has one shareholder;
- (f) a brief description of any provision of the constitution that would have an effect of delaying, deferring or preventing a change in control of the Issuer; - not applicable;
- (g) an indication whether there are any provisions in the constitution, governing the ownership threshold above which shareholder ownership must be disclosed; - not applicable;
- (h) a description of the conditions imposed by the constitution governing changes in the capital, where such conditions are more stringent than is required by law applicable to the Issuer – not applicable.

Group Structure

All of the material information about the group and the management of the Issuer is described above, on pages 32 to 36 of the Prospectus.

Property, plant and equipment

Information about: (a) existing material fixed assets, including any leased properties, and any major encumbrances in respect of such assets – not applicable, the Issuer has no fixed assets as of the date of this Prospectus;

(b) planned acquisition of material fixed assets, including leased properties, and any major encumbrances in respect to those assets – not applicable, the Issuer is planning no acquisition of any fixed assets; and

(c) a description of any environmental issues that may affect the Issuer's utilisation of the assets referred to in (a) and (b) – not applicable.

Material contracts

Information about material contracts of the Issuer including a summary of each material contract (to the extent not disclosed above), other than contracts entered into in the ordinary course of business, to which the Issuer or any member of the Group is a party, for the two years immediately preceding publication of the Prospectus – the Issuer entered into the following material contracts: the Authorised Participant Agreement, the Management Agreement and the Initial Purchaser Agreement. Brief summaries of these material contracts were provided above.

(b) a summary of any other contract (not being a contract entered into in the ordinary course of business) entered into by any member of the Group which contains any provision under which any member of the Group has any obligation

or entitlement which is material to the Group as at the date of the Registration Document – not applicable, there are no such contracts.

Capital resources

(a) Information about the capital resources of the Issuer including:

(i) the short- and long-term capital resources – not applicable, the Issuer doesn't need any capital resources;

(ii) an explanation of, the sources and amounts of, and a narrative description of, the cash flows – the cash flows for the Issuer derives from the operations on ongoing placements as described in this Prospectus; amounts of such cash flows will depend on the demand for ETNs issued;

(iii) the borrowing requirements and funding structure; - the Issuer doesn't plan any borrowings, its funding structure is described in this Prospectus.

(iv) any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, its operations – not applicable.

(b) Information regarding the anticipated sources of funds needed to fulfil commitments relating to (i) any existing or planned material tangible fixed assets, including leased properties, and any major encumbrances thereon; and (ii) any principal future investments to which the Board or the senior management of the Issuer have already made firm commitments – not applicable.

Share capital

(a) The amount of issued share capital, and for each class of share capital: (i) the number of Shares authorised; (ii) the number of Shares, issued and fully paid, and issued but not fully paid; (iii) the par value per Share, or that the Shares have no par value - The amount of issued share capital is described on page 44 of the Prospectus.

(iv) a reconciliation of the number of Shares outstanding at the beginning and end of the year. If more than 10% of capital has been paid for with assets other than cash within the period covered by the historical financial information, a statement to that effect – the number of shares in the Issuer owned by the Management Company did not change during 2021 financial year.

(b) If there are Shares not representing capital, the number and main characteristics of such Shares. (c) The number, book value and face value of Shares in the Issuer held by or on behalf of the Issuer itself or by Subsidiaries of the Issuer. (d) The amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing and the procedures for conversion, exchange or subscription. (e) Information about and terms of any acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the capital. (f) Historical information about the share capital highlighting any changes for the period covered by the historical financial information – not applicable. The amount of issued share capital is described on page 44 of the Prospectus.

Options

If any options or other rights granted in respect of Shares in the Issuer to any Person, a summary of the total of any such options, along with an estimate of the number of Shares which would be created, if such rights were to be exercised – not applicable, there are no options granted in respect of shares in the Issuer.

Management of the Issuer

(b) The nature of any family or business relationship between any of the Key Persons – there are no family or business relationships between any of the Key Persons.

(e) Information about any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any Key Person was selected as a Director or senior manager of the Issuer – not applicable, there are no such arrangements or understandings.

(f) Details relating to any restrictions agreed by a Key Person on the disposal within a certain period of time of his holdings in the Issuer's Securities – not applicable, there are no agreed restrictions.

Other information relating to key Persons

(a) For the last completed financial year of the Issuer, information relating to each Key Person about: (i) the amount of remuneration paid (including any contingent or deferred compensation), and benefits in kind granted to such Persons by the Issuer and its Subsidiaries for services in all capacities to the Issuer and its Subsidiaries; and (ii) the total amounts set aside or accrued by the Issuer or its Subsidiaries to provide pension, retirement or similar benefits – not applicable, the

Issuer has not paid or set aside or accrued any remuneration or benefits to any Key Person.

(b) For the last completed financial year of the Issuer: (i) the date of expiration of the current term of office, if applicable, and the period during which the Person has served in that office of each Key Person specified in (a)(i) —(iii); (ii) information about any service contracts with a Key Person and the Issuer or any of its Subsidiaries providing for benefits upon termination of employment, and if there are no such contracts, a statement to that effect – not applicable, the Issuer has no service contract that provides any benefits to the Key Persons upon termination of employment.

Information about Employees

Not applicable, the Issuer has no employees.

Corporate governance

The Issuer is not in full compliance with corporate governance principles under the AIFC Market Rules. The Issuer has a single director and secretary being AIX FM Limited. This corporate arrangement is permitted under the AIFC Special Purpose Companies Rules and was set forth due to limited nature of the operations of the Issuer at the initial stage.

Connected Persons

The Issuer has been incorporated in the form of a special purpose company with AIX FM acting as a corporate Director. Details of persons controlling the Issuer are described on pages 32 to 36 of the Prospectus.

Research and development

Where material, a description of the Issuer's research and development policies for each financial year for the period covered by the historical financial information, including the amount spent on Issuer - sponsored research and development activities – not applicable, the Issuer has no research or development policies.

Legal and other proceedings against the Issuer

As of the date of the Prospectus there are no any current or prior governmental, legal or arbitration proceedings or disputes (including any such proceedings which are pending or threatened of which the Issuer is aware) against the Issuer, which may have or have had a significant impact on the Issuer and/or its group's financial position or profitability.

Documents for inspection

Following documents in originals are open for inspection during the usual business hours at the address of the Issuer at 55/19 Mangilik El st., block C 3.4., Astana, Kazakhstan:

(a) Articles of Association of the Issuer;

(b) this Prospectus, including all previously approved versions of the Prospectus.

Reasons for the offer

The ETNs are offered to the potential investors; net proceeds of the issue of the Notes will be used by the Issuer for investments in the Permitted Assets only.

The estimated net amount of the proceeds is equal to the Initial Placement.

Creditworthiness of the Issuer

Information about the creditworthiness of the Issuer (earnings coverage ratio; any relevant credit ratings; any other risk factors that may affect the Issuer's ability to fulfil its obligations under the Notes, statement of capitalization and indebtedness) – not applicable.

An estimate of the total expenses related to the admission to trading

The Issuer will pay the standard fees of AIX related to the listing and admission to trading of the ETNs.

FINANCIAL INFORMATION OF THE ISSUER

FINANCIAL INFORMATION OF THE ISSUER

The financial information of the Issuer below as at and for the year ended 31 December 2021 was derived from the Issuer's Financial Statements 2020, which have been audited by IAC Russel Bedford A+ Partners LLP and were prepared in accordance with IFRS. You should read the following selected financial information in conjunction with the Issuer's Financial Statements for the Year ended 31 December 2021 and the notes thereto which are included in the annual report of the Issuer, published on the website of AIX.

Except for the information extracted from the Financial Statements this Prospectus does not include any audited or reviewed financial information.

KZT is the presentation currency for the Financial Statements. The Financial Statements and financial information included in this section have, unless otherwise noted, been presented in KZT. All amounts are presented in KZT thousands (unless otherwise noted).

Rounding

Certain figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

STATEMENT OF FINANCIAL POSITION OF THE ISSUER

The table below sets forth the statement of financial position of the Issuer, as at 31 December 2021.

	31 December 2021	31 December 2020
Assets		
Cash and cash equivalents	5	1
Financial assets at fair value through profit or loss	230,374	233,242
Other assets	-	445
Total assets	230,379	233,688
Equity		
Share capital	1	1
Retained earnings/(accumulated loss)	-	-
Total equity	1	1
Liabilities		
Financial liabilities at fair value through profit or loss	230,373	233,242
Other liabilities	5	445
Total liabilities	230,378	233,687
Total equity and liabilities	230,379	233,688

STATEMENT OF COMPREHENSIVE INCOME OF THE ISSUER

The table below sets forth the statement of comprehensive income of the Issuer for the year ended 31 December 2021.

	2021	From the date of establishment to 31 December 2020
Net gain/(loss) from changes in fair value of financial assets	(9,700)	15,827
Net gain/(loss) from changes in fair value of financial liabilities	9,941	(15,827)
Operating income	241	-
Administrative expenses	(2,231)	(445)
Other income	2,231	445
Net gain/(loss) from foreign currencies	(241)	-

Profit before income tax expense	-	-
Income tax expense	-	-
Profit for the period	-	-
Other comprehensive income for the period	-	-
Total comprehensive income for the period	-	-

STATEMENT OF CASH FLOWS OF THE ISSUER

The table below sets forth the statement of cash flows of the Issuer, as at 31 December 2020.

	2021	From the date of establishment to 31 December 2020
Operating activities		
Cash receipts from Freedom Finance JSC	2,676	-
Cash reimbursement to Shareholder	(958)	-
Listing expenses and bank services	(1,714)	-
Net cash flows from operating activities	4	-
Financing activities		
Contribution of equity	-	1
Net cash flows from financing activities	-	1
Net increase/(decrease) in cash and cash equivalents	4	1
Effect of exchange rates changes on cash and cash equivalents	-	-
Cash and cash equivalents, at the beginning of the period	1	-
Cash and cash equivalents, at the end of the period	5	1

STATEMENT OF CHANGES IN EQUITY OF THE ISSUER

The table below sets forth the statement of changes in equity of the Issuer, as at 31 December 2020.

	Share capital	Retained earnings	Total equity
As at the date of establishment	-	-	-
Contributions of equity	1	-	1
Total comprehensive income for the period	-	-	-
As at 31 December 2020	1	-	1
Total comprehensive income for the period	-	-	-
As at 31 December 2021	1	-	1

SELECTED FINANCIAL INFORMATION

Below is the additional information on selected items.

Financial assets at fair value through profit or loss

As at 31 December 2021 financial assets at fair value through profit or loss include investment in the form of exchange traded funds.

Issuer	Currency	31 December 2021	31 December 2020
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		Number of shares	Market value	Number of shares	Market value
A closed-end unit investment fund of market financial instruments “Fund of Initial Public Offerings”	US Dollar	18,000	230,374	18,000	233,242
		18,000	230,374	18,000	233,242

All financial assets are units in exchange traded fund (“ETF”) acquired in the transaction with Freedom Finance JSC (Kazakhstan).

Changes in financial assets are as follows:

	1 January / Date of establishment	ETF/ETN exchange	Changes in fair value	Foreign exchange	31 December 2020
2021	233,242	-	(9,700)	6,832	230,374
2020	-	217,787	15,827	(372)	233,242

Financial liabilities at fair value through profit or loss

Issuer	Currency	31 December 2021		31 December 2020	
		Number of shares	Market value	Number of shares	Market value
Fund of initial Public Offerings SPC Limited”	US Dollar	18,000	230,373	18,000	233,242
		18,000	230,373	18,000	233,242

Financial liabilities at fair value through profit or loss include exchange traded notes (“ETN”) issued by the Issuer and sold to the Freedom Finance JSC.

The ETNs are unsecured and can be redeemed by the Issuer prior to maturity, which is 30 August 2034.

Changes in financial liabilities are as follows:

	1 January / date of establishment	ETF/ETN exchange	Changes in fair value	Foreign exchange	31 December
2021	233,242	-	(9,941)	7,072	230,373
2020	-	217,787	15,827	(372)	233,242

Administrative expenses

	2021	From date of establishment to 31 December 2021
Listing expenses	1,266	445
Audit	937	-
Reimbursement to the Shareholder	21	-
Bank service	7	-
	2,231	445

Other income

Other income is a reimbursement of administrative expenses by Freedom Finance JSC according to ETN sale-purchase agreement in amount of 2,231 thousand tenge (From date of establishment to 31 December 2020: 445 thousand tenge).

Related Party Transactions

The Issuer's related parties are the Issuer's shareholders, companies under common control, its affiliates.

The major transactions with related parties for the years ended 31 December 2021 and 2020 were as follows:

	2021	From the date of establishment to 31 December 2020
Administrative expenses		
AIX FM Ltd.	(21)	-
AIX Ltd.	(1,266)	(445)

TAXATION

The following is a general description of certain material tax considerations relating to the Notes under Kazakhstan tax legislation. This summary is based upon the Constitutional Statute of the Republic of Kazakhstan “On the Astana International Financial Centre” No. 438-V ZRK, dated of 7 December 2015, the Tax Code of the Republic of Kazakhstan and income tax conventions (treaties) in effect at the date of this Prospectus. Legislative changes or interpretations may, however, be forthcoming that could alter or modify the statements and conclusions set out in this Prospectus. Any such changes or interpretations may be retroactive and could affect the tax consequences of ownership of the Notes by noteholders. This summary does not purport to be a legal opinion or contain a complete analysis of all tax considerations relating to the Notes. For the purpose of this Prospectus the Issuer has not reviewed any tax legislation of any country other than the tax legislation of the Kazakhstan.

Prospective investors in the Notes should consult their tax advisers as to which countries’ tax laws could be relevant to their acquiring, holding and disposing of the Notes and receiving any amounts in connection with the Notes and the consequences of such actions under the tax laws of those countries.

If an ETN Holder intends to purchase and/or purchases the Units as provided for in this Prospectus such ETN Holder should consult with their tax advisers regarding any tax consequences of such receipt, holding and subsequent sale of the Units under applicable tax legislation. Such ETN Holder may also consider reviewing the section entitled “Taxation” of the trust management rules issued in connection with the Units (as may be supplemented from time to time) and which is available at https://ew-mc.ru/?page_id=4.

The information and analysis contained within this Section are limited to taxation issues under tax legislation of Kazakhstan, and prospective investors should not apply any information or analysis set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.

In addition, prospective investors should note that an appointment by an investor in the Notes, or any person through which an investor holds the Notes, of a custodian, collection agent or similar person in relation to such Notes in any jurisdiction may have tax implications. Prospective investors should consult their own tax advisers in relation to the tax consequences for them of any such appointment.

Republic of Kazakhstan Taxation

The following is a general summary of Kazakhstan tax consequences as at the date of this Prospectus in relation to the sale or transfer of the Notes. It is not exhaustive and purchasers are urged to consult their professional advisers as to the tax consequences to them of holding or transferring Notes.

Capital gains

Individuals and legal entities are exempt from individual and corporate income tax on capital gains mentioned above if the Notes are included as at the date of accrual in the official list of AIX.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR PURCHASER. EACH PROSPECTIVE INVESTOR IS URGED TO CONSULT ITS OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES TO IT OF AN INVESTMENT IN THE NOTES IN LIGHT OF THE PURCHASER’S OWN CIRCUMSTANCES.

Taxation of the SPC in the Republic of Kazakhstan

The SPC may be subject to a corporate income tax at a 20 percent rate in case the taxable income arises based on the Kazakhstan tax legislation.

Withholding tax in respect of dividends and distributions to be received by the SPC

Dividends, interest and capital gains (if any) which the SPC receives with respect to the Units owned by the SPC may be subject to taxes, including withholding taxes, in other countries. It is anticipated that the SPC may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Kazakhstan and such countries.

If this position changes in the future and the application of a lower rate results in a repayment to the SPC, the NAV will not be re-stated and the benefit will be allocated to the existing ETN Holders rateably at the time of the repayment.

IMPORTANT NOTICE

IMPORTANT: You must read the following. The following applies to this Prospectus and you are therefore advised to read this page carefully before accessing or making any other use of this Prospectus. In accessing this Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from the SPC and/or Managing Company as a result of such access.

This Prospectus has been prepared solely in connection with the proposed offering to certain institutional, professional and retail investors of the securities described herein (the “**Notes**” or “**ETNs**”).

NOTHING IN THIS DOCUMENT AND (OR) ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO, EXCEPT AS EXPRESSLY DESCRIBED HEREIN. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT 1933, AS AMENDED (THE “**U.S. SECURITIES ACT**”), OR SECURITIES LAWS OF ANY JURISDICTION, AND THE NOTES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY WITHIN THE UNITED STATES, TO, OR FOR THE ACCOUNT OR BENEFIT OF US PERSONS (AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT) OR ANY PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF APPLICABLE STATE OR LOCAL SECURITIES LAWS, INCLUDING THE U.S. SECURITIES LAWS.

THIS PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS DOCUMENT AND (OR) TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE NOTES DESCRIBED IN THIS PROSPECTUS.

Confirmation of your representation: In order to be eligible to view this Prospectus or make an investment decision with respect to the said securities, prospective investors must be either (1) Qualified Institutional Buyers (“**QIBs**”) (within the meaning of Rule 144A (“**Rule 144A**”) under the U.S. Securities Act) or (2) non-U.S. persons (as defined in Regulation S under the U.S. Securities Act (“**Regulation S**”)) located outside the United States. This Prospectus is being sent to you at your request and, by accessing this Prospectus, you shall be deemed to have represented to the Issuer that you consent to delivery of this Prospectus by electronic transmission.

You are reminded that this Prospectus has been delivered to you on the basis that you are a person into whose possession this Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this Prospectus to any other person.

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

This Prospectus has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the Managing Company or any person who controls them or any director, officer, employee or agent of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Issuer.

GENERAL PROVISIONS

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER, THE TERMS OF THE NOTES AND THE OFFERING AND THE INFORMATION ABOUT THE UNDERLYING FUND (AVAILABLE AT [HTTPS://EW-MC.RU/?PAGE_ID=4](https://ew-mc.ru/?PAGE_ID=4)), INCLUDING THE MERITS AND THE RISKS INVOLVED.

THE NOTES ARE OF A SPECIALIST NATURE AND SHOULD ONLY BE BOUGHT AND TRADED BY INVESTORS WHO ARE PARTICULARLY KNOWLEDGEABLE IN INVESTMENT MATTERS. AN INVESTMENT IN THE NOTES IS SPECULATIVE, INVOLVES A HIGH DEGREE OF RISK AND MAY RESULT IN THE LOSS OF ALL OR PART OF THE INVESTMENT.

No person has been authorised to give any information or to make any representation other than those contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof, that there has been no adverse change in the financial position of the Issuer since the date hereof or that the information contained herein or any other information supplied in connection with the Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

This Prospectus does not constitute an offer to sell or an invitation to subscribe for or purchase any of the Notes in any jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such an offer or invitation. Laws in certain jurisdictions may restrict the distribution of this Prospectus and the offer and sale of the Notes. Persons into whose possession this Prospectus or any of the Notes are delivered must inform themselves about and observe any such restrictions. Each prospective investor of the Notes must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the Notes or possesses or distributes this Prospectus. In addition, each prospective investor must obtain any consent, approval or permission required under the regulations in force in any jurisdiction to which it is subject or in which it purchases, offers or sells the Notes. The Issuer shall not have any responsibility for obtaining such consent, approval or permission. This Prospectus may not be used for, or in connection with, any offer to, or solicitation by, anyone in any jurisdiction or under any circumstances in which such offer or solicitation is not authorised or is unlawful.

No action is being taken to permit a public offering of the Notes or the distribution of this Prospectus (in any form) in any jurisdiction where action would be required for such purposes.

The contents of this Prospectus should not be construed as legal, financial, business or tax advice. Each prospective investor should consult his or her own legal adviser, financial adviser or tax adviser for legal, financial or tax advice in relation to any purchase or proposed purchase of the Notes. Prospective investors should be aware that they might be required to bear the financial risks of an investment in the Notes for an indefinite period of time.

Recipients of this Prospectus are authorised to use it solely for the purpose of considering an investment in the Notes and may not reproduce or distribute this Prospectus, in whole or in part, and may not disclose any of the contents of this Prospectus or use any information herein for any purpose other than considering an investment in the Notes. In making an investment decision, prospective investors must rely upon their own examination of the Issuer and the Notes and the terms of this Prospectus, including the risks involved.

The language of this Prospectus is English.

The Notes have not been recommended by or approved by the any federal or state securities commission or regulatory authority in any jurisdiction, nor has any such commission or regulatory authority passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the relevant jurisdiction.

ENFORCEABILITY OF CIVIL LIABILITIES AND CERTAIN LEGAL MATTERS

Enforceability of Civil Liabilities

The Issuer is a special purpose company registered under the AIFC law and governed by the AIFC Special Purpose Company Rules (AIFC Rules No. GR0001 of 2017) and certain of its officers and directors and certain other persons referred to in this Prospectus are residents of Kazakhstan. Some of the assets of the Issuer are located in Kazakhstan. As a result, subject to the following paragraph, it may not be possible: (i) to effect service of process upon the Issuer or any such person outside Kazakhstan; (ii) to enforce against any of them, in courts of jurisdictions other than Kazakhstan, judgments obtained in such courts that are predicated upon the laws of such other jurisdictions; or (iii) to enforce against any of them, in Kazakhstan courts, judgments obtained in jurisdictions other than Kazakhstan.

Kazakhstan's courts will not enforce any judgment obtained in a court established in a country other than Kazakhstan unless (i) there is in effect a treaty between such country and Kazakhstan providing for reciprocal enforcement of judgments and then only in accordance with the terms of such treaty or (ii) there is an actual reciprocity (i.e., the particular judge is satisfied that there is an evidence that judgments obtained in Kazakhstan are enforceable (or were actually enforced) in such other country). For example, there is no such treaty in effect between Kazakhstan and the United Kingdom or the United States; and existence of an actual reciprocity in the United Kingdom or the United States could be difficult or even impossible to prove. However, Kazakhstan is a party to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958 (the "Convention") and, accordingly, an arbitral award rendered in a country which is also a party to the Convention should be recognised and enforceable in Kazakhstan provided the conditions to recognition and enforcement set out in the Convention and the laws of Kazakhstan are met.

GOVERNING LAW

The Notes (including the agreement between the SPC and the ETN Holders relating to arbitration provided for in the paragraph headed “Arbitration” below), and any non-contractual obligations arising out of or in connection with the Notes, are governed by, and shall be construed in accordance with, the Acting Law of the AIFC.

ARBITRATION

Any claim, dispute, controversy or difference of whatever nature arising under, out of or in connection with the Notes (including a claim, dispute, controversy or difference regarding validity, interpretation, performance, breach or termination of any Notes or any non-contractual obligations arising out of or in connection with the Notes) (a “**Dispute**”), shall be referred to and finally settled by arbitration administered by the International Arbitration Centre of the Astana International Financial Centre (“**IAC**”) in accordance with the IAC Arbitration and Mediation Rules (the “**Rules**”) in force on the date on which the Request for Arbitration is filed with Registrar of the IAC. The Rules shall be deemed to be incorporated by reference into this Prospectus.

The seat of arbitration shall be Astana, the Republic of Kazakhstan and the language of arbitration shall be English.

In this paragraph:

“**Joinder Order**” means an order by a Tribunal that a Primary Dispute and a Linked Dispute be resolved in the same arbitral proceedings, including a decision of the Tribunal to consolidate a newly commenced arbitration with a pending arbitration.

“**Linked Dispute**” means any Dispute and/or any dispute, claim, difference or controversy arising out of, relating to or having any connection with the Notes, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes, in which a Request for Arbitration (as defined in the Rules) is served after a Request for Arbitration (as defined in the Rules) has been served in respect of a Primary Dispute.

“**Primary Dispute**” means any Dispute and/or any dispute, claim, difference or controversy arising out of, relating to or having any connection with the Notes, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes, in which a Request for Arbitration (as defined in the Rules) has been served before a Request for Arbitration (as defined in the Rules) has been served in relation to any Linked Dispute.

“**Tribunal**” means any arbitral tribunal appointed under this paragraph.

(i) Any party to both a Primary Dispute and a Linked Dispute may apply to the Tribunal appointed in relation to the Primary Dispute for a Joinder Order in relation to any Linked Dispute.

(ii) The applicant for a Joinder Order must promptly notify all parties to the Primary Dispute and the Linked Dispute of any application under point (i) above.

(iii) The Tribunal appointed in relation to the Primary Dispute may, if it considers it just, make a Joinder Order on hearing an application brought under point (i) above. In determining whether to make a Joinder Order, the Tribunal must take account of:

- (A) the likelihood and consequences of inconsistent decisions if joinder or consolidation is not ordered;
- (B) any failure on the part of the party seeking joinder or consolidation to make a timely application; and
- (C) the likely consequences of joinder or consolidation in terms of cost and time.

(iv) If the Tribunal makes a Joinder Order:

- (A) it will immediately, to the exclusion of any other Tribunal, have jurisdiction to resolve finally the Linked Dispute in addition to its jurisdiction in relation to the Primary Dispute;
- (B) it must order that notice of the Joinder Order and its effect be given immediately to any arbitrator(s) already appointed in relation to the Linked Dispute and to all parties to the Linked Dispute and to all parties to the Primary Dispute; and

(C) any appointment of an arbitrator in relation to the Linked Dispute before the date of the Joinder Order will terminate immediately and that arbitrator will be deemed to be functus officio with effect from the date of the Joinder Order. Such termination is without prejudice to:

- (1) the validity of any act done, or order made by that arbitrator or by the court in support of that arbitration before his appointment is terminated;
- (2) his entitlement to be paid his proper fees and disbursements; and
- (3) the date when any claim or defence was raised for the purpose of applying any limitation bar or any similar rule or provision.

(D) it may also give any other directions it considers appropriate to:

- (1) give effect to the Joinder Order and make provisions for any costs which may result from it (including costs in any arbitration terminated as a result of the Joinder Order); and
- (2) ensure the proper organisation of the arbitration proceedings and the proper formulation and resolution of the issues between the parties.

(v) If a Tribunal appointed in respect of a Primary Dispute hereunder makes a Joinder Order which confers on that Tribunal jurisdiction to resolve a Linked Dispute arising hereunder, that Joinder Order and the award of that Tribunal will bind the parties to the Primary Dispute and the Linked Dispute being heard by that Tribunal.

(vi) For the avoidance of doubt, where a Tribunal is appointed under this paragraph, the whole of its award (including any part relating to a Linked Dispute) is deemed for the purposes of the New York Convention on the Recognition and Enforcement of Arbitral Awards 1958 to be contemplated by this paragraph.

(vii) Each of the Issuer and the ETN Holders waives any objection, on the basis of a Joinder Order, to the validity and/or enforcement of any arbitral award made by a Tribunal following any Joinder Order.

RIGHTS OF THIRD PARTIES

No third party (i.e., a party other than the SPC and the ETN Holder) shall have any right to enforce any term or condition of this Prospectus in relation to the Notes, including any rights under Part 10 (Rights of Third Parties) of the AIFC Contract Regulations (the AIFC Regulations No. 3 of 2017).

BINDING NATURE OF THE PROSPECTUS

ETN Holders hereby agree, by acquiring any ETNs, whether directly, through a brokerage company or otherwise whatsoever, to be bound by the terms and conditions of this Prospectus and this Prospectus constitutes a binding contract between the SPC and each ETN Holder.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the Issuer's control and all of which are based on its current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believes", "forecasts", "expects", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "predicts", "continues", "assumes", "positioned", "anticipates", the negatives thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Prospectus and include statements regarding the intentions, beliefs or current expectations of the Issuer concerning, among other things, the results of operations, financial condition, prospects, growth, strategies, capital expenditure and development plans of the Issuer and the industries in which the Issuer operates.

These forward-looking statements and other statements contained in this Prospectus regarding the matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved and actual events or results may differ materially as a result of risks and uncertainties facing the Issuer. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Such forward-looking statements contained in this Prospectus speak only as at the date of this Prospectus. The Issuer expressly disclaims any obligation or undertaking to update the forward-looking statements contained in this Prospectus to reflect any change in their expectations or any change in the events, conditions or circumstances on which such statements are based.

All subsequent written and oral forward-looking statements attributable to the Issuer and those acting on behalf of the Issuer are expressly qualified in their entirety by this Section. Before making an investment decision, the prospective investors should specifically consider the factors identified in this Prospectus that could cause actual results to differ.

None of the Issuer or its management can give any assurance as to the future accuracy of the opinions set out in this Prospectus or as to the actual occurrence of any predicted developments.

RESPONSIBILITY STATEMENT

Subject to the following paragraph, the Issuer, having made all the reasonable enquiries, accepts responsibility for this Prospectus (in accordance with Section 69 of the AIFC Framework Regulations №18 of 2018 and Part 1 of the AIFC Market Rules №FR0003 of 2017) and confirms that this Prospectus complies with the requirements set out in Section 69 of the AIFC Framework Regulations №18 of 2018 and Part 1 of the AIFC Market Rules №FR0003 of 2017 and contains all information which is material in the context of the issue of the Notes, that the information contained in this Prospectus is correct to the best of its knowledge and that no material facts or circumstances have been omitted. The information in the Section “Underlying Fund” has been taken “as is” from the web-site (https://ew-mc.ru/?page_id=4) maintained for the Underlying Fund, and the Issuer shall not be liable for the accuracy or completeness of the information contained in that Section. Because the performance of the Underlying Fund directly affects the value and price of the ETNs potential investors should review information about the Underlying Fund available at the web-site https://ew-mc.ru/?page_id=4 prior to purchasing any ETNs. The Issuer confirms that such information has been accurately reproduced and is able to ascertain from the information published on the above-mentioned sources that no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of information is identified where used. The Issuer accepts responsibility for correctly extracting such information from the sources and confirms that such information has been correctly extracted from those sources.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any ETNs shall in any circumstances create any implications that there has been no adverse change, or any event reasonably likely to involve an adverse change, in the condition (financial or otherwise) of the Issuer since the date of this Prospectus.