

**INVESTMENT INFORMATION QUESTIONNAIRE**

One of the important steps in formulating an investment plan is to identify your risk tolerance as an investor. It can depend on the goals you are investing towards, as well as your current age and personal preferences. The less risk averse you are; the more your potential gain as well as your potential loss.

EFG Hermes Risk Management has developed this questionnaire with the aim of gauging your financial knowledge along with your investment style. Your investment style can range from retail Investor to qualified Investor.

Authorized persons with the right to act on behalf of their entity should answer the financial experience questions according to their qualifications and experience, while the other questions are based on the entity's resources and objectives.

This questionnaire will measure the financial resources adequacy, financial experience, financial objectives and risk tolerance. It is meant to give an indication of your risk tolerance, not to dictate a choice for you. Keep in mind that in your selection you should not be influenced by recent market performance. For example, bull markets may bias you towards taking more risk, while bear markets may incline you towards a more conservative approach.

I hereby confirm that the information below was filled by me in my personal capacity or on behalf of my entity as an authorized person, that I have read the questionnaire and that the information entered reflects my or my entity's true risk appetite. I will inform EFG Hermes KSA promptly if a change occurs in my or my entity's personal or financial situation that makes it necessary to change my answers. I have understood that in case my answers do not reflect my or my entity's actual situation or if I fail to inform EFG Hermes KSA of any change that occurs in my or my entity's personal or financial situation, I might be exposed to risks exceeding my or my entity's risk tolerance or my or its financial capabilities.



8. What is the value of your securities transaction in KSA over the last year

Answer

- a. less than 40 million Saudi Riyals
- b. More than 40 million Saudi Riyals

9. What is number of securities transaction outside KSA over the past years

Answer

- a. 0
- b. 1 to 50
- c. 51 to 100
- d. above 100

10. If securities transaction executed outside KSA over the past five years, Which Countries were these transactions executed

Answer

11. What do you expect the average yearly return of your portfolio to be over your investment horizon?

Answer

- a. 0 to 5%
- b. 5 to 10%
- c. 10 to 15%
- d. 15 to 20%
- e. More than 20%

12. What is your general investment objectives?

Answer

- a. Protection of Capital
- b. Income
- c. Balanced
- d. Growth of Capital

13. What is your preferred Investment assets?

Answer

- a. Time deposits
- b. Governmental securities
- c. Corporate securities
- d. Real estates
- e. derivatives

14. What is your Investment Horizon ?

Answer

- a. short term (less than 1 year)
- b. Medium term (1 - 5 years)
- c. Long term (more than 10 years)

15. How frequently do you trade in the derivative market?

Answer

- a. Never
- b. Occasionally
- c. Monthly
- d. Weekly
- b. Daily

16. acknowledgement of the risks

As an Investor, I hereby acknowledges that investing in the parallel market is riskier than investing in the main market due to the following:

- Small market capitalization where small and medium sized companies carry higher risks than companies in the main market.
- Small and medium companies creditworthiness is low which increase the possibility of default due to lower operational history, weak profitability and smaller size.
- Lack of shares liquidity as only 20% of the shares might be offered to small number of public shareholders which add difficulty of maintaining the requirements of trading on a regular basis.
- High price volatility as the daily fluctuation limits in trading is very high up to 30%.

Date: .....

Client Name: .....

Signature: .....



Risk Tolerance Questionnaire

Client Name: .....

Client Risk Tolerance: .....

Date Checked:  /  /

Remarks:

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