



TayyibanTM
SHARIAH FUND

Integrity, Opportunity, Diligence

Tayyiban Livestock Fund Hybrid 2

White Paper- 8 November 2023



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Introduction

The Tayyiban Fund (hereinafter “TF”) places its focus on the promotion of regenerative and sustainable farming practices, fostering partnerships that lead to the betterment of rural communities while collaborating closely with farmers. TF presents a distinctive opportunity within the agricultural sector, with its most exceptional feature being its livestock program. Currently, TF is actively engaged in trading within the lamb and beef sectors, with more than 36,000 head of cattle and 60,000 head of sheep passing through their system annually. TF takes pride in its ability to secure some of the most competitive lending rates for its clients, particularly in the financing of agricultural assets. Additionally, TF offers a unique off-balance sheet funding model for livestock. In the current landscape, high production efficiency is not merely advantageous but an absolute requirement for sustainable production. Traditional cattle and sheep farming at both the primary level and in feedlots has been reactive due to inadequate data and, more critically, the lack of data usability. TF presents a live collateral management system for livestock, empowering farmers and financiers to comprehensively monitor and oversee all facets of their farming operations.

Recent advancements in blockchain technology which have paved the way for transformative innovations across various industries, including recyclable energy. One of the most promising applications within the green energy sector is the concept of real asset tokenisation. This innovative approach holds the potential to reshape how green energy assets are owned, financed, and traded, offering a more accessible, efficient, and liquid investment landscape for potential investors.

Libex (hereinafter referred to as the “**Company**”) has recognised that real asset tokenisation will reshape the landscape of recyclable investment, making it more inclusive, efficient, and accessible. It has created the LibexQuota Platform to allow both investors and asset or project owners, to participate in new edge real world asset investment opportunities.

The Project Overview

Tayyiban is on a mission to revolutionize the agricultural sector through regenerative and sustainable farming practices. Our primary focus is not just on farming but on the holistic

upliftment of rural communities, fostering strong partnerships with our farmers. Tayyiban offers a distinctive opportunity in agriculture that benefits both farmers and investors.

Key Features:

Regenerative Farming: Tayyiban is dedicated to sustainable and regenerative farming practices that prioritize environmental health, soil fertility, and community well-being.

Community Upliftment: We're committed to enhancing the lives of rural communities by providing employment, training, and for local farmers.

Sector Expertise: Our current Fund 1 specializes in the lamb and beef sector, managing over 36,000 heads of cattle and 60,000 head of sheep annually.

Low Lending Rates: Tayyiban has a proven track record of securing some of the most competitive lending rates for our clients, making agricultural asset financing cost-effective.

Off-Balance Sheet Funding: We offer a unique off-balance sheet funding model for livestock, reducing financial burdens for farmers and increasing their financial stability.

Tokenization of Livestock Assets

The purpose of the tokenization of a portion of our project's revenue is to raise additional capital for future expansion of the business.

Investors are able to reap the benefits of a going concern as a leader in a fast-growing industry. The global market for livestock is booming and the demand for sustainable solutions is at an all-time high. Investors are now able to participate in this lucrative market through the sale of Tayyiban tokens. Investors share in the profits generated from the livestock, equivalent to approximately 16% income p.a paid out quarterly on 50% of funds; and 23% growth on 50% of funds paid out at the end of five years.

Global Trading

The Libex Quota Platform allows investors from around the world to participate in the tokenization of assets and projects that are listed on the platform. Libex Quota seeks to empower investors who otherwise would not have been able to participate in these assets. This is done by fractionalising assets into smaller affordable portions allowing liquidity options for the asset or project owner whilst rewarding the investor with attractive market returns.

The Team

Our team of professionals have extensive combined experience in navigating the digital, legal, financial and trading worlds providing investors with an automated, compliant and risk- mitigated experience.

CEO- Asif Aziz

COO- Nyosi Tshabalala

CTO- Warren Schwartz

Platform engineer- Naeem Razak

Legal and Compliance- Schindler's Attorneys

Marketing Strategist- Megan-Kim Chinian

What are the advantages of tokenising Real World Assets (“RWA”)?

Tokenising RWA offers a range of advantages that can revolutionise the way real assets are owned, traded, and accessed. Tokenising RWA includes but is not limited to the following:

1. **Fractional Ownership:** One of the main advantages of STOs (Securitized Token Offerings) for the RWA market is the ability to offer fractional ownership. This means that investors can purchase a fraction of an asset, which reduces the minimum investment required to participate. This can make investing more accessible to a wider range of investors, which can lead to increased demand for tokens and potentially higher valuations. In addition, investors can diversify

their portfolios by holding tokens in multiple sectors across different jurisdictions.

2. **Increased Liquidity:** RWA investments are traditionally illiquid, with investors often having to hold their investments for long periods before they can be sold. However, tokenisation increases liquidity by allowing investors to buy and sell tokens representing ownership in an asset or project on a secondary market. This can provide investors with more flexibility, reduce barriers to entry and potentially yield higher returns.
3. **Transparency and Security:** The use of blockchain technology, provides a secure and transparent record of ownership and transaction history. This reduces the risk of fraud and increases investor confidence and trust amongst stakeholders.
4. **More Efficient Fundraising:** Tokenisation provides an efficient and cost-effective way to raise capital for real estate projects compared to traditional fundraising methods. By offering tokens representing securities, companies can reach a wider pool of potential investors, including those who might not have been able to participate in traditional fundraising rounds.
5. **Access to Global Capital:** Tokenisation provides access to global capital markets, allowing real estate companies to reach investors from around the world. This can increase competition for investment opportunities and potentially lead to higher valuations.
6. **Accessibility:** Tokenisation breaks down investment minimums, allowing a wider range of investors to participate in real estate ventures, including retail investors who may not have had access before.
7. **24/7 Trading:** Traditional real estate markets have trading hours and can be subject to delays. Tokenised assets can be traded 24/7, providing flexibility and reducing transaction times and costs.

8. **Reduced Intermediaries:** Tokenisation can streamline the investment process, potentially reducing the need for intermediaries such as brokers, agents, and custodians, leading to cost savings.
9. **Lower Costs:** Tokenisation can reduce administrative and operational costs associated with property management, record-keeping, and transaction processing.
10. **Fractional Returns:** Investors receive proportional returns based on their ownership, enabling them to benefit from rental income and property appreciation without the need to invest in an entire property.
11. **Enhanced Portfolio Diversification:** Tokenised real estate assets provide an alternative investment class that can enhance portfolio diversification beyond traditional asset classes.
12. **Potential for Secondary Markets:** As the tokenised real estate market matures, secondary markets for trading property tokens may develop, providing even greater liquidity and investment opportunities.
13. **Reduced Entry Barriers:** Tokenisation can enable smaller developers and property owners to access a wider pool of potential investors, facilitating project funding and reducing reliance on traditional financing.

The Investment Opportunity Overview:

By participating in this project, investors will receive tokens that represent a share of value in the revenues that are generated by the project. These tokens give the investor a share of the profits generated from livestock sales which is anticipated to be the equivalent to approximately 16% income p.a paid out quarterly on 50% of funds; and 23% growth on 50% of funds paid out at the end of five years.

- **Total Target Raise:** the total amount sought to be raised is R50 000 000.00 (Fifty Million South African Rands);
- **Investment Type:** Investors will become limited partners in the "en commandite" Tayyiban Partnership;

- **Minimum Buy In:** the minimum investment required to participate is R10 per token;
- **Number of Available Tickets:** A total of 5,00,000 (Five Million) tokens are available for investors; and
- **Commercial viability;** the amount of after tax profits being set aside to service the investment for the token investors, is a quarter of what is generated annually based upon current operating conditions and inputs.

The investment opportunity involves the investor becoming a limited partner in the "en commandite" partnership structure. An "en commandite" partnership, also known as a limited partnership, is a legal structure that allows for the formation of a business partnership with two types of partners: a general partner and a limited partner. This arrangement offers a unique blend of active management and passive investment, making it a popular choice for ventures that require specialised expertise and funding.

General Partners: The general partner bears the responsibility for the managing day-to-day operations of the partnership. General partners have unlimited liability for the partnership's obligations.

Limited Partners: Investors who purchase the Project Tokens become limited partners. Limited partners contribute the capital required for the partnership and share in profits generated. Limited partners have limited liability, restricted to their investment amount and do not have any management rights or responsibilities.

Investment and Benefits:

- Profits from sales revenues after a specified period are shared among limited partners based on their proportional partnership interest in the partnership.
- Limited partners receive automated allocation benefits through smart contracts, directed to their wallets.

Liability and Lock-In Period:

- Limited partners have limited liability, while general partners have unlimited liability.
- If the first tranche of the Total Target Raise is not reached, investors, through the automatic redemption of the Project Tokens shall be reimbursed their initial capital contribution which can then be converted into fiat Rands or invested into an alternative investment on the Libex platform at the election of the investor.
- If the Target Total Raise amount is achieved, the capital raised will be paid to the Tayyiban Partnership where the token holders will become limited partners.
- The Project Tokens can be traded on the secondary market but cannot be redeemed other than in accordance with the terms of the investment set out below.

Distribution of Benefits:

Payment of returns on investment calculated at approximately 16% income p.a paid out quarterly on 50% of funds; and 23% growth on 50% of funds paid out at the end of five years.

Full details are contained in the terms and conditions available on the website: <https://quota.libex.ai>

Please note that this is a general interpretation of the provided information, and any investment decision should be made after thorough due diligence and consultation with legal and financial experts.

Rights associated to the tokens

Tokens represent the Investor's economic interest in the authorised investment, namely the right to receive an agreed share of the economic profits. Investors maintain their limited liability protection by not actively participating in the business of the partnership.

Legal Disclaimers

The information contained in this white paper is for informational purposes only and does not constitute financial, legal, or investment advice. The material presented herein is not intended to be relied upon as the basis for making any investment decisions and is not to be construed as a solicitation or an offer to buy or sell any tokens, cryptocurrencies, securities, or financial instruments.

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It is important to understand that token-based projects, blockchain technologies, and related ecosystems are subject to various technological risks and uncertainties.

In light thereof, the technological risks associated with tokens, especially in the context of blockchain and cryptocurrency projects, can be significant due to the complex and rapidly evolving nature of the technology, these include but are not limited to security vulnerabilities, smart contract bugs, scalability issues, interoperability challenges, regulatory uncertainties, fork risks, user friendly interfaces, and data privacy concerns.

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