General Risk Warnings

Investing in private placements and early-stage startups can be very rewarding, but it involves risks, including loss of capital, illiquidity, lack of dividends, and dilution. Jibrel is targeted exclusively at investors who are sufficiently sophisticated to understand the below risks and make their own investment decisions. You will only be able to invest via Jibrel.com once you are registered as sufficiently sophisticated. While Jibrel's team diligently and carefully screens all startups, neither Jibrel nor its affiliated companies offer investment, legal or tax advice or assume responsibility for your losses. Nothing in the Offering Materials is intended to be or should be construed as investment advice. In approving Offering Materials Jibrel's role is solely limited to approving financial promotions for the purposes of the ADGM financial promotion rules, and should in no way be seen as an endorsement, recommendation or assessment of the suitability of a particular investment. Jibrel takes no responsibility for this information or for any recommendations or opinions made by the companies.

1. Loss of Capital

Most startups fail, and if you invest in a business displayed on the platform, it is significantly more likely that you will lose all, or part of, of your invested capital than that you will see any return of capital or a profit. You should not invest more money through the platform than you can afford to lose without altering your standard of living. If a business you invest in fails, neither the company – nor Jibrel – will pay you back your investment.

2. Illiquidity

Almost all investments you make through the platform will be highly illiquid. While secondary markets exist, there is no guarantee that they will be highly liquid. This means you that you are unlikely to be able to sell your shares until and unless the investee company floats on a stock exchange or is bought by another company; and, even if the business is bought by another company or floats, your investment may continue to be illiquid. Even for a successful business, a flotation or purchase is unlikely to occur for a number of years from the time you make your investment. For businesses for which secondary market opportunities are available (including any available on the platform), it can be difficult to find a buyer or seller, and investors should not assume that an early exit will be available just because a secondary market exists.

3. Rarity of Dividends

Dividends are payments made by a business to its shareholders from the company's profits. Startups rarely pay dividends. This means that if you invest in a business through the platform, even if it is successful you are unlikely to see any return of capital or profit until you are able to sell your shares in the investee company. Even for a successful business, this is unlikely to occur for a number of years from the time you make your investment. Profits are typically re-invested into the business to fuel growth and build shareholder value. Businesses have no obligation to pay shareholder dividends.

4. Dilution

Any investment you make through the platform is likely to be subject to dilution in the future. This means that if the business raises additional capital at a later date, it will issue new shares of the investee company to the new investors, and as a result your proportionate shareholding of the company is reduced, or 'diluted'. Dilution affects every existing shareholder who does not buy any of the new shares being issued. These new shares may also have certain preferential rights to dividends, sale proceeds and other matters, and the exercise of these rights may work to your disadvantage. Your investment may also be subject to dilution as a result of the grant of options (or similar rights to acquire shares) to employees of, service providers to or certain other parties connected with, the investee company.

5. Diversification

Diversification is an essential part of investing. It involves spreading your money across different types of investments with different risks to reduce your overall risk. However, it will not lessen all types of risk. Investing in startups should only be done as part of a well-diversified portfolio. This means that you should invest only a small proportion of your investable capital in startups as an asset class, with the majority of your investable capital invested in safer, more liquid assets. It is typically considered prudent for Investors to consider spreading their risk over multiple investments and we encourage this approach.

6. Indirect Investment via an SPV

You should read all the offering materials available to you ("Offering Materials") with respect to a transaction prior to making an investment of any type. You should also understand that investments through Jibrel may be direct or indirect investments to the underlying business as described more fully in the Offering Materials.

Secondary Market Risk Warnings

1. Loss of Capital

Most startups fail, and if you invest in a business through the platform via one of our SPV’s, it is significantly more likely that you will lose all, or part of, of your invested capital than that you will see any return of capital or a profit. You should not invest more money through the platform than you can afford to lose without altering your standard of living. If a business you invest in fails, neither the company – nor Jibrel – will pay you back your investment.

2. Incomplete Information

Directors of the underlying companies often have more information than shareholders. Employees may know things that you do not know about the company. Existing investors that you are purchasing these shares from most likely have more information about the history and status of the underlying company than you. New investors will have the least Information and therefore take the most risk.

When purchasing SPV shares through our secondary market you are subject to greater risks than other shareholders due to a lack of Information about the underlying company owned by the SPV. You maybe buying shares from a director, employee or shareholder that has significantly more information than you that may lead to the complete or partial loss of your investment capital as they are not subject to the same disclosure and reporting rules of a publicly traded company.

3. Indirect Investment via an SPV

When purchasing SPV shares through our secondary market, you are not buying direct shares in the company listed. The shares will be owned by a Special Purpose Vehicle (SPV) held and operated by Jibrel Limited.

4. No Information and Voting Rights

As an SPV shareholder you will not have Information rights in the underlying companies. Moreover, all shares on the secondary market come with no voting rights unless otherwise stated. If you purchase shares on our secondary market, these are non-voting shares and may not be attractive to potential buyers.

5. Illiquidity

Almost all investments you make through the platform will be highly illiquid. For businesses for which secondary market opportunities are available (including any available on the platform), it can be difficult to find a buyer or seller, and investors should not assume that an early exit will be available just because a secondary market exists. While you can sell your SPV shares through the platform, there is no guarantee that the secondary market on the platform will be highly liquid. This means you that you are unlikely to be able to sell your shares until and unless sufficient liquidity is available on our secondary market, the investee company floats on a stock exchange or is bought by another company; and, even if the business is bought by another company or floats, your investment may continue to be illiquid. Even for a successful business, a flotation or purchase is unlikely to occur for a number of years from the time you make your investment.

6. Diversification

Diversification is an essential part of investing. It involves spreading your money across different types of investments with different risks to reduce your overall risk. However, it will not lessen all types of risk. Investing in startups should only be done as part of a well-diversified portfolio. This means that you should invest only a small proportion of your investable capital in startups as an asset class, with the majority of your investable capital invested in safer, more liquid assets. It also means that you should spread your investment across multiple businesses rather than investing a larger amount in just a few.

7. Rarity of Dividends

Dividends are payments made by a business to its shareholders from the company's profits. Startups rarely pay dividends. This means that if you invest in a business through the platform, even if it is successful you are unlikely to see any return of capital or profit until you are able to sell your shares in the investee company or the SPV. Even for a successful business, this is unlikely to occur for a number of years from the time you make your investment. Profits are typically re-invested into the business to fuel growth and build shareholder value. Businesses have no obligation to pay shareholder dividends.

8. Dilution

Any investment you make through the platform is likely to be subject to dilution in the future. This means that if the business raises additional capital at a later date, it will issue new shares of the investee company to the new investors, and as a result the percentage of the investee company that the SPV owns will decline. Dilution affects every existing shareholder who does not buy any of the new shares being issued. These new shares may also have certain preferential rights to dividends, sale proceeds and other matters, and the exercise of these rights may work to your disadvantage. Your investment may also be subject to dilution as a result of the grant of options (or similar rights to acquire shares) to employees of, service providers to or certain other parties connected with, the investee company.