

Fact Sheet

Lotus Halal Investment Fund

December 31, 2021



Fund Overview

The Halal Investment Fund is designed for investors with moderate risk tolerance and a medium to long-term investment horizon. The Fund invests in a broadly diversified portfolio of equities, Sukuk and asset backed investments.

The Fund's activities are supervised by an investment committee which meets regularly to take investment decisions, oversee performance and ensure Shariah compliance and proper risk management.

Fund Facts	
Launch Date	August 2008
Listing	Nigerian Exchange (NGX)
Currency	Naira (NGN)
Fund Size	₦3.008bn
Net Asset Value (NAV) Per Unit	₦1.52
Minimum Investment	₦5,000
Recommended Holding Period	3-5 years
Income Accrual	Daily
Risk Profile	Moderate
Share of Profit	70 (Investor) :30 (Manager)
No of Distributions Since Inception	10
Last Distribution	Feb 2021: ₦0.07/unit

Asset Class	Allocation Range
Listed equities	10%-80%
Unlisted equities	0%-30%
Asset Backed Investment	10%-80%
Sukuk	0%-80%
Cash and Equivalents	0%-40%

* Asset Backed Investment refers to non-interest finance contracts such as Ijara (lease) Murabaha (cost-plus) and mudaraba (joint venture) contracts.
* Cash and equivalents include Shari'ah compliant short-term investments in Non-Interest Financial Institutions)

Investor Profile

The Fund is specifically designed for ethical investors with a moderate risk tolerance. The Fund is suitable for **individual and institutional investors** seeking non-interest-based returns.

Benefits to the Investor

Competitive Returns	Aims to provide attractive returns comparable to conventional instruments with a similar risk profile.
Moderate Risk	Minimizes risk through diversification.
Long term goals	Suitable for investing towards long term goals such as retirement and education.
Dividend	Dividend is paid periodically at the discretion of the Fund Manager.
Inclusive	The Fund is certified annually for Shariah compliance and is targeted at investors with faith-based or ethical preferences.

Market Review (4th Quarter, 2021)

The Nigerian economy continue to recover despite the lingering cases of COVID-19. Data from the National Bureau of Statistics showed that the economy expanded by 4.03% in Q3'2021 and is on course for a full year recovery. The improvements are being driven by higher output from the Information and Communication, Manufacturing and Agriculture sectors amongst others.

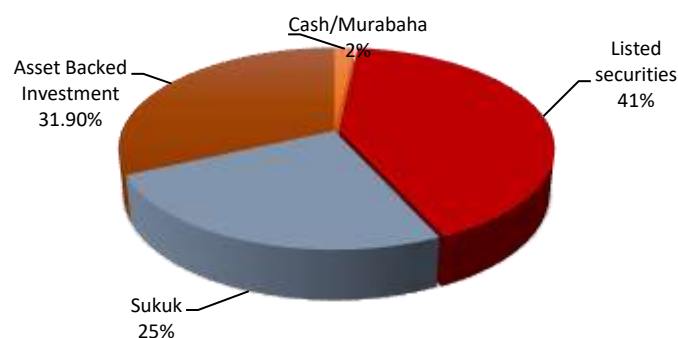
Monetary authorities maintained an accommodative policy stance and kept the benchmark rate at 11.5%. At the currency market, the naira depreciated at the Investors and Exporters window to ₦435.00/\$ (June: ₦413.88/\$) while hovering around ₦570/\$ at the parallel market, despite the accretion to external reserves. In addition, headline inflation receded for the eight consecutive month to 15.40% in November due to high base effect from 2020.

In the fixed income market, the sovereign yield curve shifted upwards from last year, evidencing increased credit extension. The equities market still managed to return modest gains in 2021 after an overwhelming performance in 2020. The NGX All Share Index closed the year up by 6.07%, while the NGX Lotus Islamic index was up by 5.74%.

Fund Performance

The Halal Investment Fund closed the year with a gain of 10.42% comparing favorably to its peers. This was following the 4.17% return generated in the last quarter of the year, which took the Net Asset Value of ₦1.52/unit. This positive performance was driven by an appreciation in listed equities and rental income on Sukuk.

Current Allocation



	Q4'2021	FY'2021	2020	Inception to Date
Fund Return	4.17%	10.42%	27.48%	74.20%
Benchmark	2.35%	5.49%	24.07%	-

Fund Outlook

In Q1'2022, the Fund will continue its strategy of investing in shariah compliant stocks that have sound fundamentals and good dividend yields. The Fund will also aim to invest in higher yielding fixed income investments.

Note:

- Redemption period is 3-5 business days.
- Investing in Shariah compliant products involves risk as the value of investments may rise and fall depending on the performance of the underlying assets. Past performance does not guarantee future performance.