

Fund Overview

The Lotus 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 proper risk management and Shariah compliance.

Fund Facts

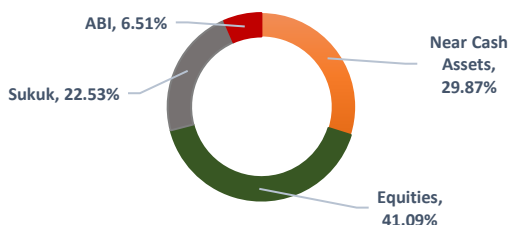
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|--------------------------------|-------------------------------|
| Launch Date | August 2008 |
| Currency | Naira (NGN) |
| Fund Size | ₦6.19bn |
| Net Asset Value (NAV) Per Unit | ₦2.62 |
| Custodian | Citi Bank Nigeria Limited |
| Trustees | FBNQuest Trustees Limited |
| Minimum Investment | ₦5,000 |
| Recommended Holding Period | 3-5 years |
| Income Accrual | Daily |
| Risk Profile | Moderate |
| Share of Profit | 70% (Investor) :30% (Manager) |
| Last Distribution | September 2024: ₦0.10/unit |

| Asset Class | Allocation Range |
|-------------------------------|------------------|
| Listed equities | 10% - 80% |
| Unlisted equities | 0% - 30% |
| Asset Backed Investment (ABI) | 10% - 80% |
| Sukuk | 0% - 80% |
| Near Cash Assets | 0% - 40% |

* Asset Backed Investment refers to non-interest finance contracts such as Ijarah (lease) Murabaha (cost-plus) and Mudaraba (joint venture) contracts.

* Cash and equivalents include Shari'ah-compliant short-term investments in Non-Interest Financial Institutions

Current Asset Allocation



Investor Profile

The Fund is specifically designed for ethically-inclined investors with moderate risk appetite. 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 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 targeted at investors with faith-based or ethical preferences, but open to the general investing public. It is reviewed annually for Shariah compliance . |

Market Review (Second Quarter 2025)

GLOBAL ECONOMY

In Q2 2025, central banks adopted a cautious stance on monetary policy. The U.S. Federal Reserve held its benchmark interest rate steady at 4.50%, citing persistent inflationary pressures and policy uncertainty. In contrast, the Bank of England and the People's Bank of China cut their rates by 25bps and 10bps, bringing them to 4.25% and 3.00%, respectively.

Investors' reaction in the financial markets were mixed in the period. The price of Brent Crude saw a brief spike in Q2 2025 amid the Israel-Iran conflict, reaching a high of \$76 per barrel. However, prices declined to \$67.61 per barrel by the end of the quarter following OPEC+'s decision to increase oil output. Conversely, the global equities market reacted positively to a potential trade truce between the US and China resulting in the FTSE 100, S&P 500 and SHCOMP Index increasing by 2.52%, 10.00% and 2.65% respectively in the period.

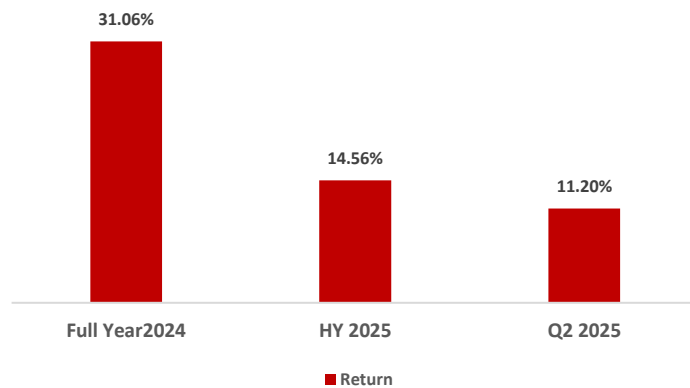
LOCAL ECONOMY

Nigeria's macroeconomic indicators showed improvement in Q2 2025. Headline inflation declined to 22.97% in May, down from 24.23% in March, supported by lower food prices and relative exchange rate stability. The Naira remained stable, trading at ₦1,539.24/\$ on the Nigerian Autonomous Foreign Exchange Market (NAFEM). This was underpinned by increased investor participation and proactive FX interventions by the Central Bank. The Monetary Policy Committee held the Monetary Policy Rate steady at 27.50%.

Investor sentiment remained positive in the local equities market. The NGX All Share Index and NGX Lotus Islamic Index posted quarterly gains of 13.56% and 22.27%, respectively.

Fund Performance

In the second quarter of 2025, the Halal Investment Fund gained over 11.20% to close with a Net Asset Value of **₦2.62/unit**. This positive performance was driven by gains from equity investments and profit on asset backed transactions.



| | Q2'2025 | Q1'2025 | Inception to Date |
|--------------------|---------------|--------------|-------------------|
| Fund Return | 11.20% | 3.06% | 217.40% |
| Benchmark | 18.37% | 6.22% | - |

Fund Outlook

In the upcoming quarter, the Fund plans to increase exposure to higher-yielding asset-backed investments while maintaining a slightly aggressive position in the equities market in view of the improvements in the macroeconomic environment and the likelihood of lower fixed income yields.

Note: 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.