

Fund Overview

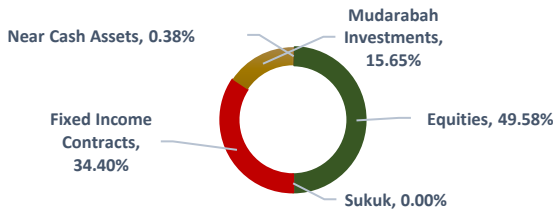
The Lotus Waqf (Endowment) Fund is designed for investors who intend to invest towards supporting charitable causes in education, primary healthcare, economic empowerment, and family and social welfare.

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 | |
|--------------------------------|--|
| Launch Date | March 2024 |
| Currency | Naira (NGN) |
| Fund Size | ₦346.979mn |
| Net Asset Value (NAV) Per Unit | ₦ 1,482.67 |
| Custodian | Citi Bank Nigeria Limited |
| Trustees | FBNQuest Trustees Limited |
| Waqf Income Distributor | Development Initiative of West Africa |
| Minimum Investment | ₦5,000 |
| Recommended Holding Period | 1 year |
| Income Accrual | Daily |
| Risk Profile | Moderate |
| Investor Category | <ul style="list-style-type: none"> Class A (Permanent Waqf) Class B (Temporary Waqf) |
| Last Charity Distribution | February 2025: ₦25,101,892.77. |

| Asset Class | Allocation Range |
|---|------------------|
| Cash | 0% - 5% |
| Sharia Compliant Fixed Term Investments | 0% - 100% |
| Commodities | 0% - 30% |
| Sharia Contracts | 0% - 80% |
| Mutual Funds | 0% - 20% |
| Sukuk | 0% - 100% |
| Shariah Compliant Equities | 0% - 20% |

Current Asset Allocation



Investor Profile

The Fund is specifically designed for ethically-inclined investors seeking sustainable returns and long-term social impact in line with Shariah principles.

Benefits to the Investor

| | |
|-----------------------------|---|
| Enduring Impact | Contributes to a perpetual charitable endowment that generates continuous rewards (Sadaqah Jariyah). |
| Capital Preservation | The original capital is maintained, while only the returns are used for charitable or developmental purposes. |
| Social Good | Supports community development initiatives such as education, healthcare, and poverty alleviation. |
| Faith-Aligned | Structured in compliance with Shariah principles, ensuring ethical and faith-based investing. |
| Legacy Building | Provides an avenue to leave a lasting legacy that benefits future generations. |

NOTE: THIS LOTUS WAQF (ENDOWMENT) FUND IS REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION, NIGERIA.

Market Review (First Quarter 2026)

GLOBAL ECONOMY

On the global scene, market sentiment was largely cautious. Inflation was up during the quarter, settling at 3.3% in the United States, 2.6% in the Euro Area, and 3.3% in the United Kingdom partly driven by energy prices. Most central banks maintained cautious monetary policy stances, opting to hold rates steady as they assessed the broader economic implications of the ongoing US-Iran conflict. The US Fed held its benchmark rate at 3.5%-3.75%, the Bank of England kept its rate at 3.75%, while European Central Bank maintained its policy rate at 2.15%.

LOCAL ECONOMY

In Q1 2026, the CBN MPC eased its monetary policy stance, cutting the benchmark rate by 50bps to 26.50% at its February 2026 meeting, while retaining other key rates. The decision was supported by easing inflation, a stable FX market, and modest growth prospects with headline inflation having declined to 15.06% in February 2026. However, the rate cut preceded the material escalation in the Middle East conflict, which introduced fresh upside risks to inflation through elevated energy and commodity prices. This was reflected in the March 2026 inflation print, which rose to 15.38%. Based on this trend, the CBN may pause further rate cuts similar to other central banks.

During Q1 2026, the short tenor Sukuk yield rose while the mid to long tenors declined. Yields on Sukuk 27, 31, 32, and 33 closed the quarter at 17.86%, 16.27%, 16.42%, and 16.38% respectively, compared to 16.81%, 17.12%, 17.11%, and 17.00% at end-2025. This could imply that investors now expect a slower decline in inflation and less aggressive monetary easing.

Fund Performance

In the first quarter of 2026, the Lotus Waqf (Endowment) Fund closed with a Net Asset Value of ₦ 1,482.67/unit bringing its Year-to-date return to **18.80%**.

This positive performance was driven by gains from equity investments and profit on asset backed transactions.



Fund Outlook

In the next quarter, the Fund intends to maintain its current equity holdings in anticipation of dividend income and long-term capital appreciation. In addition, the Fund plans to increase its exposure to Shariah-compliant contracts to take advantage of the relatively higher yields available in that segment.

This strategy is expected to enhance overall portfolio performance while reducing the portfolio risk through diversification, thereby supporting the Fund's charitable initiatives.

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.