LOTUS CAPITAL
HALAL INVESTMENTS

Fact Sheet

Lotus Halal Fixed Income Fund — June 30, 2026

Fund Overview

The Lotus Halal Fixed Income Fund (Lotus FIF) is an open-ended mutual fund that invests in fixed income instruments such as Sukuk (non-interest bonds) and fixed-return contracts such as Ijarah (lease) and Murabaha (cost-plus) contracts. The Fund does not invest in equities or interest-bearing securities like treasury bills or conventional term deposits.

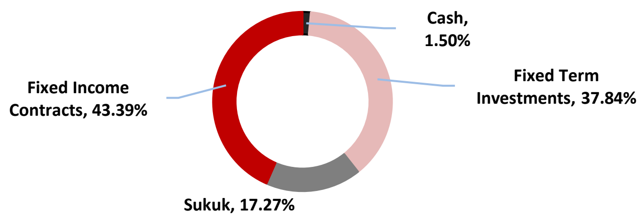
The Fund's activities are supervised by an investment committee which meets regularly to take investment decisions, oversee performance and ensure Shariah-compliance and proper risk management.

Fund Facts	
Launch Date	May 2016
Currency	Naira (NGN)
Fund Size	₦48.31bn
Net Asset Value (NAV) Per Unit	₦1,319.45
Custodian	Citi Bank Nigeria Limited
Trustees	STL Trustees Limited
Minimum Investment	5 units
Minimum Holding Period	30 days
Income Accrual	Daily
Risk Profile	Low
Annual Management Fee	1.5% of Net Asset Value
Distribution Frequency	Quarterly
No. of Distributions Since Inception	38
Last Distribution	March 2026: ₦39.06/unit
Benchmark (Composite)	3yr FGN Bond & 90-day NITTY

Asset Class	Allocation Range
Cash	0% - 5%
Sovereign & Sub-Sovereign Sukuk	0% - 90%
Corporate Sukuk	0% - 60%
Fixed Term Investments	0% - 100%
Fixed Income Contracts	0% - 70%

** Fixed Income Contracts include Ijara (lease) and Murabaha (cost-plus) contracts.*
** Fixed Term Investments are Shari'ah compliant short-term investments with Non-Interest Financial Institutions.*

Current Asset Allocation



Investor Profile

The Fund is specifically designed for ethically inclined investors with low-risk appetite. The Fund is suitable for **individuals and institutional investors** seeking non-interest-based returns.

Benefits to the Investor

Returns	Aims to provide attractive returns comparable to conventional fixed-income investments.
Low Risk	Minimizes risk of loss through diversification and focus on low-risk assets.
Income	Aims to pay out 80% of profit to investors on a quarterly basis.
Liquidity	Investors can enter and exit the Fund every business day.
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**.

Note:

THIS LOTUS HALAL FIXED INCOME FUND IS REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION, NIGERIA.

Market Review (Second Quarter 2026)

GLOBAL ECONOMY

On the global scene, market sentiment was largely cautious. Inflation rose during the quarter, settling at 4.20% in the United States and 3.3% in the Euro Area, while the United Kingdom held steady at 2.8%. Consequently, monetary authorities turned cautious on inflation and paused their easing cycles: the Federal Reserve held its benchmark rate at 3.75%, the Bank of England maintained its policy rate at 3.75%, while the European Central Bank raised its key rate to 2.40%, up from 2.15% in Q1 2026.

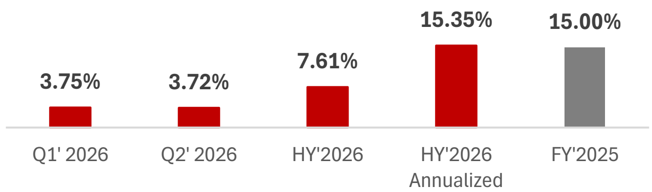
LOCAL ECONOMY

In Q2 2026, the CBN's Monetary Policy Committee maintained a cautious posture, keeping the Monetary Policy Rate unchanged at 26.50% at its May 2026 meeting. This decision was underpinned by FX market stability and tempered growth expectations, even as headline inflation broke its 11-month disinflationary run to climb to 15.93% in May. The reversal followed a significant escalation in the Middle East conflict, which introduced new upside pressure on inflation via higher energy and commodity prices. Against this backdrop, the CBN chose to hold rates steady, mirroring the cautious approach taken by other central banks.

Sukuk yields moved higher across the curve during the quarter, with the short-tenor SK27 rising to 19.78% from 17.86%, while longer-dated instruments (SK31–33) also saw yields increase. This reflects the CBN's cautious policy stance, which is likely to keep yields elevated in the near term.

Fund Performance

The Lotus Halal Fixed Income Fund gained 3.72% in Q2'2026 to end the quarter with a Net Asset Value of ₦1,400.61/unit. The positive performance was driven by profits from fixed-term investments and rental income on Sukuk resulting in a year-to-date return of 7.61%.



	HY'2026	Q'2 2026	Inception to Date
Fund Return	**7.61%**	**3.72%**	**137.52%**
Benchmark	**8.21%**	**3.94%**	

Fund Outlook

In the coming quarter, we expect further inflationary pressure and elevation in yields if the US-Iran conflict persists. The Fund will therefore aim for investments that offer good opportunities for repricing in the event that yields rise. This is to ensure that the Fund generates positive real returns for investors. We are optimistic that this strategy will be positive for the Fund.

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.

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