

Elara Fixed Income Fund Ltd.

USD 2794.04 NAV as on 31st December 2025

MTD : +1.12% / YTD: +10.78% / IRR (since inception): 10.31%

Authorised by: Bermuda Monetary Authority (BMA) | Manager: Elara Asset Management Ltd.

Fund Description

Elara Fixed Income Fund Ltd. follows an opportunistic, benchmark-agnostic investment strategy that allows flexibility across geographies, sectors, and capital structures, with a focus on emerging markets. The fund aims to deliver high total returns while actively managing volatility and currency risk associated with non-USD exposures.

Key facts

| | |
|--|-----------------------------|
| Bloomberg Ticker | ELARAFI BH |
| ISIN | BMG3095Q1050 |
| Inception Date | 23/11/2012 |
| Total Expense Ratio¹ | 1.08% |
| Management Fee² | 1.0% per annum |
| Fund Type | Open-ended |
| Investment Manager | Elara Asset Management Ltd. |
| Total Net Assets | <100 million USD |
| Fund Base Currency | USD |
| Performance Fee | 5% of NAV increase |
| Redemption Fee | Zero |

1. Excluding Performance Fee,
2. Accrued monthly payable quarterly

Accolades and Recognition



Winner at EuroHedge Awards 2021 in the Emerging Manager & Smaller Fund category

Finalist at the HFM European Performance Awards 2025 under two categories: (1) Credit – Long-term performance (5 years); (2) Emerging Market Debt

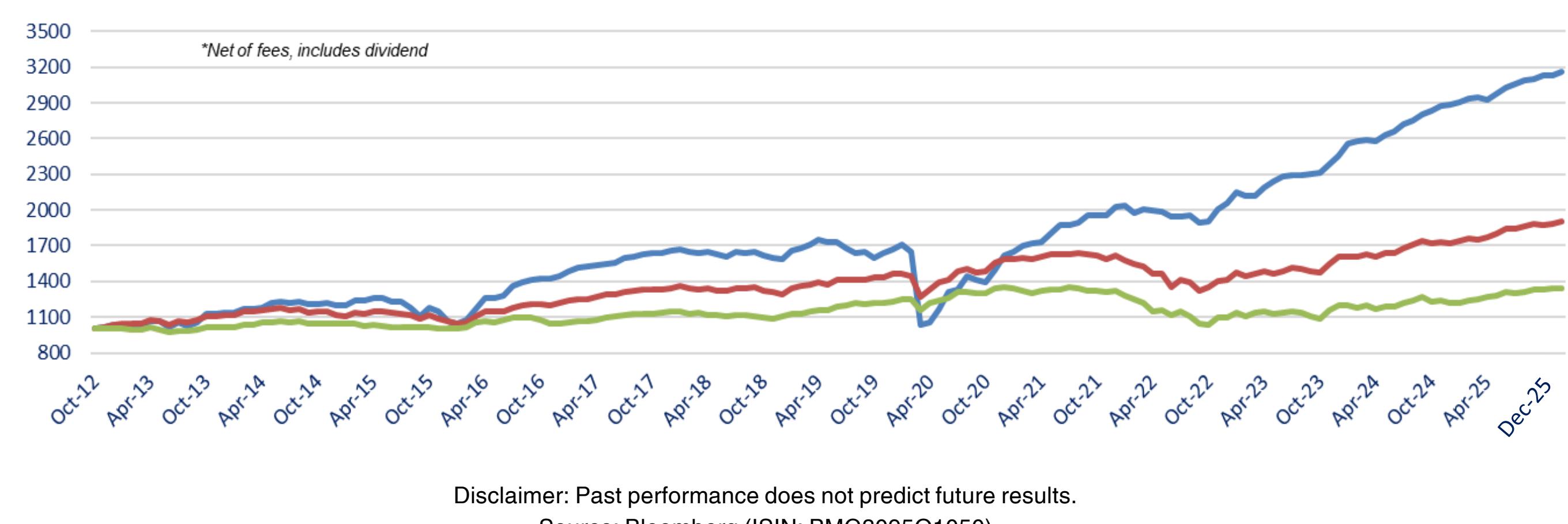
Finalist at EuroHedge Awards 2023 in the Emerging Manager & Smaller Fund Category

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Finalist at the EuroHedge Emerging Fund Management Awards 2017 in the Credit & Fixed Income category.

Cumulative Performance (as of 31st December 2025)

- Elara Fixed Income Fund
- Bloomberg Global High Yield Corporate Total Return Index (LG50TRUU Index)
- Bloomberg Global Aggregate – Corporate TR Index Value Unhedged USD (I09805US Index)



Disclaimer: Past performance does not predict future results.
Source: Bloomberg (ISIN: BMG3095Q1050)

Trailing Performance (as of 31st December 2025)

| | 1 month | 3 months | YTD | 3 years** | 5 years** | IRR (since 2012)* |
|-----------------------|---------|----------|--------|-----------|-----------|-------------------|
| Fund | 1.12% | 2.31% | 10.78% | 18.19% | 17.07% | 10.31% |
| LG50TRUU Index | 0.85% | 1.13% | 10.62% | 10.42% | 3.70% | 5.03% |
| I09805US Index | 0.27% | 0.77% | 10.30% | 6.92% | -0.23% | 2.27% |

** Returns are calculated on an annualized basis

Annual Returns (Since Inception)

| Year | 2012 * | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|---------------|--------|--------|--------|---------|--------|--------|--------|
| Return | 3.76% | 9.50% | 5.55% | -11.79% | 41.73% | 16.94% | -5.35% |
| Year | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Return | 6.36% | -3.67% | 30.36% | 2.00% | 23.55% | 20.58% | 10.78% |

*Since Nov 2012

Monthly Commentary

2025 was a broadly constructive year for financial markets, with most major asset classes posting positive returns as inflation moderated and policy shifted toward easing. U.S. equities delivered strong double-digit gains (e.g., S&P 500 +~16.4%), driven by technology leadership and productivity growth. U.S. GDP expanded 4.3% annualized in Q3, underscoring resilient economic momentum even amid tariff headwinds. Corporate earnings remained resilient, helping sustain risk sentiment beyond mega-cap leadership.

December was relatively quiet, with markets pricing in the Fed's 25 bp rate cut to 3.5%–3.75%. U.S. growth remained solid, with Q3 GDP at 4.3% (underlying trend ~2.5%), while job growth slowed, reinforcing expectations that policy will remain supportive as inflation continues to ease.

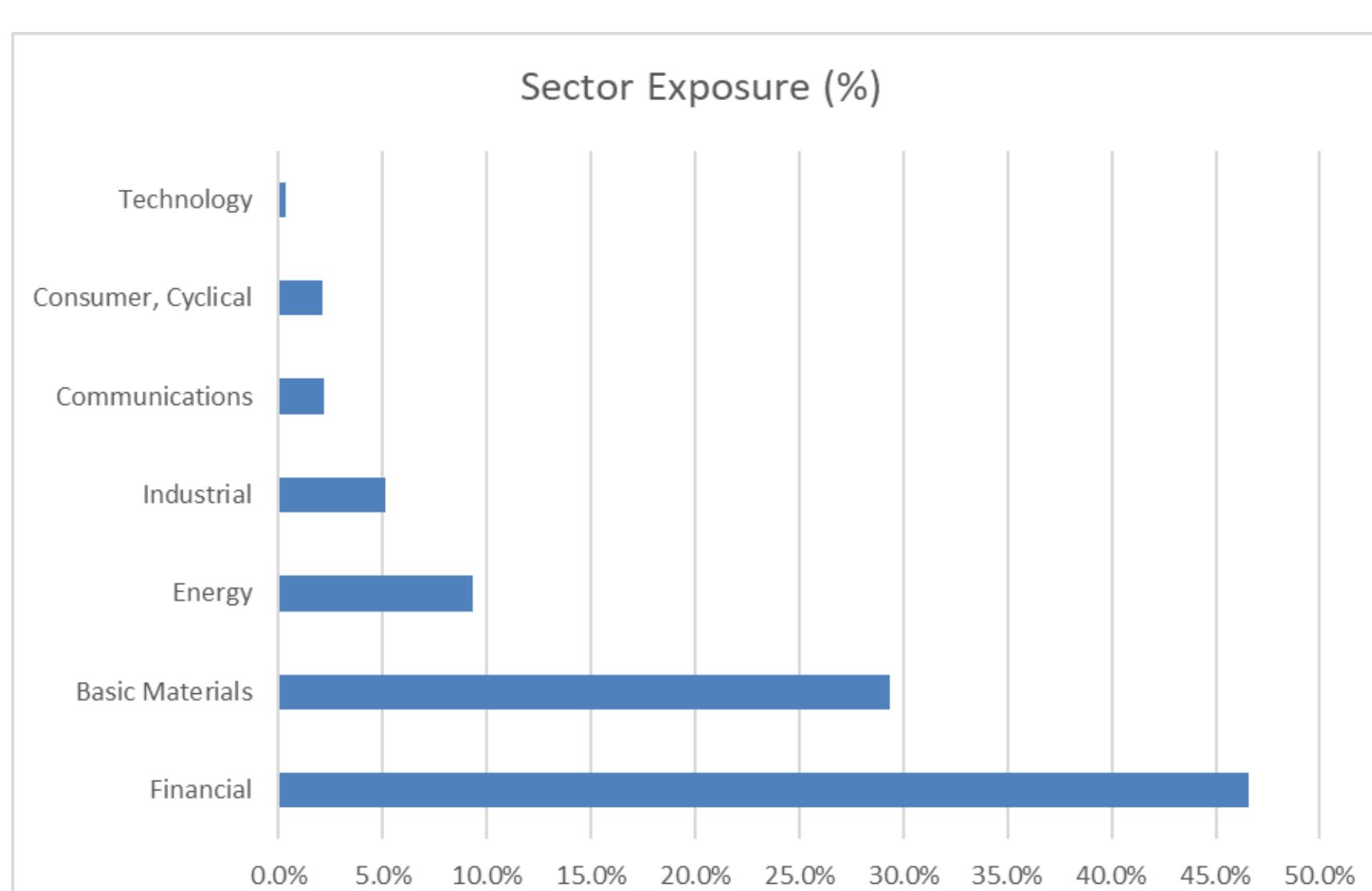
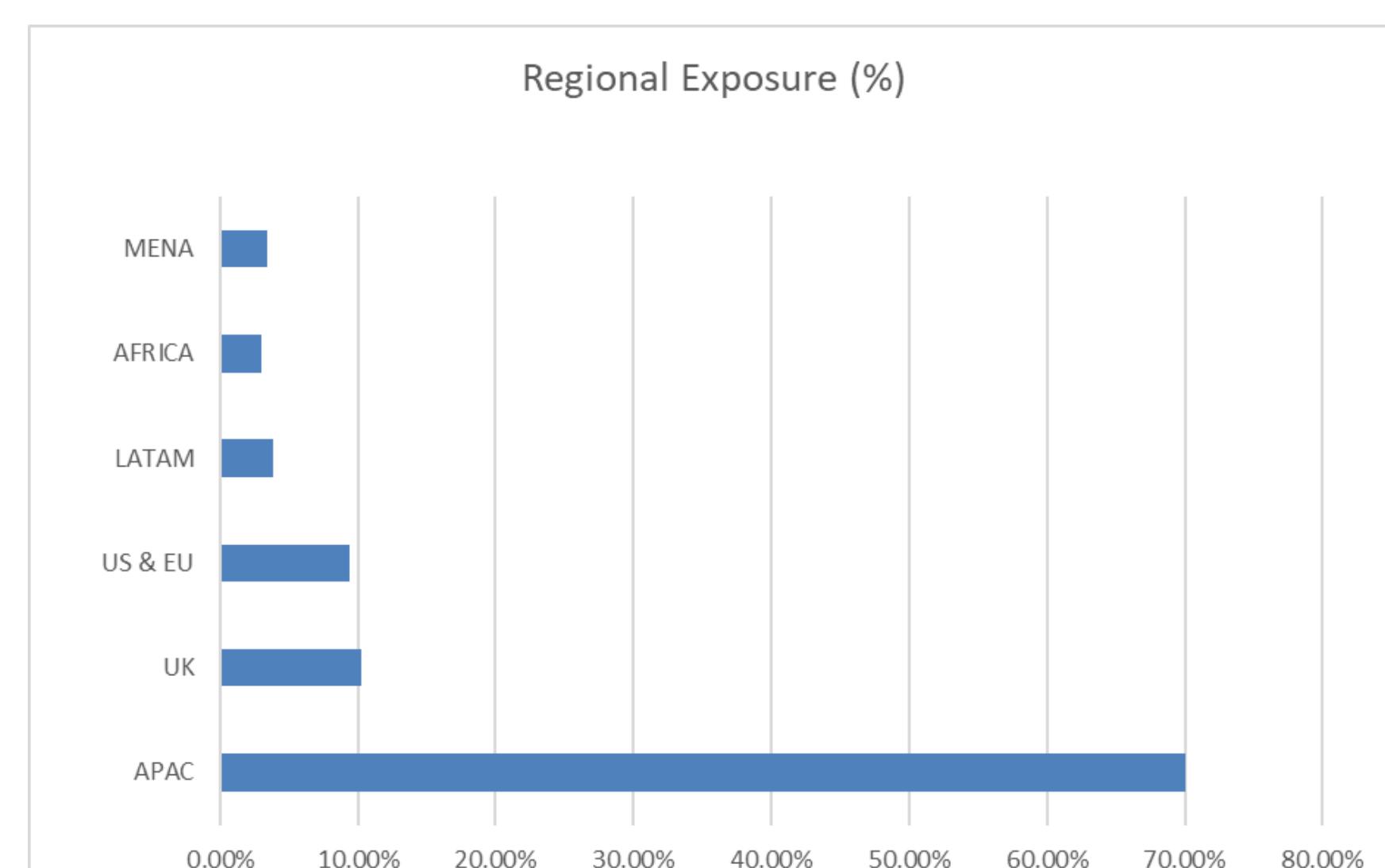
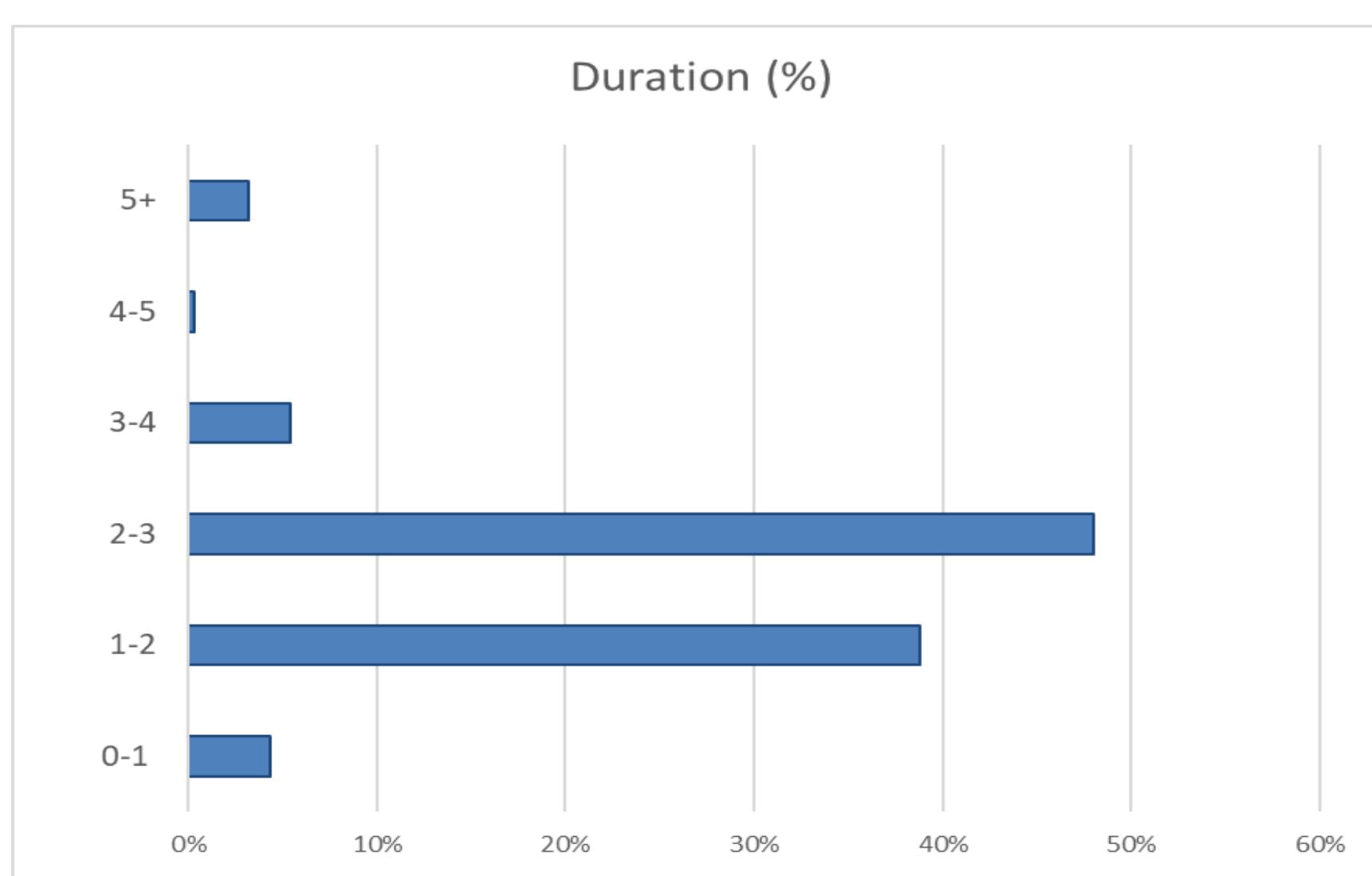
Looking into 2026, we believe further Fed easing is likely as labour-market conditions soften and inflation remains close to target, though the pace of cuts is expected to be gradual and data-dependent. Corporate balance sheets enter the year in good health, and investment-grade supply is expected to be supported by AI-related issuers raising debt to fund capex and growth initiatives. With yields remaining attractive, demand for credit should remain firm, supporting a constructive backdrop for fixed-income markets.

The Fund ended 2025 up +10.78%, with December returning +1.12%, and remains positioned for a supportive 2026 backdrop driven by gradual Fed easing and sustained demand for yield.

About the Benchmark

- The Bloomberg Global High Yield Corporate Index (LG50TRUU Index) is a multi-currency measure of the global high yield corporate debt market. The index represents the union of the US High Yield, the Pan-European High Yield, and the corporate sector of the Emerging Markets (EM) Hard Currency High Yield Indices; and,
- The Bloomberg Global Aggregate Corporate Index (I09805US Index) is a flagship measure of global investment grade, fixed-rate corporate debt. This multicurrency benchmark includes bonds from developed and emerging markets issuers within the industrial, utility and financial sectors.

Disclaimer: The information contained in this document is not an invitation or inducement to any person to purchase shares in the fund. Investment should be made on the basis of the prospectus, which should be read before investing. The value may be affected by fluctuations in exchange rates where assets of the Fund are denominated in currencies other than USD. The information contained in this document is provided by the investment Manager.



Fund Statistics

| | |
|---------------------------|-------------|
| Average Duration | 2.48 |
| Average Coupon (%) | 8.79 |
| Sharpe Ratio | 2.29 |

Source: Elara Asset Management Limited (Administrator: Apex Fund Services (Mauritius) Ltd.)

Risk and Reward Profile

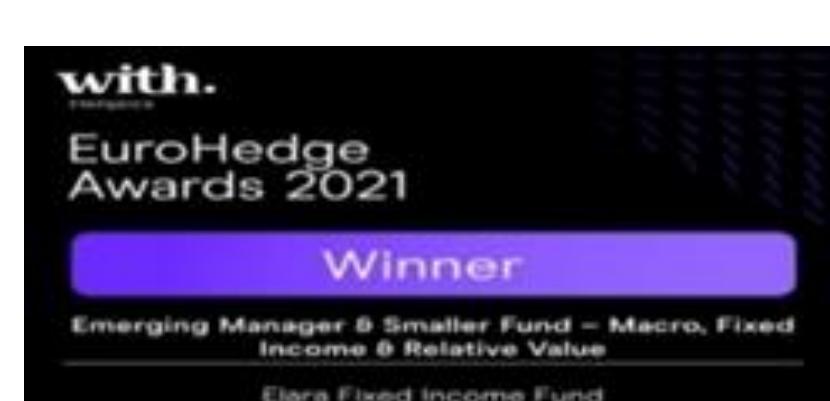
Credit and Default Risk: A decline in the financial health of an issuer of a fixed income security can lead to an inability or unwillingness to repay a loan or meet a contractual obligation. This could cause the value of its bonds to depreciate.

Currency Risk: Changes in exchange rates may cause the value of investments to decrease or increase.

Liquidity Risk: Difficult market conditions could result in certain securities becoming hard to sell at a desired time and price.

Interest Rate Risk: Changes in interest rates will usually result in the values of bond and other debt instruments moving in the opposite direction (e.g., a rise in interest rates likely leads to fall in bond prices).

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Overview

Elara Fixed Income Fund Ltd. is an open-ended fund incorporated in Bermuda. Its objective is to generate optimal returns by investing into corporate/government debt/bonds and other fixed income instruments on a leveraged basis. The Fund is ideal for those investors who want to diversify portfolio risk, receive steady income flow and yet do not wish to expose themselves to substantial market and credit risk.

Fund Manager: Elara Asset Management Limited

Fund Administrator: Apex Fund Services (Bermuda) Limited

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