

Manh'al Fund: 2026 Investment Mandate

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Document Purpose: Strategic Outlook & Investment Framework for the 2026 Fiscal Cycle

Target Audience: Qualified Institutional Investors & Strategic Partners

Confidentiality: Public

1.0 2026 Strategic Outlook & Macro Thesis

The global economy in 2026 is expected to be characterized by asynchronous stabilization. Major central banks will have concluded their tightening cycles, but the lagged effects will continue to suppress demand, particularly in interest-rate-sensitive sectors. Geopolitical fragmentation will solidify into distinct economic blocs, prioritizing security and redundancy over pure efficiency.

Our Core Thesis for 2026: This environment creates a premium on real assets with inelastic demand, strategic infrastructure that enhances economic sovereignty, and private credit solutions for capital-constrained, high-quality projects. Public equity markets may see rallies, but they will be sector-specific and volatile. Our strategy is to look through this volatility to the underlying cash flows of essential assets.

Therefore, the 2026 mandate emphasizes capital preservation through cash flow certainty and strategic capital appreciation through direct ownership in three concrete areas.

2.0 2026 Primary Investment Themes

For the 2026 cycle, Manh'al Fund will concentrate new deployments in the following themes, which represent intersections of financial opportunity and structural necessity.

Theme 1: Sovereignty-Critical Infrastructure

- Rationale: Nations and corporations are prioritizing control over essential supply chains and digital/energy networks.
- Focus Areas:
 - Digital Sovereignty: Tier-iv data centers in neutral jurisdictions (Switzerland, Nordics); subsea cable consortia; open-source semiconductor foundry projects.
 - Energy Sovereignty: Modular, dispatchable power generation (advanced nuclear, geothermal); strategic fuel storage facilities; mineral processing plants outside dominant supply chains.
 - Food & Water Security: Controlled environment agriculture (CEA) for high-value crops; water desalination and recycling technology with high efficiency.
- Investment Vehicle: Direct project equity/debt; joint ventures with strategic operators.

Theme 2: The Mature Energy Transition Capital Stack

- Rationale: The energy transition is moving from venture-stage speculation to project finance and industrialization. The capital need is immense, and traditional lenders are retreating.
- Focus Areas:
 - Project Finance & Infrastructure Debt: Senior secured lending to renewable energy projects (solar, wind) with proven technology and investment-grade power purchase agreements (PPAs).
 - Industrial Scaling: Equity in companies commercializing proven technologies like grid-scale long-duration storage (flow batteries, compressed air) and carbon capture for industrial processes.
 - Secondary Transactions: Acquiring stakes in mature renewable energy portfolios from developers needing to recycle capital.

- Investment Vehicle: Senior debt, preferred equity, acquisition of operating assets.

Theme 3: Specialty Finance & Credit Dislocation

- Rationale: Higher interest rates and tighter bank regulation have created a financing gap for mid-market companies and specialized assets.
- Focus Areas:
 - Asset-Backed Lending: Financing against cash-flow-generating, hard-to-value assets like intellectual property royalties, aircraft engines, or specialized equipment.
 - Corporate Private Credit: Providing unitranche or senior secured loans to non-cyclical, mid-market companies in sectors like healthcare services, logistics, and essential manufacturing.
 - Structured Solutions: Bespoke risk-sharing arrangements with corporations or governments for specific capital needs.
- Investment Vehicle: Direct lending funds, co-investment alongside established managers, proprietary origination.

3.0 2026 Portfolio Construction & Allocation Targets

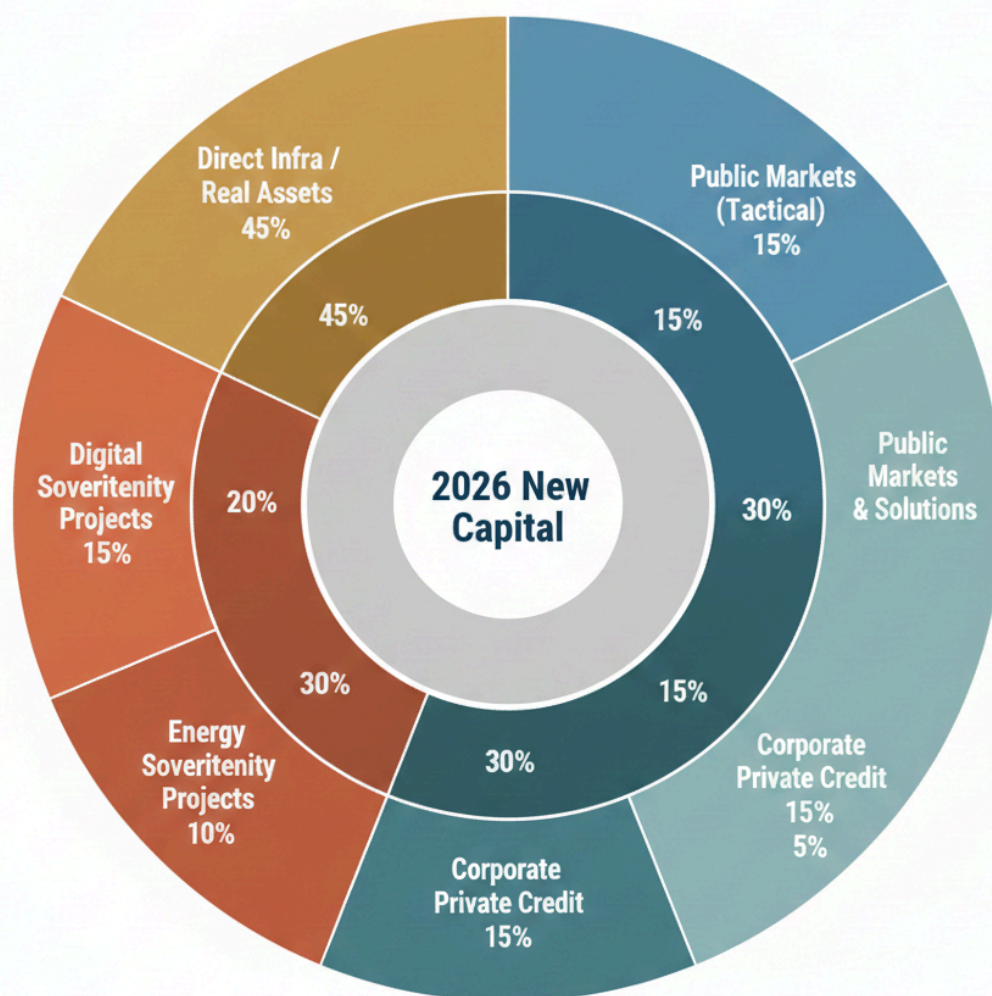
The following table outlines the strategic asset allocation targets for new capital commitments in 2026, reflecting the above themes.

Asset Class / Strategy	2026 Target Allocation	Strategic Rationale	Benchmark / Target Return*
Direct Infrastructure & Real Assets	45%	Core to Themes 1 & 2. Provides inflation linkage, monopolistic characteristics, and control.	IRR: 9-12% (Gross)
Private Credit & Specialty Finance	30%	Core to Theme 3. Exploits banking dislocation; seniority provides downside protection.	Yield: SOFR + 450-600 bps
Public Markets (Tactical)	15%	Liquidity and opportunistic entry into mispriced equities of companies aligned with our themes.	Outperform MSCI ACWI
Liquidity & Defensive Reserve	10%	Dry powder for market dislocations and tactical opportunities.	Preservation of Capital

Total	100%		Portfolio Net Return Target: 7.5%+
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Target returns are gross of fees and are not guarantees. They are based on current market conditions and internal underwriting standards.

Manh'al Fund 2026 Strategic Capital Allocation



4.0 Risk Management Parameters for 2026

This mandate operates within the overarching risk framework of the Global Assets Mandate, with the following 2026-specific emphases:

- Interest Rate Sensitivity: Maximum portfolio duration of 4 years for credit/fixed income holdings. Extensive use of interest rate swaps for longer-dated project finance.
- Counterparty Concentration: No single private credit borrower to represent >2% of the Fund's NAV.
- Geographic Concentration: Maximum of 40% of new deployments in any single geographic region (NA, Europe, Asia, GCC).
- Liquidity Requirement: Maintain a minimum of 8% of total Fund NAV in high-quality liquid assets (Treasuries, Swiss Gov. Bonds, Gold) at all times.

5.0 Fee Structure & Terms (For New Commitments)

For institutional partners committing capital to the 2026 strategy:

- Management Fee: 0.85% per annum on committed capital during the 3-year investment period, reducing to 0.70% on invested capital thereafter.
- Performance Fee (Carried Interest): 15% on returns above an 8% net hurdle rate (European-style, full catch-up).
- Preferred Return: 8% per annum (compounded annually).
- Minimum Commitment: \$50 million for institutional partners.
- Investment Period: 3 years from initial close (Q1 2026).
- Term: 10 years from final close, with two 1-year extension options at the discretion of the Investment Committee.

6.0 Conclusion

The 2026 Investment Mandate is a reflection of a clear-eyed assessment of the current financial landscape. It moves away from broad, thematic promises to specific, executable strategies in areas where we have a demonstrable competitive advantage and where market inefficiencies are present.

We are seeking partners who share our long-term horizon, our conviction in the fundamental value of essential assets, and our disciplined approach to risk. This document outlines the blueprint for deploying capital with purpose and precision in the year ahead.



For inquiries regarding the 2026 Mandate, please contact the Institutional Desk:
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END OF 2026 INVESTMENT MANDATE