

## WHAT IS THE FUND'S OBJECTIVE?

SA Income Fund aims to achieve a higher return than a traditional money market or ultra-short duration income fund.

## WHAT DOES THE FUND INVEST IN?

SA Income can invest in South African bonds, fixed deposits, and other interest-bearing securities which have a fixed maturity date and either have a predetermined cash flow profile or are linked to benchmark yields.

The fund does not invest in any equity securities, real estate securities or cumulative preference shares. The fund will not invest in any assets deemed offshore for SARB reporting purposes.

The fund is mandated to use derivative instruments for efficient portfolio management purposes.

## IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

## Risk Profile



Maximum growth/  
minimum income exposures



SA Income is tactically managed to secure an attractive return, while protecting capital. The fund's weighted average modified duration is limited to a maximum of two.

Its investments are carefully researched by a large and experienced investment team and subjected to a strict risk management process. The fund is actively positioned to balance long-term strategic positions with shorter-term tactical opportunities to achieve the best possible income.

While the fund is managed in a conservative and defensive manner, there are no guarantees it will always outperform cash over short periods of time. Capital losses are possible, especially in the case of negative credit events affecting underlying holdings.

## HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The recommended investment term is six months and longer. Given its lack of exposure to growth assets, the fund is not suited for investment terms of longer than five years.

## WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who

- ▶ are looking for an intelligent alternative to cash or bank deposits over periods from 6 to 36 months;
- ▶ seek managed exposure to South African income generating investments;
- ▶ believe in the benefits of active management within the fixed interest universe;
- ▶ do not have appetite for exposure to offshore assets;
- ▶ the fund is particularly suited to those who require exposure to South African interest bearing securities as part of a diversified portfolio.

## WHAT COSTS CAN I EXPECT TO PAY?

The annual management fee is 0.65%.

Fund expenses that are incurred in the fund include trading, custody and audit charges. All performance information is disclosed after deducting all fees and other fund costs.

We do not charge fees to access or withdraw from the fund.

More detail is available on [www.coronation.com](http://www.coronation.com).

## WHO ARE THE FUND MANAGERS?



**NISHAN  
MAHARAJ**  
BSc (Hons), MBA



**MAURO  
LONGANO**  
BScEng (Hons), CA (SA)

## GENERAL FUND INFORMATION

|                     |                                               |
|---------------------|-----------------------------------------------|
| Launch Date         | 29 November 2023                              |
| Fund Class          | A                                             |
| Benchmark           | Alexander Forbes STeFI Composite Index        |
| ASISA Fund Category | South African – Interest Bearing – Short Term |
| Regulation 28       | Complies                                      |
| Income Distribution | Quarterly (March, June, September, December)  |
| Investment minimum  | R5 000 or R500/m debit order                  |
| ISIN Code           | ZAE000327565                                  |
| JSE Code            | CSSIA                                         |

CLASS A as at 31 October 2025

|                     |                                               |
|---------------------|-----------------------------------------------|
| ASISA Fund Category | South African – Interest Bearing – Short Term |
| Launch date         | 29 November 2023                              |
| Fund size           | R304.18 million                               |
| NAV                 | 103.83 cents                                  |
| Benchmark           | AF STeFI Composite Index                      |
| Portfolio manager/s | Nishan Maharaj and Mauro Longano              |

PERFORMANCE AND RISK STATISTICS

PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

|                             | Fund  | Benchmark | Active Return |
|-----------------------------|-------|-----------|---------------|
| Since Launch (unannualised) | 19.0% | 16.1%     | 2.5%          |
| Since Launch (annualised)   | 9.5%  | 8.1%      | 1.4%          |
| Latest 1 year               | 9.4%  | 7.7%      | 1.7%          |
| Year to date                | 7.9%  | 6.3%      | 1.6%          |

|                     |      |
|---------------------|------|
| Yield (Net of Fees) | 7.3% |
|---------------------|------|

RISK STATISTICS

| Current                                       | Fund      |
|-----------------------------------------------|-----------|
| Weighted average time to maturity (credit)    | 2.9 years |
| Modified Duration                             | 1.7 years |
| Modified Duration (ex Inflation Linked Bonds) | 0.9 years |

| Since Inception      | Fund   | STFIND |
|----------------------|--------|--------|
| Maximum Gain         | 19.0%  | 16.1%  |
| Positive Months      | 100.0% | 100.0% |
| Annualised Deviation | 0.8%   | 0.1%   |
| Sharpe Ratio         | 1.57   | (0.63) |

|                       | Fund | Date Range          |
|-----------------------|------|---------------------|
| Highest annual return | 9.9% | May 2024 - Apr 2025 |
| Lowest annual return  | 8.8% | Oct 2024 - Sep 2025 |

CREDIT RATINGS

|            | % of Fund |
|------------|-----------|
| AAA+ to A- | 81.7%     |
| BBB+ to B- | 0.5%      |
| CCC+ to C- | 0.0%      |
| CLNs       | 4.5%      |
| No Rating  | 13.3%     |

INCOME DISTRIBUTIONS

| Declaration | Payment     | Amount | Dividend | Interest |
|-------------|-------------|--------|----------|----------|
| 30 Sep 2025 | 01 Oct 2025 | 1.76   | 0.00     | 1.76     |
| 30 Jun 2025 | 01 Jul 2025 | 1.80   | 0.00     | 1.80     |
| 31 Mar 2025 | 01 Apr 2025 | 1.79   | 0.00     | 1.79     |
| 31 Dec 2024 | 02 Jan 2025 | 1.96   | 0.00     | 1.96     |

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

|           | Jan  | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sep  | Oct  | Nov  | Dec  | YTD  |
|-----------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Fund 2025 | 0.6% | 0.6% | 0.7% | 0.8% | 0.7% | 0.9% | 0.9% | 0.7% | 0.9% | 0.8% |      |      | 7.9% |
| Fund 2024 | 0.8% | 0.4% | 0.3% | 0.7% | 0.8% | 1.2% | 1.1% | 0.9% | 1.1% | 0.3% | 0.8% | 0.6% | 9.3% |
| Fund 2023 |      |      |      |      |      |      |      |      |      |      |      | 1.0% | 1.0% |

|                              |          |          |
|------------------------------|----------|----------|
| Total Expense Ratio          | 1 Year * | 3 Year * |
| Fund management fee          | 0.80%    | 0.80%    |
| Fund expenses                | 0.65%    | 0.65%    |
| VAT                          | 0.06%    | 0.05%    |
| Transaction costs (inc. VAT) | 0.10%    | 0.10%    |
| Total Investment Charge      | 0.00%    | 0.00%    |
|                              | 0.80%    | 0.80%    |

PORTFOLIO DETAIL

ASSET ALLOCATION BY INSTRUMENT TYPE

|                            | % of Fund |
|----------------------------|-----------|
| Cash and Money Market NCDs | 17.1%     |
| Fixed Rate bonds           | 36.2%     |
| Inflation-Linked bonds     | 22.4%     |
| Floating Rate bonds        | 19.8%     |
| Credit Linked Notes (CLNs) | 4.5%      |
| Total                      | 100.0%    |

ASSET ALLOCATION BY ISSUER TYPE

|                                     | % of Fund |
|-------------------------------------|-----------|
| Banks and Insurers: NCDs & Deposits | 17.1%     |
| Government                          | 40.0%     |
| Banks: Senior Debt                  | 27.2%     |
| Other Corporates                    | 7.5%      |
| Banks: Subordinated debt (>12m)     | 3.3%      |
| Insurers                            | 1.9%      |
| State Owned Enterprises             | 1.6%      |
| Banks: Subordinated debt (<12m)     | 1.4%      |
| Total                               | 100.0%    |

TOP 5 CREDIT EXPOSURE

|                          | % of Fund |
|--------------------------|-----------|
| Republic Of South Africa | 48.0%     |
| Firststrand Bank Ltd     | 16.7%     |
| Standard Bank Of SA Ltd  | 9.9%      |
| Nedbank Ltd              | 7.5%      |
| Absa Bank Ltd            | 5.7%      |

TOP 5 REFERENCE ENTITY EXPOSURE

|                          | % of Fund |
|--------------------------|-----------|
| Republic of South Africa | 3.6%      |
| MTN                      | 0.9%      |

100% of CLN exposure is issuer valued with a daily or at worst weekly price frequency

\*As this is a newly launched fund, the TER and TC's are based on an estimated calculation.  
Please refer to page 4 of the Comprehensive Fact Sheet for important additional information, including change in cost disclosures.

**Please note that the commentary is for the retail class of the Fund.**

### Performance and fund positioning

The Fund delivered a return of 2.53% for the quarter, outperforming the SteFi Composite benchmark of 1.81% by 0.72%. Year-to-date, the Fund has returned 6.99%, exceeding the benchmark's 5.67%. Throughout the quarter, the portfolio maintained its conservative stance, focusing on high-quality credit and selective nominal and inflation-linked bond (ILB) exposure.

Real GDP grew faster than expected in Q2-25 at 0.8% quarter-on-quarter (q/q) and 1.1% year-on-year (y/y), improving from the marginal 0.1% expansion in Q1. The recovery was broadly based on the production side, despite persistent weakness in logistics and utilities. On the demand side, government and household spending helped offset continued weak capital expenditure. While the production recovery showed good breadth, modest utility gains and transport weakness still point to unresolved network industry challenges. Weak capex continues to drag significantly, though private sector participation has shown encouraging improvement. We maintain our 0.8% real GDP growth forecast for 2025, with upside risk.

August CPI came in below expectations at 3.3% y/y (down from 3.5%), while core inflation edged up to 3.1% y/y, with the decrease primarily driven by falling food prices. Despite weak overall price momentum, base effects and less favourable fuel dynamics are expected to push inflation toward 4% in the coming months. The more benign outlook for inflation, combined with contained core pressures and moderating inflation expectations, strengthens the case for an interest rate cut before the end of the year.

The South African Reserve Bank maintained the repo rate at 7.00% in September, following its July cut. This decision reflects an improved inflation outlook, tempered by global uncertainty and caution regarding domestic wage pressures. The Governor reaffirmed the Bank's commitment to a 3% inflation target, which may be formalised later in the fiscal year. We anticipate a possible further 25 basis points cut at the November MPC meeting.

Against this backdrop, the Fund's performance benefited from its focus on carry (earning steady interest income), high-quality credit selection (choosing financially strong issuers), and strategic duration positioning (adjusting bond maturities to capture rate opportunities). ILBs provided cash-beating returns while helping to manage risk within the portfolio. Despite money market holdings underperforming longer-duration assets, the Fund achieved strong absolute returns and benchmark outperformance while maintaining lower interest rate risk.

Domestic bond markets delivered robust gains in the third quarter, supported by continued disinflation and a more constructive global market tone. The FTSE/JSE All Bond Index (ALBI) returned 6.94% for the quarter, driven by a broad rally in nominal yields as inflation expectations moderated and investors anticipated eventual policy easing. The ILB (CILI) Index advanced by 5.11%, lagging nominal bonds but still contributing positively to returns. Within the ALBI, shorter maturities performed well as investors captured attractive front-end yields, while longer-dated bonds benefited from a modest compression in term premia. The one- to three-year sector returned 2.5%, the three- to seven-year area 4.8%, and the seven- to 12-year segment advanced by 6.3%. The 12-years-plus

bucket delivered the strongest result, returning 7.6% as duration demand strengthened into quarter-end.

Focusing on the specific bond holdings of the Fund, performance reflected the consistent compression along the curve. The shorter R186 gained 2.24%, with intermediate bonds R2030 and R213 delivering quarterly returns of 4.11% and 4.94% respectively. While ILBs generated returns above cash, they slightly lagged their nominal counterparts. The I2029 returned 3.0%, as real yields eased slightly from their mid-year highs. All these returns comfortably beat our cash benchmark.

Money market opportunities remained limited, with NCD floating rate spreads staying relatively flat during the quarter, reflecting persistent tight credit market conditions and excess banking system liquidity. Based on our repo rate outlook, we've identified better value in shorter-dated ILBs and treasury bills.

In this environment, our duration positioning remains short and focused on the front-end of the curve, where the risk-reward is most attractive for a cash-benchmarked fund. ILBs offer a hedge against inflation surprises, while still expected to outperform cash. At quarter-end, the Fund's effective modified duration measured 1.70 years (0.94 years excluding inflation linkers) and the portfolio's yield-to-maturity stood at 8.20%. This positions the Fund favourably to outperform its benchmark over the coming year.

### Portfolio managers

**Nishan Maharaj and Mauro Longano**  
as at 30 September 2025

**IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION SA INCOME FUND**

Unit trusts should be considered medium- to long-term investments. The value of units may go down as well as up, and therefore Coronation does not make any guarantees with respect to the protection of capital or returns. Past performance is not necessarily an indication of future performance. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. The asset allocation by instrument type are reflected on a look-through basis. The asset allocation by issuer type and top issuer exposures are not reflected on a look-through basis. The yield shown is an estimate in part based on market assumptions and forecasts. The yield is calculated by taking the interest and income receivable of all the instruments in the fund divided by the net asset value, expressed as a nominal annual rate. It is provided to give an approximate indication of the achievable yield for an investment made at the reporting date. Actual experience may differ, based on changes in market values, interest rates and changes in costs actually experienced during the investment period. The yield disclosed on the MDD is current and calculated as at the MDD reporting date.

Coronation Management Company (RF) (Pty) Ltd is a Collective Investment Schemes Manager approved by the Financial Sector Conduct Authority in terms of the Collective Investment Schemes Control Act. Portfolio managed by Coronation Asset Management (Pty) (FSP 548) Ltd, an authorised financial services provider. The Management Company reserves the right to close the fund to new investors if we deem it necessary to limit further inflows in order for it to be managed in accordance with its mandate. Unit trusts are allowed to engage in scrip lending and borrowing. Standard Chartered has been appointed as trustees for the fund ([www.sc.com/za](http://www.sc.com/za); 011-2176600). Coronation is a full member of the Association for Savings & Investment SA (ASISA).

**HOW ARE UNITS PRICED AND AT WHICH PRICE WILL MY TRANSACTION BE EXECUTED?**

Unit trusts are traded at ruling prices set on every trading day. Fund valuations take place at approximately 15h00 each business day, except at month end when the valuation is performed at approximately 17h00 (JSE market close) and forward pricing is used. Instructions must reach the Management Company before 14h00 (12h00 for the Money Market Fund) to ensure same day value. The payment of withdrawals may be delayed in extraordinary circumstances, when the manager with the consent of the fund trustees deem this to be in the interest of all fund investors. These circumstances may include periods when significant underlying markets suspend trading which will prevent accurate valuation of the instruments held in the fund. When the suspension of trading relates to only certain assets held by the fund, these assets may be side-pocketed. This process allows normal liquidity on the assets that can be valued, but will delay liquidity on the affected portion of the fund. If the fund is faced with excessive withdrawals, the affected withdrawals may be ring-fenced, which is the separation and delayed sale of the assets reflecting the interest of the liquidity seeking investors. It ensures that the sale of a large number of units will not force Coronation to sell the underlying investments in a manner that may have a negative impact on remaining investors of the fund.

**HOW WAS THE PERFORMANCE INFORMATION INCLUDED IN THIS FACT SHEET CALCULATED?**

Performance is calculated by Coronation as at the last day of the month for a lump sum investment using Class A NAV prices with income distributions reinvested. All underlying price and distribution data is sourced from Morningstar. Performance figures are quoted after the deduction of all costs (including manager fees and trading costs) incurred within the fund. Note that individual investor performance may differ as a result of the actual investment date, the date of reinvestment of distributions and dividend withholding tax, where applicable. Annualised performance figures represent the geometric average return earned by the fund over the given time period. Unannualised performance represents the total return earned by the fund over the given time period, expressed as a percentage.

**WHAT IS THE TOTAL EXPENSE RATIO (TER) AND TRANSACTION COSTS (TC)?**

The TER and Transaction Costs cannot be determined accurately because of the short life span of the Financial Product. Calculations are based on actual data where possible and best estimates where actual data is not available.

TER is calculated as a percentage of the average net asset value of the portfolio incurred as charges, levies and fees in the management of the portfolio over the period referenced. The TER charged by any underlying fund held as part of a fund's portfolio is included in the fund expenses portion of the TER, but trading and implementation costs incurred in managing the underlying fund are excluded. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's. The 1 year TER is for the 12 months to end of the previous financial year (updated annually). The 3 year TER is for a rolling 36-month period to the last available quarter end (December, March, June and September).

Transaction costs are a necessary cost in managing a fund and impacts the fund's return. They should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER.

The Total Investment Charge is the sum of the Total Expense Ratio (TER) and transaction costs.

**ADVICE AND PLATFORM COSTS**

Coronation does not provide financial advice. If you appoint an adviser, advice fees are contracted directly between you and the adviser. For more information please contact the relevant platform (Linked Investment Service Provider or Life Assurance Provider).

**WHERE CAN I FIND ADDITIONAL INFORMATION?**

Additional information such as daily fund prices, brochures, application forms and a schedule of fund fees and charges is available on our website, [www.coronation.com](http://www.coronation.com)

**IMPORTANT INFORMATION REGARDING TERMS OF USE**

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