

# INN8 INVEST FLEXIBLE INCOME

Monthly Model Portfolio Factsheet as of 31 Aug 2025



## Portfolio Information

<b>Discretionary Fund Manager</b>	INN8 Invest
<b>Client Need</b>	Income Generation and Liquidity
<b>Outcome Objective</b>	SA CPI +1-2% over rolling 2-yr period
<b>Benchmark</b>	(ASISA) South African MA Income - Average
<b>Inception Date</b>	01 January 2022
<b>Risk Profile</b>	Conservative
<b>Regulation 28 Compliant</b>	Yes
<b>Gross Yield as of 31 Aug</b>	8.48%
<b>Weighted Duration as of 31 Aug</b>	1,86

## Risk Description

This is a high-income portfolio and is suitable for investors who prioritise the preservation of capital over market returns. Investors in this portfolio typically have an investment time horizon of at least one year. These investors are not willing to tolerate periods of high market volatility and are comfortable with returns that match, or slightly outpace inflation.

## Investment Objective

This portfolio seeks to provide a stable income with capital protection. Its objective is to outperform the ASISA South African MA Income peer group average and achieve an outcome of SA CPI plus 1-2% p.a. over a rolling two-year period. As a risk-averse strategy, the portfolio is largely comprised of money market and income assets, with a very low allocation to growth assets.

## Investment Strategy

The portfolio uses a multi-manager approach with a flexible asset allocation strategy. Asset allocation decisions are largely outsourced to the underlying portfolio managers. Manager selection and blending is an integral part of the service provided by INN8 Invest. As the appointed DFM of the portfolio, INN8 Invest will monitor the portfolio on a continuous basis, ensuring alignment to all of the stated objectives.

## What Costs Can I Expect to Pay?

Model Portfolio Charge (MPC) incl. VAT	0.23%
Underlying Funds TER incl. VAT	0.48%
Underlying Funds TIC incl. VAT	0.49%

Please refer to the end of the factsheet for detailed notes on fees.

## Performance\*

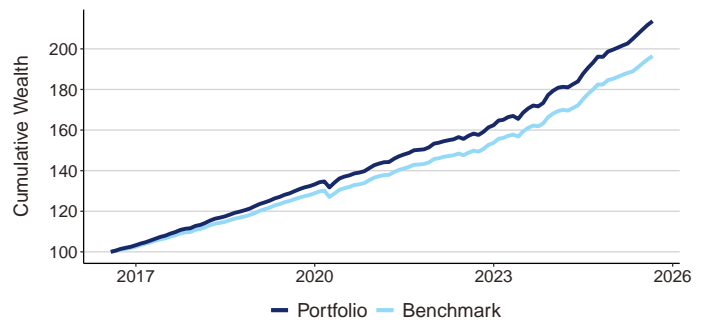
	YTD	1 Year	2 Years	3 Years	5 Years	7 Years
Portfolio	7.1%	10.6%	11.4%	10.5%	9.0%	8.7%
Benchmark	6.1%	9.2%	10.0%	9.4%	8.1%	7.8%
CPI+1% (1 month lag)	4.0%	4.5%	5.0%	5.3%	6.1%	5.6%

\* Returns are net of investment fees. Returns greater than one year are annualized. Return series pre-dating Inception Date use actual and back-tested data; please refer to the Disclaimer below.

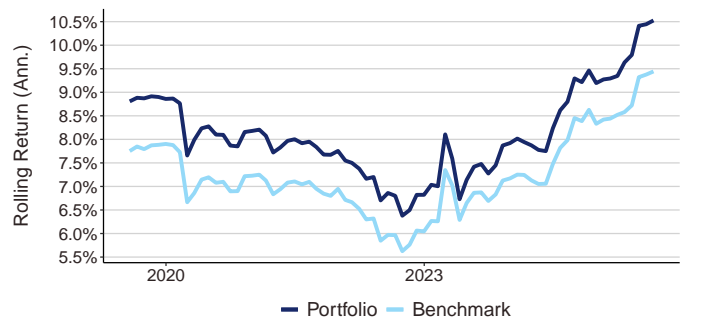
## Risk Statistics - Last 3 Years

	Portfolio	Benchmark
Volatility	2.36%	2.04%
Max. Drawdown	-0.88%	-0.61%
Sharpe Ratio	1.16	0.84

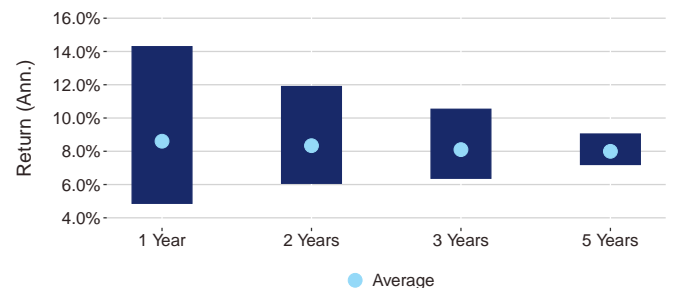
## Investment Growth\*



## 3 Year Rolling Return Chart

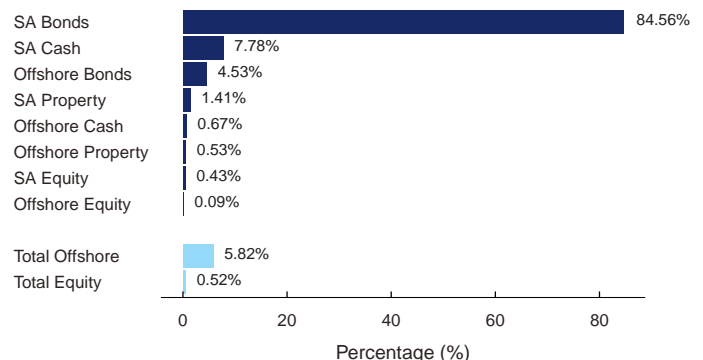


## Rolling Return Distribution

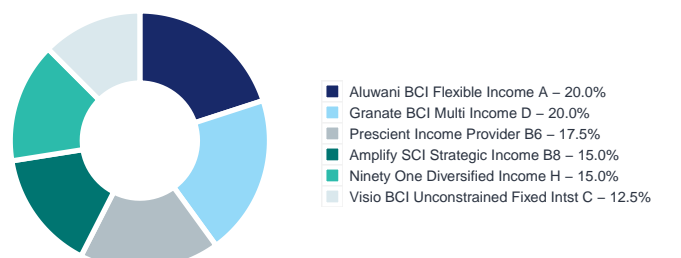


The rolling return distribution chart illustrates the highest, lowest, and average annualized returns over the specified period.

## Asset Allocation



## Portfolio Holdings



## Quarterly Comments - As at 30 June 2025

### Asset Class Performance and Positioning

- Stellar quarter for SA bonds. Solution retains a healthy allocation to this asset class due to good yields on offer. Prospects of a lower SA inflation target could be an additional tailwind.
- Exposure to global bonds and global cash but preference for local assets. However, the solution has exposure to hedged foreign credit instruments.
- Small SA property exposure contributed to performance as the asset class rallied over the quarter. Solution has a low allocation as managers prefer to take risk in SA bonds.
- Low allocation to SA cash, managers prefer to take some duration.

### Key Contributors

- **Amplify SCI Strategic Income**  
Most of the performance came from SA nominal bonds and the fund continues to hold a meaningful exposure. The manager has carried a high duration for some time which has contributed to performance.
- **Visio BCI Unconstrained Fixed Interest**  
Although income type solutions typically underperformed risk assets like equity over the quarter, the fund still delivered a solid return well ahead of the ASISA SA Multi-Asset Income peer group average. The fund's more aggressive income strategy has performed very well over the last 12 months.
- **Granate BCI Multi Income**  
The fund capitalised on the recent bond sell-off to lock in attractive yields. These higher yields, along with the roll down of rates, contributed meaningfully to performance. Additionally, the small property allocation and the offshore bond allocation (which has become a significant component) supported returns.

### Key Detractors

- **Ninety One Diversified Income**  
Tough quarter and year-to-date relative to industry peers as the fund's defensive characteristics have detracted from performance. It's been managed with duration of about 1.7 years and held high exposure to floating rate and offshore bonds. Despite heightened geopolitical tensions, the local currency has been on the front foot and the market has rewarded longer dated fixed SA bonds.
- **Prescient Income Provider**  
Outperformed the average of its peer group over the quarter, but lagged some of the exceptional outperformers in the solution. The manager benefited from holding a generally higher modified duration than normal at 1.5 years as longer dated bonds performed well. The small exposure to preference shares and property also added to returns. Detractors from performance include the 8% ILB exposure as well as the unhedged portion of global bonds which detracted due to rand strength.

Underlying Managers and Approach

	Aluwani BCI Flexible Income	Amplify SCI Strategic Income	Granate BCI Multi Income	Ninety One Diversified Income	Prescient Income Provider
Investment Approach and Role within Solution	<ul style="list-style-type: none"><li>Fixed income focused active manager with in-depth skill within the sector.</li><li>Detailed credit analysis and understanding of the market.</li><li>Focused on generating alpha on a risk-adjusted basis.</li></ul>	<ul style="list-style-type: none"><li>Managed by Terebinth Capital – a small boutique manager.</li><li>Uses a macro top-down approach as well as quantitative tools.</li><li>Does fundamental bottom-up credit analysis.</li></ul>	<ul style="list-style-type: none"><li>Boutique asset manager that plays multiple levers.</li><li>Smaller size allows them to venture where larger managers do not necessarily go.</li></ul>	<ul style="list-style-type: none"><li>Large asset manager seen as the stable component in the Solution.</li><li>Typically not as aggressive on duration and credit relative to peers.</li><li>Supported by a strong local and offshore fixed interest team.</li></ul>	<ul style="list-style-type: none"><li>Differentiated offering due to quantitative fixed income approach.</li><li>Absolute return mindset.</li></ul>
	Visio BCI Unconstrained Fixed Intst				
Investment Approach and Role within Solution	<ul style="list-style-type: none"><li>Focused on risk adjusted returns.</li><li>Aims to provide bond like returns at lower volatility.</li><li>Makes use of multiple alpha levers.</li><li>Highly flexible in terms of duration exposure.</li></ul>				

Fee Disclaimer

The Solution charges a Model Portfolio Charge of 0.20% p.a., ex VAT (0.23% incl. VAT), and this fee is accrued daily and paid monthly via a repurchase of units from the investor. Charges relating to the underlying portfolios are included in the TER and TIC, and these are payable within the underlying portfolios' NAV.

**Underlying Funds TER:** The weighted-average of the Total Expense Ratios (TER) of the underlying portfolios. Each fund's TER represents the fund's charges, levies and fees. A higher fund's TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER should not be regarded as an indication of future TERs.

**Underlying Funds TIC:** The weighted average of the Total investment Charge of the underlying portfolios. TIC represents the fund's TER plus brokerage, securities transfer taxes and STRATE levies.

Source: INN8 Invest and Morningstar. Quoted returns are net of MPC and underlying fund fees but are gross of tax, platform fees, advisory fees. Since Inception return figures reflect annualized performance since the Inception Date of 01 January 2022. Any performance periods stated which extend prior to the Inception Date are modelled using actual historical returns of the underlying portfolios in a back-tested model for illustrative purposes (from 05 July 2016) plus real performance since the Inception Date. It is not possible to calculate back-tested returns for periods earlier than this due to a lack of performance history for one or more of the underlying funds used in the model portfolio. Returns are not guaranteed and historical returns are not an indication of expected future returns. Advice Fee | INN8 Invest does not provide financial advice and therefore does not charge advice fees. However, where an annual advice fee has been negotiated between the investor and their financial adviser, the advice fee will be paid by the LISP via a repurchase of units from the investor's account. Effective Annual Cost (EAC) | For EAC calculations of the Solution, please refer to the investor's LISP statement. The Model Portfolio charge will be reflected in the "Other" category of the EAC table, whilst the in-fund fees of the underlying portfolios in the "Fees for Investment Management" category. Disclaimer. INN8 Invest is a division of STANLIB Wealth Management (Pty) Ltd, an authorised Financial Services Provider, with license number 590 under the Financial Advisory and Intermediary Services Act (FAIS). As neither INN8 Invest nor its representatives did a full needs analysis in respect of a particular investor, the investor understands that there may be limitations on the appropriateness of any information in this document with regard to the investor's unique objectives, financial situation and particular needs. The information and content of this document are intended to be for information purposes only and should not be construed as advice. INN8 Invest does not guarantee the suitability or potential value of any information contained herein. INN8 Invest does not expressly or by implication propose that the products or services offered in this document are appropriate to the particular investment objectives or needs of any existing or prospective client. Potential investors are advised to seek independent advice from an authorised financial adviser in this regard.