

Softlogic Income Fund

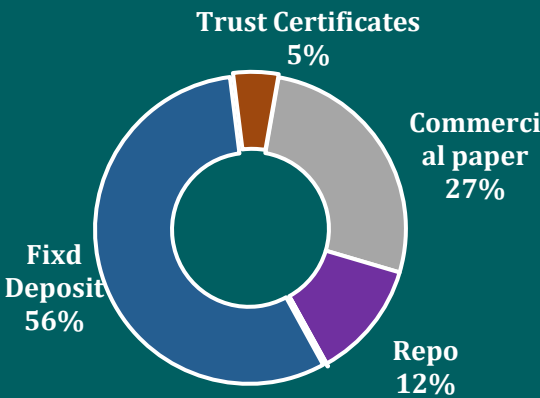
Softlogic Income Fund is an open-ended Income fund incorporated in Sri Lanka that invests in medium to longer term LKR-denominated debt instruments, including commercial papers, securitized papers, bank deposits, Sri Lanka Treasury Bills, government bonds, and repurchase agreements. The fund is designed to provide investors with medium to long term return while seeking enhanced liquidity through a diversified portfolio of high-quality debt securities with maturities of up to 365 days and more.

FUND SNAPSHOT

30-Sep-26	
Current Running Yield **	10.95%
NAV Per Unit	103.5076
AUM (LKR MN)	432
Risk Profile	Medium

**30 days annualized

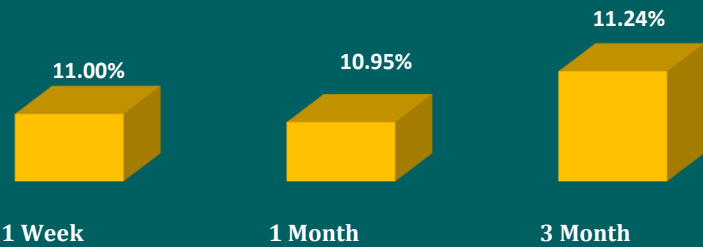
ASSET ALLOCATION



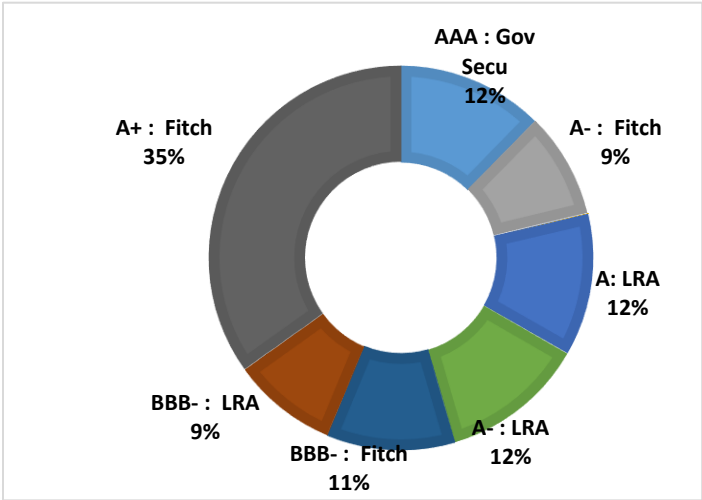
FUND MANAGER CORNER

September 2026 saw the domestic fixed income market remain within a relatively elevated interest-rate environment, whilst inflationary pressures remained persistent. CCPI-based headline inflation remained unchanged at 8.0% in September, with Food inflation increasing to 8.7% and Non-Food inflation remaining at 7.7%. Core Inflation increased further to 5.4% from 5.1% in August, indicating continued underlying price pressures. Treasury Bill yields remained broadly stable in both the primary and secondary markets towards the end of September, whilst Treasury Bond yields were also broadly stable in the secondary market. Money-market conditions remained characterized by ample system liquidity during the month. The Average Weighted Prime Lending Rate (AWPR) increased to 10.94% by 25th of September, whilst the Average Weighted Call Money Rate (AWCMR) increased to 8.96%. Meanwhile, the outstanding market liquidity surplus reached LKR 370.92 bn by 25th of September, compared with LKR 355.30 bn at the beginning of the month. The persistence of relatively elevated market rates continued to provide opportunities for the Fund to lock in attractive yields across selected medium-to-long-term instruments. Against this backdrop, the Fund continued to position the portfolio towards instruments offering attractive yields over a longer investment horizon. Fixed Deposits represented the largest allocation at 56% of the portfolio, followed by Commercial Paper at 27%, Repurchase Agreements at 12% and Trust Certificates at 5%. Compared with August, the allocation towards Fixed Deposits increased marginally from 54% to 56%, whilst Commercial Paper remained broadly stable at 27% compared with 28% previously. Repo exposure declined from 18% to 12%, whilst a 5% allocation to Trust Certificates was introduced. In August, the portfolio was allocated 54% to Fixed Deposits, 28% to Commercial Paper and 18% to Repurchase Agreements. From a maturity perspective, 33% of the portfolio was positioned to mature within one month, 14% between one and three months, 10% between six and twelve months and 43% beyond twelve months, with no material exposure within the three-to-six-month bucket. Accordingly, approximately 47% of the portfolio was positioned to mature within three months, providing a meaningful short-term liquidity and reinvestment buffer, whilst 53% was invested beyond six months. The sizeable 43% allocation beyond one year enables the Fund to lock in prevailing yields for an extended period and reduce reinvestment risk should market interest rates decline. This maintains the Fund’s barbell-style maturity strategy, combining substantial near-term liquidity with meaningful longer-duration exposure, consistent with its medium-to-long-term investment mandate. The Fund maintained a diversified credit profile across Government Securities and rated corporate issuers during September. Based on the portfolio credit classification, 12% was allocated to Government Securities, whilst the largest corporate rating exposure comprised A+ rated Fitch instruments at 35%. The remaining portfolio was diversified across A- Fitch at 9%, A rated LRA at 12%, A- rated LRA at 12%, BBB- rated Fitch at 11% and BBB- rated LRA at 9%. Compared with August, the Fund increased its exposure to the A+ Fitch category from 29% to 35%, whilst maintaining diversification across the broader investment-grade credit spectrum. Looking ahead, the Fund Manager remains attentive to the trajectory of inflation and domestic interest rates. Whilst headline inflation remained unchanged in September, the increase in core inflation to 5.4% reinforces the need for prudent duration management. At the same time, prevailing yields continue to provide opportunities to secure attractive medium-to-long-term returns. The Fund remains focused on fundamentally strong issuers, disciplined credit selection and active duration management, with the objective of preserving capital whilst consistently delivering superior risk-adjusted returns over the medium to long term.

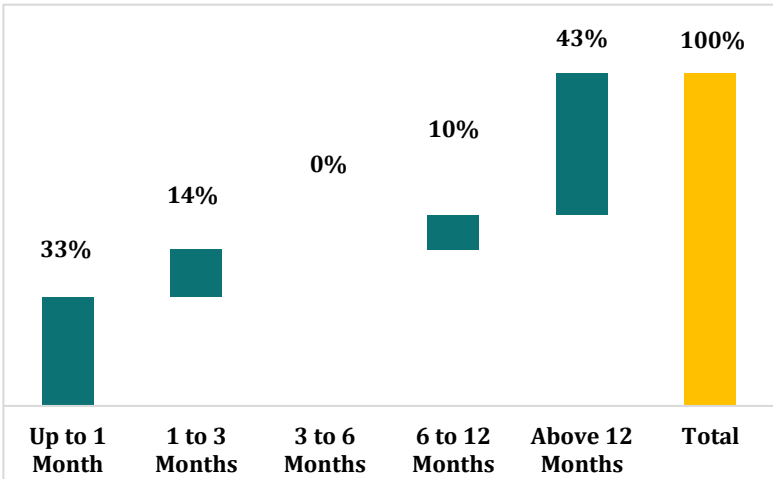
FUND PERFORMANCE



RATING PROFILE



MATURITY PROFILE



Call us: +94 11 210 4304



Visit us: www.softlogicinvest.lk



Email us: info@softlogicinvest.lk

Current rate is variable and subject to change. Past performance is not indicative of future results. Investors are advised to read and understand the content of the explanatory memorandum before investing. Among others investor should consider the fees and chargers involved. Before you invest in any fund, consider how the fund would work with your other investments and your risk tolerance.

