

Manning & Napier Fund, Inc.

High Yield Bond Series



March 31, 2025

Overall Morningstar Ranking (Class I)

★★★★★

MNHAX received a 5-Star Overall Rating out of 586 High Yield Bond funds, based on risk adjusted returns derived from a weighted average of the Fund's 3-, 5- and 10-year Morningstar metrics.

See next page for additional details

Investment Objective

To provide a high level of long-term total return by investing principally in non-investment grade fixed income securities that are issued by corporate and government entities.

Investment Strategy

A bottom-up approach is used to uncover securities with stable and/or improving fundamentals and, just as importantly, prevent purchasing or holding onto securities whose fundamentals are deteriorating (including risk of default).

- Typically 50 - 100 holdings
- Position size of ~1.5% to 2%
- No maturity or duration limits; expected duration: 3 to 6 years
- 0% - 20% investment-grade securities
- 80% - 100% high yield securities
- U.S. dollar-denominated securities only

Portfolio Managers

Name	Experience
Marc Bushallow, CFA®	23 years industry 19 years Firm
Keith Harwood	27 years industry 27 years Firm
Scott Friedman, CFA®	21 years industry 16 years Firm

Risk Statistics (Since Inception)

	Class I	ICE BofA HY Cash Pay
Alpha	1.29%	--
Beta	0.88	--
Standard Deviation	6.53%	7.10%
Sharpe Ratio	0.90	0.75
Up Mkt Capture	94.23%	--
Down Mkt Capture	81.84%	--

Credit Quality Distribution

	Series	ICE BofA HY Cash Pay
A	0.06%	--
BBB	5.59%	1.23%
BB	32.06%	42.99%
B	43.49%	42.07%
CCC	6.41%	12.49%
NR	12.39%	0.42%

Fund Information

	Ticker	Cusip	Inception	Minimum Investment	Gross Expenses	Net Expenses
Class Z	MHYZX	56382R241	03/01/2019	\$1,000,000	0.48%	0.48%
Class I	MNHAX	56382P195	08/01/2012	\$1,000,000	0.59%	0.59%
Class S	MNHYX	56382P583	09/14/2009	\$2,000	0.91%	0.91%

Minimum investment may be waived for Class Z and I in certain qualified retirement plans and discretionary investment accounts of the Advisor.

Minimum Investment may be waived for Class S in certain qualified retirement plans, participants in an automatic investment program, and discretionary investment accounts of the Advisor.

Net expenses for Class Z and I reflect the Advisor's contractual agreement to limit its fees and reimburse certain expenses. The contractual waiver may not be amended or terminated without the prior approval of the Fund's Board of Directors. Class Z shares do not make payments to financial intermediaries.

Net expenses for Class S includes a 12b-1 fee of 0.25%, of which up to 0.25% is available as a shareholder servicing fee.

Annualized Performance

	QTR	YTD	1Y	3Y	5Y	10Y	Inception (09/14/2009)
Class Z	0.81%	0.81%	8.25%	6.30%	10.11%	6.13%	7.07%
Class I	0.80%	0.80%	8.19%	6.20%	9.99%	6.17%	7.13%
Class S	0.74%	0.74%	7.81%	5.94%	9.70%	5.89%	6.91%
ICE BofA HY Cash Pay	0.97%	0.97%	7.45%	4.81%	7.17%	4.90%	6.54%

Performance data quoted represents past performance and does not guarantee future results.

Performance for periods greater than one year is annualized. The investment return and principal value of an investment will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than that quoted; investors can obtain the most recent month-end performance at www.manning-napier.com or by calling (800) 466-3863.

Class Z and Class I since inception performance is based on the High Yield Bond Series Class S inception of 09/14/2009. For periods through 03/01/2019 (the inception date of the Class Z shares) and 08/01/2012 (the inception date of the Class I shares), performance for the Class Z and Class I shares is based on the historical performance of the Class S shares. Because the Class Z and Class I shares invest in the same portfolio of securities as the Class S shares, performance will be different only to the extent that the Class S shares have a higher expense ratio.

30-Day SEC Yield (as of 03/31/2025)

	Yield
Class I	8.06%

If fees had not been waived, the 30-day SEC Yield (as of 03/31/2025) would have been 8.06% for Class I.

Sector Allocation (%)

	Series	ICE BofA HY Cash Pay
Mortgage	--	--
Corporate Credit	90.00%	99.68%
Bank Loan	3.24%	--
Non-US Govt & Supranational Credit	--	--
Municipal	--	--
Securitized Credit	--	--
U.S. Agency	--	--
U.S. Treasury	--	--
TIPS	--	--
Cash	4.06%	--
Other	2.70%	0.32%

What You Should Know About Investing

All investments involve risks, including possible loss of principal. Because the fund invests in both stocks and bonds, the value of your investment will fluctuate in response to stock market movements and changes in interest rates. Investing in the fund will also involve a number of other risks, including issuer-specific risk, foreign investment risk, and small-cap/mid-cap risk. Investments in options and futures, like all derivatives, can be highly volatile and involve risks in addition to the risks of the underlying instrument on which the derivative is based, such as counterparty, correlation and liquidity risk. Also, the use of leverage increases exposure to the market and may magnify potential losses.

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Fund Characteristics

	Series
Average Effective Duration	3.31y
Average Effective Maturity	4.56y
Fund Assets (\$M)	\$1.4B
Number of Holdings	93
Annual Turnover	96%
5 Yr Avg Turnover	124%

Industry Breakdown (%)

	Series	ICE BofA HY Cash Pay
Consumer Discretionary	4.80	12.37
Consumer Goods	3.54	3.6
Energy	10.64	11.45
Financials	21.78	10.32
Health Care	8.35	7.84
Industrials	20.85	26.74
Real Estate	2.05	4.39
Tech, Media, Telecom	19.33	19.76
Utility	3.32	3.53
Cash	4.06	--
Other	1.28	--

Fund Commentary

Fixed income markets were broadly positive for the quarter as investors grappled with a mix of tariff-related uncertainty, inflation concerns, and signs of economic depression, which ultimately caused bond yields to fall. As a result, longer-term bonds generally outperformed. Furthermore, both investment grade and high yield corporate credit spreads modestly widened, though they remained relatively tight on a historical basis. Within high yield, higher quality issues generally outperformed lower quality ones.

Despite widening credit spreads, the High Yield Series experienced positive absolute returns for the quarter given higher levels of income/falling yields and slightly underperformed the benchmark on a relative basis. As expected, performance continues to be driven by individual security selection. Specifically, selection within Basic Industry and Telecommunications were among the top contributors to relative returns whereas selection within Energy, Retail, and Healthcare were among the worst contributors. Taking a closer look at Energy, liquified natural gas company New Fortress Energy was the largest detractor to returns given some unwelcome news regarding an asset sale, weaker guidance, and recent volatility to name a few things. That stated, we continue to like the company and are positive on its overall direction.

In terms of positioning, we continue to focus on businesses that generate positive free cash flow and that either pay down debt or focus on improving their business with good relative value.

Portfolio additions for the quarter were predominantly the result of idiosyncratic opportunities where securities met both our strategy and relative value disciplines. Similar to previous quarters, sales were generally due to securities reaching what we viewed as fair value and thus opportunities for us to position the portfolio in more attractive opportunities.

In the days following quarter end, the market environment has significantly changed as the tariff levels announced by the new administration were greater than markets had anticipated, and the U.S. and China engaged in a game of retaliatory escalation. The result has been a dramatic sell-off in risk assets, causing high yield spreads to move from top decile (i.e., most expensive) to towards median on a historical basis.

As we write this commentary, markets are constantly reacting to new news coming out of the White House (e.g., pausing higher tariffs for 90 days - though keeping a 10% base in place - with targeted countries excluding China). With all of the uncertainty occurring, the one thing we are certain of is that we expect markets to remain highly volatile.

While it is painful, volatility tends to breed opportunity, however, we are being patient right now as it is unclear what the ultimate tariffs/impacts will be. As such, portfolio changes have generally been around the margins. As valuations become more compelling and individual opportunities present themselves, we will look to take advantage of them.

Definitions

Alpha: A measure of an investment's performance relative to a benchmark index. It represents the excess return of an investment compared to the return of the benchmark.

Beta: A measure of an investment's volatility relative to the overall market.

Standard Deviation: A statistical measure of the dispersion of returns for a given investment. It quantifies the amount of variation or volatility from the average return.

Sharpe Ratio: A measure of risk-adjusted return, calculated by subtracting the risk-free rate from the investment's return and then dividing by its standard deviation.

Duration: A measure of the sensitivity of a fixed income security's price to changes in interest rates. It indicates the expected life of the security and how much its price will change with a 1% change in interest rates. Securities with shorter durations are generally less affected by interest rate changes than those with longer durations.

For more information about any of the Manning & Napier Fund, Inc. Series, you may obtain a prospectus at www.manning-napier.com or by calling (800) 466-3863. Before investing, carefully consider the objectives, risks, charges and expenses of the investment and read the prospectus carefully as it contains this and other information about the investment company.

The data presented in the commentary is for informational purposes only. It is not to be considered a specific recommendation. Analysis: Manning & Napier. Investments will change over time.

The "Other" category contains securities such as ETFs and others that cannot otherwise be classified. Portfolio Composition data for the Series (excluding SEC yield) provided by FactSet. Portfolio turnover provided by Morningstar. Industry Breakdown is provided by Bloomberg. Cash allocation may vary slightly given the different sources of data. Investments will change over time.

Manning & Napier Fund, Inc. High Yield Bond Series I was rated against Intermediate High Yield Bond funds and had a 5 star rating for the three year, a 5 star rating for the five year, a 5 star rating for the ten year, and a 5 star rating overall, as of 03/31/2025, out of 586, 537, 423, and 586 funds respectively. Ratings for other share classes may differ. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36 - 59 months of total returns, 60% five-year rating/40% three-year rating for 60 - 119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Morningstar, Inc. is a global investment research firm providing data, information, and analysis of stocks and mutual funds. ©2025 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied, adapted or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information, except where such damages or losses cannot be limited or excluded by law in your jurisdiction. Past financial performance is no guarantee of future results.

Credit quality ratings: are measured on a scale that generally ranges from AAA (highest) to D (lowest). Not Rated (NR) is used to classify securities for which a rating is not available. Credit quality ratings reflect the median of Moody's Investors Services and Standard & Poor's ratings. Data obtained from Bloomberg.

The Intercontinental Exchange (ICE) Bank of America (BofA) U.S. Cash Pay High Yield Index (Benchmark) tracks the performance of U.S. dollar denominated below investment grade corporate debt, currently in a coupon paying period, issued in the U.S. domestic market. Qualifying securities must have at least one year remaining term to final maturity as of the rebalancing date, at least 18 months to final maturity at the time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$250 million. The Index returns do not reflect any fees or expenses. Index returns provided by Intercontinental Exchange (ICE). Index data referenced herein is the property of ICE Data Indices, LLC, its affiliates ("ICE Data") and/or its third party suppliers and has been licensed for use by Manning & Napier. ICE Data and its third party suppliers accept no liability in connection with its use. Data provided is not a representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and none of these parties shall have any liability for any errors, omissions, or interruptions of any index or the data included therein. For additional disclosure information, please see: <https://go.manning-napier.com/benchmark-provisions>.

NOTE: The High Yield Bond Series is closed to most new investors. For eligibility criteria, refer to the prospectus.

The Manning & Napier Fund, Inc. is managed by Manning & Napier Advisors, LLC. Manning & Napier Investor Services, Inc., an affiliate of Manning & Napier Advisors, LLC, is the distributor of the Fund shares.