CORONATION BALANCED DEFENSIVE FUND

Fund Information as at 28 February 2026

CORONATION
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WHAT IS THE FUND'S OBJECTIVE?

Balanced Defensive is in the first instance managed to protect capital over any 12-month period. In addition, we aim to achieve reasonable investment growth over the long run.

It is specifically managed to suit very cautious investors who want to draw an income over an extended period of time.

WHAT DOES THE FUND INVEST IN?

Balanced Defensive can invest in a wide range of assets, such as shares, bonds, listed property and cash, both in South Africa and internationally.

The fund will typically hold a maximum of 50% of its investments in growth assets (shares and property). Shares usually offer the best growth, but this comes with the greatest risk of short-term losses. The fund's exposure to shares is therefore carefully balanced with more stable investments like bonds.

Exposure to foreign assets is limited to 45%. The fund is mandated to use derivative instruments for efficient portfolio management purposes.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile

4/10
Moderate

Maximum growth/
minimum income exposures

- Growth Assets: 50%
- Income Assets: 50%

The fund is tactically managed to protect and grow capital, as well as secure an attractive income.

A large and experienced investment team actively seeks out the best potential opportunities for income and growth, while taking great care to consider the different risks within the fund.

Balanced Defensive is specifically managed to not lose money over any 12-month period, although it cannot guarantee protection against losses.

Our intent is that the fund should produce a return of at least CPI + 3% p.a. over the medium term.

The fund is diversified across a range of assets reflecting its cautious risk budget. This includes a selection of shares that we believe are attractively valued, as well as quality income assets.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The recommended investment term is three years and longer.

The fund's exposure to shares may result in short-term price fluctuations that make it unsuitable for investors who can only invest for short periods.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

- Pensioners and other investors requiring an income, especially those in the second half of retirement.
- Living annuity investors seeking a fund that aims to achieve both income and capital growth.
- Cautious pre-retirement investors seeking a low-risk fund for their retirement annuity, provident fund, preservation fund or pension fund.
- Trusts, endowments, foundations and charities who require long-term funding of a moderate spending rule.
- The fund is not appropriate for investors who want to build wealth over more than five years.

WHAT COSTS CAN I EXPECT TO PAY?

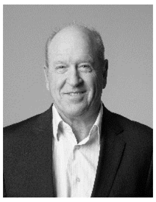
An annual fee of 1.15% (excl. VAT) is payable.

The annual management fee is accrued daily and paid monthly. Fund expenses incurred in the fund include fees payable to unconnected international fund managers on a portion of assets situated offshore as well as 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

WHO ARE THE FUND MANAGERS?



CHARLES DE KOCK
BCom (Hons), MCom (Economics)

PALLAVI AMBEKAR
CA (SA), CFA

NEILL YOUNG
BBusSc (Hons Fin), CA (SA), CFA

GENERAL FUND INFORMATION

Launch Date	1 February 2007
Fund Class	A
Benchmark	CPI + 3% p.a.
ASISA Fund Category	South African – Multi Asset – Low Equity
Regulation 28	Complies
Income Distribution	Quarterly (March, June, September, December)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CBALDFA
ISIN Code	ZAE000090627
JSE Code	COBA

CORONATION BALANCED DEFENSIVE FUND

CORONATION
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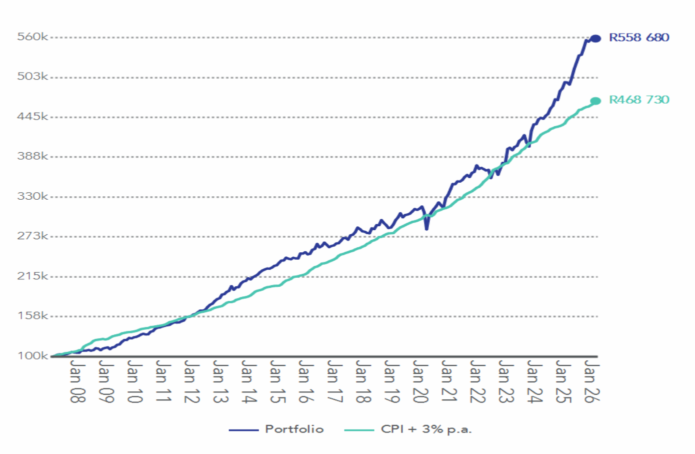
CLASS A as at 28 February 2026

ASISA Fund Category	South African - Multi Asset - Low Equity
Launch date	01 February 2007
Fund size	R35.56 billion
NAV	268.39 cents
Benchmark	CPI + 3% p.a.
Portfolio manager/s	Charles de Kock, Pallavi Ambekar and Neill Young

	1 Year	3 Year
Total Expense Ratio	1.49%	1.50%
Fund management fee	1.14%	1.14%
Fund expenses	0.18%	0.19%
VAT	0.17%	0.17%
Transaction costs (inc. VAT)	0.08%	0.08%
Total Investment Charge	1.57%	1.58%

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	CPI	Real Return
Since Launch (unannualised)	458.7%	175.1%	103.1%
Since Launch (annualised)	9.5%	5.5%	4.0%
Latest 15 years (annualised)	9.4%	5.0%	4.4%
Latest 10 years (annualised)	8.4%	4.6%	3.8%
Latest 5 years (annualised)	9.9%	4.9%	5.0%
Latest 3 years (annualised)	11.7%	4.0%	7.7%
Latest 1 year	12.7%	3.2%	9.5%
Year to date	0.2%	0.8%	(0.7)%

RISK STATISTICS SINCE LAUNCH

	Fund	Peer Group Average
Annualised Deviation	5.3%	4.3%
Downside Deviation	4.2%	3.4%
Sharpe Ratio	0.46	0.32
Maximum Gain	21.2%	20.9%
Maximum Drawdown	(10.4)%	(8.1)%
Positive Months	74.1%	76.3%
	Fund	**Date Range**
Highest annual return	23.1%	Apr 2020 - Mar 2021
Lowest annual return	(5.8)%	Apr 2019 - Mar 2020

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	28 Feb 2026
Domestic Assets	**65.6%**
Equities	18.0%
Basic Materials	3.1%
Industrials	0.1%
Consumer Goods	1.7%
Health Care	0.2%
Consumer Services	2.9%
Telecommunications	0.8%
Financials	6.7%
Technology	2.4%
Derivatives	0.3%
Real Estate	4.0%
Bonds	36.6%
Commodities	2.5%
Cash	4.5%
International Assets	**34.4%**
Equities	22.8%
Real Estate	1.2%
Bonds	6.6%
Cash	3.7%

TOP 10 HOLDINGS

As at 31 Dec 2025	% of Fund
Prosus	2.0%
Standard Bank Group Ltd	1.1%
Hammerson Plc	1.0%
Firstrand Bank Ltd	0.9%
Equites Property Fund	0.9%
Naspers Limited	0.8%
Fairvest Property Holdings Ltd	0.8%
Northam Platinum Ltd	0.7%
Capitec Bank Holdings Ltd	0.7%
Anglogold Ashanti Limited	0.7%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
31 Dec 2025	02 Jan 2026	1.95	0.22	1.73
30 Sep 2025	01 Oct 2025	1.87	0.29	1.59
30 Jun 2025	01 Jul 2025	2.35	0.55	1.80
31 Mar 2025	01 Apr 2025	1.62	0.09	1.52

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2026	(0.1)%	0.2%											**0.2%**
Fund 2025	1.8%	0.0%	(0.7)%	2.0%	2.5%	1.8%	1.9%	0.2%	1.8%	2.1%	(0.4)%	0.6%	**14.5%**
Fund 2024	0.1%	1.6%	0.5%	(0.3)%	1.0%	0.6%	1.7%	0.9%	2.0%	(0.2)%	2.7%	0.8%	**12.0%**
Fund 2023	5.5%	0.4%	(0.9)%	1.2%	0.4%	1.8%	0.6%	1.3%	(2.5)%	(1.4)%	5.7%	2.1%	**14.9%**
Fund 2022	(1.3)%	0.4%	(0.5)%	(0.5)%	0.2%	(3.2)%	2.9%	0.7%	(2.2)%	2.6%	2.1%	(0.3)%	**0.8%**
Fund 2021	2.4%	2.2%	0.0%	1.1%	(0.1)%	0.6%	1.3%	0.8%	(0.8)%	1.7%	0.4%	2.5%	**12.7%**
Fund 2020	1.0%	(2.7)%	(8.0)%	6.8%	1.8%	1.5%	1.3%	1.7%	(1.2)%	(1.3)%	4.5%	1.5%	**6.4%**
Fund 2019	1.6%	2.1%	1.3%	2.0%	(1.9)%	1.1%	0.2%	0.5%	1.0%	1.1%	(0.4)%	0.6%	**9.5%**

Issue date: 2026/03/11 *Please refer to page 4 of the Comprehensive Fact Sheet for important additional infomation, including change in cost disclosures.*

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

Performance

The year 2025 was characterised by a heavy focus on US politics and policies, particularly around global trade. Markets struggled to digest tariff announcements, tariff pauses, tariff U-turns, and trade deals. In addition, the market's growing unease about sovereign debt levels in several developed nations was further compounded by the passing of the One Big Beautiful Bill Act in the US. Geopolitical events remained prominent, continuing to centre around developments in the Middle East and the Russia-Ukraine war.

Against this uncertain background, risk assets delivered robust returns, with the MSCI All World Index delivering 22% in US dollars for the year and emerging markets outperforming developed markets over the same period. In this context, South African (SA) equity markets ended the year strongly, delivering a 62% dollar return for the 12 months, with the rally in precious metals the major driver.

For the year, the Fund delivered a 14.5% return (in rands), meaningfully outperforming its CPI + 3% target. Longer term, the Fund has pleasingly also delivered ahead of target returns across all periods. From an absolute return perspective, it was a return-rich environment over the last 12 months, with a blistering performance from SA equities (+42% in rands), SA bonds (+24%), and SA property (+31%). Global returns were healthy for the year, but the 12% strengthening of the rand versus the US dollar took the shine off some of this performance in rand terms. The Fund closed out its currency lock position (long rand, short dollar position) during the year as the rand retraced from oversold levels.

Looking into 2026, the global economy continues to show impressive resilience despite elevated geopolitical tensions and ongoing trade frictions. Inflation remains well contained. While US inflation is above target, the expected tariff-induced impact on inflation has been far less than feared and China continues to struggle with persistently low inflation. Global interest rates are expected to continue to ease. Despite this supportive outlook, this is by no means a benign investing environment, with the strength of the gold price indicating heightened investor alertness to unexpected risks materialising. The Fund's returns have benefited from the strong rally in gold and platinum ETFs and equities. While we have taken some profits, we continue to maintain a considered exposure to precious metals and stocks for diversification and hedging purposes.

Fund positioning

Globally, we are observing a massive change in pace of the development of new technologies, which is expected to have a profound impact on many traditional industries. SA investors have limited local access to these advancing technologies and to developing new ecosystems. We thus think a sensible allocation to global equities is necessary to provide the exposure and to deliver the required growth in long-term capital for our clients. Offshore assets represent 34% of the Fund, with the majority of this (21%) in global equity, and the remainder allocated to cash and short-dated bonds. In 2025, we observed a broadening out of global market returns outside of a handful of large US-listed technology shares. While we are still finding select value in some US stocks, we continue to see wider appeal in ex-US exposure – across sector, style, and geography. Our focus is on picking winning businesses that can deliver enduring growth in earnings and returns.

In contrast to global equity exposure, we have no exposure to long-dated global sovereign bonds. We remain concerned about high government debt levels in many countries. A broad set of countries is pushing the traditional boundaries of debt sustainability. Among the developed markets, Japan, Italy, the United States, France, Canada, the UK, and Spain all have public debt levels at, or exceeding, 100% of GDP. Similarly, debt levels in China, Brazil, India, and SA are slightly lower but still exceptionally high by conventional emerging market metrics. Elevated debt levels — and the associated deficits — can result in higher government financing costs, higher rollover risk, financial repression, or monetisation. To date, major countries have generally escaped the most severe manifestations of these challenges, but their high (and rising) debt levels leave them vulnerable. We don't think current yields on offer compensate for these risks.

SA entered 2025 with cautious optimism following improvements in electricity availability and tentative signs of reform momentum. The country hit a rocky start with an unexpected delay in passing the budget, which highlighted the political fragility in the system. While this was eventually resolved, economic growth remained lacklustre, constrained by weak global demand, infrastructure bottlenecks beyond energy, and persistent fiscal pressures. Household consumption has been supported by declining inflation, interest rate cuts, and real wage growth; however, this has struggled to translate into meaningful revenue traction for most local consumer-facing stocks.

SA fixed income instruments have been the key positive contributor to the Fund's returns. The FTSE/JSE All Bond Index delivered 24% over the last year, benefiting from yield compression, a lowered inflation outlook, and increased foreign participation in our local bond markets. While we have been cautious on the outlook for Government's rising debt burden and longer-term fiscal risks, we have maintained a high allocation to SA fixed income and managed the risks through containing the duration of our exposure. This was a conscious decision to trade off return to manage portfolio risk. We believe such actions are necessary to fulfil our dual mandate of delivering inflation-beating returns while being mindful of protecting capital.

Our SA equity allocation also delivered a healthy contribution to returns. Outside of gold and platinum equities, exposure to Naspers/Prosus, MTN, and Richemont also contributed. MTN had a sharp recovery off a very low share price base as the company delivered excellent operational results in its ex-SA operations. This, coupled with a recovery in the Nigerian and Ghanaian currencies, drove strong earnings improvement, which led to a re-rating of the share price. We have taken some profits here, but the outlook for earnings growth remains resilient, and we expect good cash flows to materialise as the business de-gears.

We continue to believe that we need to be careful in our selection of SA domestic equities. There are many investment opportunities in the SA domestic universe where valuations look undemanding and thus seem to provide a margin of safety. Despite this, these businesses are too often exposed as value traps as the lack of economic growth, cut-throat competition, cost pressures, and poor management of these factors have an adverse impact on earnings growth and shareholder returns. We continue to allocate capital to a curated basket of SA equities that we think are well-managed and have robust business models that can grow and take market share in a subdued economy.

Outlook

The closing quarter of 2025 reinforced a familiar theme for investors: asset markets can remain resilient even as underlying economic and political risks accumulate. Globally, the balance between moderating inflation, easing monetary policy, and elevated valuations requires disciplined asset allocation and active risk management. Domestically, SA's outlook is characterised by incremental improvement rather than a step-change in growth, with reform execution remaining the key determinant of longer-term outcomes. The run-up to local municipal elections may cause some volatility as political risks come to the fore.

While we would not expect a repeat of the phenomenal returns that we saw this year from SA asset classes, we still believe we can deliver overall fund returns ahead of our CPI + 3% target.

- Starting valuation points (PE multiples, bond yields) for SA assets are more normal, but real fixed income yields and our fair values for equities and property indicate good returns can still be achieved.
- On the global front, we have highlighted the necessity of exposure to global equities as a driver of capital growth and diversification for the Fund. We have also highlighted the key reasons why we continue to avoid long-dated global sovereign debt exposure.
- We remain focused on judicious risk management using tools such as currency locks and equity put protection where appropriate.

The Fund remains managed in line with its conservative mandate and focus on protecting client capital through the cycle. To this end, we continue to focus on fund diversification, active asset allocation, and bottom-up security selection to deliver the real returns required by our clients.

Portfolio managers
Pallavi Ambekar, Charles de Kock, and Neill Young
as at 31 December 2025

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION BALANCED DEFENSIVE FUND

The Balanced Defensive Fund should be considered a medium- to long-term investment. 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. The fund is mandated to invest up to 45% of its portfolio into foreign securities and may as a result be exposed to macroeconomic, settlement, political, tax, reporting or illiquidity risk factors that may be different to similar investments in the South African markets. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. Asset allocation and top 10 holdings are reflected on a look-through basis. Any African exposure (ex SA) is reflected under international assets. 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) Ltd (FSP 548) , 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; 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. The peer group average is calculated as the average return of all the funds in the respective ASISA category (excluding Coronation Funds in that category).

BENCHMARK DETAILS

The benchmark used for performance purposes is CPI + 3%.

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

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

IMPORTANT INFORMATION REGARDING TERMS OF USE

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