CORONATION SMALLER COMPANIES FUND

Fund Information as at 31 August 2026

CORONATION
TRUST IS EARNED™

WHAT IS THE FUND'S OBJECTIVE?

The fund aims to maximise long-term growth from investing in a select group of small to medium-sized JSE-listed companies.

It seeks to outperform the combined JSE Mid and Small Cap Indices.

WHAT DOES THE FUND INVEST IN?

The fund invests in companies that form part of the JSE Small or Mid Cap Indices, or in companies that have a market capitalisation smaller than the company with the lowest market capitalisation in the JSE Large Cap Index.*

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

*The investment universe has been amended to align with the ASISA category specifications for Mid and Small Cap Funds

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile

10/10
Aggressive

Maximum growth/
minimum income exposures

Growth Assets: 100%
Income Assets: 0%

The fund actively seeks out attractively valued companies that could offer strong long-term growth.

Shares are selected following rigorous research into the long-term potential of a company, and whether it is currently attractively valued relative to its sector.

Shares can be volatile investments, and smaller companies in particular may experience price swings. Smaller companies have fewer shares trading freely in the market, which can restrict trading and amplify price movements. Consequently, there is a heightened risk of capital loss over the short term.

However, given its focus on investing only in attractively valued shares that could offer long-term growth, the fund may preserve capital better than its benchmark over the long run.

The fund is concentrated and only invests in one sector of the market, making it riskier than a general equity fund.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The fund is managed to deliver the best possible returns over the long term; an investment horizon of five years or more is therefore ideal.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who are building wealth, and who

- wish to benefit from the potential growth in medium-size and small companies;
- want to diversify their investments to include specific exposure to companies outside of the JSE Large Cap Index;
- accept the inherent volatility in investing in less liquid shares;
- want to hold the Smaller Companies Fund as one of multiple funds in their investment portfolio.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 1.00% (excl. VAT) is payable.

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 portfolio 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?

ALISTAIR LEA
CA (SA), CFA

GENERAL FUND INFORMATION

Launch Date	1 April 1997
Fund Class	R
Benchmark	Market-cap weighted composite: JSE Mid & Small Cap Indices excluding real estate
ASISA Fund Category	South African – Equity – Mid and Small Cap
Income Distribution	Semi-annually (March & September)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CORSPEG
ISIN Code	ZAE000019824
JSE Code	COSG

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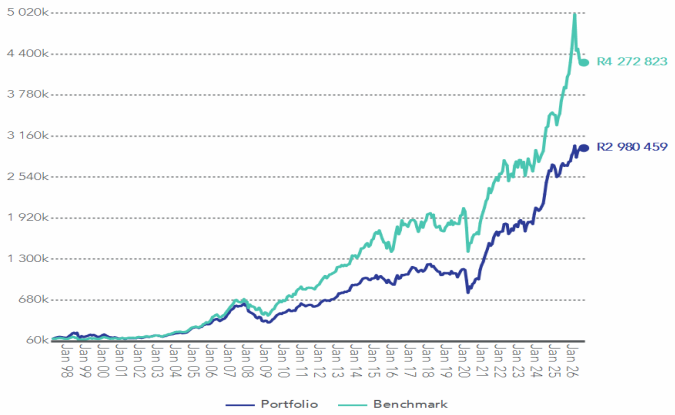
CLASS R as at 31 August 2026

ASISA Fund Category	South African - Equity - Mid & Small Cap
Launch date	01 April 1997
Fund size	R493.14 million
NAV	14725.28 cents
Benchmark	Market-cap weighted composite: FTSE/JSE Africa Mid & Small Cap Indices
Portfolio manager/s	Alistair Lea

	1 Year	3 Year
Total Expense Ratio	1.18%	1.18%
Fund management fee	0.99%	0.99%
Fund expenses	0.03%	0.04%
VAT	0.15%	0.15%
Transaction costs (inc. VAT)	0.19%	0.13%
Total Investment Charge	1.36%	1.31%

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	2880.5%	4172.8%	(30.2)%
Since Launch (annualised)	12.2%	13.6%	(1.4)%
Latest 20 years (annualised)	10.6%	11.9%	(1.3)%
Latest 15 years (annualised)	11.5%	11.3%	0.2%
Latest 10 years (annualised)	10.9%	8.9%	2.0%
Latest 5 years (annualised)	12.9%	11.8%	1.1%
Latest 3 years (annualised)	17.0%	16.0%	1.0%
Latest 1 year	9.6%	10.0%	(0.4)%
Year to date	3.7%	(4.7)%	8.4%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	17.5%	16.7%
Sharpe Ratio	0.21	0.30
Maximum Gain	67.2%	63.6%
Maximum Drawdown	(50.2)%	(38.2)%
Positive Months	63.2%	62.6%

	Fund	Date Range
Highest annual return	79.4%	Jun 2020 - May 2021
Lowest annual return	(41.4%)	Nov 2007 - Oct 2008

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Aug 2026
Domestic Assets	100.0%
Equities	99.5%
Basic Materials	9.3%
Industrials	18.9%
Consumer Goods	8.6%
Health Care	5.3%
Consumer Services	26.8%
Financials	20.1%
Technology	9.4%
Derivatives	1.1%
Cash	0.5%

TOP 10 HOLDINGS

As at 30 Jun 2026	% of Fund
Advtech Ltd	9.8%
Bid Corp Ltd	5.8%
Raubex Group Ltd	5.8%
Aspen Pharmacare Holdings Ltd	5.2%
Hudaco Industries Ltd	4.5%
Brait Se	3.8%
Quilter	3.7%
Psg Group Ltd	3.3%
Oceana Group Limited	3.0%
Dis-chem Pharmacies Ltd	3.0%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
31 Mar 2026	01 Apr 2026	77.66	73.57	4.09
30 Sept 2025	01 Oct 2025	147.20	142.72	4.48
31 Mar 2025	01 Apr 2025	114.07	105.84	8.23
30 Sept 2024	01 Oct 2024	224.54	202.33	22.21

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2026	1.6%	3.4%	(6.0)%	3.3%	1.1%	0.1%	1.8%	(1.2)%					3.7%
Fund 2025	(2.3)%	(4.2)%	0.6%	1.6%	4.3%	1.5%	(1.4)%	0.3%	(0.2)%	2.2%	0.3%	3.4%	5.8%
Fund 2024	(0.8)%	(1.5)%	1.1%	2.0%	2.2%	6.5%	7.7%	3.9%	3.4%	(0.4)%	3.8%	(0.5)%	30.7%
Fund 2023	4.9%	0.9%	(2.8)%	1.4%	(7.6)%	5.3%	2.7%	0.0%	0.5%	(2.0)%	8.1%	5.0%	16.4%
Fund 2022	0.2%	0.2%	6.4%	0.4%	(0.6)%	(7.9)%	1.9%	3.0%	(1.8)%	4.6%	0.9%	(2.3)%	4.3%

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

PERFORMANCE

The Fund delivered a return of 4.5% for the second quarter, a pleasing result against a backdrop of heightened macro uncertainty. Our three-year compound annual return has strengthened to 17.8%, placing the Fund 1st in its peer group — an outcome that reflects the value of patient, bottom-up stock selection in the mid- and small-cap segment. The quarter was not without its challenges. South African (SA) equities moved broadly sideways through April and May as markets absorbed a sharp rise in fuel costs following continued disruption to Middle Eastern oil supply due to the ongoing conflict. Diesel prices remained materially elevated, with producer price inflation jumping to 4.8% year-on-year in April, the sharpest monthly acceleration in several years. Inflationary pressure built to the point that the SA Reserve Bank raised the repo rate by 25 basis points to 7% at its May meeting — its first hike since 2023 — citing deteriorating inflation forecasts and second-round effects from fuel costs. Financials were the most resilient domestic sector, while resource stocks remained under pressure amid a retreat in precious metals from early-quarter highs. In the Fund's universe, the environment was mixed: consumer staples and value retailers held up well given their defensive characteristics, while businesses with fuel-cost exposure and discretionary demand characteristics were more challenged.

FUND ACTIVITY

Two of the largest buys during the quarter were Pepkor and Exxaro Resources. Pepkor is SA's dominant discount retailer, with the PEP and Ackermans brands serving the bottom half of the income distribution — precisely the segment that holds up best when consumers are under pressure from rising fuel and food costs. The business continues to execute well on its financial services strategy. The share price has de-rated in line with broader apparel retail weakness, creating an entry point we found attractive given the quality and defensiveness of the franchise and Pepkor's proven track record of execution.

Exxaro's investment case is relatively straightforward: the company is SAs largest domestic coal producer, with a dominant Waterberg position supplying Eskom under long-term contracts and a strong net cash balance in excess of R18 billion, which allows the payment of an attractive dividend, yielding around 8.5%. At current prices, the market appears to be applying an accelerated coal obsolescence discount that we view as excessive given the realistic longevity of Eskom's coal demand.

Two of the largest sells during the quarter were Grindrod and Quilter. Grindrod has been a strong performer for the Fund on the back of strong execution of their strategy to move more volumes through their various ports and terminals. After a period of meaningful share price appreciation, we feel that the valuation has moved to reflect the improved earnings trajectory and that upside from here was more limited. We reallocated the proceeds into names offering better risk-adjusted returns at current prices.

Quilter, the UK wealth management platform and advice business, has been a holding that has delivered well for the Fund, but we have become increasingly cautious about the structural outlook. The FCA's regulatory scrutiny of the UK advice market, combined with their desire to provide advice access to more UK consumers, could be either negative or positive for Quilter. It's, however too early to say which outcome is likely. We reduced our overweight to a more neutral position.

OUTLOOK

Looking ahead, the portfolio is positioned to navigate a more difficult consumer environment with limited exposure to the more discretionary part of the economy. While market uncertainty remains elevated, we are finding selective opportunities in quality businesses that have been caught in broader sector de-ratings. The Fund's balance of defensive consumer names, carefully chosen commodity exposure, and high-quality mid- and small-cap franchises leaves us well placed to continue compounding returns for unitholders over the medium term.

Portfolio manager
Alistair Lea
as at 30 June 2026

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION SMALLER COMPANIES FUND

The Smaller Companies Fund should be considered a 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. Asset allocation and top 10 holdings are reflected on a look-through basis. 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 R 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.

BENCHMARK DETAILS

The benchmark is a free-float market cap weighted index of small and mid-cap indices excluding real estate.

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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