

## WHAT IS THE FUND'S OBJECTIVE?

The fund aims to maximise long-term growth from investing in the financial services industry. It seeks to outperform an index of financial companies listed on the Johannesburg Stock Exchange (the JSE Financial Index) over the longer term.

## WHAT DOES THE FUND INVEST IN?

The Financial Fund primarily invests in the shares of companies listed on the Johannesburg Stock Exchange but can also invest in international equities.

The fund will remain fully invested in listed companies that earn a significant portion of their earnings from financial services. These include banks, insurance companies and related businesses.

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

## IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

### Risk Profile



### Maximum growth/ minimum income exposures



The fund's managers actively seek out attractively valued financial companies that could offer strong long-term investment 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 there is a meaningful 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

- ▶ want to diversify their investments to include specific exposure to banks, insurers and related businesses;
- ▶ believe that the financial sector offers compelling value;
- ▶ accept that the fund may underperform the broader market significantly in the short term as a result of its sector focus;
- ▶ seek to hold the Financial Fund as one of multiple funds in their investment portfolio.

## WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 1.25% (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](http://www.coronation.com).

## WHO ARE THE FUND MANAGERS?



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



**GODWILL  
CHAHWAHWA**  
BCompt, CA (SA)  
CFA

## GENERAL FUND INFORMATION

Launch Date	1 July 1998
Fund Class	A
Benchmark	FTSE/JSE Financials ex Real estate Index
ASISA Fund Category	South African – Equity – Financial
Income Distribution	Semi-annually (March & September)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CORFING
ISIN Code	ZAE000019766
JSE Code	CNFG

CLASS A as at 28 February 2026

ASISA Fund Category	South African - Equity - Financial
Launch date	01 July 1998
Fund size	R514.41 million
NAV	9563.84 cents
Benchmark	FTSE/JSE Financials (ex Real estate) Index
Portfolio manager/s	Neill Young and Godwill Chahwahwa

Total Expense Ratio	1 Year	3 Year
Fund management fee	1.47%	1.47%
Fund expenses	0.05%	0.05%
VAT	0.18%	0.19%
Transaction costs (inc. VAT)	0.13%	0.15%
Total Investment Charge	1.59%	1.62%

## PERFORMANCE AND RISK STATISTICS

## GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



## PORTFOLIO DETAIL

## EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	28 Feb 2026
<b>Domestic Assets</b>	<b>98.2%</b>
Equities	97.8%
Consumer Goods	1.3%
Financials	95.6%
Technology	0.8%
Cash	0.4%
<b>International Assets</b>	<b>1.8%</b>
Equities	1.7%
Cash	0.0%

## PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	2236.4%	1797.5%	23.1%
Since Launch (annualised)	12.1%	11.2%	0.8%
Latest 20 years (annualised)	11.2%	11.8%	(0.5)%
Latest 15 years (annualised)	11.9%	13.4%	(1.5)%
Latest 10 years (annualised)	9.5%	11.2%	(1.8)%
Latest 5 years (annualised)	20.7%	23.6%	(3.0)%
Latest 3 years (annualised)	22.4%	24.7%	(2.3)%
Latest 1 year	37.9%	43.2%	(5.3)%
Year to date	9.1%	10.5%	(1.4)%

## TOP 10 HOLDINGS

As at 31 Dec 2025	% of Fund
Firstrand Bank Ltd	21.1%
Standard Bank Group Ltd	18.2%
Capitec Bank Holdings Ltd	16.0%
Sanlam Life	7.4%
Discovery Ltd	6.9%
Absa Group Ltd	6.6%
Reinet Investments Sca	3.8%
Outsurance Group Ltd	3.6%
Psg Group Ltd	3.3%
Quilter	2.9%

## RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	19.5%	20.7%
Sharpe Ratio	0.19	0.14
Maximum Gain	53.6%	80.4%
Maximum Drawdown	(45.4)%	(45.3)%
Positive Months	59.9%	60.5%

## INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
30 Sep 2025	01 Oct 2025	224.99	224.23	0.76
31 Mar 2025	01 Apr 2025	30.94	30.42	0.52
30 Sep 2024	01 Oct 2024	161.68	160.13	1.54
28 Mar 2024	02 Apr 2024	83.65	82.94	0.71

	Fund	Date Range
Highest annual return	63.0%	Aug 2004 - Jul 2005
Lowest annual return	(39.5%)	Apr 2019 - Mar 2020

## MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2026	2.7%	6.3%											9.1%
Fund 2025	(2.8)%	1.2%	(0.4)%	4.9%	3.1%	1.3%	1.0%	(0.2)%	(1.9)%	7.7%	1.6%	6.9%	24.3%
Fund 2024	(3.2)%	(1.0)%	(2.9)%	2.5%	0.5%	14.9%	4.9%	5.5%	2.1%	0.7%	1.0%	(1.6)%	24.6%
Fund 2023	5.6%	2.5%	(7.6)%	2.9%	(8.4)%	10.8%	6.7%	(1.2)%	(4.5)%	(2.5)%	9.2%	5.0%	17.3%
Fund 2022	2.7%	4.1%	11.4%	(5.8)%	1.9%	(13.2)%	3.6%	(2.0)%	(4.6)%	11.8%	3.5%	(6.6)%	3.9%

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

### Performance

The fourth quarter was a very strong period for financial stocks, with the Fund returning 17% against a benchmark return of 18.9%. Since inception, the Fund has delivered an annualised return of 11.8%, 0.9% p.a. ahead of the benchmark.

2025 was marked by an intense focus on US politics and trade policy. Markets grappled with a succession of tariff announcements, pauses, reversals, and trade deals, while geopolitical risks remained elevated amid ongoing tensions in the Middle East and the Russia–Ukraine war. Despite this uncertain backdrop, risk assets delivered robust returns. The MSCI All Country World Index rose 3% over the quarter, lifting year-to-date (YTD) performance to 22%, while the MSCI Emerging Markets Index gained 5% for the quarter and 34% YTD.

South Africa entered 2025 with cautious optimism, underpinned by improved electricity availability and tentative signs of reform momentum. This optimism was tempered early in the year by an unexpected delay in passing the national budget, underscoring the political fragility of the system. Although the impasse was ultimately resolved, economic growth remained lacklustre, constrained by weak global demand, infrastructure bottlenecks beyond energy, and persistent fiscal pressures. Household consumption benefited from declining inflation, interest rate cuts, and real wage growth; however, these tailwinds have yet to translate into meaningful revenue traction for most locally-focused consumer stocks.

Against this backdrop, South African equity markets ended the year strongly, delivering a 62% return in US dollar terms, driven primarily by a rally in precious metals. Financials also performed well, returning 27%, with banks gaining 29%, outperforming life insurers at 22%, while the short-term insurance sector lagged with a 12% return. Although bank earnings growth remained broadly in line with expectations, the sector experienced a meaningful re-rating, supported by declining South African bond yields following an improved sovereign credit rating from S&P Global Ratings.

Contributors to performance relative to the benchmark for the quarter included underweight positions in Remgro, Old Mutual, Ninety One, as well as overweight positions in Standard Bank and PSG Financial Services. The main detractors were the overweight positions in WeBuyCars, St. James's Place and Quilter, as well as underweights in Absa and Nedbank.

### Portfolio actions and fund positioning

During the quarter, we increased the Fund's holdings in Reinet Investments, Standard Bank, Discovery, and OUTsurance, and initiated a position in Optasia Group, while reducing exposure to Santam, Investec, and Coronation Fund Managers. Over the course of the year, Reinet Investments disposed of its two largest portfolio assets — its remaining shareholding in British American Tobacco and its 49.5% stake in Pension Insurance Corporation, the latter of which is currently subject to regulatory approval. Following these transactions, close to 80% of Reinet's net asset value (NAV) will be held in cash, providing management with several capital allocation options, including a potential return of surplus capital to shareholders. The share currently trades at a 23% discount to the most recently disclosed NAV, despite a portfolio that will ultimately be represented mostly by cash should the PIC deal conclude successfully. While there remains a possibility that the cash is redeployed into new investments, we believe that a more likely outcome involves the return of capital to shareholders, and the discount therefore provides a sufficient margin of safety to justify building a position in the stock.

The short-term insurance industry delivered very strong earnings growth in 2025, driven by above-inflation premium increases implemented prior to 2025, alongside a benign claims environment extending into 2025. As a result, underwriting margins in South Africa have risen above historical averages, with Santam reporting an underwriting margin of 11.3% for the six months to June 2025, exceeding its long-term guided range of 5%–10%. Sector underwriting earnings are currently at cyclical highs and are expected to ultimately moderate as claims experience normalises. In this context, the Fund is underweight Santam on valuation grounds, while maintaining an overweight position in OUTsurance, which offers strong long-term growth from exposure to markets outside of South Africa, such as Australia and Ireland.

At quarter-end, the Fund is on-weight domestic banks with the main exposures via Standard Bank, FirstRand and Capitec Bank, underweight life insurance, on-weight short-term insurance, and overweight asset and wealth managers.

### Conclusion

The final quarter of 2025 reinforced a familiar lesson for investors: asset markets can remain resilient even as underlying economic and political risks continue to build. South Africa's outlook remains one of incremental improvement rather than a step-change in growth, with the pace and consistency of reform execution the key determinant of longer-term outcomes. The approach to local municipal elections this year may introduce periods of volatility as political risks come into sharper focus. Against this backdrop, we continue to position the Fund towards well-managed businesses with robust business models that can grow and take market share in a subdued economic environment.

### Portfolio managers

**Neill Young and Godwill Chahwahwa**

as at 31 December 2025

**IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION FINANCIAL FUND**

The Financial 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. The fund is mandated to invest 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. 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](http://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.

**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](http://www.coronation.com)

**IMPORTANT INFORMATION REGARDING TERMS OF USE**

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