

WHAT IS THE FUND'S OBJECTIVE?

The Property Equity Fund seeks to maximise long-term growth from investing in South African listed property companies. The fund aims to outperform the JSE All Property Index.

WHAT DOES THE FUND INVEST IN?

The fund primarily invests in companies that earn the main part of their revenue from owning, managing or developing properties.

It only invests in companies listed on the Johannesburg Stock Exchange, which may include foreign property companies that are listed locally.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile



Maximum growth/minimum income exposures



The fund's investment returns come from both growth in the share prices of property companies, and income (primarily earned from rentals) paid out by these companies.

Property shares are carefully selected to offer sustainable income and superior capital growth over the long term.

Shares can be volatile investments and there is a risk of capital loss over the short term. The fund's income distributions may also fluctuate due to a number of factors, including changes in the property market and interest rates.

It should typically be viewed as a component of an overall investment portfolio, and not as an investor's only investment.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The recommended investment term is three years and longer.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who are building wealth, and who

- require exposure to property as part of a diversified investment portfolio;
- are comfortable with being fully invested in property companies listed in SA;
- accept the volatility and possible short-term losses associated with an investment in shares;
- seek a regular income.

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.

WHO ARE THE FUND MANAGERS?



ANTON DE GOEDE
CFA, FRM



MAURO LONGANO
BScEng (Hons), CA(SA)



STEVE JANSON
BBusSc

GENERAL FUND INFORMATION

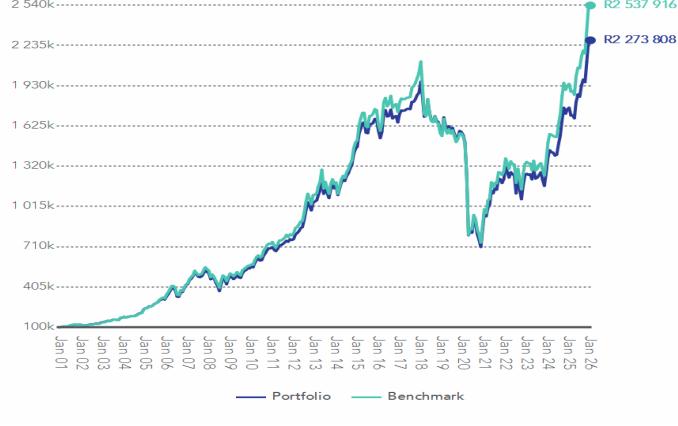
Launch Date	20 November 2000
Fund Class	A
Benchmark	FTSE/JSE All Property Index
ASISA Fund Category	South African – Real Estate – General
Income Distribution	Quarterly (March, June, September, December)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CORPPEQ
ISIN Code	ZAE000026993
JSE Code	CPEF

ASISA Fund Category	South African - Real Estate - General
Launch date	20 November 2000
Fund size	R 1.16 billion
NAV	5102.42 cents
Benchmark	FTSE/JSE All Property Index
Portfolio manager/s	Anton de Goede, Mauro Longano and Steve Janson

	1 Year	3 Year
Total Expense Ratio	1.46%	1.45%
Fund management fee	1.24%	1.24%
Fund expenses	0.03%	0.03%
VAT	0.19%	0.19%
Transaction costs (inc. VAT)	0.05%	0.05%
Total Investment Charge	1.51%	1.51%

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)	2173.8%	2437.9%	(10.4)%
Since Launch (annualised)	13.3%	13.8%	(0.5)%
Latest 20 years (annualised)	10.1%	10.4%	(0.4)%
Latest 15 years (annualised)	8.1%	8.5%	(0.4)%
Latest 10 years (annualised)	3.6%	4.5%	(0.8)%
Latest 5 years (annualised)	18.6%	20.6%	(2.0)%
Latest 3 years (annualised)	21.7%	23.3%	(1.7)%
Latest 1 year	28.9%	30.6%	(1.6)%
Year to date	28.9%	30.6%	(1.6)%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	17.0%	17.6%
Sharpe Ratio	0.32	0.34
Maximum Gain	54.8%	41.0%
Maximum Drawdown	(63.9)%	(64.9)%
Positive Months	63.1%	62.1%

	Fund	Date Range
Highest annual return	68.5%	Nov 2020 - Oct 2021
Lowest annual return	(55.4)%	Nov 2019 - Oct 2020

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2025	(3.4)%	0.1%	(1.3)%	7.4%	3.2%	(1.0)%	4.6%	2.3%	(1.0)%	8.0%	7.6%	0.0%	28.9%
Fund 2024	3.8%	(1.0)%	(0.3)%	(1.5)%	0.4%	5.7%	4.3%	7.9%	5.4%	(2.5)%	2.0%	0.7%	27.0%
Fund 2023	(0.6)%	0.4%	(3.1)%	5.7%	(4.9)%	0.6%	1.6%	1.7%	(4.6)%	(3.6)%	8.5%	9.2%	10.0%
Fund 2022	(3.0)%	(3.2)%	3.3%	(1.3)%	(0.5)%	(11.0)%	8.9%	(5.9)%	(6.3)%	10.2%	6.3%	0.7%	(3.9)%
Fund 2021	(3.1)%	6.6%	2.7%	10.2%	(1.8)%	3.3%	(0.8)%	7.4%	(0.5)%	(2.3)%	2.4%	7.6%	35.5%

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Dec 2025
Domestic Assets	100.0%
Real Estate	97.0%
Cash	3.0%

TOP 10 HOLDINGS

As at 31 Dec 2025	% of Fund
Nepi Rockcastle Plc	14.6%
Growthpoint Properties L	13.6%
Redefine Properties Ltd	9.5%
Fortress Reit Ltd	9.4%
Vukile Property Fund Ltd	8.5%
Resilient Reit Ltd	7.4%
Attacq Ltd	5.4%
Hyprop Investments Ltd	5.0%
Fairvest Property Holdings Ltd	4.2%
Stor-age Property Reit Ltd	3.6%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Taxable Income
31 Dec 2025	02 Jan 2026	105.27	19.47	85.81
30 Sep 2025	01 Oct 2025	17.37	2.87	14.50
30 Jun 2025	01 Jul 2025	85.36	7.87	77.50
31 Mar 2025	01 Apr 2025	3.44	3.36	0.08

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

Performance and fund positioning

The local listed property sector experienced mostly tailwinds during Q4, with continued lower bond yields, rand strength, and a strong equity market all providing a solid base for a good quarterly return. In addition, reported earnings growth came in either in line with or, in many cases, outperformed expectations, delivering earnings growth prospects exceeding inflation by the biggest margin in many years. This resulted in the sector more than doubling its year-to-date (YTD) return towards the end of the year, delivering a 17% return in Q4, taking the 2025 return to 31%.

From a relative performance viewpoint, the sector continues to strongly outperform the FTSE/JSE All Bond Index (ALBI) over most time periods up to five years. Despite still underperforming the FTSE/JSE All Share Index (ALSI) over 12 months, listed property closed the gap substantially and continues to outperform both over three and five years. As a reminder, the Covid-lows (when uncertainty around rental payments and the sustainability of rental growth and vacancies existed), sits at the start of the five-year return period. Positive momentum in unit trust-linked capital flows into sector-specific funds have consolidated during the quarter, remaining positive, providing a good underpin for share price momentum and sector-specific assets under management being close to record levels. The FTSE/JSE All Property Index's (ALPI) one-year forward dividend yield is 7.2%, and that of the Fund is 7.0%.

Delivering a return of 16.2% for Q4, the Fund marginally underperformed the ALPI benchmark. It improved the outperformance of the benchmark over 10 years, but lost some ground over shorter time periods, including the return for 2025, which was 28.9%. With the strong performance during the quarter and year coming from larger, more liquid SA-centric names thanks to their better liquidity, our mostly underweight positions in these counters retracted for performance over the quarter and 12 months. Positions that added to the relative performance for the quarter include the overweight positions in Fairvest B, Attacq, Resilient, and Stor-Age. Unfortunately, some of our relative overweight positioning in NEPI Rockcastle, Sirius, Fortress, and Hammerson and underweight positioning in Growthpoint, Vukile, and Redefine detracted value. During the quarter, the largest increases in exposure occurred in Sirius and Vukile, with relative weakness in the UK market providing an opportunity to increase our Sirius holding. In turn, we continue to close the underweight position in Vukile, as continued operational performance and capital allocation starts to cement its sector-relative rating. The most noticeable disposals include selling out of SA Corporate, with a change in shareholding prompting questions about its future strategy. In addition, we reduced the Fund's exposure to Fairvest B on a very strong relative outperformance and share price rerating. We also reduced the Fund's holdings in Redefine and Equites.

The results season for companies with August or September reporting periods concluded in December. Distributable year-on-year earnings per share growth for this reporting season came in at 3.7%, while dividend per share growth came in at 8.0%, with an average payout ratio of 84.6% (compared to 81.8% 12 months earlier). Companies are therefore starting to become more comfortable with their balance sheet management and the availability of capital. When the offshore names are excluded from these numbers, the SA-centric names delivered distributable earnings and dividend per share growth of 4.1% and 8.3% respectively, with an average payout ratio of 86.6%.

Various earnings drivers continue to positively impact earnings growth momentum, with period-on-period earnings growth outpacing year-on-year growth in the most recent reporting period. As has been previously commented on with the recent quarterly reports, these drivers are operationally and interest cost driven. After the large decrease in vacancies between 2022 and 2024, the return of positive rental growth is providing landlords with a better footing for lease renewals, with the gap between market and in-contract rentals gradually closing, or even turning positive in some cases. Good cost management continues with the penetration of solar and battery storage in energy strategies, seemingly not reaching saturation at this stage. This results in either a stabilisation or even an improvement in operating cost ratios for landlords. On the funding side, lower interest rates are setting companies up well for the next two to three years with regards to debt management and average funding rates. Not only are they experiencing overall lower margins offered by banks and what is achieved in the debt capital markets, but key in debt management strategies at present is also that expiring hedging instruments are starting to be replaced with lower hedged rates than at which they are expiring, creating opportunities to even increase hedging maturity profiles.

The MSCI released its Bi-Annual SA Property Index for 1H25 during Q4, which gives an indication of direct property return trends for the first six months of 2025. Total return momentum for SA property has stabilised when compared to the initial momentum improvement post-Covid, with 1H25 delivering a total return of 5.6% (compared to the 5.3% total return delivered in 1H24). The 12-month number to June 2025 is 11.8%. The

1H25 total return of 5.6% is split 4.1% income and 1.1% capital return, while the annual total return number of 11.8% is split 8.4% income and 3.2% capital. On a subsector level, industrial was the best-performing subsector at 13.9% total return for the year, followed by retail (+12.1%), residential (+10.2%), and the office subsector (+9.9%). A noticeable trend is that income growth remains the key driver in capital return rather than capitalisation rate movements, while the office sector exhibited the biggest improvement versus longer-term return averages, led by the Western Cape. Despite the improvement there was little differentiation in the returns between higher quality A-grade versus B-grade office assets due to lack of rental growth in recent years; only P-grade tends to offer better return within the office sector.

The SA Council of Shopping Centres (SACSC) published retail trading data related to 3Q-25. The weighted average year-on-year growth in trading densities improved in 3Q25 to 4.5% from 4.0% in 2Q25. The growth momentum was led higher by all shopping centre categories except for neighbourhood, which was lower versus 2Q25. As was the case in 2Q25, regional and small regional delivered the strongest growth at 5.0% and 4.6% respectively. The stronger overall growth was driven by improved momentum from categories like department stores and food services, while apparel retailers lost growth momentum after some pick up in 2Q25, with super regional and regional centres likely impacting the slowdown in growth the most. Based on SACSC and MSCI data, retail landlords are starting to experience an inversion of sales growth compared to rental growth, with the risk that if this inversion goes too far, the release of this pressure point will come through an increase in vacancies.

Outlook

With the strong performance over the last quarter and the average sector discount to net asset value close to single digits, capital management and external growth opportunities are where management teams have seemed to turn their attention. This has been a trend for the last six months, with shareholders across the board being prepared to provide companies with fresh capital to create growth capacity. Examples of new capital raised in Q4 are Vukile, Equites, and Hyprop. Acquisitions are most prevalent within the retail space, with Fairvest and Vukile announcing noticeable transactions, while development activity is either centred around convenience retail or logistics properties. Growth opportunities may also appear via corporate activity, as was the case with Heriot indirectly incorporating Safari Investments into its fold at the end of the year. Despite the high rating for the sector, takeovers may make sense depending on the relative ratings of the companies potentially involved, although there are very few obvious opportunities within the sector where it makes strategic sense for both companies potentially involved.

For the next year, the sector can be expected to deliver a total return of 10% - 15%, taking into account the starting yield and expected earnings growth over 12 months. However, key to this is ongoing bond market stability and offshore participation. As inflation expectations lower, there is scope for that market to give the sector more credit for the above inflationary earnings growth expectations. However, when the sector's rating relative to bonds was even stronger than now, the fundamentals of the underlying direct property market were much stronger. A step change improvement in fundamentals needs to occur, which we don't anticipate. Instead, we anticipate a stabilisation and potentially marginal improvement. Therefore, despite further potential interest rate cuts in 2026, return expectations should be contained versus the strong 2025 that we just experienced.

Portfolio managers

Anton de Goede, Mauro Longano & Steve Janson
as at 31 December 2025

Portfolio manager update

We are delighted to welcome Steve Janson as co-manager of this portfolio. Steve joined Coronation in 2013 and is an analyst and portfolio manager within the Fixed Income team. He also co-manages the Coronation Bond Fund and several institutional bond strategies. We are excited to have his insight and expertise added to the portfolio's investment process.

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION PROPERTY EQUITY FUND

The Property Equity 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. 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 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. Taxable income includes interest income and income earned from REITs. 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 used for performance purposes is FTSE/JSE All Property Index.

Note that we use the formal SA – Real Estate – General category benchmark as specified in the ASISA Standard on Fund Classification, which is currently the FTSE/JSE SA Listed Property Index, for compliance monitoring purposes.

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

This document is for information purposes only and does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe for or purchase any particular investment. Opinions expressed in this document may be changed without notice at any time after publication. We therefore disclaim any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable, directly or indirectly, to the use of or reliance upon the information.