

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



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 0.75% (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



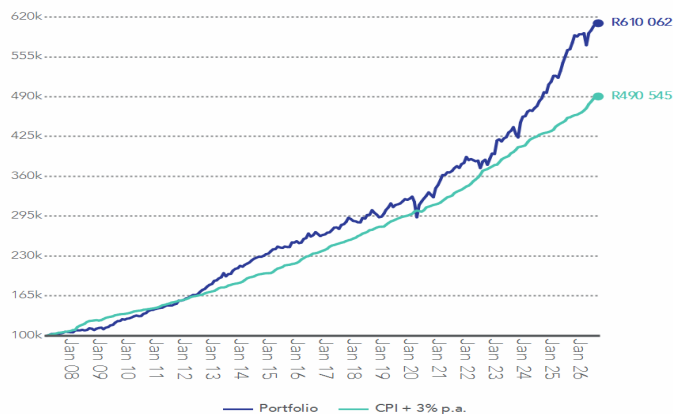
NEILL YOUNG
BBusSc (Hons Fin), CA
(SA), CFA

GENERAL FUND INFORMATION

Fund Launch Date	1 February 2007
Fund Class	P (previously class B4)
Class Launch Date	1 October 2012
Benchmark	CPI + 3% p.a.
ASISA Fund Category	South African – Multi Asset – Low Equity
Regulation 28	Complies
Income Distribution	Quarterly (March, June, September, December)
Bloomberg Code	CBALDB4
ISIN Code	ZAE000170445
JSE Code	CBDB4

CLASS P as at 31 August 2026

ASISA Fund Category	South African - Multi Asset - Low Equity
Launch date	01 February 2007
Fund size	R36.22 billion
NAV	271.18 cents
Benchmark	CPI + 3% p.a.
Portfolio manager/s	Charles de Kock, Pallavi Ambekar and Neill Young

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)	510.1%	183.9%	114.9%
Since Launch (annualised)	9.7%	5.5%	4.2%
Latest 15 years (annualised)	9.8%	5.0%	4.8%
Latest 10 years (annualised)	8.5%	4.7%	3.9%
Latest 5 years (annualised)	10.1%	4.9%	5.2%
Latest 3 years (annualised)	11.5%	4.1%	7.4%
Latest 1 year	7.5%	4.5%	3.0%
Year to date	3.0%	4.1%	(1.1)%

RISK STATISTICS SINCE LAUNCH

	Fund	Peer Group Average
Annualised Deviation	5.3%	4.4%
Downside Deviation	4.3%	3.7%
Sharpe Ratio	0.50	0.27
Maximum Gain	21.5%	20.9%
Maximum Drawdown	(10.4)%	(8.1)%
Positive Months	74.8%	76.5%
	Fund	Date Range
Highest annual return	23.6%	Apr 2020 - Mar 2021
Lowest annual return	(5.3)%	Apr 2019 - Mar 2020

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2026	0.0%	0.3%	(3.3)%	3.4%	0.8%	1.1%	0.8%	0.1%					3.0%
Fund 2025	1.9%	0.0%	(0.6)%	2.1%	2.6%	1.8%	1.9%	0.2%	1.8%	2.1%	(0.4)%	0.7%	15.1%
Fund 2024	0.2%	1.6%	0.5%	(0.2)%	1.0%	0.7%	1.7%	0.9%	2.1%	(0.2)%	2.8%	0.9%	12.5%
Fund 2023	5.6%	0.5%	(0.8)%	1.2%	0.4%	1.8%	0.6%	1.4%	(2.5)%	(1.4)%	5.7%	2.2%	15.4%
Fund 2022	(1.3)%	0.4%	(0.5)%	(0.5)%	0.3%	(3.1)%	2.9%	0.7%	(2.1)%	2.6%	2.2%	(0.2)%	1.2%
Fund 2021	2.4%	2.2%	0.0%	1.2%	0.0%	0.7%	1.3%	0.8%	(0.8)%	1.7%	0.5%	2.6%	13.2%
Fund 2020	1.0%	(2.7)%	(7.9)%	6.8%	1.8%	1.5%	1.4%	1.8%	(1.2)%	(1.2)%	4.6%	1.5%	6.9%
Fund 2019	1.6%	2.1%	1.4%	2.0%	(1.9)%	1.1%	0.3%	0.5%	1.0%	1.2%	(0.4)%	0.6%	10.0%

	1 Year	3 Year
Total Expense Ratio	1.04%	1.04%
Fund management fee	0.75%	0.75%
Fund expenses	0.18%	0.18%
VAT	0.11%	0.11%
Transaction costs (inc. VAT)	0.08%	0.08%
Total Investment Charge	1.12%	1.12%

PORTFOLIO DETAIL**EFFECTIVE ASSET ALLOCATION EXPOSURE**

Sector	31 Aug 2026
Domestic Assets	64.1%
■ Equities	15.7%
Basic Materials	2.5%
Industrials	0.1%
Consumer Goods	1.4%
Health Care	0.3%
Consumer Services	2.6%
Telecommunications	0.7%
Financials	5.6%
Technology	2.4%
Derivatives	0.1%
■ Real Estate	4.8%
■ Bonds	40.9%
■ Commodities	1.1%
■ Cash	1.5%
International Assets	35.9%
■ Equities	25.8%
■ Real Estate	1.2%
■ Bonds	7.4%
■ Cash	1.6%

TOP 10 HOLDINGS

As at 30 Jun 2026	% of Fund
Prosus	1.2%
Fortress REIT Ltd	1.2%
Hammerson PLC	1.1%
Richemont	1.1%
Standard Bank Group Ltd	1.1%
Naspers Limited	1.0%
TSMC	1.0%
FirstRand Ltd	0.9%
Fairvest Property Holdings Ltd	0.8%
MTN Group Ltd	0.8%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
30 Jun 2026	01 Jul 2026	2.63	0.53	2.10
31 Mar 2026	01 Apr 2026	2.08	0.31	1.77
31 Dec 2025	02 Jan 2026	2.25	0.26	2.00
30 Sept 2025	01 Oct 2025	2.17	0.33	1.84

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

PERFORMANCE

The first half of the year (as it draws to a close) has been dominated by two defining shocks: the war in the Middle East and its effect on **oil supply**, and the artificial intelligence (AI) boom and its impact on **demand for semiconductors**. Despite these supply/demand shocks, the global economy and markets have been surprisingly resilient, with risk assets delivering strong returns. The MSCI Emerging Markets Index (+24% in USD year-to-date [YTD]) outperformed developed markets (+10% YTD) as measured by the MSCI World Index.

While the returns look good in hindsight, global markets experienced a sharp sell-off in March, driven by the global energy shock and renewed inflation fears. Global bond yields spiked, and we once again saw a flight to safety in traditional assets like the US dollar and energy commodities, which were natural beneficiaries of the higher oil price. Paradoxically, gold prices did not act like a haven asset during this risk-off event, with the price of the yellow metal retracing more than 20% since the start of the war and into the second quarter. We had been arguing for some time that gold prices were trading at extreme, sentiment-driven levels prior to the war, far above our assessment of a fair gold price. The Fund reduced exposure to gold into the rally early this year, taking profits as the gold price reached what we considered to be stretched levels.

In the context of the above volatility, we are pleased that the Fund has delivered a return ahead of its CPI + 3% target over all relevant time periods. Once again, we saw that a global crisis event resulted in significant investment opportunities for the Fund. We took advantage of the volatility in asset prices following the start of the war in two ways:

We made a sizeable increase in our allocation to SA nominal bonds, mostly executed in the first quarter of the year. In the aftermath of the war, we saw the 10-year yield spike to nearly 10% on the back of risk-off fears and a sharply elevated inflation outlook. We felt that even with baking in an inflationary shock from the war, the real yields on the nominal bonds looked attractive, warranting an increase in allocation. SA bonds and cash remain a material allocation in the Fund at 43% of the portfolio, providing a dependable anchor to the Fund's target real-return ambitions.

We also slightly stepped up our global equity allocation to largely maintain our full exposure. This building block has been the largest detractor from the Fund's performance over the last year. Much of the negative performance was a function of a broad sell-off across several industries – to which we have exposure – that have been indiscriminately categorised as 'AI losers'. This includes digital platforms, ecommerce companies, financial services companies, and data owners. We acknowledge that developments in AI are fast-changing, with new models being introduced and evolving narratives on who the winners and losers will be. A level of humility is required when positioning our holdings in this environment, compelling us to continually retest the investment theses behind each of the businesses we own. However, we believe that there are compelling arguments that many companies in these segments are either resilient to AI disruption or will prove to be significant beneficiaries of the technology in time. We continue to believe that a large allocation is warranted, with the upside to fair value we see in our selection currently sitting at unusually high levels. Global equities now make up 25% of the Fund at quarter end. We continue to maintain put

option protection at c. 30% against our developed market global equity allocation as the price of this protection remains reasonable.

Despite the return headwind from our global equity holdings, our total equity building block has positively contributed to the Fund's returns year to date, with our SA equity selection outperforming an SA equity market that delivered negative returns overall. Glencore, PSG Konsult, Altron, and Richemont were top SA equity contributors to the Fund's performance, highlighting the impact of astute equity selection across a range of sectors within the SA market. When including global equity, our total equity allocation in the Fund remains at the maximum level of 40%. We believe the Fund's risk asset allocation in both equities and property will provide the necessary capital growth pillar for future fund returns.

OUTLOOK

"It's tough to make predictions, especially about the future" — Potential Danish proverb (origin uncertain)

While the above quote has always been true, it has felt even more acute over the last 18 months. Policy unpredictability under the Trump administration, developments in AI, and heightened geopolitical tensions have all introduced a higher baseline of uncertainty, often reflected in ferocious swings in asset prices. Managing the Fund in this environment requires agility, with frequent reassessment of our outlooks and the incorporation of renewed views into our long-term fair values and, where appropriate, our asset class allocations. We have reiterated on many occasions that we aim to build robust portfolios that can deliver our Fund's CPI + 3% target return in a wide range of outcomes. While the first half of the year has been tough, we have managed to meet this target. We remain confident in the Fund's positioning and believe that its prospects and ability to achieve targeted returns over the medium to long term are particularly compelling.

Portfolio managers

Pallavi Ambekar, Charles de Kock and Neill Young
as at 30 June 2026

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 P NAV prices with income distributions reinvested. Class A NAV prices were used for the period prior to the launch of Class P. 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

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.