

CORONATION FUND MANAGERS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 1973/009318/06
Share code: CML
ISIN: ZAE000047353
LEI: 3789001BC9A29E6FF77
("Coronation" or "the Company")



UPDATE TO SHAREHOLDERS: NEXT STEPS IN SARS LITIGATION, FINANCIAL IMPACT AND WITHDRAWAL OF CAUTIONARY ANNOUNCEMENT

Shareholders are referred to the cautionary announcement released on SENS by the Company on 8 February 2023 ("**previous announcement**").

Shareholders were informed in the previous announcement of the outcome of the Supreme Court of Appeal ("**SCA**") hearing in the matter of South African Revenue Service ("**SARS**") vs the Company's subsidiary, Coronation Investment Management SA (Pty) Ltd ("**CIMSA**").

As conveyed in the previous announcement, the Company is disappointed with the SCA judgment in favour of SARS, which overturned the decision of the Western Cape Tax Court.

Next steps in the SARS Litigation

After careful consideration, the boards of the Company and CIMSA, informed by the advice of legal counsel and professional tax advisers, have determined that CIMSA should apply to the Constitutional Court for leave to appeal against the SCA judgment and such application will be made within the stipulated timeline.

Financial impact

Notwithstanding the decision to apply for leave to appeal, the Company is required to raise a provision as a consequence of the SCA judgement.

The provision is based on all financial years from 2012 to 2022 being impacted by the application of the SCA judgment and is estimated to be between R800 million and R900 million.

Shareholders are advised that the expected impact of the provision will reduce earnings per share ("**EPS**"), headline earnings per share ("**HEPS**") and diluted headline earnings per share ("**DHEPS**") for the six months ended 31 March 2023 when compared to the EPS, HEPS and DHEPS for the six months ended 31 March 2022. Due to the material financial impact, the Company will not be paying an interim dividend for the period ended 31 March 2023.

Shareholders are advised that this is not a trading statement in terms of the JSE Listings Requirements, as the Company is not in a position where it has a reasonable degree of certainty regarding the expected range for EPS, HEPS and DHEPS for the six months ended 31 March 2023.

The financial information on which this SENS has been based has not been reviewed nor reported on by the Company's external auditors.

Withdrawal of the Cautionary Announcement contained in the previous SENS

As a result of the detailed disclosure contained in this announcement, Shareholders are advised that the cautionary contained in the previous SENS is hereby withdrawn. Caution is, therefore, no longer required to be exercised when dealing in the Company's securities.

Cape Town
22 February 2023

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