

LONG TERM OBJECTIVE

The Coronation Global Equity Fund of Funds aims to deliver capital growth through a focused portfolio of the best equity managers globally. The Strategy invests in top-quality long-only equity funds (typically 10) and is broadly diversified across geographic regions including emerging markets. The underlying fund managers have well-established track records with a similar investment approach to ours, and have been thoroughly evaluated by Coronation's due diligence team. The objective is to outperform the MSCI All Country World Index over a 5-year period.

INVESTMENT APPROACH

Coronation is a long-term, valuation-driven investment house, focused on bottom-up stock picking. Our aim is to identify mispriced assets trading at discounts to their long-term business value (fair value) through extensive proprietary research. In calculating fair values, through our fundamental research, we focus on through-the-cycle normalised earnings and/or free cash flows using a long-term time horizon. We select managers who share a similar investment philosophy to ours. We do not equate risk with tracking error, or divergence from a benchmark, but rather with a permanent loss of capital.

STRATEGY RETURNS GROSS OF FEES

Period	Strategy	Benchmark	Active Return
Since Inception (cumulative)	501.6%	409.4%	92.2%
Since Inception p.a.	7.2%	6.5%	0.7%
Latest 20 years p.a.	8.0%	8.0%	0.0%
Latest 15 years p.a.	8.9%	9.9%	(1.0)%
Latest 10 years p.a.	9.8%	11.3%	(1.5)%
Latest 5 years p.a.	5.5%	9.5%	(4.0)%
Latest 1 year	14.5%	20.0%	(5.5)%
Year to date	(9.5)%	(3.2)%	(6.3)%
Month	(8.3)%	(7.2)%	(1.1)%

SECTOR EXPOSURE

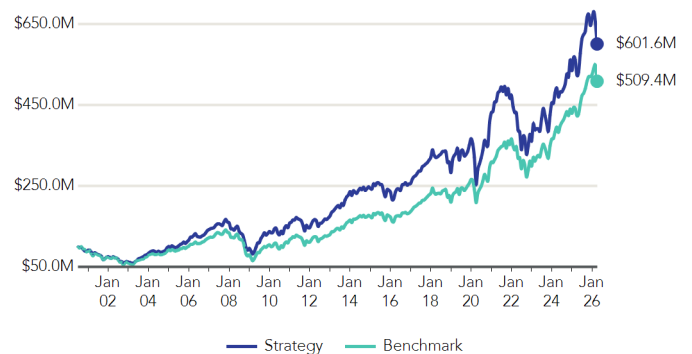
Sector	% Strategy
Information Technology	20.8%
Consumer Discretionary	18.8%
Financials	15.6%
Communication Services	14.4%
Industrials	11.2%
Healthcare	4.7%
Consumer Staples	3.2%
Materials	3.1%
Utilities	1.6%
Energy	1.5%
Real Estate	1.0%
Interest Bearing	4.1%

GENERAL INFORMATION

Inception Date	01 July 2000 *
Strategy Size †	\$608.0 million
Strategy Status	Open
Mandate Benchmark	MSCI Daily TR Net All Country World USD (NDUEACWF Index)
Redemption Terms	An anti-dilution levy will be charged
Base Currency	USD

†Strategy assets under management as at the most recent quarter end.

GROWTH OF US\$100M INVESTMENT



Benchmark: MSCI Daily TR Net All Country World USD (NDUEACWF Index)









TOP 5 HOLDINGS

Holding	% Strategy
EGERTON CAPITAL EQ F-I USD	26.8%
EMINENCE LONG FUND	18.0%
LONE MONTEREY	16.3%
CONTRARIUS GLOBAL EQUITY FUND LTD OPEN-END FUND	15.5%
TREMLANT LONG FUND	9.9%

GEOGRAPHIC EXPOSURE

Region	% Strategy
North America	67.2%
Europe	18.6%
Asia	8.2%
CEEMEA	0.9%
LATAM	0.8%
Japan	0.2%
Cash	4.1%

CURRENCY EXPOSURE

Currency		% Strategy	Currency		% Strategy
USD		74.8%	TWD		1.7%
EUR		8.9%	CNY		1.4%
GBP		6.9%	CAD		1.2%
KRW		2.0%	Other		3.1%

PORTFOLIO MANAGERS



Karl Leinberger - BBusSc, CFA

Karl is Chief Investment Officer (CIO) and manages Coronation's Houseview Strategies. He joined Coronation in 2000 and became Head of Research in 2005. In 2008, he was appointed as CIO. Karl has 25 years' investment experience.



Carl Snyman - BBusSc, CA (SA), CFA

Carl Snyman is a manager analyst and portfolio manager in the Global Equity Fund of Funds team at Coronation. Carl joined Coronation in 2006 and has 22 years' investment experience.

REGULATORY DISCLOSURE AND DISCLAIMER

The Prospectus and a Summary of Investor Rights can be sourced on the following link: <https://www.coronation.com/en/institutional/strategy-information/literature/>.

The information contained herein is not approved for use by the public and must be read together with our [Disclaimer](#) that contains important information. If you are in possession of a physical copy of this document and you are unable to access our [Disclaimer](#) online, kindly contact us at cib@coronation.com and a copy will be sent to you via email.

* The Global Equity Fund of Funds was launched in January 2008 under the Coronation Universal Fund, a non-UCITS open-ended umbrella unit trust, at \$10 per unit. Performance figures prior to this date refer to the Global Equity Fund of Funds, a sub-fund of the Coronation Retail Fund 2, which has been liquidated. The majority of investors in the latter transferred their holdings into the new Coronation Universal Fund in January 2008. The funds have similar investment objectives and strategies but different fee structures.

REVIEW FOR THE QUARTER

The Strategy declined -9.5% for the quarter (Q1-26), underperforming the benchmark return of -3.2%. The rolling 12-month return of 14.5% compares with the 20.0% return of the MSCI All Country World Index (ACWI) over the same period.

Global equity markets had a volatile quarter, with the MSCI ACWI declining 3.2% in US dollar terms. The first two months saw a rotation away from US mega-cap technology stocks as investors grew sceptical of the returns being generated from the enormous capital being deployed into artificial intelligence infrastructure, and concerns emerged that rapidly evolving AI capabilities could undermine the software-as-a-service model. US software stocks fell roughly 23% from January through late February. This, combined with the US Supreme Court striking down the broad tariff authority the Trump administration had been using, meant US equities were already under pressure when the more consequential event of the quarter arrived: the escalation of conflict in the Middle East at the end of February.

The intensifying regional crisis in the Middle East resulted in the closing of the Strait of Hormuz – the world's most critical oil transit chokepoint – sending Brent crude to nearly \$120 per barrel at its peak, its largest monthly rise in four decades. The resulting energy price shock reignited inflation fears, causing bond markets to sell off and removed any near-term prospect of central bank easing. At a sector level, energy was the standout winner while consumer discretionary, technology, and financials were among the worst performers globally. Regionally, Japan (+3.6%) and emerging markets (-0.1%) held up best in US dollar terms. The US (-4.3%), Europe ex-UK (-2.3%), and Asia ex-Japan (-1.1%) were the weakest regions, while the UK (+2.4%) was a relative outperformer supported by its commodity-heavy market composition.

All five underlying Strategies delivered negative returns for the quarter. The Strategy's meaningful tilt toward consumer and high-growth platform businesses, and its structural underweight to energy, were the primary drivers of relative underperformance against the index.

Lone Monterey was the strongest performer of the underlying Strategies, declining -4.8%. Against a difficult backdrop, the Strategy's industrials holdings were a genuine bright spot. Carpenter Technology (+25.3%) – a specialist producer of high-performance alloys for the aerospace and defence industries – delivered record quarterly operating income as commercial aerospace bookings accelerated sharply. Siemens Energy (+16.4%) also contributed positively within industrials, benefiting from the surge in energy security investment triggered by the disruption to Middle Eastern oil and gas supply. Philip Morris International (+4.0%) added modest value in consumer staples, and Starbucks (+7.1%) was a constructive contributor in consumer discretionary. These positives were more than offset by losses elsewhere. In financials, Capital One (-24.4%) sold off sharply as concerns about credit quality and the consumer outlook intensified; KKR (-27.3%) and LPL Financial (-15.7%) de-rated as rising rates and slowing economic momentum weighed on alternative asset managers and wealth platforms. In consumer discretionary, Auto1 Group (-44.4%), the German online used-car platform, continued its prolonged decline as investors remained unconvinced by the company's path to sustainable unit economics in a softening European automotive market, while Carvana (-25.5%) gave back some of its prior gains as macro headwinds reasserted themselves.

Egerton Capital declined -5.4%. The Strategy's substantial allocation to financials was the primary headwind, with Visa (-13.6%), Moody's (-14.4%) and Mastercard (-12.3%) among the key detractors, alongside Boston Scientific (-34.2%) in healthcare and Airbus (-18.9%) in industrials. Positive contributions came from AIA Group (+6.2%), which continued to benefit from structural demand for life and health insurance across Asia, CME Group (+10.7%), which saw trading volumes boosted by the spike in market volatility, and HSBC (+6.9%) and Interactive Brokers (+4.4%), both of which benefited from the higher interest rate environment.

Contrarius Global Equity fell -11.8%. The Strategy carries a distinctive Strategy with meaningful positions in consumer staples and consumer discretionary names that found little favour in the quarter. Pernod Ricard (-12.1%) and Diageo (-12.9%) were hurt by a combination of softening demand for premium spirits in key markets – particularly China and the US – a rotation away from defensive consumer names trading at elevated valuations, and the broader pressure on European equities from the energy shock. Tesla (-17.3%) gave back ground, as investors weighed slowing volume growth and intensifying competition in the electric vehicle market. Paramount Skydance continued to be sold down following the completion of its merger, as concerns about the combined entity's streaming strategy and balance sheet persisted. Molson Coors (-6.8%) was a further drag within consumer staples as the sector broadly de-rated. Against this, the Strategy's energy positions were a meaningful offset. Noble Corp (+75.7%) surged as soaring oil prices drove a sharp increase in demand for offshore drilling services, and EchoStar (+7.7%) contributed positively within communication services.

Tremblant Capital declined -16.8%. The Strategy's concentrated exposure to consumer and digital platform businesses was a significant headwind. Wingstop (-34.9%) continued to be pressured by a fourth consecutive quarter of declining domestic same-store sales as inflation fatigue and a tighter consumer environment weighed on its core customer base. DoorDash (-33.7%) sold off sharply as rising fuel costs raised serious questions about delivery platform economics and the path to sustained profitability. Coupang (-20.0%), Grab Holdings (-26.7%) and Walt Disney (-15.3%) were further material detractors. Against these losses, Bloom Energy (+55.9%) was the standout positive as energy security concerns drove demand for distributed power solutions, and Wabtec (+17.2%) benefited from strong demand for rail infrastructure upgrades and freight technology.

Eminence Capital fell -16.6%, continuing a difficult run of performance. Consumer discretionary was the primary source of weakness: DraftKings (-37.3%) was hit by a combination of regulatory headwinds in several US states and a higher-rate de-rating of speculative growth names with long duration earnings profiles. Sea Limited (-35.1%) fell on a disappointing revenue update pointing to increased competitive pressure on its Shopee platform across Southeast Asia. Entain (-25.6%) was weighed down by ongoing regulatory uncertainty across its European markets, while Delivery Hero (-31.1%) and Coupang (-20.0%) were further material detractors. Within consumer staples, Beiersdorf (-17.7%) and Reckitt Benckiser (-15.4%) declined as investors rotated away from re-rated defensives. The Strategy's near-zero energy exposure added to the shortfall in a quarter the sector dominated. Valvoline (+15.9%) was the most notable bright spot, with demand for automotive maintenance services proving resilient as consumers deferred vehicle purchases in an uncertain economic environment.

Outlook

The near-term outlook depends heavily on how quickly shipping through the Strait of Hormuz normalises. Sustained higher energy prices will feed through to inflation and constrain central banks' ability to support slowing economies – the Fed held rates at its March meeting while the ECB signalled the possibility of hikes. US equities remain expensive relative to both history and international peers, and earnings forecasts have yet to fully reflect the energy price shock. The Strategy has meaningful exposure to consumer and high-growth platform companies – sectors that have been most acutely challenged – and limited energy exposure. We believe the managers we have selected have the experience to navigate this environment, and where valuations have moved sharply there may be opportunities emerging. We will be monitoring positioning closely as the second quarter develops.