

## INVESTMENT OBJECTIVE

The Coronation Multi-Strategy Arbitrage Hedge Fund makes use of arbitrage strategies in the pursuit of attractive risk-adjusted returns, independent of general market direction. The fund is expected to have low volatility with a very low correlation to equity markets. Stock-picking is based on fundamental in-house research. Factor-based and statistical arbitrage models are used solely for screening purposes. Active use of derivatives is applied to reduce risk and implement views efficiently. The risk profile of the fund is expected to be low due to its low net equity exposure and focus on arbitrage-related strategies. The portfolio is well positioned to take advantage of low probability/high payout events and will thus generally be long volatility through the options market. The fund's target return is cash plus 5%. The objective is to achieve this return with low risk, providing attractive risk-adjusted returns through a low fund standard deviation.

## INVESTMENT PARAMETERS

Net equity exposure is capped at 30%. Gross exposure is limited to 300%, allowing the fund to benefit from arbitrage-related strategies that do not require significant capital. The gross exposure is calculated by total value of longs plus total absolute value of the shorts as percentage of the market value of the fund. If derivatives are used in the portfolio, then its true effective exposure should be incorporated when calculating net and gross exposure. The Portfolio is precluded from raising any debt funding over and above that achieved in terms of the long/short process. There are mandated limits per asset class. The fund may invest in unlisted vehicles, in particular money market investment and exposure to small capitalisation shares may be achieved in this way. Investment in derivatives is permitted for efficient investment management of the fund.

## FUND RETURNS

	Fund*	CAP1**	ALBI	Cash***
Since inception (cumulative)	1263.6%	2462.8%	659.9%	326.8%
Since inception p.a.	12.2%	15.3%	9.3%	6.6%
Latest 10 year p.a.	12.2%	9.7%	10.4%	6.1%
Latest 5 year p.a.	16.5%	15.4%	12.2%	6.4%
Latest 3 year p.a.	16.7%	19.2%	14.3%	7.6%
Latest 1 year p.a.	17.6%	34.1%	19.2%	6.9%
Year to date	0.7%	(0.5)%	(3.4)%	1.6%
Month	(0.1)%	(10.6)%	(6.8)%	0.5%

\*Fund Returns since inception to 30 September 2023 are for the A class (the most expensive fee class prior to the A class being closed on 30 September 2023) and were calculated net of fees and net of fund expenses. Fund Returns from 1 October 2023 to date are for the Z class. Fund Returns for the Z class are calculated net of fund expenses and gross of investment management and performance fees. Investment management and performance fees are individually agreed with each Qualified Investor prior to investment and are levied outside of the fund. Each Qualified Investor receives a monthly report indicating performance net of their individual fees and expenses.

\*\*FTSE/JSE Capped All Share Index from 01 January 2026, with the JSE Capped Shareholder Weighted Index from 01 July 2011 and the JSE Capped All Share Index applicable from inception to 30 June 2011.

\*\*\*South Africa Rand Overnight Deposit Rate.

## PERFORMANCE &amp; RISK STATISTICS

	Fund*	CAP1**	ALBI	Cash***
Average Annual Return	12.4%	16.1%	9.5%	6.5%
Highest Annual Return	34.6%	72.7%	28.2%	11.3%
Lowest Annual Return	(18.5)%	(35.6)%	(5.6)%	3.3%
Annualised Standard Deviation	6.5%	14.7%	7.5%	0.5%
Downside Deviation	6.5%	9.9%	5.5%	
Maximum Drawdown	(19.9)%	(38.3)%	(9.8)%	
Sharpe Ratio	0.86	0.59	0.37	
Sortino Ratio	0.86	0.88	0.50	
% Positive Months	79.5%	65.6%	70.0%	
Correlation (CAP1)	0.31			
Correlation (ALBI)	0.23			
99% Value at Risk (P&L %)	(1.1)%			

## GENERAL INFORMATION

<b>Investment Structure</b>	Limited liability en commandite partnership
<b>Disclosed Partner</b>	Coronation Management Company (RF) (Pty) Ltd
<b>Inception Date</b>	01 July 2003
<b>Hedge Fund CIS launch date</b>	01 October 2017
<b>Year End</b>	30 September
<b>Fund Category</b>	South African Multi-Strategy Hedge Fund
<b>Benchmark ±</b>	Cash
<b>Target Return</b>	Cash + 5%
<b>Annual Management &amp; Performance Fees</b>	Annual Management and Performance Fees are agreed and levied outside of the Fund.
<b>Total Expense Ratio (TER)†</b>	0.03% (excluding management and performance fees)
<b>Transaction Costs (TC)†</b>	1.34%
<b>Fund Size (R'Millions)‡</b>	R1145.43
<b>Fund Status</b>	Open
<b>NAV (per unit)</b>	165.95 cents
<b>Base Currency</b>	ZAR
<b>Dealing Frequency</b>	Monthly
<b>Income Distribution</b>	Annual (with all distributions reinvested)
<b>Minimum Investment</b>	R5 million
<b>Notice Period</b>	5 business days
<b>Investment Manager</b>	Coronation Alternative Investment Managers (Pty) Ltd (FSP 49893)
<b>Auditor</b>	KPMG Inc.
<b>Prime Broker</b>	N/A
<b>Custodian</b>	Standard Chartered Bank
<b>Administrator</b>	JP Morgan Chase Bank, N.A., London Branch
<b>Transfer Agency</b>	Intembeko Investment Administrators
<b>Portfolio Managers</b>	Neville Chester, Nicholas Hops & Nic Stein

±The benchmark of the hedge fund has been included to align with industry standards.

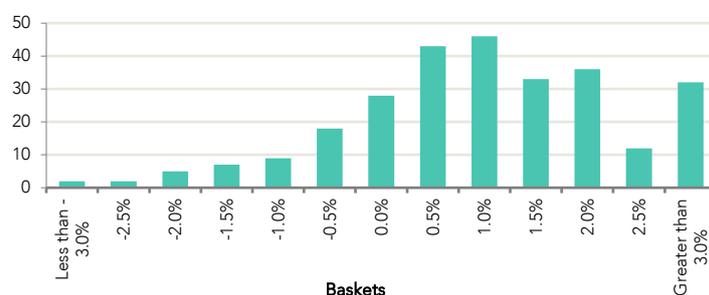
†TER and TC data is provided for the 1 year ending 28 February 2026. TER excludes manufactured dividend expenses and scrip borrowing costs, in line with the revised ASISA TER Hedge Fund Disclosure Standard. ‡Fund Size is as at 31 March 2026.

## GROWTH OF R100m INVESTMENT

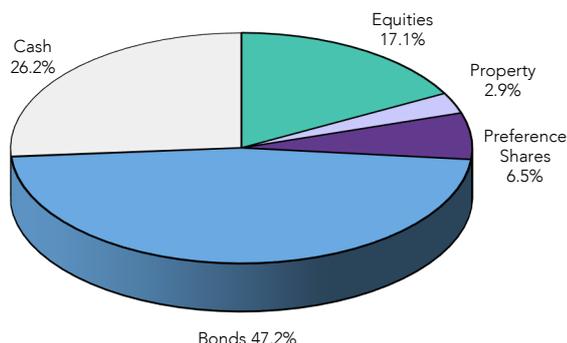


Note: A reference to "Cash + 5%" was historically included on a voluntary basis. This has been removed with effect from November 2024 which aligns with industry practice.

## MONTHLY RETURN DISTRIBUTION



## ASSET ALLOCATION



## PORTFOLIO LIQUIDITY

	Days to Trade
Long	7.2
Short	0.1

## INCOME DISTRIBUTIONS (cents per unit)

Declaration Date	Amount	Dividend	Interest
30-Sep-25	10.41	4.02	6.38

## MONTHLY COMMENTARY

The Fund delivered a marginal negative return for the month (-0.1%\*) which was a great outcome given the enormous drawdown and volatility that happened in the month of March, once again highlighting the value of a market neutral strategy. The Market Neutral Pairs Portfolio contributed positively whereas the small Long Only Portfolio detracted from overall returns. A couple of key pairs where we were long more defensive cash generative businesses versus short more marginal leveraged peers worked well in the new much more difficult macro environment. Similarly, long cheaper shares versus their more highly rated peers also helped in a drawing down market.

\*The Fund return is net of expenses and gross of fees.

## REGULATORY DISCLOSURE AND DISCLAIMER

The content of this document and any information provided may be of a general nature and is not based on any analysis of the investment objectives, financial situation or particular needs of any potential investor. As a result, there may be limitations as to the appropriateness of any information given. It is therefore recommended that any potential investor first obtain the appropriate legal, tax, investment or other professional advice and formulate an appropriate investment strategy that would suit the risk profile of the potential investor prior to acting upon such information and to consider whether any recommendation is appropriate considering the potential investor's own objectives and particular needs. Neither Coronation Fund Managers Limited nor any subsidiary of Coronation Fund Managers Limited (collectively "Coronation") is acting, purporting to act and nor is it authorised to act in any way as an adviser. Any opinions, statements or information contained herein may change and are expressed in good faith. Coronation does not undertake to advise any person if such opinions, statements or information should change or become inaccurate. Coronation Management Company (RF) (Pty) Ltd is an approved manager of Collective Investments Schemes. Collective Investment Schemes are generally medium to long-term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future performance of the fund. Hedge Fund strategies can result in losses greater than the market value of the fund, however investor's losses are limited to capital invested or contractual commitments. Hedge Funds may invest into illiquid instruments which may result in longer periods for investors to redeem units in a portfolio. The ability of a portfolio to repurchase is dependent upon the liquidity of the portfolio and cash of the portfolio. All income, capital gains and other tax liabilities that may arise as a result of participating in this investment structure remain that of the investor. Coronation reserves the right to close the Fund to new investors in order to ensure the Fund is more efficiently managed in line with our clients' mandates. The investor acknowledges the inherent risk associated with an investment in the Fund and agrees that Coronation will not be liable for the consequences of the market influences and consequent changes in unit prices. Collective Investments are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from the Manager. The Manager provides no guarantee either in respect of capital preservation or investment return. The Fund's net asset value and price per participatory interest is available at any time on request as well as published monthly in the Fund Fact Sheet, available on [www.coronation.com](http://www.coronation.com). Investors and potential investors may contact the Manager for the latest version of the application form, annual report, and any additional information required on the Fund, free of charge. Coronation Fund Managers Limited is a full member of the Association for Savings and Investment SA (ASISA). Coronation Asset Management (Pty) Ltd (FSP 548), Coronation Investment Management International (Pty) Ltd (FSP 45646) and Coronation Alternative Investment Managers (Pty) Ltd (FSP 49893) are authorised financial services providers. Coronation Life Assurance Company Limited is a licenced insurer under the Insurance Act, No.18 of 2017.