

WHAT IS THE FUND'S OBJECTIVE?

Market Plus aims to maximise long-term investment growth, at lower levels of risk than a fund that is only invested in shares.

WHAT DOES THE FUND INVEST IN?

Market Plus can invest in a wide range of assets such as shares, bonds, listed property and cash, both in South Africa and internationally.

It will typically have a strong bias towards shares, which offer the highest expected long-term returns. But unlike an equity fund, it does not have to remain fully invested in shares when we believe the stock market is too expensive.

Foreign investments (excluding Africa) may represent up to 40% of its assets. The fund is mandated to use derivative instruments for efficient portfolio management purposes.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile

Maximum growth/
minimum income exposures

Market Plus represents Coronation's view on the best combination of different assets that could maximise long-term returns at a reasonable level of risk.

The fund is primarily invested in shares, and will actively seek out only those investments we believe are attractively valued and may offer superior long-term growth.

Market Plus will typically have more exposure to shares than a traditional balanced fund. Shares can be volatile investments and there is a risk of capital loss, especially over the short term. However, the fund is managed with a strong emphasis on instrument valuation and it is therefore unlikely to lose money over the longer term. It may still produce negative returns in extreme years, but at a lower level than a pure equity fund.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The recommended investment term for this fund is five years and longer.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Long-term investors who are building wealth and

- can stay invested for at least five years (preferably longer);
- seek to preserve the purchasing power of their savings over the long term by investing in a diversified portfolio;
- are not dependent on an income from their investment;
- who do not need to accept the investment constraints applicable to retirement savers.

WHAT COSTS CAN I EXPECT TO PAY?

The fund fees recently changed to a fixed fee from the performance related fee previously used.

The new fixed fee is 1.25%.

From 1 April 2021 to 31 March 2022, the lowest of the previously used performance-related fee and the new fixed fee will be accrued daily. From 1 April 2022, only the new fixed fee will apply.

TFI Class A - An annual fee of 1.25% is payable. This class is only available for Tax Free Investments.

All fees exclude VAT. Fund expenses that are 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 portfolio costs.

More detail is available on www.coronation.com.

WHO ARE THE FUND MANAGERS?



**NEVILLE
CHESTER**
BCom, CA (SA), CFA



**NICHOLAS
STEIN**
CA (SA), CFA



**NICHOLAS
HOPS**
BBusSc, CFA

GENERAL FUND INFORMATION

| | |
|---------------------|-------------------------------------------------------------------|
| Launch Date | 2 July 2001 |
| Fund Class | A |
| Benchmark | Composite: 52.5% equity, 22.5% bonds, 5% cash, 20% international* |
| Fund Category | Worldwide – Multi-asset – Flexible |
| Regulation 28 | Does not comply |
| Income Distribution | Semi-annually (March & September) |
| Investment minimum | R5 000 or R500/m debit order |
| Bloomberg Code | CORMKPL |
| ISIN Code | ZAE000031506 |
| JSE Code | CMPF |

* Benchmark change. Please refer to page 4 for more details.

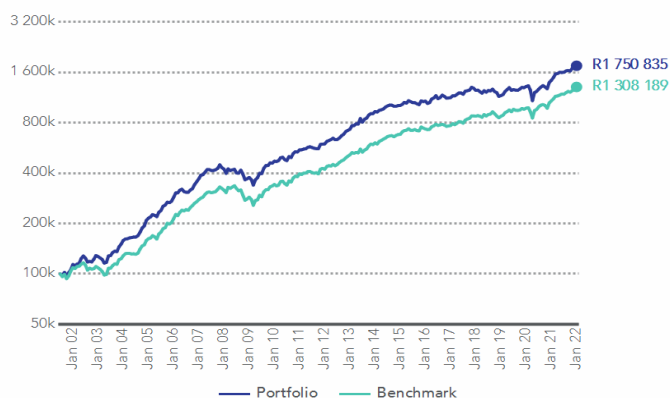
CLASS A as at 31 December 2021

| | |
|------------------------------|------------------------------------------------------|
| Fund category | Worldwide - Multi Asset - Flexible |
| Launch date | 02 July 2001 |
| Fund size | R 4.52 billion |
| NAV | 9956.61 cents |
| Benchmark/Performance | Composite (52.5% equity, 22.5% bonds, |
| Fee Hurdle | 20% international, 5% cash)* |
| Portfolio manager/s | Neville Chester, Nicholas Stein and Nicholas Hops |

| | CLASS A | | CLASS TFI A | |
|--------------------------------------|---------|---------|-------------|--------|
| | 1 Year | 3 Year | 1 Year | 3 Year |
| Total Expense Ratio | 1.02% | 1.03% | 1.59% | 1.63% |
| Fund Management Fee | 1.24% | 1.24% | 1.24% | 1.26% |
| Adjusted for out/(under)-performance | (0.50)% | (0.50)% | 0.00% | 0.00% |
| Fund expenses | 0.16% | 0.18% | 0.16% | 0.18% |
| VAT | 0.11% | 0.11% | 0.19% | 0.19% |
| Transaction costs (inc. VAT) | 0.22% | 0.20% | 0.22% | 0.20% |
| Total Investment Charge | 1.24% | 1.23% | 1.81% | 1.83% |

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) | 1650.8% | 1208.2% | 442.6% |
| Since Launch (annualised) | 15.0% | 13.4% | 1.6% |
| Latest 20 years (annualised) | 14.6% | 13.2% | 1.4% |
| Latest 15 years (annualised) | 10.9% | 10.9% | 0.0% |
| Latest 10 years (annualised) | 11.4% | 12.0% | (0.6)% |
| Latest 5 years (annualised) | 9.1% | 11.2% | (2.0)% |
| Latest 3 years (annualised) | 14.6% | 14.4% | 0.3% |
| Latest 1 year | 22.1% | 21.0% | 1.1% |
| Year to date | 22.1% | 21.0% | 1.1% |

RISK STATISTICS SINCE LAUNCH

| | Fund | Benchmark |
|-----------------------|---------|---------------------|
| Annualised Deviation | 11.1% | 10.2% |
| Sharpe Ratio | 0.66 | 0.55 |
| Maximum Gain | 36.7% | 29.3% |
| Maximum Drawdown | (24.4)% | (23.6)% |
| Positive Months | 66.7% | 67.5% |
| | Fund | Date Range |
| Highest annual return | 50.0% | Aug 2004 - Jul 2005 |
| Lowest annual return | (20.1)% | Mar 2008 - Feb 2009 |

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|-----------|------|--------|---------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Fund 2021 | 4.1% | 4.8% | 0.7% | 1.7% | (0.2)% | 0.2% | 1.9% | 0.8% | (0.8)% | 4.0% | 0.0% | 3.3% | 22.1% |
| Fund 2020 | 1.1% | (5.7)% | (13.7)% | 11.8% | 1.7% | 3.2% | 2.8% | 2.2% | (2.0)% | (2.4)% | 9.0% | 3.0% | 8.9% |
| Fund 2019 | 1.5% | 4.2% | 2.7% | 2.7% | (3.8)% | 1.1% | (0.7)% | (0.2)% | 1.8% | 2.3% | (0.4)% | 1.6% | 13.3% |
| Fund 2018 | 0.4% | (2.1)% | (2.1)% | 3.5% | (2.1)% | 2.4% | (0.5)% | 2.4% | (3.4)% | (1.3)% | (5.1)% | 1.2% | (6.9)% |
| Fund 2017 | 2.5% | (0.2)% | 2.0% | 2.1% | 0.0% | (1.8)% | 4.5% | 0.6% | 0.7% | 4.1% | (1.3)% | (2.9)% | 10.4% |

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

| Sector | 31 Dec 2021 |
|----------------------------------------|--------------|
| Domestic Assets | 75.3% |
| ■ Equities | 52.1% |
| Basic Materials | 15.6% |
| Industrials | 0.9% |
| Consumer Goods | 3.1% |
| Health Care | 1.7% |
| Consumer Services | 7.7% |
| Telecommunications | 0.2% |
| Financials | 14.3% |
| Technology | 5.8% |
| Derivatives | 0.1% |
| Consumer Staples | 1.6% |
| Energy | 1.1% |
| Other | 0.0% |
| ■ Preference Shares & Other Securities | 0.2% |
| ■ Real Estate | 5.2% |
| ■ Bonds | 19.8% |
| ■ Commodities | 0.0% |
| ■ Cash | (2.4)% |
| ■ Other (Currency Futures) | 0.5% |
| International Assets | 24.7% |
| ■ Equities | 18.7% |
| ■ Real Estate | 0.6% |
| ■ Bonds | 2.3% |
| ■ Cash | 3.1% |

TOP 10 HOLDINGS

| As at 31 Dec 2021 | % of Fund |
|------------------------------|-----------|
| Prosus | 5.6% |
| Anglo American Plc | 5.5% |
| AngloGold Ashanti Limited | 3.9% |
| British American Tobacco Plc | 2.8% |
| Glencore Xstrata Plc | 2.7% |
| Nedbank Group Ltd | 2.5% |
| Egerton Capital Equity Fund | 2.4% |
| Naspers Ltd | 2.0% |
| Quilter plc | 1.9% |
| Standard Bank Group Ltd | 1.8% |

INCOME DISTRIBUTIONS

| Declaration | Payment | Amount | Dividend | Interest |
|-------------|-------------|--------|----------|----------|
| 30 Sep 2021 | 01 Oct 2021 | 193.11 | 113.14 | 79.98 |
| 31 Mar 2021 | 01 Apr 2021 | 175.22 | 114.85 | 60.37 |
| 30 Sep 2020 | 01 Oct 2020 | 91.31 | 45.12 | 46.19 |
| 31 Mar 2020 | 01 Apr 2020 | 135.90 | 59.22 | 76.68 |

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

The Fund finished the year on a strong note, with a return of 7.5% for the quarter, which takes the full-year return to just over 22%. After a number of years of anaemic returns from multi-asset class funds, it is pleasing to report this level of growth, well ahead of inflation. This was driven by the alpha generated in the building blocks and the tactical asset allocation decisions enabling a strong return at a reduced level of risk compared to that of a pure equity fund. The 20-year compound annual return of 14.6% is testament to the strength of the Fund's flexible investment mandate with which it aims to achieve the delivery of significant real returns over the long term.

Our strategy of maintaining high equity levels continued to pay off, especially our increased exposure to SA-listed equity as the local markets delivered strong returns in the final quarter of 2021 (Q4-21). Global developed markets have continued to rally, despite the prospect of rising interest rates in these regions to curtail the runaway inflation, and we have continued to lighten our exposure to developed market equities. While equity will provide some protection to inflation in these regions, we remain concerned by the high valuation levels and how higher interest rates and less monetary accommodation will affect this. In contrast, emerging markets and especially China have underperformed, mainly due to uncertainty around China's regulatory interventions, and geopolitical uncertainty in large regions like eastern Europe and Latin America. We think valuations in these regions account for a lot of the risk and have maintained a higher exposure in our offshore allocation to emerging markets.

Our local equity building block has done well from its exposure to resources, which finished the year off on a strong note as continued strong demand for most commodities was met with restrained supply from the major producers. With significant demand still to come from 'greening' the environment, and an increasingly difficult landscape to develop new mines, we expect commodity prices to remain higher than normal for the foreseeable future. The Fund is still overweight commodities, mainly through its exposure to the diversified miners.

Our exposure to Naspers/Prosus did not help in Q4-21 as concerns remained around the impact of Chinese regulatory intervention in the internet space, impacting their largest investment, Tencent. Tencent has now derated to the point that it is on an exceptionally low rating, and when one excludes the value of its significant investment portfolio, the core business of Tencent is trading on close to a single digit PE multiple. Over and above Tencent, the group is exposed to fast growing businesses in the food delivery, education and classifieds sectors. We think it remains one of the most compelling investment opportunities in the local market and it continues to be the largest position in the Fund.

Our domestic exposure also struggled in Q4-21 as the financial sector came under pressure, in particular from concerns around the discovery of the Omicron variant in South Africa. Fears of a harsh lockdown and another wave of high excess mortality saw the banks and insurers sell off. However, as it has become apparent this wave is far more benign, and government has taken a far more pragmatic approach to handling it, we expect the impact to be marginal at best. In this case, the cheap ratings and high dividend yields on these shares look very attractive.

There has been some mixed success from the property allocation which, while not large overall in the Fund, has still offered some decent returns. Our allocation to Growthpoint and, to a lesser extent, Redefine delivered better than cash returns. The impact of Omicron and concerns around how it would affect tourism and trade in December did take some shine off their returns towards the end of the quarter.

We have remained out of the global bond market and pleasingly we are finally starting to see the impact of rampant inflation in global markets start to reflect in rising global bond yields, although there is still a lot more price weakness to come. Domestically, we have kept our relatively high exposure to SA government bonds, given the very attractive real yields on offer. There is still little interest from foreign investors, given the difficult financial position in which the country remains, but we expect to see continued fiscal prudence from the new finance minister in the Budget in February and this should see some flows return to the SA bond market.

2021 was a successful year for the Fund, but that does not take away from how difficult the period was, with markets being extremely volatile, and seemingly random mood shifts by global investors causing outsized moves in asset prices. Throughout this, it again emphasised the importance of having a long-term horizon when investing.

Portfolio managers

Neville Chester, Nicholas Stein and Nicholas Hops
as at 31 December 2021

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION MARKET PLUS FUND

The Market Plus 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 35% (excluding Africa) 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) (FSP 548) Ltd, 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. 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 current performance fee methodology results in a fee of 1.25% when the portfolio's performance equals that of the benchmark (net of fees), with a minimum fee of 0.75% and a maximum fee of 2.40%.

From 1 April 2021 to 31 March 2022, the lower of the 2 possible fees stated below will be accrued daily;

- The current performance-related fee with CAPI as the SA equity component of the benchmark
- The new fixed fee of 1.25%

From 1 April 2022, only the new fixed fee will apply.

HOW ARE THE BENCHMARK RETURNS CALCULATED?

The benchmark used for performance purposes is a composite benchmark consisting of 52.5% Domestic Equity (CSWIX), 22.5% Domestic Bonds (ALBI), 5% Domestic Cash (STF3M), 14.5% International Equity (ACWI), 3.5% International Bonds (BGBA) and 2% International Cash (USD3MLIBOR). From 1 April 2021 the SA equity component of the composite benchmark is the FTSE/JSE Capped Shareholders Weighted Index which replaces the FTSE/JSE Capped All Share Index (CAPI). The benchmark returns shown in this MDD will be spliced between the previously applicable benchmark (CAPI) up to 31 March 2021 and the new index returns from 1 April 2021.

*Benchmark change due to LIBOR being discontinued: The publication of LIBOR ceased on 31 December 2021 for most of the currency and term combinations that are currently in use. As a result USD LIBOR has been replaced by the Secured Overnight Financing Rate ("SOFR") as a component of the Coronation Market Plus Fund composite benchmark. This change is effective from 1 December 2021. SOFR is an emerging standard for short-term USD interest rates in global financial markets and is calculated by the New York Federal Reserve. The new Market Plus Fund benchmark is be: 52.5% Domestic Equity (CSWIX), 22.5% Domestic Bonds (ALBI), 5% Domestic Cash (STF3M), 14.5% International Equity (ACWI), 3.5% International Bonds (BGBA) and 2% International Cash (SOFR).

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. 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 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 current financial year (updated annually). The 3 year TER is for a rolling 36-month period to the last 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 TFI Class TER and Transaction Costs cannot be determined accurately because of the short life span of the class. Calculations are based on actual data where possible and best estimates where actual data is not available. 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

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