CORONATION

GLOBAL EMERGING MARKETS EQUITY

INSTITUTIONAL STRATEGY FACT SHEET AS AT 31 MARCH 2019

CORONATION
TRUST IS EARNED™

LONG TERM OBJECTIVE

The Coronation Global Emerging Markets Equity Strategy provides access to what we consider to be the best investment opportunities in Global Emerging Markets. It aims to deliver capital growth through a focused equity portfolio of securities of companies based in emerging markets or that derive a significant portion of their business from emerging economies. The objective is to outperform the MSCI Emerging Markets Index over 5 years and longer periods.

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. The Portfolio is constructed on a clean slate basis based on the relative risk-adjusted upside to fair value of each underlying security. The Portfolio is constructed with no reference to a benchmark. 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)	101.6%	34.0%	67.6%
Since Inception p.a.	6.8%	2.8%	4.0%
Latest 10 years p.a.	12.7%	9.2%	3.5%
Latest 7 years p.a.	5.2%	2.9%	2.3%
Latest 5 years p.a.	2.4%	3.8%	(1.4)%
Latest 3 years p.a.	11.9%	10.7%	1.2%
Latest 1 year	(5.6)%	(7.4)%	1.8%
Year to date	23.4%	9.9%	13.5%
Month	4.6%	0.8%	3.8%

**For a side-by-side comparison of gross and net performance, please refer to http://www.coronation.com/us/strategy-performance*

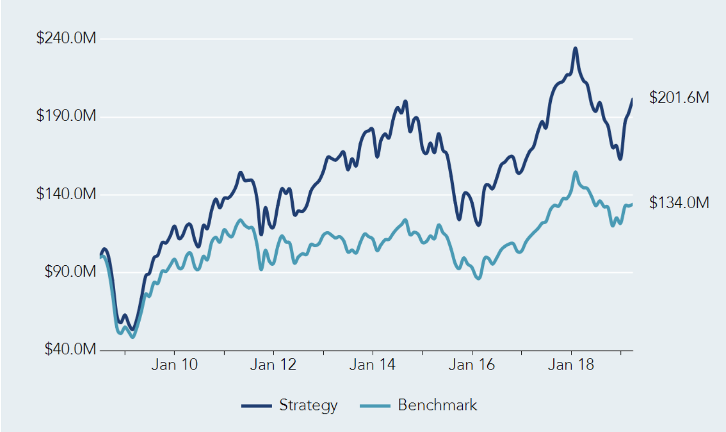
SECTOR EXPOSURE

Sector	% Strategy
Consumer Staples	27.1%
Financials	24.8%
Consumer Discretionary	23.6%
Communication Services	14.0%
Information Technology	4.4%
Industrials	2.5%
Health Care	1.5%
Cash	2.1%

GENERAL INFORMATION

Inception Date	14 July 2008
Strategy Size	$5.61 billion
Strategy Status	Open
Mandate Benchmark	MSCI Daily TR Net Emerging Markets USD (NDUEEGF Index)
Redemption Terms	An anti-dilution levy will be charged
Base Currency	USD

GROWTH OF US$100M INVESTMENT



Benchmark: MSCI Daily TR Net Emerging Markets USD (NDUEEGF Index)

The performance shown is gross of fees.

TOP 10 HOLDINGS

Holding	% Strategy
58 COM INC-ADR (CHN)	4.7%
NASPERS LIMITED (ZAF)	4.6%
HOUSING DEV FINANCE CORP (IND)	4.1%
BRITISH AMERICAN TOBACCO PLC (GBR)	4.1%
PING AN INSURANCE GROUP CO-H (CHN)	3.9%
WULIANGYE YIBIN CO LTD - A (CHN)	3.8%
MAGNIT OJSC-SPON (RUS)	3.5%
JD.COM INC ADR (CHN)	3.3%
SBERBANK OF RUSSIA (RUS)	3.0%
AIA GROUP LTD (HKG)	2.9%

GEOGRAPHIC EXPOSURE

Country	% Strategy
China	28.7%
India	12.4%
Russian Federation	9.9%
Brazil	9.5%
South Africa	6.3%
France	5.7%
United Kingdom	5.3%
Germany	3.9%
Netherlands	3.6%
Hong Kong	2.9%

Country	% Strategy
United States	2.6%
South Korea	2.3%
Mexico	1.9%
Taiwan	1.4%
Argentina	0.7%
Egypt	0.4%
Indonesia	0.4%
Cash	2.1%

PORTFOLIO MANAGERS

Gavin Joubert - BBusSc, CA (SA), CFA

Head of Global Emerging Markets, Gavin has 20 years' experience as an investment analyst and portfolio manager. He joined Coronation in 1999 and manages assets within the Global Emerging Markets Equity Strategy.

Suhail Suleman - BBusSc, CFA

Suhail is a portfolio manager within the Global Emerging Markets investment unit. He joined Coronation in 2007 and has more than 17 years' investment experience.

FUND MANAGERS

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DISCLAIMER

REVIEW FOR THE QUARTER

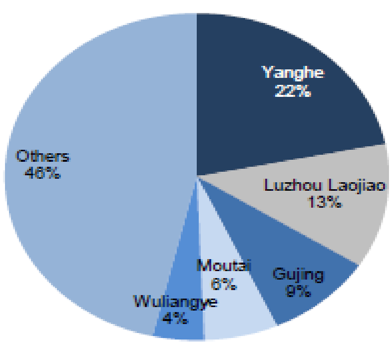
The Coronation Global Emerging Markets Strategy had a very good quarter, returning +23.4% compared to the MSCI Emerging Markets Index return of +9.9% and in doing so outperformed the market by 13.5%. This made it the Strategy's best quarter of outperformance since inception almost 11 years ago. Its previous best quarter was the one to end-June 2009 (12.1% outperformance) which was the period that signalled the bottom of the market post the 2008 GFC decline.

During the quarter to end March 2019 there were a number of stocks that contributed positively, with all of the 15 largest positive stock contributors appreciating by more than c. 20% in USD. At the top of the list was Wuliangye Yibin (+91%, 2.0% contribution), followed by New Oriental Education (+64%, 1.4% contribution), JD.com (+44%, 0.9% contribution), Yes Bank (+52%, 0.8% contribution), British American Tobacco (+29%, 0.8% contribution), Ctrip (+60%, 0.7% contribution) and Philip Morris (+33%, 0.7% contribution). A number of these stocks were poor performers in 2018 (specifically in the last few months of the year) and so the Strategy's strong performance to date in 2019 is partly a reversal of a poor 2018. JD.com, Yes Bank, British American Tobacco, Philip Morris and Ctrip would all fall into this category. In addition, a few of the new buys in late 2018 were strong performers, most notably Wuliangye Yibin and New Oriental Education. Lastly, a number of long-held positions contributed positively, including Airbus (+38%, 0.6% contribution), 58.com (+21%, 0.5% contribution) and Ping An Insurance (+27%, 0.4% contribution). At the same time there were few large negative contributors with no detractors of more than 0.5%. Since inception almost 11 years ago the Strategy has outperformed the market by 4.0% p.a. and over the last 10 years has outperformed by 3.5% p.a.

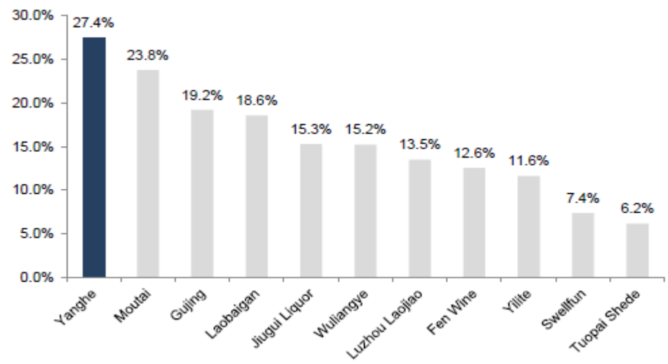
There were 5 new buys during the quarter. The 2 largest new buys were that of Jiangsu Yanghe Brewery (1.8% position) and LVMH (1.9% position). The 3 other buys were small: a 0.7% position in NetEase (#2 online gaming company in China after Tencent), a 0.6% position in BM&F Bovespa (Brazil's dominant vertically integrated multi-asset [equity, bonds, derivatives] exchange) and a 0.4% position in Eastern Tobacco (Egypt's monopoly cigarette manufacturer). In total, the 5 new buys represent 5.5% of the Strategy. There were 2 outright sells during the quarter: that of Baidu (#1 search engine in China) and Marisa (Brazilian clothing retailer). In the case of Baidu (a 1.3% position at the start of the year), we had become increasingly worried about the core search business, as well as the uncertain future return from the numerous other areas where the group is investing significant capital. In the case of Marisa (a small 0.3% position at the start of the year) there was still not much sign of a turnaround in the business, and we felt the funds were better invested elsewhere. In terms of other portfolio activity, we reduced the positions in New Oriental Education, Ctrip, Noah, Li-Ning and Adidas (all on strong share price performance and resultant less upside to our estimate of fair value) as well as Indiabulls (largely due to a reduction in our fair value and a less attractive risk/return profile). From a buying point of view, most of the activity was in the 5 aforementioned new buys but we also added to the existing positions in HDFC Bank and Pão de Açúcar.

Jiangsu Yanghe Brewery is the largest *premium* brand baijiu (the dominant white spirit in China) company, in contrast to the main *ultra-premium* (very high end) baijiu companies Kweichow Moutai (not owned in the Strategy) and Wuliangye Yibin (a 3.9% position in the Strategy). We bought a position in Wuliangye Yibin late last year and subsequently continued to do additional work on the industry, including a week's trip to China solely focused on the Baijiu industry which led us to Jiangsu Yanghe.

Market share of premium baijiu



Sales growth rates of baijiu companies 2007-2017



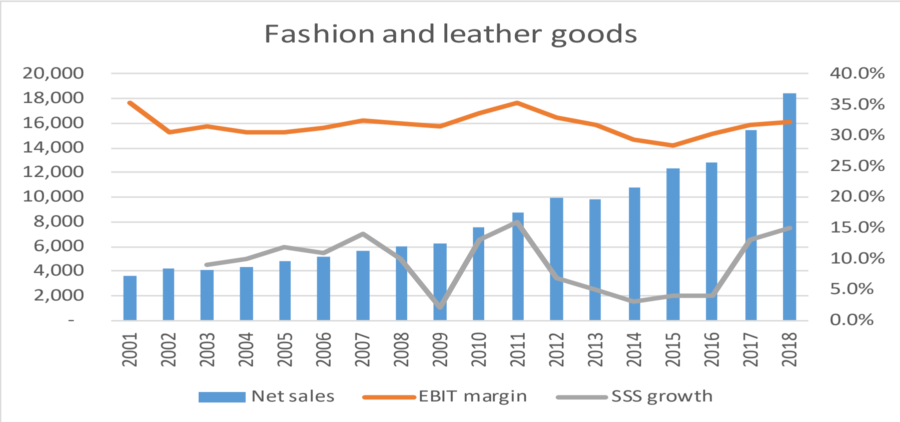
Source: Euromonitor, Deutsche Bank

Over the past decade, Jiangsu Yanghe have grown sales by 27% p.a., making them the fastest growing baijiu company over this period. Both net profit and free cash flow have grown by 35% p.a. over the past 10 years and today the company generates over $ 1b of free cash flow. The company is a beneficiary of the premiumisation of baijiu (their main premium brand 'Dream Blue' series has gone from being 2% of sales a decade ago to contributing over 20% of sales today) and we expect this to continue, together with further expansion to regions outside of their home base, Jiangsu (which today still contributes 53% of sales). A unique feature of Jiangsu Yanghe that also attracts us is the fact that management own c. 21% of the company. Just like Kweichow Moutai and Wuliangye Yibin, the financial metrics of Jiangsu Yanghe are impressive with operating margins of c. 45%, return on capital of c. 20% and high free cash flow conversion (over 100% of net profit in the past

3 years has been converted into free cash flow). The share trades on c. 18.5x forward earnings with a 3% dividend yield, which we believe is attractive given its long-term prospects.

The other new buy of note was a 1.9% position in LVMH, which we have covered for several years and have owned in the Strategy in the past. LVMH (Louis Vuitton Moet Hennessey) is the largest global luxury goods company and the owner of the Louis Vuitton brand (c. 50% of group profits) and many other global brands including Moët & Chandon, Hennessey, Christian Dior, Fendi, Bulgari and Tag Heuer. Over 40% of sales come from emerging markets and the Chinese consumer alone (purchasing at home as well as while travelling) is responsible for well over 50% of incremental growth.

Historic sales, same-store sales growth and EBIT margin of LMVH Fashion & Leather Goods division



Source: Coronation, LVMH annual reports

LVMH has an enviable track record (over the past 20 years EPS has compounded at c. 12% p.a.) and today is well placed to be a key beneficiary of the growing emerging market middle and upper class and the wealth effect. The barriers to entry possessed by the true global luxury brands (Hermes, Louis Vuitton and Gucci) are amongst the highest in any industry in our view: in the case of Louis Vuitton, a 150-year history and investment in the brand for a start. The resilience (of both the topline and profitability) of the Louis Vuitton brand in particular in tough economic periods is also unparalleled: in 2009 (post the GFC) sales of the Fashion & Leather division (with Louis Vuitton making up the lion's share of this division) of LVMH grew by 2% and EBIT grew by 3%. In 2002 (post September 11th) the Fashion & Leather goods division experienced 16% sales growth (and this after double-digit sales growth in 2001 as well) and 5% EBIT growth. The Strategy bought LVMH on c. 20x forward earnings and a 2% dividend yield, which we think is attractive for what we would consider to be one of the best businesses in the world.

Members of the Global Emerging Markets team continue to travel extensively to enhance our understanding of the businesses we own in the Strategy, their competitors and the countries in which they operate, as well as to find potential new ideas. In this regard, over the past 2 years we have done detailed work (modelling, fair value and research report) on 51 new companies, 18 of which have made it into the portfolio over this period, representing 32% of the Strategy today. In the first quarter, there were 2 trips to China and 2 to India. The coming months will see a further trip to China as well as one to Brazil. The Strategy's weighted average upside to fair value at the end of March was c. 40%, which we feel is compelling. We would also consider the overall quality of the stocks held in Strategy currently to be above average when compared with other points in the Strategy's 11-year history.