CORONATION GLOBAL EQUITY SELECT FUND

Fund Information as at 29 February 2020

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WHAT IS THE FUND'S OBJECTIVE?

Global Equity Select aims to give investors access to the best opportunities in global equity markets. The fund is biased to developed markets and actively seeks out attractively valued shares to maximise long-term growth. Our intent is to outperform the global equity benchmark over all periods of five years and longer.

WHAT DOES THE FUND INVEST IN?

The fund invests in the shares of companies listed on equity markets around the world. The fund has a bias towards developed markets, typically holding at least 70% in developed market shares and up to 30% invested in shares listed in emerging markets. While our intent is to remain fully invested in shares, the fund is allowed to hold up to 20% of its portfolio in cash and bonds.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Global Equity Select will only invest in shares we view as being attractively valued relative to other shares which may offer superior long-term investment growth.

The fund's share selection is the result of rigorous international research conducted by Coronation's investment team.

While we have a disciplined approach to reducing risk, shares can be volatile investments and there is a meaningful risk of capital loss over the short term. Global currency movements may intensify investment gains or declines.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The fund is managed to deliver the best possible returns over the long term; an investment horizon of 10 years or more is therefore ideal. It is not suitable as a single investment for investors who need to preserve their capital over five years or less.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who are building wealth, and who

- are comfortable with full exposure to shares listed in global markets outside South Africa;
- accept that the fund may underperform the market significantly in the short term in pursuit of superior long-term gains;
- hold other investments and are looking to add exposure to global equity markets;
- do not require an income from their investment.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 1.25% is payable.

The current provision for a fee discount of 0.35% p.a., applicable if the fund underperforms its benchmark over any rolling 60-month period, will continue to apply to the new fixed fee until 31 March 2021.

Fund expenses that are incurred in the fund include administrative, trading, custody and audit charges. All performance information is disclosed after deducting all fees and other portfolio costs. We do not charge any fees to access or withdraw from the fund.

More detail is available on www.coronation.com

WHO ARE THE FUND MANAGERS?

LOUIS STASSEN
BSc, BCom (Hons), CFA

NEIL PADOA
BEconSc (AcSci), FFA

HUMAIRA SURVE
BScEng, MBA, CFA

GENERAL FUND INFORMATION

Launch Date	30 January 2015
Class	A
Class Type	Accumulation
Fund Domicile	Ireland
Currency	US Dollar
Benchmark	MSCI All Country World Index
Investment Minimum	US$15 000
Bloomberg	CORGEAU
ISIN	IE00BV8WVD49
SEDOL	BV8WVD4

CORONATION GLOBAL EQUITY SELECT FUND

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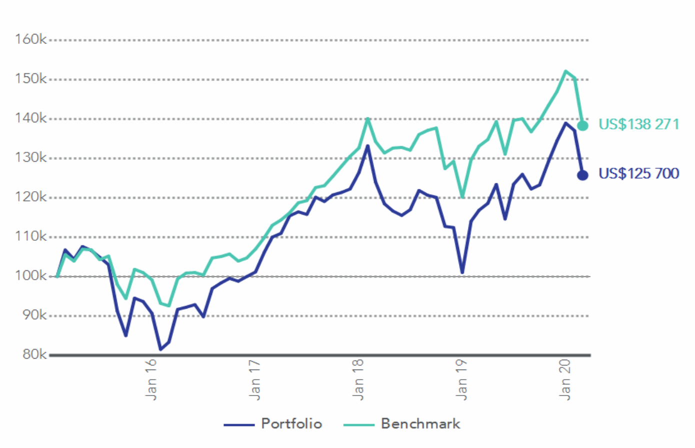
CLASS A as at 29 February 2020

Launch date	30 January 2015
Fund size	US$ 145.07 million
NAV	12.57
Benchmark/Performance Fee Hurdle	MSCI All Country World Index
Portfolio manager/s	Louis Stassen, Neil Padoa and Humaira Surve

	1 Year	3 Year
Total Expense Ratio	1.13%	1.33%
Fee for performance in line with benchmark	1.06%	1.14%
Adjusted for out/(under)-performance	-	0.09%
Fund expenses	0.07%	0.08%
VAT	0.00%	0.00%
Transaction costs (inc. VAT)	0.12%	0.16%
Total Investment Charge	1.25%	1.49%

PERFORMANCE AND RISK STATISTICS

GROWTH OF A $100,000 INVESTMENT (AFTER FEES)



PORTFOLIO DETAIL

GEOGRAPHIC ASSET ALLOCATION EXPOSURE

Sector	29 Feb 2020
Equities	**98.5%**
North America	53.7%
Europe	34.0%
Asia	8.4%
South Africa	0.2%
Japan	1.7%
Latin America	0.5%
Cash	**1.5%**

RETURNS VS BENCHMARK (AFTER FEES)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	25.7%	38.3%	(12.6%)
Since Launch (annualised)	4.6%	6.6%	(2.0%)
Latest 5 years (annualised)	3.3%	5.5%	(2.2%)
Latest 3 years (annualised)	4.5%	7.0%	(2.4%)
Latest 1 year	7.6%	3.9%	3.7%
Year to date	(9.5%)	(9.1%)	(0.4%)

TOP 10 HOLDINGS

As at 31 Dec 2019	% of Fund
British American Tobacco	5.2%
Alphabet Inc	4.9%
Charter Communication A	4.6%
Airbus Group Se	3.2%
Philip Morris Int Inc	3.2%
Anthem Inc	3.0%
Heineken NV	2.9%
Unitedhealth Group Inc	2.9%
Naspers Ltd	2.8%
Alibaba Group Holding	2.6%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	17.0%	12.3%
Sharpe Ratio	0.21	0.44
Maximum Gain	22.1%	34.8%
Maximum Drawdown	(24.3%)	(14.3%)
Positive Months	57.4%	67.2%

MONTHLY PERFORMANCE (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2020	(1.4)%	(8.3)%											**(9.5)%**
Fund 2019	12.9%	2.4%	1.5%	4.1%	(7.1)%	7.7%	2.0%	(3.0)%	0.9%	4.8%	4.1%	3.4%	**37.5%**
Fund 2018	5.4%	(7.0)%	(4.4)%	(1.6)%	(0.9)%	1.2%	4.2%	(1.0)%	(0.4)%	(6.1)%	(0.2)%	(10.2)%	**(20.1)%**

Issue date: 2020/03/10

Please refer to page 4 of the Comprehensive Fact Sheet for important additional infomation, including change in cost disclosures.

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

2019 was a strong year for equity markets, with the MSCI All Country World Index up 26.6%. Performance was driven by the technology sector (+47%) with energy the notable laggard (+13%). The decade-long dominance of US markets over the rest continued, with the S&P outperforming the world index by c.4%, EAFE (representing the rest of the developed world) underperforming by c.4.6% and emerging markets underperforming by nearly 8.1%.

After a sustained period of strong equity returns, declining interest rates, reduced tax rates, expanding profit margins, and rising valuation multiples, investors should, in our view, recalibrate return expectations lower. The conditions in place today are quite different to those in place a decade ago. While we have no insight into short-term market moves, absolute returns could very well be lower over the next 10 years compared to the last 10. That being said, we do also feel that meaningful valuation dispersion and the growth of passive and factor-based investment strategies, which have contributed to froth in some segments of the market, have created an attractive environment for relative value creation.

The fund performed well over the period, returning 12.7% in the fourth quarter (versus the benchmark return of 9%), bringing the full year return to 37.5% (vs the benchmark of 26.6%). Over three years, the fund's performance is 11.1% (behind the benchmark return of 12.4%).

Of course we will be held to our benchmark over time, but it is important to note that in aiming to achieve the goal of outperformance, the fund's portfolio will tend to look quite different from the index and therefore performance will at times diverge (as it has in the past). Quantitatively, this difference is perhaps best summarised by an active share of 85% (active share measures the percent of a portfolio that differs from the benchmark index. Only c.15% of the portfolio looks the same as the index). Historically the portfolio's active share has ranged from 85-95%.

If we step back from our bottom-up research process and aggregate individual exposures, we often find clusters of value with similar characteristics. Qualitatively, the areas where we are seeing opportunity span different regions, sectors, business-types and even "factors" (note we don't subscribe to a factor-based investment approach, and continue to uncover opportunities across a range of different factor types, from value, to growth, to quality):

- Global consumer franchises (including the world's largest premium brewer Heineken; the world's leading snack and confectionery business Mondelez; the second largest footwear and sports apparel business Adidas; and the leading luxury goods conglomerate LVMH)
- Leading internet platforms in the US and China (covering search, ecommerce, gaming, social, travel and classifieds)
- Tobacco, including Philip Morris which owns iQos, the leading smoke-free alternative
- US and European financials: a range of well-capitalised, strong banking franchises, trading on single digit PEs – firmly in "value-stock" territory
- US health insurers: high quality compounders in our view, which have been discounted due to political noise
- Cable businesses which are driven by the explosive growth of broadband demand
- EM consumer-driven businesses, including two Asian insurers (Ping An and AIA), an Indian financial, and two Latin American consumer-focused operators
- Music streaming, including the world's largest platform (Spotify) with over 110 million paying subscribers
- Aerospace, including Airbus: a duopolist in the structurally (although cyclical) growing aerospace sector
- Railways, which own irreplaceable transport infrastructure across the US
- Owners of unique content assets
- Software businesses, including a recent purchase of Salesforce.com, the world's leading CRM provider
- Domestic UK businesses which are heavily discounted following years of Brexit-driven uncertainty
- Alternative asset managers, including the world's leading alternatives franchise, Blackstone
- Payments, including payment processors, credit card networks and online payment systems
- Japanese drugstores

These 16 buckets (for want of a better word) account for the bulk of the portfolio. Some we feel are quite significantly discounted, others more fairly priced for the quality of the business. Taken together, they aggregate to an undervalued portfolio that is fundamentally diversified.

WWE, one of the fund's owners of unique content, was a new purchase in the quarter. WWE owns the eponymous entertainment-focused wrestling franchise. As television viewing continues to shift on-demand, the ability of content owners to aggregate large, live audiences becomes increasingly valuable. This is exactly what WWE delivers, and the company has benefited from the increasing prices of both live sport and entertainment, although its content is still priced at a 40-50% discount to comparable sports franchises. A lull in storyline has provided us with an opportunity to buy a business, which is experiencing what we view as a cyclical issue, at a reasonable price (it is down 35% from its peak). The stock trades on ~17x EV to normalised 2020 EBIT with the potential for a material increase in revenue due to the renewal of US broadcast rights in 2024, along with better monetisation of markets outside the US providing meaningful optionality (~70% of current revenue comes from the US with only ~30% of viewership share). Incremental revenue comes at very high incremental margins owing to the largely fixed cost structure of the business. We expect this to drive healthy margin expansion, leading to strong earnings and cash flow growth.

Thank you for your continued support and interest in the fund.

Portfolio manager change

With effect from 1 December 2019, Humaira Survé was appointed as a co-manager of the fund. She holds an MBA from INSEAD and is a CFA charterholder. Humaira joined Coronation in 2012 as a global developed markets analyst and has made a significant contribution to the fund over this period. We look forward to her future contributions.

Portfolio managers
Louis Stassen, Neil Padoa and Humaira Survé
as at 31 December 2019

CORONATION GLOBAL EQUITY SELECT FUND

Important Information

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IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION GLOBAL EQUITY SELECT FUND

The Global Equity Select Fund should be considered a 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 top 10 holdings are reflected on a look-through basis. The fund is mandated to invest up to 100% 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. Coronation 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. Coronation Global Fund Managers (Ireland) Limited is authorised in Ireland and regulated by the Central Bank of Ireland. The fund is approved under Section 65 of the Collective Investment Schemes Control Act by the Financial Services Board of South Africa. Portfolio managed by Coronation Investment Management International (Pty) Ltd (FSP45646), an authorised financial services provider.

JP Morgan Bank (Ireland) has been appointed as the fund's trustees (www.jpmorgan.com; t: +353-1-612-4000), and its custodian is JP Morgan Administration Services (Ireland) Limited (www.jpmorgan.com; t: +353-1-612-4000). Coronation is a full member of the Association for Savings & Investment SA (ASISA).

HOW ARE UNITS PRICED AND AT WHAT PRICE WILL MY TRANSACTION BE EXECUTED?

Unit trusts are traded at ruling prices set on every business day. Fund valuations take place at approximately 17h00 each business day (Irish Time) and forward pricing is used. Instructions must reach Coronation before 12h00 (SA Time) one day prior to the dealing date. You can expect to receive withdrawal payouts three business days after the dealing day. Large investments or redemptions (exceeding 5% of fund value) may be subject to an anti-dilution levy to defray dealing costs and expenses. This levy, where applicable, is applied fully for the benefit 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.

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 September 2019 (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 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 www.coronation.com. You will also find additional information on the considerations pertinent to investing in a fund denominated in a foreign currency and domiciled in an offshore jurisdiction.

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