

INVESTMENT OBJECTIVE

The investment objective of the Coronation Presidio Hedge Fund is to generate long-term, superior risk-adjusted returns from investing primarily in South African listed equities. The fund utilises a traditional long/short equity hedge fund structure with net exposure typically between 40% and 70% and moderate use of leverage with gross exposure in the 120% - 180% range. The fund invests in equities, both long and short, based on a bottom-up fundamental valuation-orientated analysis.

INVESTMENT PARAMETERS

In addition to investing in equities, the fund may hold cash and interest-bearing assets where appropriate and make use of derivative instruments for efficient portfolio management purposes. Exposure to underlying funds is permitted. The Fund currently invests only in the Coronation Money Market Fund (as a cash component). Net exposure is capped at 100% and gross exposure is limited to 300%. Unlisted South African equities (up to 10% of portfolio value at cost / 15% of portfolio market value).

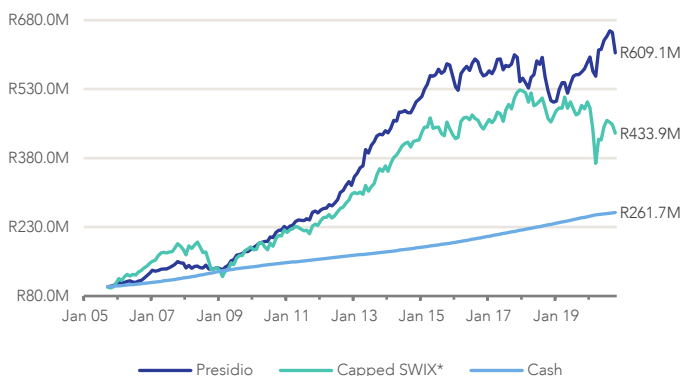
FUND RETURNS NET OF FEES

| Period | Fund | Capped SWIX* | Cash |
|------------------------------|--------|--------------|--------|
| Since Inception (cumulative) | 509.1% | 333.9% | 161.7% |
| Since Inception p.a. | 12.7% | 10.2% | 6.6% |
| Latest 10 year p.a. | 10.6% | 7.4% | 5.7% |
| Latest 7 year p.a. | 5.0% | 2.8% | 6.0% |
| Latest 5 year p.a. | 0.8% | (1.1)% | 6.2% |
| Latest 3 year p.a. | 0.3% | (5.3)% | 5.9% |
| Latest 2 year p.a. | 7.5% | (3.6)% | 5.6% |
| Latest 1 year | 7.4% | (12.2)% | 4.7% |
| Year to Date | 3.5% | (13.6)% | 3.6% |
| Month | (6.8)% | (4.2)% | 0.3% |

PERFORMANCE & RISK STATISTICS (Since inception)

| | Fund | Capped SWIX* | Cash |
|-------------------------------|---------|--------------|--------|
| Average Annual Return | 13.8% | 11.4% | 6.7% |
| Highest Annual Return | 44.6% | 48.9% | 11.3% |
| Lowest Annual Return | (15.7)% | (35.6)% | 4.7% |
| Annualised Standard Deviation | 10.1% | 14.9% | 0.5% |
| Downside Deviation | 7.3% | 10.2% | |
| Maximum Drawdown | (17.0)% | (38.3)% | |
| Sharpe Ratio | 0.61 | 0.24 | |
| Sortino Ratio | 0.84 | 0.36 | |
| % Positive Months | 69.1% | 62.4% | 100.0% |
| Correlation (Capped SWIX*) | 67.1% | | |
| 99% Value at Risk (P&L %) | (2.1)% | | |

GROWTH OF R100m INVESTMENT



*JSE Capped Shareholder Weighted Index from 01 July 2011, with JSE Capped All Share Index applicable from inception to 30 June 2011.

GENERAL INFORMATION

| | |
|--|--|
| Investment Structure | Limited liability en commandite partnership |
| Disclosed Partner | Coronation Management Company (RF) (Pty) Ltd |
| Inception Date | 01 October 2005 |
| Hedge Fund CIS launch date | 01 October 2017 |
| Year End | 30 September |
| Fund Category | South African Long Short Equity Hedge Fund |
| Target Return | Cash + 7% |
| Performance Fee Hurdle Rate | Cash + high-water mark |
| Annual Management Fee | 1% (excl. VAT) |
| Annual Outperformance Fee | 15% (excl. VAT) of returns above cash, capped at 3% |
| Total Expense Ratio (TER)[†] | 1.30% |
| Transaction Costs (TC)[†] | 0.69% |
| Fund Size (R'Billions)[‡] | R1.81 |
| Fund Status | Open |
| NAV (per unit) | 578.95 cents |
| Base Currency | ZAR |
| Dealing Frequency | Monthly |
| Income Distribution | Annual (with all distributions reinvested) |
| Minimum Investment | R5 million |
| Notice Period | 1 month |
| Investment Manager | Coronation Alternative Investment Managers (Pty) Ltd (FSP 49893) |
| Auditor | Ernst & Young Inc. |
| Prime Brokers | N/A |
| Custodian | Nedbank Ltd |
| Administrator | Sanne Fund Services SA (Pty) Ltd |
| Portfolio Managers | Karl Leinberger & Quinton Ivan |

[†]TER and TC data is provided for the 1 year ending 30 September 2020. 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 October 2020.

SECTOR EXPOSURE

| | Long | Short | Net |
|--------------------------|---------------|----------------|--------------|
| Consumer Services | 42.5% | (7.0)% | 35.5% |
| Technology | 1.5% | 0.0% | 1.5% |
| Basic Materials | 21.3% | (7.9)% | 13.4% |
| Consumer Goods | 14.0% | (8.7)% | 5.2% |
| Health Care | 5.2% | (1.0)% | 4.3% |
| Financials | 28.8% | (9.7)% | 19.1% |
| Future | 0.0% | (4.0)% | (4.0)% |
| Option | 0.0% | (8.5)% | (8.5)% |
| Specialist Securities | 0.0% | (1.3)% | (1.3)% |
| Industrials | 3.6% | (1.0)% | 2.6% |
| Telecommunications | 0.0% | (5.2)% | (5.2)% |
| Oil & Gas | 1.3% | 0.0% | 1.3% |
| Total[‡] | 118.1% | (54.3)% | 63.9% |

[‡]Excluding Cash and Commodities

TOP 10 LONG HOLDINGS

| |
|-------------------------------|
| NASPERS LTD |
| ANGLO AMERICAN PLC |
| BRITISH AMERICAN TOBACCO PLC |
| FIRSTSTRAND LTD |
| QUILTER PLC |
| ASPEN PHARMACARE HOLDINGS LTD |
| NEW GOLD ISSUER LTD |
| WOOLWORTHS HOLDINGS LTD |
| SPAR GROUP LTD |
| ANHEUSER-BUSCH INBEV SA/NV |

STRATEGY STATISTICS

| | |
|--|---------|
| Long exposure | 118.1% |
| Short exposure | (54.3)% |
| Net exposure | 63.9% |
| Beta adjusted net exposure | 56.7% |
| Gross exposure | 172.4% |
| Number of long positions | 35 |
| Number of short positions | 17 |
| Top 10 longs % NAV | 77.2% |
| Average net exposure since inception | 63.2% |
| Average gross exposure since inception | 167.6% |

PORTFOLIO LIQUIDITY

| | Days to Trade |
|-------|---------------|
| Long | 1.4 |
| Short | 0.1 |

INCOME DISTRIBUTIONS (cents per unit)

| Declaration Date | Amount | Dividend | Interest |
|------------------|--------|----------|----------|
| 30-Sep-20 | 8.78 | 6.61 | 2.18 |

MONTHLY COMMENTARY

The fund had a disappointing month, declining -6.8% (net of fees) for the month of October, underperforming the JSE Capped Shareholder Weighted Index ("Capped SWIX") that declined by -4.2%. This was achieved with a net exposure that averaged 65.8% for the month. The main positive contributors (on a relative basis) on the long side were Naspers (+6.8%), Woolworths Holdings (-0.9%) and Impala Platinum Holdings (-1.9%). On the short side, declines in a Luxembourg-based investment vehicle, a luxury goods holding company and an African and European focused provider of market access and logistics solutions, contributed to relative outperformance. In terms of detractors, longs in British American Tobacco (-13.4%), Aspen Pharmacare Holdings (-11.5%) and The Spar Group (-9.0%) as well as short positions in a South African retail bank, a local food retailer and a retail-led healthcare group, cost performance.

The annualised return of the fund (net of fees) since inception is 12.7% versus 10.2% for the Capped SWIX and cash of 6.6%. This has been achieved with an average net equity exposure of 63.2% and volatility of 10.1%. At the end of October, the net exposure of the fund was 63.9%, above the fund's long-term average. We believe the current portfolio is well-positioned to produce attractive risk-adjusted returns going forward and have been increasing net exposure. We remain of the view that the return from equities is more attractive than cash.

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. 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.