

WHAT IS THE FUND'S OBJECTIVE?

The fund is in the first instance managed to achieve reasonable investment growth over the medium to long term. Our intent is that the fund should produce an annualised return of at least inflation plus 4% over time. In addition, we aim to achieve less volatility than the average balanced fund. It is specifically managed to suit investors who want to draw an income over an extended period of time.

WHAT DOES THE FUND INVEST IN?

Capital Plus can invest in a wide range of assets, such as shares, bonds, listed property and cash, both in South Africa and internationally. As the fund actively seeks to curb risk and volatility, only a maximum of 70% of its investments may be held in growth assets like shares and listed property. Shares usually offer the best growth, but this comes with the greatest risk of short-term losses. The fund's exposure to shares is therefore carefully balanced with more stable investments like bonds. Maximum exposure to foreign assets is 30% (excluding Africa). 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

The fund is tactically managed to protect and grow capital, as well as secure an attractive income. A large and experienced investment team actively seeks out the best potential opportunities for income and growth, while carefully considering the different risks within the fund.

The fund is diversified across a range of assets reflecting its dual objectives of reasonable growth and capital stability. This includes a selection of shares we believe are attractively valued and may offer strong long-term returns, as well as strategic positions in quality income assets.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The recommended investment term is three years and longer. The fund's exposure to shares may result in short-term price fluctuations, making it unsuitable to investors who can only invest for short periods.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

- Pensioners and other investors requiring an income, especially those in the first half of retirement.
- Living annuity investors seeking a fund that aims to achieve both income and capital growth.
- Investors requiring a low-risk fund, which offers a reasonable rate of return, for their retirement annuity, provident fund, preservation fund or pension fund.
- Conservative investors who want to protect their savings.
- Trusts, endowments, foundations and charities who require long-term funding of a moderate spending rule.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 1.15% (excl. VAT) is payable.

The annual management fee is accrued daily and paid monthly. Fund expenses 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 fund costs.

We do not charge fees to access or withdraw from the fund.

More detail is available on www.coronation.com.

WHO ARE THE FUND MANAGERS?



CHARLES DE KOCK
BCom (Hons), MCom
(Economics)



PALLAVI AMBEKAR
CA (SA), CFA



NEILL YOUNG
BBusSc (Hons Fin), CA
(SA), CFA

GENERAL FUND INFORMATION

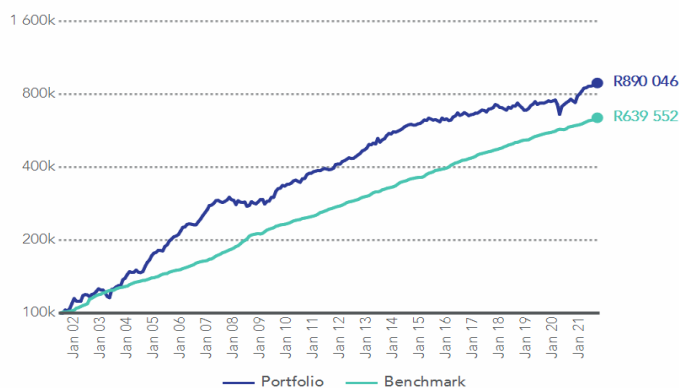
Launch Date	2 July 2001
Fund Class	A
Benchmark	CPI + 4%
Fund Category	South African – Multi-asset – Medium Equity
Regulation 28	Complies
Income Distribution	Quarterly (March, June, September, December)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CORCAPP
ISIN Code	ZAE000031514
JSE Code	CCPF

CLASS A as at 31 August 2021

Fund category	South African - Multi Asset - Medium Equity
Launch date	02 July 2001
Fund size	R13.51 billion
NAV	4656.48 cents
Benchmark/Performance	CPI + 4% p.a.
Fee Hurdle	
Portfolio manager/s	Charles de Kock, Pallavi Ambekar and Neill Young

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Peer Group Average
Since Launch (unannualised)	790.1%	539.6%	699.7%
Since Launch (annualised)	11.4%	9.6%	10.9%
Latest 20 years (annualised)	11.4%	9.6%	10.7%
Latest 15 years (annualised)	9.2%	9.6%	8.0%
Latest 10 years (annualised)	8.5%	9.0%	8.5%
Latest 5 years (annualised)	5.8%	8.4%	6.0%
Latest 3 years (annualised)	6.6%	8.1%	6.3%
Latest 1 year	16.6%	8.8%	14.0%
Year to date	10.9%	6.8%	10.8%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	7.3%	1.5%
Downside Deviation	4.8%	N/A
Sharpe Ratio	0.50	1.23
Maximum Gain	29.5%	26.9%
Maximum Drawdown	(12.8)%	(1.1)%
Positive Months	68.6%	91.3%
	Fund	Date Range
Highest annual return	33.8%	Aug 2004 - Jul 2005
Lowest annual return	(9.3)%	Apr 2019 - Mar 2020

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2021	2.7%	2.8%	0.3%	1.4%	0.1%	0.6%	1.5%	1.0%					10.9%
Fund 2020	0.8%	(4.0)%	(9.2)%	7.8%	1.8%	1.8%	1.3%	2.1%	(1.7)%	(1.5)%	6.3%	2.2%	6.8%
Fund 2019	1.6%	2.7%	1.4%	2.5%	(2.6)%	1.2%	0.2%	(0.1)%	1.0%	1.3%	(0.8)%	0.7%	9.2%
Fund 2018	(0.3)%	(1.2)%	(1.1)%	2.8%	(1.1)%	2.4%	(0.3)%	3.0%	(2.4)%	(1.8)%	(2.4)%	0.1%	(2.5)%
Fund 2017	1.3%	0.0%	1.4%	1.6%	(0.3)%	(1.6)%	2.8%	0.4%	1.0%	3.0%	(0.9)%	(1.8)%	6.9%
Fund 2016	(1.7)%	0.5%	3.0%	0.9%	3.0%	(2.4)%	0.9%	1.9%	(1.3)%	(1.7)%	0.9%	0.3%	4.3%
Fund 2015	1.5%	1.9%	(0.5)%	2.3%	(0.9)%	(1.0)%	0.6%	(1.1)%	(1.1)%	3.6%	(1.6)%	0.9%	4.6%

Total Expense Ratio	1 Year	3 Year
Fund management fee	1.61%	1.59%
Fund expenses	1.25%	1.24%
VAT	0.18%	0.16%
Transaction costs (inc. VAT)	0.19%	0.19%
Total Investment Charge	0.08%	0.08%
	1.69%	1.67%

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Aug 2021
Domestic Assets	75.5%
■ Equities	38.5%
Basic Materials	9.4%
Industrials	0.2%
Consumer Goods	3.2%
Health Care	0.7%
Consumer Services	7.6%
Telecommunications	1.0%
Financials	8.7%
Technology	4.1%
Derivatives	1.3%
Consumer Staples	1.2%
Energy	1.1%
Other	0.0%
■ Real Estate	3.5%
■ Bonds	30.5%
■ Commodities	1.9%
■ Cash	1.9%
■ Other (Currency Futures)	(0.8)%
International Assets	24.5%
■ Equities	20.0%
■ Real Estate	0.1%
■ Bonds	2.9%
■ Commodities	0.2%
■ Cash	1.4%

TOP 10 HOLDINGS

As at 30 Jun 2021	% of Fund
Naspers Ltd	3.9%
Anglo American Plc	3.7%
Egerton Capital Equity Fund	3.1%
British American Tobacco Plc	2.8%
FirstRand Limited	1.9%
Contrarius Global Equity Fund	1.9%
Lansdowne Capital	1.9%
Tremblant Capital	1.9%
Select Equity Group	1.8%
Cimi Global Opp Equity Strategy	1.4%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
30 Jun 2021	01 Jul 2021	33.89	9.89	24.00
31 Mar 2021	01 Apr 2021	22.85	6.00	16.85
31 Dec 2020	04 Jan 2021	65.37	40.43	24.93
30 Sep 2020	01 Oct 2020	32.97	12.28	20.69

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

Despite setbacks associated with the spread of the Covid-19 virus's new Delta variant, the global economic recovery remains on track. Vaccinations in developed nations have progressed well in most countries and the route to a more normal world is looking increasingly likely. The rollout of vaccines in the emerging world, including South Africa (SA), has been far slower, and the normalisation of these societies and economies will consequently take longer.

The strong performance of commodities and the positive impact on SA's terms of trade have kept the current account in a substantial surplus and has supported the rand. Measured against the US dollar or the euro, the rand is now back to levels last seen in 2016 - five years ago. The firmer rand has also had a beneficial effect on expected inflation, giving the SA Reserve Bank enough room to keep interest rates at the current low levels for longer.

The past quarter was also marked by a number of positive political developments. The sale of the majority stake in SAA, the commitment to give independent private producers the right to generate power of up to 100 megawatts and the cancellation of the Turkish power ships on environmental grounds are signs that practical measures rather than ideology is winning these battles. The fight against corruption has also moved forward with several bold steps, including the suspension of ANC secretary general Ace Magashule, the placement on special leave of Health Minister Zweli Mkhize and, finally, the jail sentence handed down to former President Jacob Zuma by the country's highest court. These significant steps bode well for the future of a cleaner government.

The JSE took a breather over the past quarter following the strong recovery seen since the end of March last year. The Capped SWIX returned only 0.6% over the last three months, but the one-year return is still a very healthy 27.6%, coming off the low base of a year ago.

The stronger-than-expected domestic economy and, especially, the profitability of the mining sector will boost tax revenues for government, bringing some welcome relief to the precarious fiscal situation. This improved outlook was reflected in declining yields on government bonds, leading to a strong 6.9% performance for the All Bond Index over the quarter and 13.7% over the past year. Developed market equities continued their upward run and, although we believe that valuations are no longer cheap, continued very low interest rates have kept the positive momentum going. The MSCI All Country World Index posted a total return of 7.4% in US dollars over the quarter, but this reduces to only 3.7% when measured in rand terms due to the appreciation of the local currency.

The Fund posted a return of 2.1% over the quarter and 17.7% over the past year; well ahead of its inflation plus 4% target. Real returns over longer periods are ahead of inflation over most periods, but not necessarily ahead of the Fund's targeted return. Since inception, the Fund has achieved a very pleasing real return of 5.8%, but lags its targeted return over 5, 7 and 10 years.

We often write about the importance of long-term investing and measuring success or failure over long periods of time. In July, the Fund celebrates its 20-year anniversary, a period during which its investors have seen bull and bear markets, crashes and booms, currency

collapses, the Global Financial Crisis and, more recently, the Covid-19 pandemic. Throughout it all, the investment team at Coronation has tried to navigate these turbulent times by investing in such a way as to grow the portfolio at a rate in excess of its targeted return of inflation plus 4% while preserving capital as well. It is indeed pleasing to look back at the 20-year history and to be able to report that it has delivered a real return of 5.8% per annum.

From an asset allocation point of view, we added exposure to equities after the big pandemic-induced selloff in early 2020. The higher equity exposure and consequent strong price recovery contributed the most to the Fund's one-year performance. Within equities, Anglo American, Altron, Northam Platinum, Impala Platinum and FirstRand were the biggest contributors to Fund returns, while British American Tobacco, gold shares and Naspers detracted marginally.

Over the past year, we were very active in Richemont, the luxury goods company and owner of jewellery brands such as Cartier and Van Cleef and Arpels. The Fund sold its entire holding in early 2020 on the view that the pandemic-induced travel restrictions affecting China in particular would be very negative for the sales of luxury goods. However, towards the end of the third quarter, we took the view that the pandemic will most likely be controlled through global vaccinations, leading to a strong rebound in the sale of luxury goods. We therefore reestablished a sizable position in Richemont. The share price has since recovered well. Although quite highly rated now, its prospects for when global travel resumes, and its exceptionally strong balance sheet are valid reasons to maintain it as one of the Fund's top 10 holdings.

At the time of writing, SA is in the midst of the third wave of the Covid-19 pandemic and the vaccine rollout has been far too slow. One can easily succumb to emotions of despair or anger when confronted by this pandemic, but when making investment decisions one should try to put these emotions aside in order to remain measured, analytical and objective. Our analysis continues to show very good value in many JSE-listed stocks. Our investment approach of looking through the cycle and focusing on normal earnings leads us to remain fully invested in equities at this time. Subsequent to the selloff of early 2020, we added to our equity exposure and, whereas we have trimmed our global equities somewhat on valuation concerns, we maintain our higher SA listed stock exposure where we see good value across many sectors and companies.

It is in the global investment universe where we have more concerns. Global government bonds offer very poor value in our view and the valuation of equities does not leave much room for disappointment either. The Fund is consequently not at its full offshore weighting.

We do believe returns in excess of our inflation plus 4% target is achievable with the combination of assets currently held within the Fund.

Portfolio managers
Charles de Kock, Pallavi Ambekar and Neill Young
as at 30 June 2021

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

The Capital 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 30% (including a maximum exposure of 5% to Africa, excluding South 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. The fund is managed in line with Regulation 28 limits, although it is not required as per the fund's supplemental deed. 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 peer group average is calculated as the average return of all the funds in the respective ASISA category (excluding Coronation Funds in that category).

BENCHMARK DETAILS

The benchmark used for performance purposes is CPI + 4%.

Note that we use the formal SA – Equity – General category benchmark as specified in the ASISA Standard on Fund Classification, which is currently the FSTE/JSE All Share Index, for compliance monitoring purposes.

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 our website, www.coronation.com

IMPORTANT INFORMATION REGARDING TERMS OF USE

This document is for information purposes only and does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe for or purchase any particular investment. Opinions expressed in this document may be changed without notice at any time after publication. We therefore disclaim any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable, directly or indirectly, to the use of or reliance upon the information.