

LONG TERM OBJECTIVE

The Coronation Global Frontiers Strategy aims to maximise the long-term risk-adjusted returns from investments across global frontier markets through capital growth of the underlying stocks selected. It is a flexible portfolio primarily invested in listed equities. The Strategy may hold cash and interest bearing assets where appropriate.

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	LIBOR	Active Return
Since inception cum.	41.7%	8.2%	33.6%
Since Inception p.a.	5.4%	1.2%	4.2%
Latest 5 years p.a.	10.3%	1.4%	8.9%
Latest 1 year	44.5%	0.2%	44.3%
Year to date	14.8%	0.1%	14.7%
Month	(0.1)%	0.0%	(0.1)%

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

SECTOR EXPOSURE

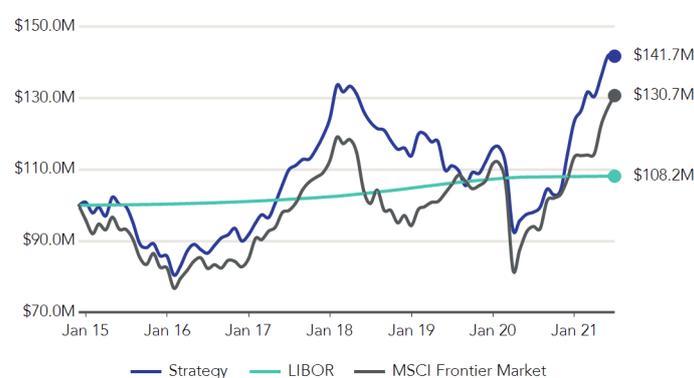
Sector	% Strategy
Financials	27.2%
Consumer Goods	20.5%
Technology	10.4%
Basic Materials	7.5%
Industrials	6.7%
Telecommunications	6.4%
Health Care	6.2%
Specialist Securities	3.0%
Consumer Staples	2.4%
Consumer Services	1.9%
Oil & Gas	1.2%
Interest Bearing	6.6%

GENERAL INFORMATION

Inception Date	01 December 2014
Strategy Size *	\$25.6 million
Strategy Status	Open
Target	Outperform ICE LIBOR USD 3 Month (US0003M Index)
Redemption Terms	An anti-dilution levy will be charged
Base Currency	USD

*Strategy assets under management as at the most recent quarter end.

GROWTH OF US\$100M INVESTMENT



Target: Outperform ICE LIBOR USD 3 Month (US0003M Index)

The performance shown is gross of fees.

GEOGRAPHIC EXPOSURE

Country	% Strategy
Vietnam	29.3%
Egypt	19.0%
Kenya	6.6%
Bangladesh	6.4%
Zimbabwe	4.7%
Turkey	4.3%
Pakistan	3.5%
Kazakhstan	3.3%
South Africa	3.2%
Philippines	3.0%
Nigeria	2.4%
Georgia	2.3%
Other	5.4%
Interest Bearing	6.6%

PORTFOLIO MANAGER



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Peter is head of Global Frontier Markets and manager across all strategies within the investment unit. He joined Coronation in 2005 and has 23 years' experience in African financial markets as both a portfolio manager and research analyst.

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The volatility of the Benchmark represented in the growth chart above may be materially different from that of the Strategy. In addition, the holdings in the accounts comprising the Strategy may differ significantly from the securities that comprise the Benchmark. The Benchmark has not been selected to represent an appropriate benchmark to compare the Strategy's performance, but rather is disclosed to allow for comparison of the Strategy's performance to that of a well-known and widely recognized Benchmark. Material facts in relation to the Benchmark are available here: <https://www.theice.com/iba/libor>. In addition, for further information, we have also included the MSCI Frontier Market Index above. Material facts in relation to this benchmark are available here: <https://www.msci.com/msci-emerging-and-frontiermarkets-indexes>.

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REVIEW FOR THE QUARTER

The Strategy performance over the period continues to be strong. The Strategy has returned +44.5% over the past 12 months and +10.4% p.a. over the past five years. Long term performance, periods of 5 years and longer, remains our singular focus. Over the last five years, alpha against the MSCI Frontier Emerging Markets Index (FEM) is 7.2% p.a. and against the MSCI Frontier Markets Index (FM) is 0.9% p.a. The MSCI FEM Index is up +23.4% over one year and +3.2% p.a. over the past five years. The MSCI FM Index increased +38.5% and +9.4% p.a. over the same periods.

Over the past quarter, Vietnam (+18.5%), Bangladesh (+16.4%) and Slovenia (+14.5%) were the strongest markets while Colombia (7.1%), Nigeria (-3.6%) and Egypt (-2.7%) struggled.

Vietnam continued to be a strong contributor, with two of the three largest contributors coming from the country. A Vietnamese fund and software outsourcer rose 17.0% and 38.3% over the quarter, driving returns. Kaspi, the recently listed Kazakhstani super app, was a further contributor after the share rose 47.9%.

The Strategy's largest detractor over the quarter was Zimplats. The share sold off 22.7% following weakness in platinum group metal prices over the quarter. The share remains a strong contributor year to date, having risen 48.8% over the six months. Other detractors included AngloGold Ashanti and Commercial International Bank.

We have written about Vietnam's excellent Covid-19 response before, but at almost 30% of the Strategy, it's worth a revisit. As a reminder, despite sharing a large border with China, Vietnam was one of the world's least infected countries in 2020. A superbly executed test and trace program was rolled out countrywide, resulting in rapid containment of community transmission. In a population of almost 100m people, there were only 1,465 cases and 35 deaths identified last year (Source: Worldometers). This was an incredible achievement and best in class across our investment universe. The situation entering 2021 was one of having contained the virus, with life largely back to normal.

Unfortunately, Vietnam's test and trace excellence did not result in a rapid vaccine rollout due to internal and external constraints. While 24.6% of the world population have received at least one dose of a vaccine, Vietnam stands at 3.8% (Source: Ourworldindata). Low vaccine rates, coupled with the rise of the more transmissible delta variant, has sadly seen the situation in 2021 look vastly different to 2020. Cases are up 15x and number 22,341 (Source Worldometers). Thus far, the rise in cases has had a limited economic impact, with parts of Ho Chi Minh City disrupted rather than shut down. We are monitoring the situation in Vietnam's economic capital closely. The stock market has continued to perform very well and is up 72.0% over the past year. This is the best performance of the 32 frontier emerging markets we track.

We continue to closely follow and engage with our Vietnamese portfolio holdings and have been pleased to see strong results from several of them. The long-term prospects for the country, and our portfolio holdings, continue to look exceptionally bright. Despite the strong past year's market performance and many of these holdings, valuations do not look stretched, and the risk-reward remains compelling.

The most notable trades over the quarter were the purchase of Mobile World (a Vietnamese electronics and grocery operator), Commercial International Bank (an Egyptian Bank) and Brac Bank (a Bangladeshi Bank and market-leading mobile financial services company). We reduced our position in a Vietnamese fund on the back of very strong performance and to fund the direct purchase of Mobile World. We also reduced our Kaspi position on share price moves and exited our Dischem holding for similar reasons.

Despite the strong performance over the past year, the Strategy continues to look incredibly attractive, with internal estimates of upside to fair value still very attractive. The Strategy PE(f) is 12.3x, well below both the FM and FEM Index at 13.6x and 14.7x, respectively, while the Strategy DY(f) of 5.5% is above the 3.0% and 2.5% offered by indices. The Strategy Return on Equity (ROE) is also well above comparables, at 25% vs the 12% and 8% on offer in the FM and FEM index. We remain focused on bottom-up stock picking and are confident that the current risk-reward on offer will see the patient investor rewarded in the fullness of time. Thank you for your continued support.