CORONATION CAPITAL PLUS FUND

Fund Information as at 30 November 2021

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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

5/10
Moderate

Maximum growth/ minimum income exposures

Growth Assets: 70%
Income Assets: 30%

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?

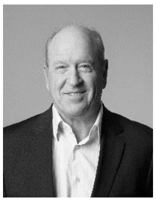
An annual fee of 1.15% (excl. VAT) is payable.

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 – High 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

CORONATION CAPITAL PLUS FUND

CORONATION
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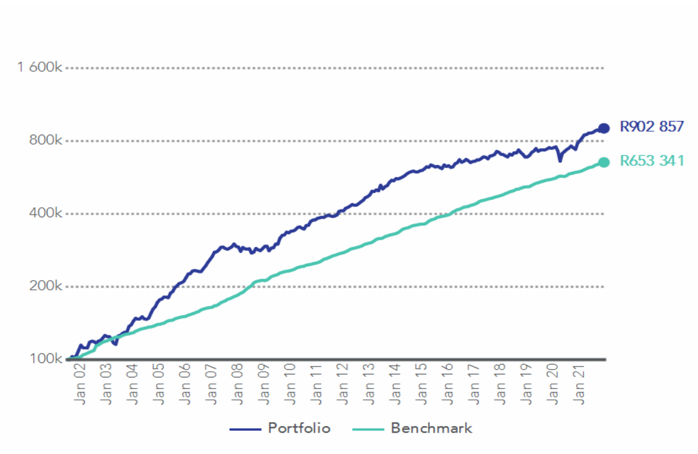
CLASS A as at 30 November 2021

Fund category	South African - Multi Asset - High Equity
Launch date	02 July 2001
Fund size	R13.56 billion
NAV	4668.32 cents
Benchmark/Performance Fee Hurdle	CPI + 4% p.a.
Portfolio manager/s	Charles de Kock, Pallavi Ambekar and Neill Young

	1 Year	3 Year
Total Expense Ratio	1.55%	1.58%
Fund management fee	1.19%	1.23%
Fund expenses	0.18%	0.17%
VAT	0.18%	0.18%
Transaction costs (inc. VAT)	0.10%	0.08%
Total Investment Charge	1.65%	1.66%

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)	802.9%	553.3%	947.6%
Since Launch (annualised)	11.4%	9.6%	12.1%
Latest 20 years (annualised)	11.1%	9.6%	11.9%
Latest 15 years (annualised)	8.7%	9.6%	8.3%
Latest 10 years (annualised)	8.2%	9.0%	8.9%
Latest 5 years (annualised)	6.5%	8.4%	7.5%
Latest 3 years (annualised)	9.5%	8.1%	10.5%
Latest 1 year	15.0%	9.6%	19.5%
Year to date	12.5%	9.1%	16.7%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	7.3%	1.5%
Downside Deviation	4.8%	N/A
Sharpe Ratio	0.50	1.27
Maximum Gain	29.5%	26.9%
Maximum Drawdown	(12.8)%	(1.1)%
Positive Months	68.6%	91.4%
	Fund	**Date Range**
Highest annual return	33.8%	Aug 2004 - Jul 2005
Lowest annual return	(9.3%)	Apr 2019 - Mar 2020

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	30 Nov 2021
Domestic Assets	74.3%
Equities	39.6%
Basic Materials	10.1%
Industrials	0.4%
Consumer Goods	3.3%
Health Care	0.8%
Consumer Services	7.7%
Telecommunications	1.2%
Financials	8.5%
Technology	4.2%
Derivatives	1.5%
Consumer Staples	1.2%
Energy	0.7%
Other	0.0%
Real Estate	3.1%
Bonds	28.4%
Commodities	2.1%
Cash	1.8%
Other (Currency Futures)	(0.7)%
International Assets	25.7%
Equities	20.5%
Real Estate	0.0%
Bonds	3.0%
Commodities	0.2%
Cash	1.9%

TOP 10 HOLDINGS

As at 30 Sep 2021	% of Fund
Anglo American Plc	3.7%
Prosus Nv	3.2%
Egerton Capital Equity Fund	3.2%
British American Tobacco Plc	2.7%
FirstRand Limited	2.3%
Lansdowne Capital	2.0%
Contrarius Global Equity Fund	2.0%
Tremblant Capital	1.9%
Select Equity Group	1.8%
Cimi Global Opp Equity Strategy	1.4%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
30 Sep 2021	01 Oct 2021	53.44	25.36	28.08
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

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%	(1.2)%	2.5%	0.2%		**12.5%**
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%**

Issue date: 2021/12/09

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.

Covid-19 continues to impact on the global economy. Despite increasing vaccination rates, there was a resurgence in infections in many countries resulting in ongoing lockdowns. In July, South Africa (SA) was particularly hard hit with a third wave and a return to level 4 lockdown. While restrictions were not as draconian as the first wave, a number of sectors continue to be impacted, particularly those exposed to hospitality and tourism. 32% of the adult population has now received at least one dose of either the J&J or Pfizer vaccine. While there is broad consensus that we will see a fourth wave towards the end of the year, the hope is that sufficient vaccines will be administered to mitigate the need for a return to stringent lockdowns. In addition, it looks likely that SA will once again be open to a number of our key international tourist markets, which will provide a sorely needed boost to the domestic economy.

We highlighted some of the recent positive domestic political developments in our June commentary. This narrative has faded somewhat, and much of the goodwill that was starting to build was undone by the riots and looting that occurred in KZN and parts of Gauteng in the first two weeks of July. Consumer confidence undoubtedly took a knock, but the accumulation in personal savings by those still employed will probably be put to use sooner or later. More importantly, though, these incidents have further dented already low levels of business confidence and will put the brakes on sorely needed direct investment by both domestic and international corporates. The incident has also increased the longer-term risk of losing skills due to emigration, something this country can ill-afford.

Despite this, the domestic market managed to eke out a positive return of 3% (Capped SWIX) for the quarter, lifting the one-year return to 30% (still off a low base.) Much of the quarter's performance was driven by financial stocks, with both banks and life insurers delivering double-digit returns. The resources sector was the laggard, returning -4%, largely driven by the platinum group metals (PGM) stocks. After three years of almost uninterrupted upward travel, the rand PGM basket retreated by 21% during the quarter, something worth noting given the contribution this sector has made to both terms of trade and tax collection in previous quarters. The All Bond Index was up 40 basis points (bps) for the quarter and 12% over the past year, while the rand weakened 5% against the US dollar but is still 10% stronger than it was a year ago. Returns from global equity markets were weaker – the MSCI All Country World Index returned -1% for the quarter, although it is still up 27% over the past year.

Globally inflation is starting to rise, driven by higher energy prices, disruptions to supply chains and labour shortages in certain areas. The debate continues as to whether this is structural or simply a temporary phenomenon as the world gradually returns to normalcy. What is clear is that the extremely accommodative stance of central banks is likely to start winding down – the US Federal Reserve has indicated that it is likely to begin to taper its asset purchase program, for example, and long bond rates have risen as a result. Also noteworthy during the quarter is the regulatory crackdown on the Chinese technology sector. This forms part of Xi Jinping's "common prosperity" drive and has completely eroded the profit pool in the edtech (education technology) industry and curtailed others to varying degrees, including online gaming. Much of the regulation aligns China with what many western governments are trying to do with their own technology industries, and one would ultimately expect the country to champion a sector consisting of world-class businesses. But this is China, and it is extremely difficult to know with certainty what the end game is likely to be and which sectors will receive attention, with property and healthcare being the most obvious.

Amidst this uncertainty, the Fund delivered a return of 1.2% for the quarter and 17.2% over the past year, well ahead of its target of inflation +4%. Over the more meaningful five-year period, the Fund has delivered an annual return of 5.8%, 1.3% ahead of inflation but below its target. Since its inception, the Fund has delivered a total annualised real return of 5.7%, comfortably ahead of its target. Over the past 12 months, the allocation to SA equity has been the biggest contributor to the Fund's returns given its large exposure to this asset class, followed by its holding in domestic bonds. Within equities, Altron, Anglo American, FirstRand, MTN and Richemont were the biggest contributors to the Fund's return, while British American Tobacco, gold shares and Naspers were all small detractors.

We increased the Fund's exposure to emerging markets (via the Coronation Global Emerging Markets Fund) during the quarter following the sell-off in China tech stocks. Our emerging markets team has done extensive work speaking to management teams and independent experts trying to better understand the government's regulatory intent and the likely impact on profit pools. Greater uncertainty means that a higher discount rate needs to be applied in valuing future anticipated cash flows from these businesses. However, many of these stocks have sold off heavily and are trading at attractive multiples, given what we still anticipate to be superior earnings growth profiles. Our actions have been measured as we acknowledge that, while valuations are attractive, risks have also increased, and the range of outcomes could be wide.

Additionally, after a very strong performance since building a meaningful position a year ago, we sold the Fund's entire holding in Richemont. Our change in view stems from the fact that the company derives approximately 40% of its revenues from the Chinese consumer. The move to common prosperity has uncertain implications for luxury goods purchases in China, but they are unlikely to be positive. Despite owning several highly desirable heritage brands that should command a high multiple, at R180, the company's stock traded on 25 times two-year forward earnings, leaving an insufficient margin of safety given the uncertain longer-term outlook, and we exited the position.

We continue to be cautious on most global asset classes. Developed market equities look finely priced, and government bonds will perform poorly if rates continue to rise. SA equities offer attractive value, particularly the global businesses that happen to be listed here. For this reason, our allocation to this asset class is relatively high. Domestic bonds continue to offer very attractive real yields, but one needs to be mindful of longer-term fiscal pressures that could impact returns.

The Fund has delivered a resilient performance over the last year, comfortably meeting its mandate, despite uncertainty remaining high. This has been achieved by having a considered mix of income and growth assets and a judicious approach to instrument selection. We think the Fund remains capable of delivering on the CPI + 4% mandate over the medium term.

Portfolio managers
Charles de Kock, Pallavi Ambekar & Neill Young
as at 30 September 2021

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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%.

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 the current financial year (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

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