CORONATION GLOBAL EMERGING MARKETS FUND

Fund Information as at 31 December 2022

CORONATION
TRUST IS EARNED™

WHAT IS THE FUND'S OBJECTIVE?

The Global Emerging Markets Fund aims to give investors access to the best opportunities in emerging equity markets. The fund actively seeks out undervalued shares to maximise long-term growth. Our intent is to outperform the emerging equity benchmark over all periods of five years and longer.

WHAT DOES THE FUND INVEST IN?

The fund invests in the shares of companies which are either based in emerging countries, or earn a significant part of their revenue from emerging economies. It will be fully invested in shares at all times. The fund is mandated to use derivative instruments for efficient portfolio management purposes.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Global Emerging Markets will only invest in shares we view as being attractively valued and 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. Emerging markets are generally viewed as more risky than developed markets. 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 ten 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 in emerging markets;
- 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 for exposure to emerging markets;
- do not require an income from their investment.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 1.40% is payable.

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?

GAVIN JOUBERT	SUHAIL SULEMAN	IAKOVOS MEKIOS
BBusSc, CA (SA), CFA	BBusSc, CFA	Ptychion (BSc), MIA, IMC, CFA

GENERAL FUND INFORMATION

Fund Launch Date	14 July 2008
Class	B
Class Type	Accumulation
Class Launch Date	5 May 2011
Fund Domicile	Ireland
Morningstar Fund Category	Global Emerging Markets – Equity
Currency	US Dollar
Benchmark	MSCI Emerging Markets Index
Investment Minimum	US$15 000
Bloomberg	CORGEMB
ISIN	IE00B553TV27
SEDOL	B553TV2

CORONATION GLOBAL EMERGING MARKETS FUND

CLASS B as at 31 December 2022

CORONATION
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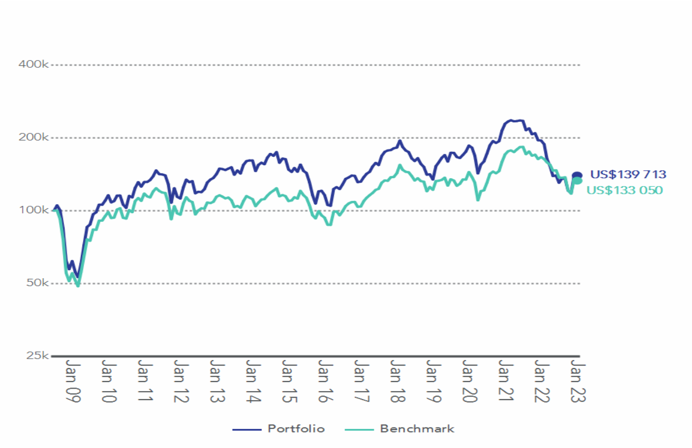
Launch date	14 July 2008
Fund size	US$ 965.62 million
NAV	9.94
Benchmark	MSCI Emerging Markets Index
Portfolio manager/s	Gavin Joubert, Suhail Suleman and Iakovos Mekios

	1 Year	3 Year
Total Expense Ratio	1.51%	1.48%
Fee for performance in line with benchmark	1.40%	1.40%
Adjusted for out/(under)-performance	-	(0.03)%
Fund expenses	0.11%	0.10%
VAT	0.00%	0.00%
Transaction costs (inc. VAT)	0.25%	0.19%
Total Investment Charge	1.76%	1.67%

PERFORMANCE AND RISK STATISTICS

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



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark
Since Launch (unannualised)	39.71%	33.05%
Since Launch (annualised)	2.33%	1.99%
Latest 10 years (annualised)	(0.13)%	1.54%
Latest 5 years (annualised)	(5.18)%	(1.40)%
Latest 3 years (annualised)	(9.07)%	(2.69)%
Latest 1 year	(28.33)%	(20.09)%
Year to date	(28.33)%	(20.09)%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	23.6%	21.2%
Sharpe Ratio	0.07	0.06
Maximum Gain	99.4%	56.3%
Maximum Drawdown	(50.0)%	(51.4)%
Positive Months	54.6%	53.4%

	Fund	Date Range
Highest annual return	106.2%	Mar 2009 - Feb 2010
Lowest annual return	(44.5%)	Jul 2021 - Jun 2022

PORTFOLIO DETAIL

EFFECTIVE GEOGRAPHIC EXPOSURE

Country	31 Dec 2022
Equities	**99.40%**
China	26.40%
India	11.01%
Brazil	9.31%
South Africa	8.69%
South Korea	6.74%
France	6.24%
Taiwan	5.89%
Uruguay	4.55%
Germany	4.50%
United Kingdom	4.36%
Other	11.70%
Cash	**0.60%**
Other	1.12%
ZAR	0.00%
USD	(0.52)%

TOP 10 HOLDINGS

As at 31 Dec 2022	% of Fund
Jd.com Inc (China)	5.84%
Prosus Na (China)	5.76%
Taiwan Semiconductor Man (Taiwan)	3.90%
Delivery Hero Se (Germany)	3.48%
Mercado Libre Inc (Uruguay)	3.42%
Housing Dev Finance Corp (India)	3.30%
Tencent Music Entertainment Gr (China)	2.54%
Anglogold Ashanti Limited (South Africa)	2.46%
Sendas Distribuidora Sa-w/i (Brazil)	2.41%
Naver Corp (South Korea)	2.41%

SECTORAL EXPOSURE

As at 31 Dec 2022	Fund
Consumer Discretionary	40.13%
Information Technology	13.45%
Financials	12.45%
Consumer Staples	11.29%
Materials	6.80%
Energy	5.65%
Communication Services	5.62%
Industrials	2.78%
Health Care	1.08%
Cash	0.75%

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2022	(3.5)%	(13.0)%	(6.6)%	(9.0)%	0.6%	(6.7)%	4.4%	(0.6)%	(10.6)%	(2.3)%	18.4%	(0.2)%	**(28.3)%**
Fund 2021	2.2%	1.2%	(1.0)%	0.3%	0.6%	(0.4)%	(8.5)%	1.8%	(5.5)%	1.0%	(6.5)%	(0.3)%	**(14.8)%**
Fund 2020	(2.0)%	(7.4)%	(15.4)%	8.7%	3.0%	7.6%	8.5%	4.0%	(1.7)%	1.6%	10.7%	6.6%	**23.1%**
Fund 2019	13.6%	3.6%	4.5%	2.6%	(6.0)%	8.7%	0.0%	(3.9)%	(1.0)%	3.0%	3.2%	5.9%	**38.2%**
Fund 2018	6.9%	(5.9)%	(3.3)%	(1.5)%	(5.9)%	(2.4)%	2.8%	(5.3)%	(2.8)%	(7.2)%	0.3%	(4.9)%	**(26.2)%**

Issue date: 2023/01/16

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.

Performance

The Fund returned +15.4% in the final quarter of 2022 (Q4-22), outperforming the benchmark MSCI Emerging Markets (Net) Total Return Index by 5.7%. For the year as a whole, the Fund returned -28.3%, underperforming the benchmark's -20.1% return by 8.2%. Naturally, this underperformance is disappointing and was driven entirely by the Fund's exposure to Russian assets, all of which were written down to zero in the aftermath of Russia's invasion of Ukraine and the resultant imposition of sanctions on the country. As we have stated previously, our view is that these written down assets have significant real value, and this view is supported by current market prices trading in Russia (with good trading volumes). We hope to realise value in the future from these holdings when the situation normalises.

The near-term improvement in performance means that a number of the longer-term performance numbers that had turned negative after a tough 2021 and early 2022 have started to improve significantly. Over five years, for example, the Fund has now underperformed by 3.8% p.a. (which whilst still being very disappointing, had reached almost 5% p.a. underperformance in March 2022). Since inception, the Fund has returned 2.3% p.a., ahead of the benchmark's 2.0% p.a. return. We believe the Fund holds a collection of very undervalued assets, and we look forward to further improvement in the longer-term numbers.

There were significant developments over the past few months in two of the countries (China and Brazil) to which the Fund has material exposure. These developments ended up having an impact on the Fund's Q4-22 returns. Arguably the biggest news in Emerging Markets was the effective end of China's isolation from the world – with the unexpected (in terms of timing and scope) easing of "zero- Covid" protocols in the country. Having secured his position as leader of the Chinese Communist Party for a third term, and with the country facing the first widespread protests by the population since 1989, it appears that Xi Jinping eventually realised the futility of continuing with the zero-Covid policy and allowed local and provincial governments to decide how to deal with Covid in their areas, which eventually resulted in the huge testing and quarantine system breaking down astonishingly quickly. China has even moved to end quarantine for international visitors and its own citizens can now freely travel in and out of the country for the first time in almost three years.

Heading into Q4-22, the Chinese market had underperformed other large Emerging Markets significantly as investors grew increasingly skeptical about China's appeal as an investment destination, with many even concluding that China was "uninvestable". The regulatory interventions we saw in many sectors – education and technology in particular – coupled with a prominent entrepreneur being "cut down to size", meant that Chinese stocks were priced at a substantial discount to peers in other regions. The internet-related stocks, in particular, rebounded sharply as it became apparent that China would be reopening to the rest of the world far quicker than people expected and many of these stocks had been badly hampered operationally by zero-Covid. Statements from Beijing that the regulatory interventions were coming to an end also assisted. Even after the significant recovery in Chinese equities, we believe that many are still significantly undervalued in our view, with a number of holdings still having upside in the 50-100% range.

The largest contributor to the Fund's relative performance in the quarter was the Naspers/Prosus position, which returned 31% and provided 1.5% of relative outperformance/alpha. Even deducting the negative impact of not owning any Tencent directly (Naspers/Prosus derive the bulk of their NAV from Prosus' Tencent stake), the overall impact from these stocks was still a net +0.8%. Just behind Naspers/Prosus was Tencent Music Entertainment (TME), which returned 103% (its share price more than doubled) and also provided 1.5% of alpha. TME was actually the Fund's 2nd largest detractor in 2021: this is not an uncommon occurrence. Due to our long-term approach (whereby we often don't sell and even add to positions as a share declines), a big detractor in one year is often a big contributor in the next year or two. TME's closest Western equivalent would be Spotify and we have written previously about why we like TME – low penetration of music streaming in the country and significant opportunity to monetise existing customers. This, coupled with a decent social media business (although the main attraction for us is the music streaming business), and valuable stakes in listed businesses like Spotify, Warner Music Group, and Universal Music Group meant that TME was trading on 7x 2023 earnings (ex-cash and listed assets) at the beginning of the quarter despite having years of significant earnings growth ahead of it. Even with the doubling in the share price, it remains one of the most attractive internet assets in our investment universe and hence a top 10 position in the Fund (2.5% position).

Other material positive contributors to relative performance were AngloGold, which returned 40% and provided +0.8% alpha, as well as Delivery Hero (+29% return, +0.6% alpha) and Airbus (+36% return, +0.6% alpha).

Partly offsetting China's positive impact on the Fund was Brazil (-1.4% relative detractor in total), which did poorly in the quarter after Lula da Silva won the presidency in a runoff against the incumbent Jair Bolsonaro at the end of October. Initial signs from the incoming administration suggest a loosening (at the margin) of the fiscal taps in spite of Brazil's government debt metrics looking quite poor. Also likely is greater use of the government's control of Petrobras to the detriment of minority investors, with a combination of interference in pricing (away from benchmarking against international prices), a reduction in dividends and/or an increase in capital expenditure. For these reasons we sold the remaining position in Petrobras (which we had consistently been reducing in the past few months) in December. For the year as a whole, Petrobras was actually the 2nd biggest positive contributor (after Sendas, the Brazilian cash and carry retailer), having returned large dividends to shareholders (which in turn made up the bulk of its +54% total return for the year), but in our view the investment case has now changed, and very much for the worse.

Several Brazilian and broader Latin American (Latam) stocks feature prominently in the detractors for the quarter. The largest of these was dLocal, a pan-Latam payments processor that returned -25% and cost -0.6% of relative performance. A recent new buy Petz (a premium pet-related retailer in Brazil) returned -36% and cost -0.4% alpha, whilst the three financial services holdings XP (a brokerage), PagSeguro (fintech), and Nubank (digital banking) cost a combined -0.9% alpha. Other than the zero weight in Tencent mentioned above, the only other top 5 detractor that was not Latam-related was Coupang, a Korean e-commerce retailer that returned -12% in the quarter and cost -0.4% alpha.

Fund positioning

There was only one new outright buy in the quarter, with the purchase of a 0.5% position in Indian IT outsourcer Infosys. We have owned Infosys a few times in the past and the purchase was primarily due to the share starting to offer good upside and being attractive on a risk-adjusted basis after it sold off by around a third from levels reached earlier in 2022.

The lack of new buys is not indicative of low portfolio activity, as there were some material changes in position sizes for existing holdings.

Aside from Petrobras, the most notable sale in the quarter was Alibaba (a 0.9% position at the end of September). Although it appears very cheap on valuation metrics, our conviction in the long-term moat around the business has deteriorated over time (and the position size had accordingly already been reduced some time ago).

Outlook

The weighted average upside in the Fund remains very attractive in our view (around 75%), as does the 5-year IRR (annual 5-year earnings growth + annual dividend yield, adjusted for a re/de-rating from current levels) of 19% p.a. The Fund, as is typically the case, looks very different to the Index (active share of 87% currently and 47% in off-benchmark exposure) and these 2 factors combined bode well for future absolute as well as relative returns in our view.

Portfolio managers
Gavin Joubert, Suhail Suleman and Iakovos Mekios
as at 31 December 2022

(A more comprehensive version of this commentary will soon be available on our website.)

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION GLOBAL EMERGING MARKETS FUND

The Global Emerging Markets 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 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 Sector Conduct Authority of South Africa. Portfolio managed by Coronation Investment Management International (Pty) Ltd (FSP45646), an authorised financial services provider.

JP Morgan (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 B NAV prices. Class A NAV prices were used for the period prior to the launch of Class B. All underlying price and distribution data are 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 over the period referenced. 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 underlying 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 previous financial year (updated annually). The 3 year TER is for a rolling 36-month period to the last available 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.

The Prospectus of Coronation Global Opportunities Fund and Fund KIID can be sourced on the following link: https://www.coronation.com/en/institutional/strategy-information/literature/ucits-fund-library/umbrella-fund.

A summary of Investor Rights can be sourced on the following link: https://www.coronation.com/en/institutional/about-us/ucits-v-disclosure/.

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