

CORONATION GLOBAL EQUITY SELECT [ZAR] FEEDER FUND

Fund Information as at 31 October 2022

WHAT IS THE FUND'S OBJECTIVE?

Global Equity Select aims to give investors access to the best opportunities in global equity markets. The fund is biased to developed markets and actively seeks out attractively valued shares to maximise long-term growth. Our intent is to outperform the global equity benchmark over all periods of five years and longer.

WHAT DOES THE FUND INVEST IN?

The fund invests in the shares of companies listed on equity markets around the world. The fund has a bias towards developed markets, typically holding at least 70% in developed market shares and up to 30% invested in shares listed in emerging markets. While our intent is to remain fully invested in shares, the fund is allowed to hold up to 20% of its portfolio in cash and bonds.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile



Maximum growth/ minimum income exposures



Global Equity Select will only invest in shares we view as being attractively valued relative to other shares 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. Global currency movements may intensify investment gains or declines.

This feeder fund aims to remain fully invested in units in the offshore domiciled Global Equity Select Fund. The only other assets that will be held at feeder fund level are local and foreign cash holdings for liquidity purposes.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The fund is managed to deliver the best possible returns over the long term; an investment horizon of 10 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 listed in global markets outside South Africa;
- ▶ 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 to add exposure to global equity markets;
- ▶ do not require an income from their investment.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 1.25% is payable.

Of the annual fee, 0.40% is collected at feeder fund level, while the balance of the fee is collected in the master fund.

Only the component of the fund fee charged at feeder fund level is subject to VAT.

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 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?



NEIL PADOA
BEconSci (AcSci),
FFA, CFA



HUMAIRA SURVE
BScEng, MBA, CFA

GENERAL FUND INFORMATION

| | |
|---------------------|------------------------------|
| Launch Date | 30 April 2015 |
| Fund Class | A |
| Benchmark | MSCI All Country World Index |
| ASISA Fund Category | Global – Equity – General |
| Regulation 28 | Does not comply |
| Investment Minimum | R5 000 or R500/m debit order |
| Bloomberg Code | CORGESA |
| ISIN Code | ZAE000202115 |
| JSE Code | CGEFA |

CORONATION GLOBAL EQUITY SELECT [ZAR] FEEDER FUND

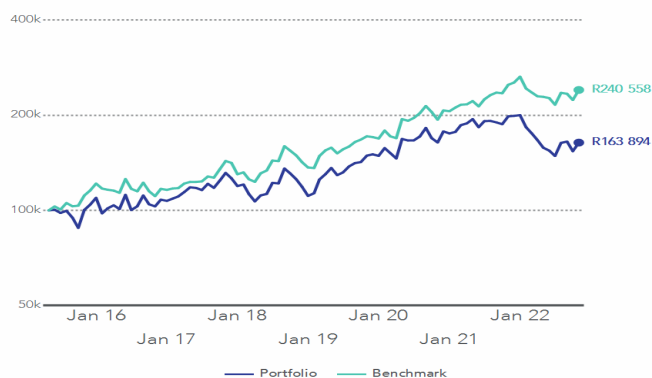
CLASS A as at 31 October 2022

| | |
|---------------------|------------------------------|
| ASISA Fund Category | Global – Equity – General |
| Launch date | 30 April 2015 |
| Fund size | R 1.05 billion |
| NAV | 163.90 cents |
| Benchmark | MSCI All Country World Index |
| Portfolio manager/s | Neil Padoa and Humaira Surve |

| | | |
|------------------------------|--------|--------|
| Total Expense Ratio | 1 Year | 3 Year |
| Fund management fee | 1.33% | 1.30% |
| Fund expenses | 1.15% | 1.15% |
| VAT | 0.11% | 0.09% |
| Transaction costs (inc. VAT) | 0.06% | 0.06% |
| Total Investment Charge | 0.08% | 0.15% |
| | 1.40% | 1.46% |

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



RISK AND RETURNS VS BENCHMARK (AFTER FEES) (ZAR)

| | Fund | Benchmark |
|-----------------------------|---------|-----------|
| Since Launch (unannualised) | 63.9% | 140.6% |
| Since Launch (annualised) | 6.8% | 12.4% |
| Latest 5 years (annualised) | 4.5% | 10.9% |
| Latest 3 years (annualised) | 3.2% | 11.9% |
| Latest 1 year | (17.4%) | (3.7%) |
| Year to date | (18.1%) | (9.2%) |

PORTFOLIO DETAIL

GEOGRAPHIC ASSET ALLOCATION EXPOSURE

| Sector | 31 Oct 2022 |
|-----------------|---------------|
| Equities | 100.0% |
| North America | 62.3% |
| Europe | 24.7% |
| Asia | 12.8% |
| South Africa | 0.2% |

TOP 10 HOLDINGS

| As at 30 Sep 2022 | % of Fund |
|------------------------------|-----------|
| Alphabet Inc | 4.7% |
| Amazon Com Inc | 4.2% |
| Visa Inc | 3.9% |
| Canadian Pacific Railway Ltd | 3.8% |
| Schwab (charles) Corp | 3.7% |
| Charter Communication A | 3.3% |
| Jd.com Inc ADR | 3.3% |
| Canadian National Railway Co | 3.0% |
| Prosus Na | 2.8% |
| Capri Holdings Ltd | 2.7% |

RISK STATISTICS SINCE LAUNCH

| | Fund | Benchmark |
|----------------------|---------|-----------|
| Annualised Deviation | 18.5% | 15.6% |
| Sharpe Ratio | (0.02) | 0.34 |
| Maximum Gain | 24.5% | 18.0% |
| Maximum Drawdown | (25.7%) | (18.5%) |
| Positive Months | 56.7% | 54.4% |

| | Fund | Date Range |
|-----------------------|---------|---------------------|
| Highest annual return | 39.0% | Feb 2019 - Jan 2020 |
| Lowest annual return | (22.5%) | Jul 2021 - Jun 2022 |

MONTHLY PERFORMANCE (AFTER FEES) - ZAR RETURNS

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|-----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Fund 2022 | (8.4)% | (4.2)% | (5.0)% | (5.4)% | (2.1)% | (3.8)% | 10.0% | 1.0% | (6.8)% | 6.5% | | | (18.1)% |
| Fund 2021 | 1.2% | 5.0% | 1.3% | 3.1% | (5.7)% | 4.6% | 0.1% | (1.1)% | (1.3)% | 5.8% | 0.4% | 0.5% | 14.3% |
| Fund 2020 | 5.8% | (3.5)% | (3.9)% | 15.3% | (1.1)% | 0.1% | 2.9% | 6.4% | (7.1)% | (3.1)% | 8.4% | (1.5)% | 17.7% |
| Fund 2019 | 1.9% | 10.6% | 3.9% | 4.6% | (5.1)% | 2.1% | 4.4% | 2.5% | 0.7% | 4.8% | 1.0% | (1.1)% | 33.9% |
| Fund 2018 | 1.1% | (6.7)% | (5.2)% | 4.4% | 1.1% | 8.4% | (0.4)% | 11.4% | (3.5)% | (4.2)% | (5.3)% | (6.4)% | (6.9)% |

Please note that the commentary is for the US dollar retail class of the Fund. The feeder Fund is 100% invested in the underlying US dollar Fund. However, given small valuation, trading and translation differences for the two Funds, investors should expect differences in returns in the short term. Over the long term, we aim to achieve the same outcome in US dollar terms for both Funds.

Performance

After an initial rally, the rest of the third quarter (Q3-22) continued in a similar vein to the prior quarter with both equities (MSCI All Country World Index -6.8%) and bonds producing negative returns. Again, there were precious few places to hide: even oil prices, which had been strong so far this year, declined by 23% in Q3-22. The US dollar outperformed most currencies, with the dollar index strengthening a further 7%.

This year has certainly been brutal to investors. To put it into historical context, the following grim facts are worth noting:

- To the end of September, the S&P 500 Index had experienced only three worse first three quarters of a year – in 1974 (recession); 2002 (9/11); and 1931 (the Great Depression)
- The rolling 10-year return for global government bonds is now 0% – a decade of returns has been wiped out. This is the worst return since the 1950s.
- If the year were to end at current levels, with both US stocks and bonds in negative territory, it would be only the fourth year ever for this to have occurred simultaneously.

Figure 1
EQUITIES DOWN YTD...

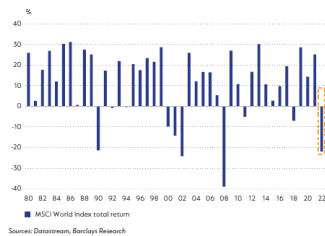
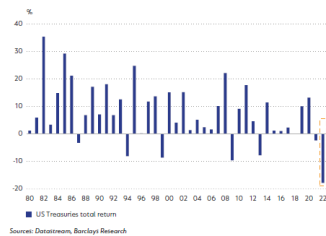


Figure 2
...ALONG WITH BONDS (DOWN THE MOST IN 40 YEARS)



Diversification amongst the traditional asset classes of equity and bonds hasn't shielded investors, neither has other forms of diversification. Amongst equity sectors, the only positive sector year-to-date is energy. Geographically, not a single developed market has remained positive for the year.

Figure 3
YTD X-ASSET PERFORMANCE RISK OFF ACROSS THE BOARD

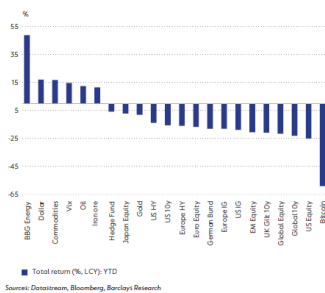
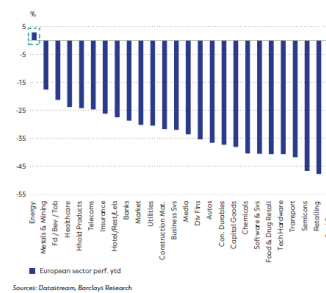


Figure 4
YTD SECTOR PERFORMANCE - ONLY ENERGY IS UP



The Fund was not spared, producing a quarterly return of -6.6%, marginally above the benchmark (-6.8%).

Fund positioning

While the severity and somewhat indiscriminate nature of the sell-off has been painful to endure, it has also resulted in widespread price dislocation. Good businesses have been jettisoned alongside weak business, with little regard for differences between their long-term prospects. Across multiple industries and investment themes, our analysts are finding a range of opportunities that we consider to be very attractive today. Unsurprisingly, market and consumer sentiment are extremely negative. Historically, this has often been followed by a period of strong returns.

Figure 5
AAII BULL-BEAR INDEX AND II SENTIMENT SURVEY DEEPLY NEGATIVE...

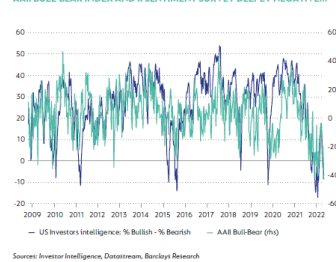


Figure 6
...AT LEVELS ALWAYS FOLLOWED BY STRONG 6-12 MONTHS EQUITY GAINS... EXCEPT IN 2008

| AAII Bull-Bear | +1w | +1m | +3m | +6m | +12m | |
|-----------------|-------|-----|-----|-----|------|------|
| 16/08/1990 | -41.0 | -2% | -4% | -6% | 7% | 15% |
| 30/08/1990 | -38.0 | 4% | 0% | 1% | 17% | 27% |
| 20/09/1990 | -41.0 | -2% | -5% | 3% | 18% | 21% |
| 04/10/1990 | -44.0 | 2% | 0% | 7% | 23% | 26% |
| 18/10/1990 | -54.0 | 4% | 5% | 5% | 27% | 27% |
| 15/11/1990 | -43.0 | 1% | 4% | 15% | 20% | 25% |
| 15/11/1992 | -36.0 | 2% | 4% | 7% | 10% | 14% |
| 20/02/2003 | -36.8 | 2% | 0% | 13% | 19% | 37% |
| 10/05/2008 | -39.3 | -1% | -1% | -3% | -11% | -34% |
| 13/03/2008 | -38.7 | 0% | 6% | 5% | -4% | -47% |
| 19/02/2009 | -35.1 | -7% | -9% | 7% | 21% | 30% |
| 05/03/2009 | -51.4 | -7% | 11% | 25% | 40% | 50% |
| 08/07/2010 | -36.1 | 5% | 8% | 12% | 23% | 31% |
| 11/04/2013 | -35.2 | 2% | 4% | 5% | 9% | 20% |
| 28/04/2022 | -43.0 | -3% | -9% | -7% | | |
| 23/06/2022 | -41.1 | 6% | 5% | -2% | | |
| 22/09/2022 | -43.2 | | | | | |
| Median | | 1% | 2% | 5% | 18% | 26% |
| Average | | 0% | 1% | 5% | 16% | 17% |
| % time positive | | 56% | 50% | 75% | 75% | 75% |

Source: Bloomberg, Barclays Research

Long-time readers will know that we follow a valuation-driven investment research process. By assessing multiple factors (including the underlying earnings power of a business, the quality of management and key risks), we aim to determine a fair value (FV) – our estimate of what the business is worth. When the market price of a stock is well below our FV estimate, it often signals opportunity. Historically we have found that the more upside our analysts find, the stronger prospective returns are. Today, the upside in the portfolio is over 80%, which is well above historical levels and is one of the reasons supporting our optimism about the portfolio's prospects.

To highlight the broad range of opportunities our analysts see today, we have selected a few examples from different corners of the market – spanning different industries and style factors – where we believe the long-term fundamentals of the businesses are not reflected in the valuation. These examples are discussed in more detail in an unabridged version of this commentary, available here.

Outlook

Just as we said in the June 2022 commentary, you can have good news and you can have good prices, just usually not at the same time. Many headlines continue to be grim, but it is worth remembering the wise words of arguably the most experienced (and successful) investor - Warren Buffett - who in his 2008 Berkshire Hathaway letter said "the market value of the bonds and stocks that we continue to hold suffered a significant decline along with the general market. This does not bother Charlie and me. Indeed, we enjoy such price declines if we have funds available to increase our positions. Long ago, Ben Graham taught me that 'Price is what you pay; value is what you get.' Whether we're talking about socks or stocks, I like buying quality merchandise when it is marked down."

As mentioned above, we are finding business values that are much higher than stock market prices, resulting in a portfolio that we think offers significantly more upside than normal. This leaves us optimistic about the Fund's positioning and the potential for more attractive returns in the future.

Portfolio managers

Neil Padoa and Humaira Survé
as at 30 September 2022

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION GLOBAL EQUITY SELECT [ZAR] FEEDER FUND

The Global Equity Select [ZAR] Feeder 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. The top 10 holdings are reflected on a look-through basis. A feeder fund invests in a single fund of a collective investment scheme, which levies its own charges and could result in a higher fee structure for the feeder fund. 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 Investment Management International (Pty) Ltd (FSP45646), 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.

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 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.