CORONATION GLOBAL EMERGING MARKETS FUND

Fund Information as at 31 October 2023

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
BBusSc, CA (SA), CFA

SUHAIL SULEMAN
BBusSc, CFA

IAKOVOS MEKIOS
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$500
Bloomberg	CORGEMB
ISIN	IE00B553TV27
SEDOL	B553TV2

CORONATION GLOBAL EMERGING MARKETS FUND

CLASS B as at 31 October 2023

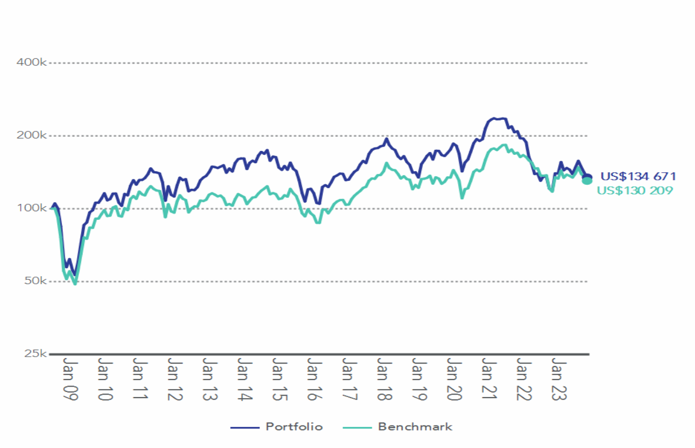
CORONATION TRUST IS EARNED™

Launch date	14 July 2008
Fund size	US$ 836.61 million
NAV	9.58
Benchmark	MSCI Emerging Markets Index
Portfolio manager/s	Gavin Joubert, Suhail Suleman and Iakovos Mekios

	1 Year	3 Year
Total Expense Ratio	1.50%	1.51%
Fund management fee	1.40%	1.40%
Fund expenses	0.11%	0.11%
VAT	0.00%	0.00%
Transaction costs (inc. VAT)	0.21%	0.21%
Total Investment Charge	1.71%	1.72%

PERFORMANCE AND RISK STATISTICS

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



PORTFOLIO DETAIL

EFFECTIVE GEOGRAPHIC EXPOSURE

Country	31 Oct 2023
Equities	**99.44%**
China	21.59%
Brazil	14.47%
India	10.27%
South Korea	8.73%
France	5.86%
Taiwan	5.31%
Mexico	4.77%
Netherlands	3.88%
Singapore	3.38%
Germany	3.03%
Other	18.14%
Cash	**0.56%**
USD	0.69%
Other	(0.05)%
ZAR	(0.08)%

PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark
Since Launch (unannualised)	34.67%	30.21%
Since Launch (annualised)	1.96%	1.74%
Latest 15 years (annualised)	5.28%	5.88%
Latest 10 years (annualised)	(1.73)%	1.26%
Latest 5 years (annualised)	(0.90)%	1.59%
Latest 3 years (annualised)	(11.40)%	(3.67)%
Latest 1 year	13.82%	10.80%
Year to date	(3.61)%	(2.14)%

TOP 10 HOLDINGS

As at 31 Oct 2023	% of Fund
Prosus Nv (China)	5.25%
Hdfc Bank Limited (India)	5.01%
Taiwan Semiconductor Man (Taiwan)	4.85%
Jd.com Inc (China)	3.74%
Sendas Distribuidora Sa-w/i (Brazil)	2.99%
Airbus Group Se (France)	2.90%
Northeast Utilities (Brazil)	2.85%
Grupo Financiero Banorte (Mexico)	2.84%
Aia Group Ltd (Hong Kong)	2.54%
3r Petroleum Oleo E Gas Sa (Brazil)	2.50%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	23.5%	21.0%
Sharpe Ratio	0.05	0.04
Maximum Gain	99.4%	56.3%
Maximum Drawdown	(50.0)%	(51.4)%
Positive Months	53.8%	52.7%

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

SECTORAL EXPOSURE

As at 31 Oct 2023	Fund
Consumer Discretionary	38.28%
Financials	19.43%
Information Technology	12.09%
Consumer Staples	10.12%
Energy	7.64%
Communication Services	5.46%
Industrials	5.10%
Materials	0.88%
Health Care	0.40%
Cash	0.60%

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2023	11.6%	(7.6)%	2.3%	(1.5)%	(4.2)%	6.4%	6.7%	(5.9)%	(5.1)%	(4.4)%			**(3.6)%**
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%**

Issue date: 2023/11/09

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.

Performance and fund positioning

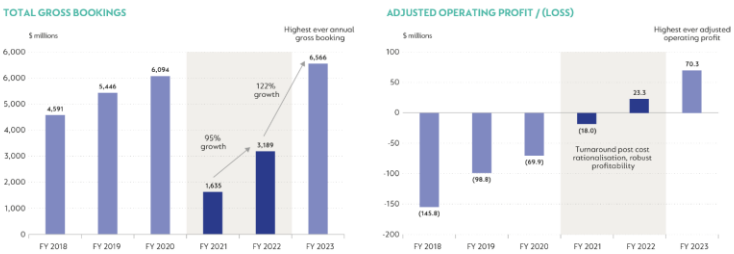
The Fund returned -4.7% during the third quarter of 2023, 1.7% behind the -2.9% return of its benchmark, the MSCI Global Emerging Markets (Net) Total Return Index. The Fund is behind the benchmark year to date (by 1%) but 4.7% ahead over the last year. Over longer-term periods, performance is still negatively affected by the tough period experienced from April 2021 to mid-2022, with the result that over five years, performance is 2.0% p.a. behind the benchmark. Since inception, the Fund has delivered 0.3% p.a. outperformance. We believe that our investment process is capable of delivering outperformance in excess of 3% p.a. over meaningful periods of time and have exceeded this for most of the Fund's 15-year history. During the almost 13-year period from inception in July 2008 up until 31 March 2021, the Fund had, in fact, outperformed the market by 2.4% p.a. We believe that our investment process is capable of delivering outperformance in excess of 3% p.a. (before fees) over meaningful periods and are very focused on returning the Fund's long-term performance numbers to this level.

The biggest contributors to Fund performance during the quarter were two of the Russian stocks that had been written down to zero in the aftermath of Russia's invasion of Ukraine. The value recovery in Magnit amounted to a 2% positive impact (both absolute and relative, as the index has removed all Russian stocks) and was achieved partly due to action taken by Magnit early during the quarter. Magnit received permission from regulators to buy back shares from foreign shareholders at a discount to the share price at the time on the Moscow Exchange. The company needed this permission because, even though it had adequate financial resources for the buyback, the foreign shareholders had to be paid outside Russia in US dollars, which was not easy to navigate within the framework of the existing sanctions. While many foreign shareholders were unable to take part in this offer, due to the tight timeline to tender shares, we were able to meet the deadline and sell all the shares in Magnit in the Fund. The other Russian stock sold during the quarter was Yandex, with execution taking place via the over-the-counter market at a similar discount to Moscow prices (50%) to that achieved in the Magnit tender. Yandex contributed 0.9% to return (again, both absolute and relative) in the quarter, taking the total Russian positive attribution for the quarter to 2.9%.

These sales, together with the sales of X5 and TCS earlier in the year, mean the total amount recovered so far from the Russian holdings has contributed 3.7% alpha this year. There is no timeline for a resolution to this conflict, and we believe strongly that realising reasonable value, even at these discounts, is in the best long-term interest of investors. Part of this reasoning comes down to opportunity cost: emerging market valuations are very low right now in both absolute and relative terms, with the result that we are finding significant value today, as reflected in the current 85% upside to fair value in the Fund. We continue to explore avenues to sell the remaining holdings in Moscow Exchange, Lukoil and Sberbank. At current spot prices on the Moscow Exchange, these three holdings would total approximately 4.3% of the current Fund value. A recovery rate of 50% on these holdings, in line with what has been achieved so far, would therefore add another 2.1% of recovery, and take the total Russian recovery contribution to approximately 5.8%. As context, the negative attribution from Russia in 2022 was 7.2%, which accounted for all of the Fund's relative underperformance in 2022.

The third largest contributor after the two Russian holdings was MakeMyTrip, an Indian online travel agency, which returned 50% in the quarter for 0.8% alpha contribution. The travel sector was decimated during the Covid pandemic but is recovering strongly now with several consecutive quarters of robust growth, which is driving the share price upwards, as is profitability. Air ticketing revenue already exceeds pre-Covid levels for the comparable quarter prior to the onset of the pandemic, in spite of take rates having declined slightly since then. Hotels and packages revenues are also close to pre-pandemic levels. What has really turned for the company has been the big improvement in profitability, with marketing spending having halved from the levels they used to spend a few years ago. This, together with good cost control on operations, has allowed the company to post three consecutive quarters of operating profits and also positive operating cash flow in the latest quarter.

Figure 1



Source: MakeMyTrip

Also, within the internet sector, Pinduoduo (ecommerce, China) returned 42% and contributed 0.6% alpha to the Fund. Operating results have been excellent – the company's second-quarter revenue was up 66% year on year, more than 50% higher than the market growth rate as a whole and beating consensus estimates by 20%. From nothing six years ago, the company has reached 15% market share, predominantly at the expense of Alibaba. Despite experiencing some gross margin pressure from higher fulfilment costs, Pinduoduo saw limited impact on its overall operating margins thanks to excellent cost control, particularly in selling and marketing. The company is also converting its earnings fully into cash. The results of Pinduoduo are just one example of the large disconnect between the narrative on China and the operational results that many of the Strategy's China holdings are producing. Pinduoduo, as with any investment, is not without risk – the company is expanding rapidly internationally with its TEMU offering (low-cost ecommerce merchandise shipped from China) and spending large amounts promoting this offering. However, for now, this division is a small part of the potential company value and should TEMU fail to make headway against Shein, Shopee and other similar offerings, it will not have a material impact on our estimate of the company's intrinsic value. At the same time, there could be material (additional) upside if Pinduoduo succeeds in its TEMU strategy.

The biggest detractor in the quarter was Delivery Hero, which took 1% off quarterly relative performance. The key driver of the share price decline was somewhat weak quarterly results, albeit with negative currency movements in operating countries (relative to the euro) playing a role in this regard. The company continues to grow group revenue in the double digits (and in many countries by >20%), has already made good progress towards being profitable and is in discussions to potentially sell some (unprofitable) Asian assets. The company's equity is substantially undervalued in our view – applying a 10x multiple to our free cash flow estimates for next year generated by the company's Korean business alone (less than one-third of group revenue) would give you the current market value of its equity. This is a conservative multiple for a dominant player in the very attractive Korean market and also ignores Delivery Hero's other substantial assets in more than 70 countries.

PEPCO also took a percent off alpha following a large share price decline in the past few months. We continue to do detailed research on PEPCO, with a view to ultimately challenge our conclusion that nothing has structurally and materially changed. The company has definitely made missteps (so-called own goals) that we can identify (expanding store footprint too quickly, losing focus on cost control, etc.), but the size of the opportunity within Eastern Europe (and select Western European markets) remains significant, and the offering of PEPCO (value retail with a focus on general merchandise and household goods) remains compelling. We also have high regard for the Chairman/former CEO, who, in turn, has a significant part of his wealth invested in the company. With the share price decline, the company now trades at around 12x forward earnings, and we have added to the position to retain its size at around 1.5% of Fund.

Other detractors were food retailer Sendas in Brazil (-15% return, -0.4% alpha impact) and Macau hotel and casino operator Melco Resorts (-19% return, -0.4% alpha impact). Worth noting for the quarter was the completion of the merger between HDFC and HDFC Bank, with the Fund receiving shares in the bank upon completion. HDFC Bank is now the second largest position in the Fund (5.0%) as a result of the merger.

A new buy for the quarter was Turkish hard discount retailer BIM (1% at quarter end). Whilst we have long believed that BIM is a great business, we sold it entirely one and a half years ago after the country's authorities resorted to unorthodox monetary policy, which led to inflation peaking at close to 90% year on year. Since winning re-election earlier this year, President Erdogan has appointed market-friendly individuals to head the Central Bank of Turkey as well as the Ministry of Finance and has largely refrained from his previous rhetoric. The result is that interest rates have gone up substantially, and the economy is stabilising. Through all this, BIM continues to execute excellently operationally, with discount food retail benefiting from high inflation as cash-strapped consumers trade down to more affordable retailers. BIM now trades on 10x next year's earnings with a 4% dividend yield.

The Fund also purchased a new position in India, TVS Motors (0.5% at quarter end). TVS is a meaningful player in the two-wheeler scooter/motorbike market in the country, with the third-largest market share in domestic sales and the second-largest export market share. In an otherwise very expensive Indian market, TVS is relatively undervalued and offers an IRR in the high teens.

Finally, at 4x forward earnings and offering a 16% dividend yield, the Fund also bought a 1.4% position in Petrobras, which we had sold out of last year. We also have almost 4% in aggregate in the two privately-owned and run (not State-owned) Brazilian oil "juniors" PRIO and 3R Petroleum, taking total weight to the Brazilian oil sector to around 5.4%.

There were several sells in the Fund, too (aside from Magnit and Yandex), the biggest being Chinese food delivery platform Meituan (1.3% position at the start of quarter). We also sold Total Energies (1%) Anglo American (0.9%), ENI (0.9%) and Zomato (0.5%).

Outlook

The Fund is very attractively valued today in our view, with the weighted average upside of the stocks in the Fund being around 85%, well above the long-term history in the low 40s. Furthermore, the weighted average IRR (an internal measure of potential annual return over a five-year period comprising 5-year earnings growth, annual dividend yield and a re/de-rating) is a very compelling 24% p.a. – close to an all-time high.

Portfolio managers
Gavin Joubert, Suhail Suleman and Iakovos Mekios
as at 30 September 2023

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/.

IMPORTANT INFORMATION REGARDING TERMS OF USE