

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, in a manner similar to that usually employed by retirement funds. As the fund actively seeks to curb risk and volatility, investments held in growth assets like shares and listed property would typically not exceed 75%. 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 45%. The fund is mandated to use derivative instruments for efficient portfolio management purposes.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile

Maximum growth/
minimum income exposures

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% |
| ASISA Fund Category | South African – Multi-asset – High Equity |
| 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 |

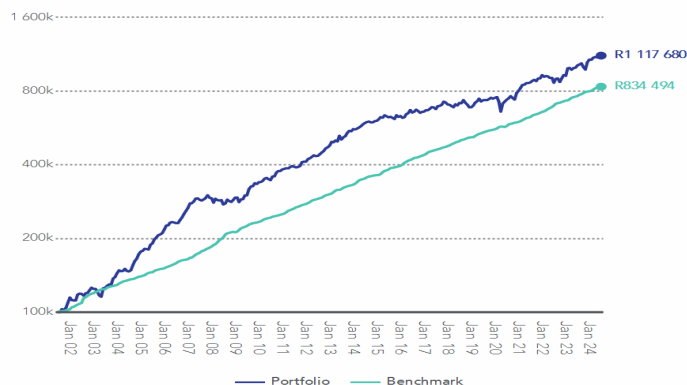
CLASS A as at 30 June 2024

| | |
|---------------------|--|
| ASISA Fund Category | South African - Multi Asset - High Equity |
| Launch date | 02 July 2001 |
| Fund size | R13.94 billion |
| NAV | 5315.16 cents |
| Benchmark | CPI + 4% p.a. |
| Portfolio manager/s | Charles de Kock, Pallavi Ambekar and Neill Young |

| | | |
|------------------------------|--------|--------|
| Total Expense Ratio | 1 Year | 3 Year |
| Fund management fee | 1.56% | 1.52% |
| Fund expenses | 1.14% | 1.14% |
| VAT | 0.24% | 0.21% |
| Transaction costs (inc. VAT) | 0.17% | 0.17% |
| Total Investment Charge | 0.11% | 0.10% |
| | 1.67% | 1.62% |

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) | 1017.7% | 734.5% | 1026.2% |
| Since Launch (annualised) | 11.1% | 9.7% | 11.1% |
| Latest 20 years (annualised) | 10.7% | 9.5% | 11.1% |
| Latest 15 years (annualised) | 9.2% | 9.1% | 9.6% |
| Latest 10 years (annualised) | 6.5% | 9.0% | 6.9% |
| Latest 5 years (annualised) | 8.8% | 9.0% | 8.9% |
| Latest 3 years (annualised) | 8.8% | 10.0% | 9.0% |
| Latest 1 year | 9.6% | 9.2% | 10.3% |
| Year to date | 3.8% | 4.5% | 5.5% |

RISK STATISTICS SINCE LAUNCH

| | Fund | Peer Group Average |
|-----------------------|---------|---------------------|
| Annualised Deviation | 7.6% | 8.7% |
| Downside Deviation | 4.8% | 5.5% |
| Sharpe Ratio | 0.45 | 0.40 |
| Maximum Gain | 29.5% | 29.5% |
| Maximum Drawdown | (12.8%) | (18.0%) |
| Positive Months | 68.1% | 65.9% |
| | Fund | Date Range |
| Highest annual return | 33.8% | Aug 2004 - Jul 2005 |
| Lowest annual return | (9.3%) | Apr 2019 - Mar 2020 |

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|-----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Fund 2024 | (0.2)% | 2.0% | 0.6% | (0.3)% | 1.0% | 0.7% | 0.8% | 1.1% | (3.5)% | (2.3)% | 7.1% | 2.6% | 3.8% |
| Fund 2023 | 7.4% | 0.3% | (1.7)% | 1.6% | 0.4% | 2.2% | 0.8% | 1.1% | (3.5)% | (2.3)% | 7.1% | 2.6% | 16.5% |
| Fund 2022 | (1.6)% | 0.7% | (0.4)% | (1.4)% | 0.1% | (4.5)% | 3.8% | 0.2% | (3.3)% | 3.6% | 3.1% | (0.8)% | (0.7)% |
| Fund 2021 | 2.7% | 2.8% | 0.3% | 1.4% | 0.1% | 0.6% | 1.5% | 1.0% | (1.2)% | 2.5% | 0.2% | 3.1% | 16.0% |
| 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)% |

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

| Sector | 30 Jun 2024 |
|--|--------------|
| Domestic Assets | 60.5% |
| ■ Equities | 25.4% |
| Basic Materials | 3.0% |
| Industrials | 0.1% |
| Consumer Goods | 1.9% |
| Health Care | 0.3% |
| Consumer Services | 5.9% |
| Telecommunications | 0.7% |
| Financials | 7.5% |
| Technology | 4.1% |
| Derivatives | 1.9% |
| ■ Real Estate | 1.5% |
| ■ Bonds | 21.6% |
| ■ Commodities | 2.1% |
| ■ Cash | 10.8% |
| ■ Other (Currency Futures) | (0.9)% |
| International Assets | 39.5% |
| ■ Equities | 33.9% |
| ■ Preference Shares & Other Securities | 0.0% |
| ■ Real Estate | 0.2% |
| ■ Bonds | 8.4% |
| ■ Cash | (3.0)% |

TOP 10 HOLDINGS

| As at 30 Jun 2024 | % of Fund |
|------------------------------|-----------|
| Prosus Nv | 3.5% |
| FirstRand Limited | 2.2% |
| Cie Financiere Richemont Ag | 1.9% |
| Standard Bank Of SA Ltd | 1.4% |
| British American Tobacco Plc | 1.2% |
| Dis-chem Pharmacies Ltd | 1.0% |
| Quilter Plc | 0.9% |
| Psg Group | 0.8% |
| Mtn Group Ltd | 0.7% |
| Shoprite Holdings Ltd | 0.7% |

INCOME DISTRIBUTIONS

| Declaration | Payment | Amount | Dividend | Interest |
|-------------|-------------|--------|----------|----------|
| 28 Jun 2024 | 01 Jul 2024 | 41.40 | 12.40 | 29.00 |
| 28 Mar 2024 | 02 Apr 2024 | 33.06 | 7.67 | 25.39 |
| 29 Dec 2023 | 02 Jan 2024 | 39.37 | 6.03 | 33.33 |
| 29 Sep 2023 | 02 Oct 2023 | 51.04 | 15.21 | 35.83 |

Please note that the commentary is for the retail class of the Fund.

At the halfway point of this year, we have already had to contend with a few surprise election outcomes and proceedings. India's Prime Minister Narendra Modi was widely expected to have a clean sweep but had to form a coalition to secure a third term; while in France, President Emmanuel Macron called a snap national election in response to the gains by far-right parties in the EU parliamentary elections, who then suffered a surprise defeat against a left-wing alliance. At home, our own elections resulted in the ruling national party, the ANC, losing its majority position by an unexpectedly wide margin. Despite this result, initial fears of violence in KwaZulu-Natal or an alliance with the populist EFF or MK party have not materialised. Instead, we have seen a calm acceptance of the loss of its majority by the ANC and, encouragingly, a pull towards forming a centrist grouping with the DA. Notwithstanding the fraught negotiations leading up to the formation of the cabinet, the outcome announced by the President is broadly sensible. This is a positive result for the country and will hopefully lead to much-needed reforms being implemented. Our domestic asset prices have responded accordingly with a strong rally in SA government bonds, local property stocks, SA Inc. businesses and a strengthening of the rand versus the US dollar.

Performance and positioning

Given our full exposure to offshore assets, we have had relatively lighter exposure to local assets. Our income-and-growth funds will, therefore, have underperformed many peers over the quarter to end-June during this relief rally. Nevertheless, the quarter's performance remains credible, with a positive return of 1.4%, and the Fund is still comfortably ahead of its inflation target over one year, with a return of 9.6%, and delivering decent real returns over longer time horizons.

Looking forward, while the formation of the Government of National Unity (GNU) will be a significant improvement to the one-party rule of the ANC, it will not be easy to manage the day-to-day working of a government consisting of many different viewpoints and ideologies. The low growth rut in which we find ourselves is the result of many years of neglect of infrastructure spending and poor management of vital SOEs such as Eskom and Transnet. Without adequate power, water, rail, and functioning ports, the economy will struggle to reach its full potential. Turning these very important cogs of the economy into efficient working enterprises will take time and monumental effort.

The government has also run up a huge debt burden that has had the effect of pushing local government bond yields very high, making debt servicing costly and borrowing for new investments very expensive. It will take several years of running much tighter budgets to improve the government's fiscal position. This comes at a time when big spending on neglected infrastructure is necessary.

These structural issues are not insurmountable, but the implementation of reform policies, together with timely execution, will be critical to overcoming them. We expect that the political coordination of the GNU will not be smooth and will require compromises to be made for the country's benefit. Hence, while the election outcome has been viewed constructively, the difficult work still lies ahead. Our income-and-growth portfolios have not made any significant changes to their positioning in response to the elections, as our key views are still largely in place. These are:

1. SA assets look cheap, but we remain selective. Our focus will continue to be on the longer-term outlook for these assets rather than positioning ourselves for short-term opportunities.
 - As discussed above, a positive election outcome does not automatically and immediately result in a significant improvement in our country's growth profile. We have a reasonable allocation to SA government and inflation-linked bonds, mostly in the belly of the curve, where we think the real risk-adjusted returns are the most attractive.
 - Our exposure to SA government bonds is supplemented by allocations to SA corporate credit, where the yields to maturity are healthy.
 - The income-generating portion of our portfolio's domestic allocation is complemented by SA growth assets (mainly equities). Our domestic equity allocation comprises global businesses that are listed on the JSE, very specific commodity shares and robust domestic businesses that have reasonable growth prospects and that can supplement their growth with good dividend yields. The recent trading updates by the banks are instructive. While the banks all trade at multiples, which are at a discount to their long-term history, FirstRand and Nedbank (both held in the portfolio) delivered better-than-expected earnings, while Absa (not held) came in with sub-par results. This confirms that, ultimately, the underlying fundamentals continue to matter more than broad-brush investing in 'cheap' domestic assets.
2. Global assets have rallied, but global growth prospects remain resilient, and we continue to find broad selection opportunities. These assets provide us with the necessary diversification in our portfolios. Easing interest rates in response to slowing inflationary pressures should be supportive of global asset pricing.
 - Global equities may look stretched at the index level, particularly in the US, but stock picking and regional investment opportunities abound. In contrast to a very stagnant SA economy, global growth has been more resilient, and we are seeing significant secular changes in some industries. The allocation to companies operating in the global technology, payment processing, rail transport, and gaming and entertainment space provides us exposure to these different drivers at reasonable valuations.
 - Global corporate credit and holdings in US treasuries continue to generate a positive real yield and provide diversification in this portfolio's income category.

Outlook

In conclusion, the economic outlook for SA has improved and the new government has an opportunity to raise business and consumer confidence levels off an extremely low base *if* they follow sound long-term policies and appoint competent individuals in areas where it is needed. While we are hopeful for this scenario, we remain cautious in assuming quick success. Outside of SA, we think macro risks are easing, but major political and geopolitical risks remain and could create disorder. Our focus continues to be on building our portfolios from the bottom up to deliver robust inflation-beating returns in a diverse range of scenarios.

Portfolio managers

Pallavi Ambekar, Charles de Kock and Neill Young
as at 30 June 2024

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 45% 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. 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) Ltd (FSP 548), 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 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.