

## WHAT IS THE FUND'S OBJECTIVE?

The fund aims to maximise long-term investment growth from investing in a select group of South African listed industrial and consumer companies.

It seeks to outperform an index of industrial companies listed on the Johannesburg Stock Exchange (the JSE Industrial Index) over the longer term.

## WHAT DOES THE FUND INVEST IN?

The fund will remain fully invested in companies listed on the JSE, most excluding those involved in mining and financial services. It can invest in a wide range of industries, including technology, telecommunication, healthcare and consumer goods.

While the fund may not invest in foreign markets, it can have exposure to international companies that are listed in South Africa. 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's managers actively seek out attractively valued companies that could offer strong long-term growth.

Shares are selected following rigorous and independent research into the long-term potential of a company, and whether it is currently attractively valued relative to its sector.

Shares can be volatile investments and there is a meaningful risk of capital loss over the short term. However, given its focus on investing only in attractively valued shares that could offer long-term growth, the fund may preserve capital better than its benchmark over the long run.

The fund is concentrated and only invests in one sector of the market, making it riskier than a general equity fund.

## HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The fund is managed to deliver the best possible returns over the long term; an investment horizon of five years or more is therefore ideal.

## WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who are building wealth, and

- ▶ want to diversify their investments to include exposure to a wide range of industrial companies;
- ▶ accept that the fund may underperform the market significantly in the short term in pursuit of superior long-term gains;
- ▶ want to hold the Industrial Fund as one of multiple funds in their investment portfolio.

## WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 1.00% (excl. VAT) is payable.

Fund expenses that are incurred in the fund include trading, custody and audit charges. All performance information is disclosed after deducting all fees and other portfolio costs.

We do not charge fees to access or withdraw from the fund.

More detail is available on [www.coronation.com](http://www.coronation.com).

## WHO ARE THE FUND MANAGERS?



**GODWILL  
CHAHWAHWA**  
BCompt, CA (SA)  
CFA



**NICHOLAS  
HOPS**  
BBusSc, CFA

## GENERAL FUND INFORMATION

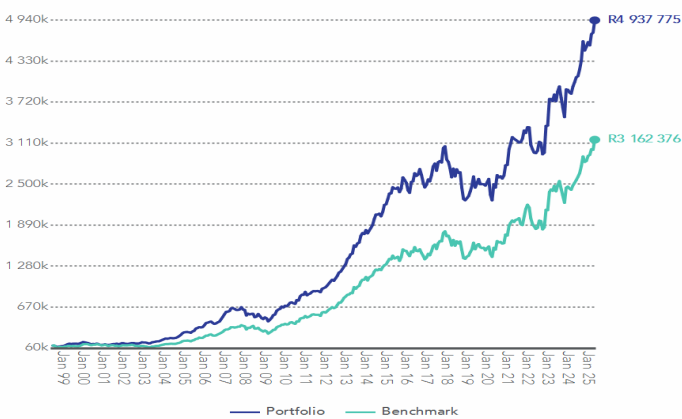
Launch Date	1 July 1998
Fund Class	P (previously class A)
Benchmark	FTSE/JSE Industrial Index
ASISA Fund Category	South African – Equity – Industrial
Income Distribution	Semi-annually (March & September)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CORCGRO
ISIN Code	ZAE000019741
JSE Code	CNCG

CLASS P as at 30 April 2025

ASISA Fund Category	South African - Equity - Industrial
Launch date	01 July 1998
Fund size	R853.62 million
NAV	31117.60 cents
Benchmark	FTSE/JSE Industrial Index
Portfolio manager/s	Godwill Chahwahwa and Nicholas Hops

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	4837.8%	3062.4%	56.1%
Since Launch (annualised)	15.6%	13.7%	1.9%
Latest 20 years (annualised)	15.2%	16.0%	(0.7)%
Latest 15 years (annualised)	13.5%	13.9%	(0.5)%
Latest 10 years (annualised)	7.2%	8.2%	(1.0)%
Latest 5 years (annualised)	14.6%	15.3%	(0.7)%
Latest 3 years (annualised)	18.5%	19.0%	(0.6)%
Latest 1 year	23.0%	25.5%	(2.5)%
Year to date	7.0%	8.3%	(1.2)%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	15.1%	17.2%
Sharpe Ratio	0.48	0.31
Maximum Gain	55.8%	61.7%
Maximum Drawdown	(31.6)%	(38.5)%
Positive Months	63.0%	63.0%

	Fund	Date Range
Highest annual return	68.0%	Jan 1999 - Dec 1999
Lowest annual return	(26.2)%	Dec 2017 - Nov 2018

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2025	(1.0)%	3.7%	0.5%	3.8%									7.0%
Fund 2024	(1.1)%	(0.4)%	2.8%	1.6%	1.9%	0.4%	2.4%	3.2%	6.5%	(3.0)%	1.3%	1.5%	18.2%
Fund 2023	11.8%	0.0%	(0.9)%	2.6%	(2.6)%	3.9%	1.9%	(4.2)%	(3.9)%	(3.9)%	11.8%	(0.1)%	15.9%
Fund 2022	(0.1)%	(7.7)%	(2.2)%	(1.7)%	(0.3)%	1.2%	4.4%	(0.4)%	(5.5)%	0.8%	13.5%	0.1%	0.7%
Fund 2021	8.4%	2.6%	3.2%	(0.7)%	(0.6)%	(0.5)%	(0.8)%	0.3%	1.5%	3.9%	(1.2)%	2.6%	20.2%

Total Expense Ratio	1 Year	3 Year
Fund management fee	1.18%	1.17%
Fund expenses	1.00%	1.00%
VAT	0.03%	0.03%
Transaction costs (inc. VAT)	0.15%	0.15%
Total Investment Charge	0.19%	0.21%
	1.37%	1.39%

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	30 Apr 2025
Domestic Assets	100.0%
Equities	99.8%
Basic Materials	3.9%
Industrials	3.0%
Consumer Goods	8.4%
Health Care	3.7%
Consumer Services	30.5%
Telecommunications	7.3%
Financials	1.7%
Technology	41.4%
Cash	0.2%

TOP 10 HOLDINGS

As at 31 Mar 2025	% of Fund
Naspers Ltd	26.9%
Prosus Nv	10.7%
Bid Corp Ltd	7.0%
Shoprite Holdings Ltd	6.2%
Anheuser-busch Inbev Sa/nv	5.4%
Mtn Group Ltd	4.2%
Aspen Phamacare Holdings Ltd	4.1%
Vodacom Group	4.0%
Pepkor Ltd	3.7%
Mondi Limited	3.6%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
31 Mar 2025	01 Apr 2025	17.50	16.90	0.60
30 Sep 2024	01 Oct 2024	190.15	187.91	2.24
28 Mar 2024	02 Apr 2024	267.21	264.98	2.23
29 Sep 2023	02 Oct 2023	198.00	196.55	1.46

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

## Performance

The Fund returned 3.1% for the first quarter of 2025, in line with the benchmark return. Since inception, the Fund has returned 15.5% vs. the benchmark of 13.6%. Absolute performance over the last twelve months highlights the resilience of the industrial sector, with the Fund up 20.34% over that time frame.

Key contributors to performance this quarter include underweight positions in a basket of SA-focused stocks, including Mr Price, Truworths and Bidvest. The Fund's large position in Naspers/Prosus as well as Anheuser-Busch InBev also contributed to absolute and relative performance. Key detractors were underweights in British American Tobacco and MTN, as well as the basket of South African stocks, which we do own, given the underperformance of that corner of the market

In the quarter, we added meaningfully to Aspen and Shoprite and funded this primarily from British American Tobacco and Woolworths.

## Fund positioning

In our last commentary, we wrote about how the SA economically exposed companies owned in the portfolio were primarily limited to those businesses that have a compelling top-line opportunity, without the need for macroeconomic improvement. Whilst in the second half of 2024 we did reduce our underweight exposure to the SA economy, Fund purchases focused on these businesses. The washout we have seen in 2025 has vindicated this view, with these stronger SA businesses outperforming in the sell-off. However, as it stands today, increasing overall exposure to SA at all was not the right call, with the whole market anxiously waiting to see where the "two-pot" withdrawals were spent as well as whether the GNU-related confidence would translate into investment and jobs. As we stand today, we have been disappointed on both these fronts. The alcohol sector saw the strongest growth in volumes in Q4 of 2024, and online gambling has also been a very strong performer. Whilst "two-pot" did filter into consumption spend, it was clearly just enough to support growth rates instead of adding meaningfully. The lack of economic recovery, combined with the March budget impasse, was a bad cocktail for SA-focused stocks. SA stocks sold off and so did the rand exchange rate, creating a large performance disconnect between the global and local stocks in the Fund. Post-period end, the 'tariff tantrum' exacerbated this further.

A key trade we made this quarter was selling the remainder of our Woolworths position and increasing our exposure to Shoprite. Woolworths is a business under a lot of strain with its Country Road Australian clothing business as well as SA Fashion, Beauty and Home (FBH) divisions. FBH has struggled to find its feet in the local market and has been underperforming for many years. Initial traction that was gained in the turnaround after the new CEO joined has dissipated in recent reporting periods, and our confidence in FBH being reinvigorated has reduced. The food business is a fantastic asset within the SA context but with two platforms under pressure (Country Road and SA clothing), the

group's outlook is challenged. This contrasts very heavily with Shoprite where management has been investing in the right areas for a number of years, and the product is clearly resonating well with the consumer. Shoprite has been dominating the food retail market share over the last number of years, and with the investments they are making as well as the strategic acumen of management, we see them extending this advantage in the years to come. We firmly believe that strong companies that continue to invest in their offerings, operations, and digital capabilities will continue to take value share from companies on the back foot. In a challenged local economy, we believe this dynamic is amplified. Despite the de-rating over the quarter, Shoprite trades on a high teens' earnings multiple, so it is by no means an optically cheap share. However, in recent years their digital initiatives and adjacent other income streams have created revenue streams over and above expectations, and there is merit in buying good companies at fair prices. Paying what looks like a high multiple today stands to be rewarded by consistent retail profit growth and continued delivery on these high-margin income streams going into the future.

Broadly, the Fund continues to be exposed to high-quality global companies with JSE listings and we are underweight SA-focused equities. As mentioned, the stocks we do own with SA economic exposure tend to be the quality players in their industry with a runway of organic top-line opportunity ahead of them. We think this collection of businesses provides the best opportunity to compound capital in the years ahead.

## Portfolio managers

**Nicholas Hops and Godwill Chahwahwa**

as at 31 March 2025

**IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION INDUSTRIAL FUND**

The Industrial 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. Asset allocation and top 10 holdings are reflected on a look-through basis. 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](http://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 P 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](http://www.coronation.com)

**IMPORTANT INFORMATION REGARDING TERMS OF USE**

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