CORONATION INDUSTRIAL FUND

Fund Information as at 31 July 2025

CORONATION
TRUST IS EARNED™

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

9/10
Aggressive

Maximum growth/
minimum income exposures

Growth Assets: 100%
Income Assets: 0%

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.

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

CORONATION INDUSTRIAL FUND

CORONATION
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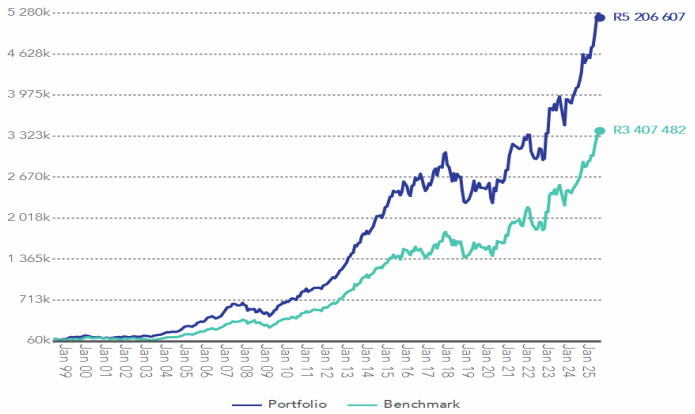
CLASS P as at 31 July 2025

ASISA Fund Category	South African - Equity - Industrial
Launch date	01 July 1998
Fund size	R863.09 million
NAV	32811.75 cents
Benchmark	FTSE/JSE Industrial Index
Portfolio manager/s	Godwill Chahwahwa and Nicholas Hops

	1 Year	3 Year
Total Expense Ratio	1.18%	1.17%
Fund management fee	1.00%	1.00%
Fund expenses	0.03%	0.03%
VAT	0.15%	0.15%
Transaction costs (inc. VAT)	0.19%	0.21%
Total Investment Charge	1.37%	1.38%

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)	5106.6%	3307.5%	52.8%
Since Launch (annualised)	15.7%	13.9%	1.8%
Latest 20 years (annualised)	14.4%	15.3%	(0.9)%
Latest 15 years (annualised)	13.5%	14.3%	(0.8)%
Latest 10 years (annualised)	7.8%	9.1%	(1.3)%
Latest 5 years (annualised)	14.9%	15.8%	(0.9)%
Latest 3 years (annualised)	18.5%	20.3%	(1.8)%
Latest 1 year	23.8%	27.9%	(4.2)%
Year to date	12.8%	16.6%	(3.8)%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	15.1%	17.1%
Sharpe Ratio	0.49	0.33
Maximum Gain	55.8%	61.7%
Maximum Drawdown	(31.6)%	(38.5)%
Positive Months	63.1%	63.4%

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

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Jul 2025
Domestic Assets	100.0%
Equities	99.1%
Basic Materials	3.4%
Industrials	3.5%
Consumer Goods	8.9%
Health Care	3.6%
Consumer Services	30.2%
Telecommunications	4.5%
Financials	1.7%
Technology	43.2%
Cash	0.9%

TOP 10 HOLDINGS

As at 30 Jun 2025	% of Fund
Naspers Ltd	29.4%
Prosus Nv	10.9%
Bid Corp Ltd	7.1%
Shoprite Holdings Ltd	6.2%
Anheuser-busch Inbev Sa/nv	5.2%
Mtn Group Ltd	4.6%
Pepkor Ltd	4.4%
Richemont	3.8%
Mondi Limited	3.8%
Aspen Phamacare Holdings Ltd	3.4%

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

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%	4.8%	2.0%	(1.3)%						12.8%
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%

Issue date: 2025/08/08

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

Following a negative first quarter, Q2 was strongly positive for industrials, with the Fund delivering 10.9%. Since inception, the Fund has compounded returns at 15.8% p.a., outperforming the benchmark by approximately 1.9% p.a.

The quarter started off with a sharp global market sell-off in April due to escalating trade tensions following President Trump's "Liberation Day" tariffs. However, by the end of the quarter, the losses had been recouped, and the MSCI All Country World Index rose 12% in USD for the quarter. The market's recovery was driven by renewed investor optimism, easing economic uncertainty and reduced trade tensions following negotiations between the US and its trade partners, particularly with China, to moderate the proposed tariffs. Tensions heightened between Israel and Iran, causing a temporary spike in oil prices. Geopolitical risks continue to be a key uncertainty for global markets going forward. In the domestic market, the FTSE/JSE All Share delivered 10% for the quarter, driven by strong returns out of industrials (+12%), followed by resources (9%) and financials (8%).

Contributors to Fund performance for the quarter include overweight holdings in Naspers and Nampak, as well as underweights in Bidvest, Mr Price and Woolworths. Detractors include overweights in Aspen Pharmacare, Advtech, Shoprite and CA Sales, as well as an underweight in MTN.

Portfolio actions and fund positioning

The Fund has an overweight allocation to offshore via some great companies that happen to be listed in our market but have significant exposure to faster growth markets outside of South Africa (SA). These include Naspers, Prosus, Mondi, ABI, Aspen, Bidcorp and Richemont. These companies offer good protection against a weak domestic economy struggling under decades of under-investment in critical infrastructure. Within our SA exposure, we are invested in domestic-facing businesses that can grow earnings despite a weak economy. These tend to be businesses gaining market share or those with self-help opportunities that drive their earnings base. In our view, a low-growth environment amplifies the divergence between strong and mediocre businesses.

During the quarter, we sold out of the Vodacom and Curro holdings and reduced Fund positions in TFG, ABI and Lewis. We added to Fund holdings in Richemont, Nampak, Pepkor, Aspen, and We Buy Cars.

Aspen, one of the global businesses in the Fund, came under significant share price pressure after announcing a dispute with one of its contract manufacturing clients, which would result in a meaningful hit to 2025 earnings due to the contract stopping production. The dispute will still need to be negotiated, and outcomes are uncertain, but even if the volumes from this customer are lost, Aspen retains its valuable sterile manufacturing capacity, which can be sold to other customers. There will undoubtedly be some lost earnings and value in the near term, but the long-term earnings capacity of the company has not changed, given the world's strong demand for high-quality sterile manufacturing capacity. We believe, at current levels, Aspen is undervalued, trading around five times our assessment of its sustainable earnings.

Richemont is a high-quality business, but one where we had concerns about the sustainability of its earnings base following a few years of very strong topline growth. Indeed, for some luxury businesses, this is proving to be the case as they struggle to grow sales, but Richemont has remained robust, partly because it managed the recent years of growth prudently. They elected to take small price increases at a time when the industry was being aggressive, leaving Richemont with a price reservoir relative to its peers, supportive of stronger growth into the future. More importantly, however, Richemont has a unique, multi-year growth opportunity in the branded jewellery space where it is a formidable player via its Cartier brand. Branded jewellery still accounts for a very small proportion of the overall jewellery market, between 20% and 25%, but it is growing faster than unbranded jewellery and therefore taking market share. This structural growth opportunity outweighs any near-term cyclical concerns one might have had on the business. We took the opportunity to increase the Fund's Richemont holding during the quarter.

Outlook

The Fund remains focused on generating compelling long-term risk adjusted returns. As such, when markets provide an opportunity to add to assets at attractive pricing, the Fund will take advantage of this, as was the case with both Aspen and Richemont. While the economic outlook in SA remains uncertain, opportunities to invest in great businesses at reasonable valuations are also available, and we continue to pursue them for the Fund.

Portfolio managers
Nicholas Hops and Godwill Chahwahwa
as at 30 June 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; 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

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.