

INVESTMENT OBJECTIVE

The Coronation Multi-Strategy Arbitrage Hedge Fund makes use of arbitrage strategies in the pursuit of attractive risk-adjusted returns, independent of general market direction. The fund is expected to have low volatility with a very low correlation to equity markets. Stock-picking is based on fundamental in-house research. Factor-based and statistical arbitrage models are used solely for screening purposes. Active use of derivatives is applied to reduce risk and implement views efficiently. The risk profile of the fund is expected to be low due to its low net equity exposure and focus on arbitrage-related strategies. The portfolio is well positioned to take advantage of low probability/high payout events and will thus generally be long volatility through the options market. The fund's target return is cash plus 5%. The objective is to achieve this return with low risk, providing attractive risk-adjusted returns through a low fund standard deviation.

INVESTMENT PARAMETERS

Net exposure is capped at 30%, of which 15% represents true directional exposure in the alpha strategy. Gross exposure is limited to 300%, allowing the fund to benefit from arbitrage-related strategies that do not require significant capital. The gross exposure is calculated by total value of longs plus total absolute value of the shorts as percentage of the market value of the fund. If derivatives are used in the portfolio, then its true effective exposure should be incorporated when calculating net and gross exposure. The Portfolio is precluded from raising any debt funding over and above that achieved in terms of the long/short process. There are mandated limits per strategy. The fund may invest in unlisted vehicles, in particular money market investment and exposure to small capitalisation shares may be achieved in this way. Investment in derivatives is permitted for efficient investment management of the fund.

FUND RETURNS*

	Fund	Capped SWIX*	ALBI	Cash
Since inception (cumulative)	939.9%	1515.5%	441.7%	275.4%
Since inception p.a.	11.8%	14.2%	8.4%	6.5%
Latest 10 year p.a.	10.2%	6.4%	7.8%	5.9%
Latest 5 year p.a.	11.9%	8.5%	7.2%	5.4%
Latest 1 year	19.6%	9.7%	13.0%	8.1%
Year to date	7.3%	1.5%	0.3%	3.3%
Month	4.2%	0.9%	0.8%	0.7%

*Fund Returns since inception to 30 September 2023 are for the A class (the most expensive fee class prior to the A class being closed on 30 September 2023) and was calculated net of fees and net of fund expenses. Fund Returns from 1 October 2023 to date are for the Z class. Fund Returns for the Z class are calculated net of fund expenses and gross of investment management and performance fees. Investment management and performance fees are individually agreed with each Qualified Investor prior to investment and are levied outside of the fund. Each Qualified Investor receives a monthly report indicating performance net of their individual fees and expenses.

PERFORMANCE & RISK STATISTICS*

	Fund	Capped SWIX*	ALBI	Cash
Average Annual Return	11.8%	15.1%	8.6%	6.4%
Highest Annual Return	34.6%	72.7%	21.2%	11.3%
Lowest Annual Return	(18.5)%	(35.6)%	(5.6)%	3.3%
Annualised Standard Deviation	6.6%	14.9%	7.3%	0.5%
Downside Deviation	6.7%	9.7%	5.2%	
Maximum Drawdown	(19.9)%	(38.3)%	(9.8)%	
Sharpe Ratio	0.80	0.52	0.26	
Sortino Ratio	0.79	0.79	0.36	
% Positive Months	79.3%	64.5%	68.5%	
Correlation (Capped SWIX*)	0.31			
Correlation (ALBI)	0.22			
99% Value at Risk (P&L %)	(1.1)%			

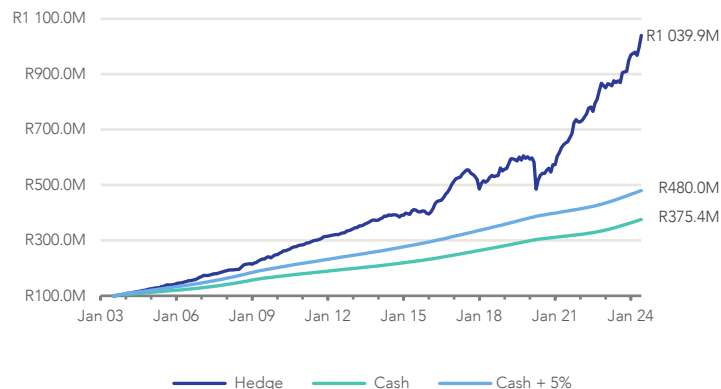
*JSE Capped Shareholder Weighted Index from 01 July 2011, with JSE Capped All Share Index applicable from inception to 30 June 2011.

GENERAL INFORMATION

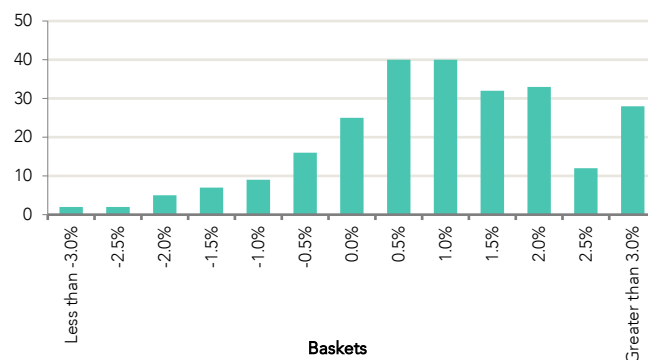
Investment Structure	Limited liability en commandite partnership
Disclosed Partner	Coronation Management Company (RF) (Pty) Ltd
Inception Date	01 July 2003
Hedge Fund CIS launch date	01 October 2017
Year End	30 September
Fund Category	South African Multi-Strategy Hedge Fund
Target Return	Cash + 5%
Annual Management & Performance Fees	Annual Management and Performance Fees are agreed and levied outside of the Fund.
Total Expense Ratio (TER)†	0.14% (excluding management and performance fees)
Transaction Costs (TC)†	1.53%
Fund Size (R'Millions)‡	R706.16
Fund Status	Open
NAV (per unit)	150.77 cents
Base Currency	ZAR
Dealing Frequency	Monthly
Income Distribution	Annual (with all distributions reinvested)
Minimum Investment	R5 million
Notice Period	1 month
Investment Manager	Coronation Alternative Investment Managers (Pty) Ltd (FSP 49893)
Auditor	KPMG Inc.
Prime Broker	N/A
Custodian	Nedbank Ltd
Administrator	JP Morgan Chase Bank, N.A., London Branch
Portfolio Managers	Neville Chester & Nic Stein

†TER and TC data is provided for the 1 year ending 30 April 2024. TER excludes manufactured dividend expenses and scrip borrowing costs, in line with the revised ASISA TER Hedge Fund Disclosure Standard. ‡Fund Size is as at 31 May 2024.

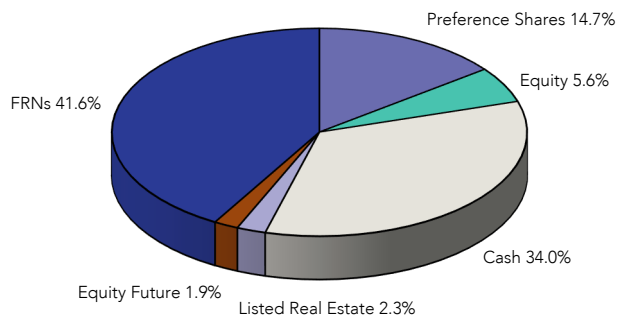
GROWTH OF R100m INVESTMENT*



MONTHLY RETURN DISTRIBUTION



ASSET ALLOCATION



EXPOSURE BY UNDERLYING STRATEGY

	Long	Short	Net	Gross
Alpha	12.2%	0.0%	12.2%	12.2%
Market Neutral	47.9%	(51.8)%	(3.9)%	99.7%
Merger Arbitrage	2.9%	0.0%	2.9%	2.9%
NAV Arbitrage	2.5%	(2.5)%	0.0%	5.0%
Residual Hedge	56.3%	0.0%	56.3%	56.3%
Short	0.0%	(1.5)%	(1.5)%	1.5%
Total (excl. cash)	121.8%	(55.8)%	66.0%	177.6%
Cash	34.8%	(0.8)%	34.0%	35.6%
Total (incl. cash)	156.6%	(56.6)%	100.0%	213.2%

INCOME DISTRIBUTIONS (cents per unit)

Declaration Date	Amount	Dividend	Interest
30-Sep-23	57.68	33.13	24.55

PORTFOLIO LIQUIDITY

	Days to Trade
Long	10.6
Short	0.2

MONTHLY COMMENTARY

After cautioning that last month's excellent results were unlikely to be repeated, the Fund* delivered another outstanding result of 4.2% for the period. While it was a good month for equity markets, it bears repeating that the Fund has only 13.0% net long equity market exposure. All strategies contributed positively for the month, with the Market Neutral Pairs by far the largest contributor. We would caution once again that these kind of outlier months are unlikely to recur.

*The Fund return is net of expenses and gross of fees.

REGULATORY DISCLOSURE AND DISCLAIMER

The content of this document and any information provided may be of a general nature and is not based on any analysis of the investment objectives, financial situation or particular needs of any potential investor. As a result, there may be limitations as to the appropriateness of any information given. It is therefore recommended that any potential investor first obtain the appropriate legal, tax, investment or other professional advice and formulate an appropriate investment strategy that would suit the risk profile of the potential investor prior to acting upon such information and to consider whether any recommendation is appropriate considering the potential investor's own objectives and particular needs. Neither Coronation Fund Managers Limited nor any subsidiary of Coronation Fund Managers Limited (collectively "Coronation") is acting, purporting to act and nor is it authorised to act in any way as an adviser. Any opinions, statements or information contained herein may change and are expressed in good faith. Coronation does not undertake to advise any person if such opinions, statements or information should change or become inaccurate. Coronation Management Company (RF) (Pty) Ltd is an approved manager of Collective Investments Schemes. Collective Investment Schemes are generally medium to long-term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future performance of the fund. Hedge Fund strategies can result in losses greater than the market value of the fund, however investor's losses are limited to capital invested or contractual commitments. Hedge Funds may invest into illiquid instruments which may result in longer periods for investors to redeem units in a portfolio. The ability of a portfolio to repurchase is dependent upon the liquidity of the portfolio and cash of the portfolio. All income, capital gains and other tax liabilities that may arise as a result of participating in this investment structure remain that of the investor. Coronation reserves the right to close the Fund to new investors in order to ensure the Fund is more efficiently managed in line with our clients' mandates. The investor acknowledges the inherent risk associated with an investment in the Fund and agrees that Coronation will not be liable for the consequences of the market influences and consequent changes in unit prices. Collective Investments are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from the Manager. The Manager provides no guarantee either in respect of capital preservation or investment return. The Fund's net asset value and price per participatory interest is available at any time on request as well as published monthly in the Fund Fact Sheet, available on www.coronation.com. Investors and potential investors may contact the Manager for the latest version of the application form, annual report, and any additional information required on the Fund, free of charge. Coronation Fund Managers Limited is a full member of the Association for Savings and Investment SA (ASISA). Coronation Asset Management (Pty) Ltd (FSP 548), Coronation Investment Management International (Pty) Ltd (FSP 45646) and Coronation Alternative Investment Managers (Pty) Ltd (FSP 49893) are authorised financial services providers. Coronation Life Assurance Company Limited is a licenced insurer under the Insurance Act, No.18 of 2017.