

WHAT IS THE FUND'S OBJECTIVE?

Market Plus aims to maximise long-term investment growth, at lower levels of risk than a fund that is only invested in shares.

WHAT DOES THE FUND INVEST IN?

Market Plus can invest in a wide range of assets such as shares, bonds, listed property and cash, both in South Africa and internationally.

It will typically have a strong bias towards shares, which offer the highest expected long-term returns. But unlike an equity fund, it does not have to remain fully invested in shares when we believe the stock market is too expensive.

Foreign investments may represent up to 45% of its assets. 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



Market Plus represents Coronation's view on the best combination of different assets that could maximise long-term returns at a reasonable level of risk.

The fund is primarily invested in shares, and will actively seek out only those investments we believe are attractively valued and may offer superior long-term growth.

Market Plus will typically have more exposure to shares than a traditional balanced fund. Shares can be volatile investments and there is a risk of capital loss, especially over the short term. However, the fund is managed with a strong emphasis on instrument valuation and it is therefore unlikely to lose money over the longer term. It may still produce negative returns in extreme years, but at a lower level than a pure equity fund.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The recommended investment term for this fund is five years and longer.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Long-term investors who are building wealth and

- can stay invested for at least five years (preferably longer);
- seek to preserve the purchasing power of their savings over the long term by investing in a diversified portfolio;
- are not dependent on an income from their investment;
- who do not need to accept the investment constraints applicable to retirement savers.

WHAT COSTS CAN I EXPECT TO PAY?

The fund fees recently changed to a fixed fee from the performance related fee previously used.

The annual management fee is 1.25%.

All fees exclude VAT. Fund expenses that are 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 portfolio costs.

More detail is available on www.coronation.com.

WHO ARE THE FUND MANAGERS?



**NEVILLE
CHESTER**
BCom, CA (SA), CFA



**NICHOLAS
STEIN**
CA (SA), CFA



**NICHOLAS
HOPS**
BBusSc, CFA

GENERAL FUND INFORMATION

| | |
|----------------------------|------------------------------------|
| Launch Date | 2 July 2001 |
| Fund Class | A |
| Benchmark | CPI + 5% |
| ASISA Fund Category | Worldwide – Multi-asset – Flexible |
| Income Distribution | Semi-annually (March & September) |
| Investment minimum | R5 000 or R500/m debit order |
| Bloomberg Code | CORMKPL |
| ISIN Code | ZAE000031506 |
| JSE Code | CMPP |

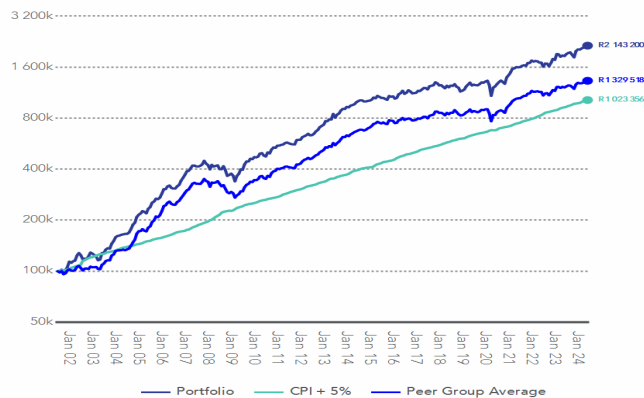
CLASS A as at 31 May 2024

| | |
|---------------------|---|
| ASISA Fund Category | Worldwide - Multi Asset - Flexible |
| Launch date | 02 July 2001 |
| Fund size | R 5.01 billion |
| NAV | 11390.43 cents |
| Benchmark | CPI + 5% |
| Portfolio manager/s | Neville Chester, Nicholas Stein and Nicholas Hops |

| | | |
|--------------------------------------|--------|---------|
| Total Expense Ratio | 1 Year | 3 Year |
| Fund Management Fee | 1.63% | 1.41% |
| Adjusted for out/(under)-performance | 1.24% | 1.24% |
| Fund expenses | 0.00% | (0.17)% |
| VAT | 0.21% | 0.17% |
| Transaction costs (inc. VAT) | 0.19% | 0.16% |
| Total Investment Charge | 0.27% | 0.25% |
| | 1.90% | 1.66% |

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

| | Fund | CPI + 5% | Peer Group Average |
|------------------------------|---------|----------|--------------------|
| Since Launch (unannualised) | 2043.2% | 923.4% | 1229.5% |
| Since Launch (annualised) | 14.3% | 10.7% | 12.0% |
| Latest 20 years (annualised) | 13.6% | 10.5% | 12.2% |
| Latest 15 years (annualised) | 11.9% | 10.2% | 10.5% |
| Latest 10 years (annualised) | 8.0% | 10.0% | 7.1% |
| Latest 5 years (annualised) | 11.4% | 10.1% | 8.9% |
| Latest 3 years (annualised) | 10.3% | 11.1% | 8.3% |
| Latest 1 year | 15.3% | 10.3% | 9.6% |
| Year to date | 5.3% | 4.5% | 2.7% |

RISK STATISTICS SINCE LAUNCH

| | Fund | Peer Group Average |
|----------------------|---------|--------------------|
| Annualised Deviation | 11.1% | 9.0% |
| Sharpe Ratio | 0.60 | 0.48 |
| Maximum Gain | 36.7% | 34.9% |
| Maximum Drawdown | (24.4)% | (22.4)% |
| Positive Months | 65.1% | 66.2% |

| | Fund | Date Range |
|-----------------------|---------|---------------------|
| Highest annual return | 50.0% | Aug 2004 - Jul 2005 |
| Lowest annual return | (20.1)% | Mar 2008 - Feb 2009 |

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|-----------|--------|--------|---------|--------|--------|--------|------|--------|--------|--------|------|--------|-------|
| Fund 2024 | (0.2)% | 1.6% | 1.3% | 0.8% | 1.7% | | | | | | | | 5.3% |
| Fund 2023 | 8.4% | (0.5)% | (3.2)% | 1.8% | (0.9)% | 2.7% | 1.6% | 0.9% | (3.3)% | (3.4)% | 8.9% | 2.3% | 15.3% |
| Fund 2022 | (1.4)% | 0.9% | (0.5)% | (1.7)% | (0.1)% | (5.4)% | 4.4% | (0.1)% | (3.5)% | 4.4% | 5.7% | (1.3)% | 0.9% |
| Fund 2021 | 4.1% | 4.8% | 0.7% | 1.7% | (0.2)% | 0.2% | 1.9% | 0.8% | (0.8)% | 4.0% | 0.0% | 3.3% | 22.1% |
| Fund 2020 | 1.1% | (5.7)% | (13.7)% | 11.8% | 1.7% | 3.2% | 2.8% | 2.2% | (2.0)% | (2.4)% | 9.0% | 3.0% | 8.9% |

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

| Sector | 31 May 2024 |
|-----------------------------|--------------|
| Domestic Assets | 55.2% |
| ■ Equities | 41.8% |
| Basic Materials | 8.1% |
| Industrials | 1.3% |
| Consumer Goods | 4.7% |
| Health Care | 0.4% |
| Consumer Services | 8.6% |
| Telecommunications | 0.3% |
| Financials | 11.0% |
| Technology | 8.0% |
| Derivatives | (0.5)% |
| ■ Real Estate | 5.8% |
| ■ Bonds | 10.8% |
| ■ Cash | (3.3)% |
| International Assets | 44.8% |
| ■ Equities | 27.5% |
| ■ Real Estate | 0.9% |
| ■ Bonds | 11.3% |
| ■ Cash | 5.2% |

TOP 10 HOLDINGS

| As at 31 Mar 2024 | % of Fund |
|-------------------------------|-----------|
| Prosus | 5.1% |
| Standard Bank Group Ltd | 2.1% |
| British American Tobacco Plc | 2.1% |
| Anheuser-busch Inbev Sa/nv | 2.0% |
| Cie Financiere Richemont Ag | 1.9% |
| Atterbury Investment Holdings | 1.8% |
| Anglo American Plc | 1.7% |
| Nedbank Group Ltd | 1.6% |
| Nepi Rockcastle Plc | 1.6% |
| Naspers Ltd | 1.5% |

INCOME DISTRIBUTIONS

| Declaration | Payment | Amount | Dividend | Interest |
|-------------|-------------|--------|----------|----------|
| 28 Mar 2024 | 02 Apr 2024 | 66.46 | 36.24 | 30.22 |
| 29 Sep 2023 | 02 Oct 2023 | 151.74 | 83.47 | 68.27 |
| 31 Mar 2023 | 03 Apr 2023 | 128.81 | 52.61 | 76.20 |
| 30 Sep 2022 | 03 Oct 2022 | 182.47 | 97.46 | 85.01 |

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

Performance

The first quarter of 2024 was characterised by heightened geopolitical risks alongside a strong performance from risk assets, as the market increasingly expects a soft economic landing in developed markets (moderate growth and inflation brought under control). The Fund had a pleasing start to the year, returning 2.7% for the quarter. The one-year return for the Fund is strong at 13.5%, well ahead of its quantitative benchmark and inflation.

Our holdings in foreign assets, both equities and credit, as well as SA property, contributed to performance over the period. Relative performance was principally driven by security selection in global credits and SA equity.

Fund positioning

Risk assets continued the strong run carried into the end of 2023. The key driver appears to be relatively buoyant GDP and unemployment figures in the US, both of which remain resilient despite the sharp rise in interest rates in 2023. The market appears comfortable that the US Federal Reserve Board (the Fed) will successfully navigate lowering interest rates while not letting the inflation genie back out of the bottle. The general rise in risk assets was boosted by specific moves in stocks exposed to the AI (artificial intelligence) theme. Nvidia, for example, nearly doubled and added \$1 trillion in market capitalisation over the quarter!

China is struggling to restore growth to its prior pace in the face of high debt levels, a weak property market, and a demographic headwind.

Geopolitical tensions remain front and centre, with two wars and a fragmentation of the global economy into competing blocs. With many elections taking place this year, we expect continued volatility on the newsflow front. These issues, coupled with central banks in emerging markets attempting to diversify their US dollar holdings, drove gold to all-time highs around the \$2 300/oz mark (at the time of writing).

The strong run in speculative assets such as Bitcoin (up 69% in Q1-24) and the volatility index (the VIX) at the lowest level in years suggest that the market may be a bit complacent about the abovementioned risks.

Foreign equities were the largest contribution to fund performance over the quarter, although stock selection detracted. This was due to high concentration (AI-themed names performed exceptionally well) and more muted performance from the broader market. The MSCI World Index was up 9% for the quarter. US, Japan, and EU markets were the strongest large markets, while UK equity returns were moribund. While we believe that some developed markets appear full at an index level, we are still finding many attractive individual investment opportunities.

Our overweight position in global credit performed very well this quarter, both from an absolute and relative perspective. We are finding very attractive global credit spreads at a time when we have concerns around

government debt levels (in SA and globally), rendering the yield on sovereign debt insufficient. The Fund benefited from the higher absolute yields and credit spread contraction.

When we look across both foreign equities and credits, the Fund's overall foreign component is seen as "full". The Fund is thus susceptible to any rand strength in the short term. However, we are concerned by the long-term fate of the local economy and believe a full offshore allocation is the correct one in the long term.

The South African economy remains challenged by mismanagement and infrastructure decay. Lower loadshedding, aided by private sector generation, is pleasing but is overshadowed by emerging issues elsewhere – the most prominent being rail, ports and water.

SA equities had a poor quarter (-2% for the FTSE/JSE Capped SWIX Index), although the Fund benefited from stock selection alpha. In general, shares with international exposure (Prosus, Richemont, British American Tobacco) performed well. Performance from "SA Inc." shares as a basket was muted; however, there were a few bright spots. Dis-Chem and ADvTECH performed strongly and contributed positively to performance. Both of these names neatly fit the theme of "the strong getting stronger" and align with our portfolio construction, namely to own winning SA businesses that are able to grow earnings despite the tough economy. We added to our gold holdings and reduced our bank holdings early in the quarter.

Our view on domestic bonds remains cautious and unchanged. Our fixed income holdings are focused on ILBs. This stance benefited the Fund, with it delivering ahead of the -2% for the FTSE/JSE All Bond Index. We are concerned about fiscal debt levels (this comment applies to both SA and most developed markets), which informs our cautious stance on government bonds. Credit spreads on SA corporate bonds remain tight, informing our stance on that subsector. We continued rotating our bond holdings from fixed-rate bonds to ILBs. We bought a small position in Transnet bonds. With a government guarantee in place, our view is that the yield pickup over government bonds is attractive.

The Fund remains modestly overweight SA property. Our holdings performed strongly during the quarter. This was driven by NEPI and Attacq, with both companies reporting strong results. After the GEPF deal, Attacq's gearing levels are greatly reduced, freeing up capital for value-accretive spending. The key Waterfall node is also in high demand, leading to positive rental tension. We were small net sellers over the quarter as the property sectors ran reduced margins of safety.

Outlook

We see good value in our security selection across all the major building blocks. This gives us confidence that the Fund will continue to deliver attractive risk-adjusted returns over the long term.

Portfolio managers

Neville Chester, Nicholas Stein and Nicholas Hops
as at 31 March 2024

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION MARKET PLUS FUND

The Market 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 ASISA South African - Multi Asset - Flexible category (excluding Coronation Funds in that category).

BENCHMARK DETAILS

The benchmark used for performance purposes is the Consumer Price Index (CPI) + 5%.

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. Calculations are based on actual data where possible and best estimates where actual data is not available. 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

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