CORONATION CAPITAL PLUS FUND

Fund Information as at 31 December 2023

CORONATION
TRUST IS EARNED™

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, only a maximum of 70% of its investments may be held in growth assets like shares and listed property. 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

5/10
Moderate

Maximum growth/ minimum income exposures

- **Growth Assets: 70%**
- **Income Assets: 30%**

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?

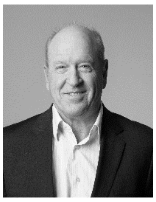
An annual fee of 0.75% (excl. VAT) is payable.

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

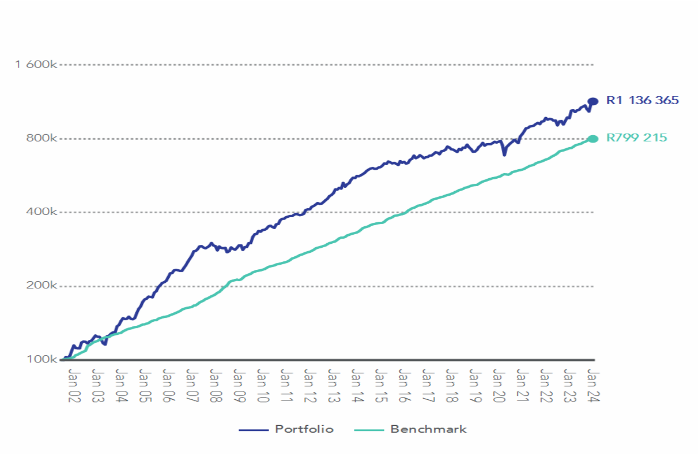
Fund Launch Date	2 July 2001
Fund Class	P
Class Launch Date	1 October 2012
Benchmark	CPI + 4%
ASISA Fund Category	South African – Multi-asset – High Equity
Income Distribution	Quarterly (March, June, September, December)
Bloomberg Code	CORCPB5
ISIN Code	ZAE000170437
JSE Code	CCPB5

ASISA Fund Category	South African - Multi Asset - High Equity
Launch date	01 October 2012
Fund size	R13.57 billion
NAV	5219.32 cents
Benchmark	CPI + 4% p.a.
Portfolio manager/s	Charles de Kock, Pallavi Ambekar and Neill Young

	1 Year	3 Year
Total Expense Ratio	1.10%	1.08%
Fund management fee	0.74%	0.76%
Fund expenses	0.24%	0.20%
VAT	0.11%	0.11%
Transaction costs (inc. VAT)	0.11%	0.10%
Total Investment Charge	1.21%	1.18%

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)	1036.4%	699.2%	967.7%
Since Launch (annualised)	11.4%	9.7%	11.1%
Latest 20 years (annualised)	10.9%	9.5%	10.9%
Latest 15 years (annualised)	9.4%	9.2%	9.3%
Latest 10 years (annualised)	7.2%	9.2%	7.1%
Latest 5 years (annualised)	9.9%	9.1%	9.2%
Latest 3 years (annualised)	10.8%	10.1%	10.4%
Latest 1 year	17.1%	9.2%	12.2%
Year to date	17.1%	9.2%	12.2%

RISK STATISTICS SINCE LAUNCH

	Fund	Peer Group Average
Annualised Deviation	7.6%	8.8%
Downside Deviation	4.8%	5.5%
Sharpe Ratio	0.50	0.40
Maximum Gain	29.5%	29.5%
Maximum Drawdown	(12.8)%	(18.0)%
Positive Months	68.5%	65.6%
	Fund	**Date Range**
Highest annual return	33.8%	Aug 2004 - Jul 2005
Lowest annual return	(8.8%)	Apr 2019 - Mar 2020

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Dec 2023
Domestic Assets	**60.1%**
Equities	**24.0%**
Basic Materials	3.1%
Industrials	0.1%
Consumer Goods	1.7%
Health Care	0.3%
Consumer Services	5.5%
Telecommunications	1.0%
Financials	7.1%
Technology	3.3%
Derivatives	2.0%
Real Estate	**1.1%**
Bonds	**20.4%**
Commodities	**2.6%**
Cash	**12.0%**
International Assets	**39.9%**
Equities	**33.4%**
Preference Shares & Other Securities	**0.0%**
Real Estate	**0.0%**
Bonds	**8.6%**
Cash	**(2.2)%**

TOP 10 HOLDINGS

As at 31 Dec 2023	% of Fund
Prosus Nv	2.9%
FirstRand Limited	2.2%
Cie Financiere Richemont Ag	1.7%
Standard Bank Of SA Ltd	1.6%
British American Tobacco Plc	1.2%
Mtn Group Ltd	1.0%
Dis-chem Pharmacies Ltd	0.9%
Mondi Limited	0.8%
Nedbank Ltd	0.8%
Outsurance Group Ltd	0.7%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
29 Dec 2023	02 Jan 2024	45.22	6.93	38.29
29 Sep 2023	02 Oct 2023	57.03	16.98	40.05
30 Jun 2023	03 Jul 2023	50.70	14.05	36.65
31 Mar 2023	03 Apr 2023	41.66	7.62	34.04

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2023	7.4%	0.4%	(1.7)%	1.6%	0.4%	2.2%	0.9%	1.1%	(3.5)%	(2.3)%	7.2%	2.6%	**17.1%**
Fund 2022	(1.6)%	0.8%	(0.4)%	(1.4)%	0.2%	(4.5)%	3.9%	0.3%	(3.2)%	3.7%	3.1%	(0.8)%	**(0.3)%**
Fund 2021	2.8%	2.8%	0.4%	1.4%	0.2%	0.6%	1.5%	1.0%	(1.2)%	2.5%	0.2%	3.1%	**16.5%**
Fund 2020	0.9%	(4.0)%	(9.1)%	7.9%	1.8%	1.9%	1.4%	2.1%	(1.7)%	(1.5)%	6.3%	2.2%	**7.3%**
Fund 2019	1.6%	2.7%	1.5%	2.5%	(2.6)%	1.2%	0.2%	(0.1)%	1.0%	1.3%	(0.7)%	0.7%	**9.7%**
Fund 2018	(0.3)%	(1.1)%	(1.0)%	2.8%	(1.0)%	2.4%	(0.2)%	3.0%	(2.4)%	(1.8)%	(2.4)%	0.1%	**(2.1)%**
Fund 2017	1.3%	0.0%	1.4%	1.6%	(0.3)%	(1.5)%	2.8%	0.4%	1.0%	3.1%	(0.8)%	(1.8)%	**7.4%**

Issue date: 2024/01/12

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 discounted class of the Fund.

Performance and Fund positioning

Calendar year 2023 was another year of surprises. The much-anticipated US recession failed to materialise, the strength of the Chinese recovery disappointed investors, and geopolitical tensions continued in the Ukraine, with a new conflict arising in the Middle East. The robustness of the US economy caused a material shift in interest rate expectations. This, in turn, drove a vigorous recovery in global equity markets, with the MSCI All Country World Index delivering a 31% return (in rands) for the year. After negative return performances in the preceding two years, the World Government Bond Index delivered 13% (in rands) in 2023.

South African (SA) asset classes delivered credible performances despite the increasing headwinds to our economic growth from deteriorating infrastructure. The FTSE/All Bond Index was up 10%, followed closely by the FTSE/JSE Capped SWIX Index, which was up 8%. Listed property was the strongest performer, delivering 11% for the year, but with performance concentrated in a few names only.

Against this backdrop, the Fund delivered a particularly pleasing top-quartile performance, with a 17.1% return for the year. This return is materially above the Fund's mandated return target of inflation + 4%. The Fund has also exceeded its return mandate over three and five years, and since inception.

The Fund's allocation to global assets was the largest contributor to performance over the past year. The global equity allocation, coupled with a steady increase in our allocation to global bonds, and the 7% depreciation in the rand relative to the US dollar, were the main drivers of this contribution.

In a rather tricky SA economic environment, our domestic assets contributed positively to Fund performance over the past 12 months, with the exposure taken primarily through equities and bonds. Good equity and bond selection enhanced the returns ahead of their respective indices. Within domestic equities, Standard Bank, FirstRand, Richemont, Textainer, and OUTsurance were the largest contributors to returns, while holdings in Anglo American and British American Tobacco detracted.

In domestic fixed income, the biggest contribution came from holdings in nominal bonds. We continue to see real yields on offer from SA government bonds as attractive but are increasingly mindful of the structural challenges faced by the domestic economy. Risk is managed by keeping the duration of the Fund's bond carve-out lower than that of the ALBI but at a real yield that remains compelling.

Key portfolio actions taken in the last year

We increased our exposure to global credit opportunities and initiated a position in US Treasuries. In 2022, a more generous Regulation 28 offshore allowance allowed us to take advantage of the compelling opportunities we saw in global equity markets. With the rally in global equity markets in 2023, we broadened our offshore exposure into select global credit opportunities. At year-end, the Fund had c. 40% effective exposure to offshore assets. Global bonds have increased from 4% of Fund at the beginning of the year to 9% at year-end.

Initially, the offshore bond exposures were mainly taken in corporates we knew well and where we felt the balance sheet risk was very manageable. The combination of a de-rating in global bond markets and widening spreads allowed us to take advantage of a good yielding investment opportunity in this space. As an example, in the initial part of the 2023 calendar year we added to our holdings in listed British American Tobacco global bonds at a US dollar yield just below 10% with four-year term to maturity.

The controversial write-off in Credit Suisse AT1 bonds and the Silicon Valley Bank collapse provided another opportunity in the global credit space, specifically in a basket of well-capitalised UK and US banks, which, at the time, were yielding equity-like returns.

Finally, we also found reasonable yielding opportunity in US Treasuries in both the short and long end of the curve. Global government bond exposure has been the least preferred exposure for the Fund for a long time. However, with the sell-off in global government bonds, we found a decent entry point in the relative haven of US Treasuries.

The Fund continues to have a healthy exposure to risk assets (61% of Fund at year-end), but we have also used the richer yield environment to build up our cash position. Together with put protection on our global equities, we believe this adds to the Fund's ability to protect capital.

Outlook

Looking forward into 2024, consensus expectations are for lower rates and a soft landing in the US. While the global outlook seems less fraught than at the beginning of 2023, we are not complacent. Stretched valuations at headline index levels, combined with simmering geopolitical tensions and an election-packed year, could bring some negative surprises on the global front. Domestically, we continue to see challenged economic growth as rapid deterioration in rail and power infrastructure present real headwinds to our industrial, retail and export businesses. Lack of adequate fixed investment spend and proper policy reform, mean that these problems will be difficult to address quickly. Low economic growth will impact the earnings power of domestic-facing businesses but also has implications for the government's ability to manage its debt burden. Our own domestic elections will be closely watched and is also likely to cause short-term volatility.

The Fund will continue to stick to its approach of making active asset allocation and instrument selection decisions based off valuations while being mindful of managing downside risks through diversification and purchasing protection. We continue to have a relatively full equity allocation, as we see significant value in our selection. A portion of our global and local equity exposure remains under put protection. We have also balanced the risk asset exposure with a healthy fixed income and cash allocation where we can achieve attractive real yields.

We think the portfolio is well set up to deliver on its targeted returns for clients, while remaining resilient and able to navigate future uncertainties.

Portfolio managers
Pallavi Ambekar, Charles de Kock and Neill Young
as at 31 December 2023

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 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. 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.