CORONATION CAPITAL PLUS FUND

Fund Information as at 31 March 2025

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, investments held in growth assets like shares and listed property would typically not exceed 75%. 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: 75%
Income Assets: 25%

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?

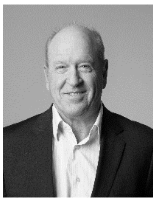
An annual fee of 0.75% (excl. VAT) is payable.

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

CORONATION CAPITAL PLUS FUND

CORONATION
TRUST IS EARNED™

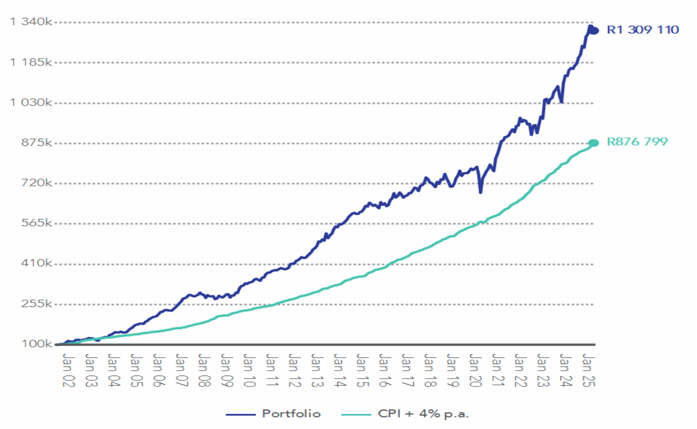
CLASS P as at 31 March 2025

ASISA Fund Category	South African - Multi Asset - High Equity
Launch date	01 October 2012
Fund size	R14.83 billion
NAV	5785.61 cents
Benchmark	CPI + 4% p.a.
Portfolio manager/s	Charles de Kock, Pallavi Ambekar and Neill Young

	1 Year	3 Year
Total Expense Ratio	1.11%	1.09%
Fund management fee	0.75%	0.75%
Fund expenses	0.24%	0.23%
VAT	0.11%	0.11%
Transaction costs (inc. VAT)	0.10%	0.11%
Total Investment Charge	1.21%	1.19%

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	CPI	Real Return
Since Launch (unannualised)	1209.1%	262.5%	261.1%
Since Launch (annualised)	11.4%	5.6%	5.9%
Latest 20 years (annualised)	10.4%	5.5%	4.9%
Latest 15 years (annualised)	9.2%	5.0%	4.2%
Latest 10 years (annualised)	7.6%	4.9%	2.6%
Latest 5 years (annualised)	13.8%	4.9%	9.0%
Latest 3 years (annualised)	10.8%	5.0%	5.8%
Latest 1 year	12.4%	2.8%	9.6%
Year to date	1.0%	1.6%	(0.6)%

RISK STATISTICS SINCE LAUNCH

	Fund	Peer Group Average
Annualised Deviation	7.5%	8.6%
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	68.4%	66.0%
	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 Mar 2025
Domestic Assets	60.2%
Equities	26.2%
Basic Materials	3.7%
Consumer Goods	2.9%
Health Care	0.2%
Consumer Services	4.4%
Telecommunications	1.1%
Financials	8.1%
Technology	4.9%
Derivatives	0.8%
Real Estate	1.6%
Bonds	22.8%
Commodities	2.5%
Cash	7.1%
International Assets	39.8%
Equities	32.8%
Preference Shares & Other Securities	0.0%
Real Estate	0.2%
Bonds	5.3%
Cash	1.4%

TOP 10 HOLDINGS

As at 31 Mar 2025	% of Fund
Mondi Limited	0.9%
Anheuser-busch Inbev Sa/nv	1.1%
Richemont	1.1%
Prosus Nv	4.1%
Quilter	0.9%
Outsurance Group Ltd	0.9%
FirstRand Limited	1.9%
Mtn Group Ltd	1.0%
Standard Bank Of SA Ltd	1.4%
Anglogold Ashanti Ltd	0.8%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
31 Mar 2025	01 Apr 2025	30.38	4.08	26.30
31 Dec 2024	02 Jan 2025	38.40	7.47	30.93
30 Sep 2024	01 Oct 2024	37.49	10.73	26.76
28 Jun 2024	01 Jul 2024	47.69	14.26	33.43

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2025	2.5%	(0.1)%	(1.4)%										**1.0%**
Fund 2024	(0.1)%	2.0%	0.7%	(0.3)%	1.1%	0.7%	1.9%	1.0%	2.7%	(0.5)%	3.5%	0.7%	**14.1%**
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%**

Issue date: 2025/04/15

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

The first seven weeks of 2025 continued the trend of the year before: US exceptionalism propelling global equity markets further upwards, buoyed by expectations of a Trump administration creating a more business-friendly environment and driving a significant reset in the precarious US fiscal position. Some cracks began to emerge with the release of the Chinese open-source AI model DeepSeek-R1 in late January, and concerns escalated in the on-again off-again imposition of US tariffs on imports from Mexico, Canada, and China during February. By the end of the quarter, the early gains had unwound, with the S&P 500 declining 4% and the ACWI down 1% despite European and emerging markets delivering positive returns. (This was, of course, simply a foretaste of what would come on Liberation Day – more of which in our Outlook.) Global fixed income markets fared better, reflecting growing risk aversion, with the FTSE WGBI returning 3% for the quarter.

The domestic equity market delivered a positive return for Q1 with the SWIX All Share ending up 6%. This was primarily driven by the precious metal stocks responding to a gold price surging above $3 000/oz and gains in some of the JSE-listed global stocks. In turn, the share prices of businesses exposed to the domestic economy declined, reflecting concerns over an increasingly strained GNU amid a failed budget. The ALBI returned 0.7% for the quarter, and the rand strengthened slightly against the dollar.

The Fund returned 1.0% for the quarter and 12.4% over the past 12 months, meaningfully ahead of the CPI+4% target. The Fund continues to outperform its target over all meaningful periods with the exception of 10 years, where it is behind target but ahead of inflation. Since inception, the Fund remains ahead of target.

Portfolio actions and fund positioning

SA equities were the main contributor to fund returns for the quarter, in addition to smaller but roughly equal contributions from SA fixed income and the Fund’s holding in physical gold. Global equity holdings detracted. During the quarter, we took advantage of the initial strength in global equity markets to reduce exposure, resulting in 1% lower total equity exposure at end-March at 59.01% of the Fund. In addition, we reduced exposure to global corporate credit as spreads narrowed. Domestically, we added to inflation-linked bonds as we feel that real yields on offer remain attractive given the upside risks to inflation.

At the beginning of the quarter, we had a currency lock (a long rand futures position) in place of 7%, which we had reduced to 2% by end-March given our lower conviction on the rand being undervalued due to the increasingly fractious domestic environment. The result of all these actions is that the Fund ended the quarter holding more cash, with slightly less global physical exposure (41.9%), but more effective global currency exposure (39.8%) than at end-December. We have retained put protection over 13% of the Fund's global equity exposure.

Outlook

In our December commentary, we highlighted some of the issues we were mindful of in looking towards 2025, including the potential impact of tariffs and whether one could expect the era of American exceptionalism to continue. On the domestic front, we re-emphasised the importance of sound policy execution from the GNU as essential to the delivery of sustainable economic growth.

These comments turned out to be far more prescient than we would have anticipated. On 2 April, markets were delivered a double-blow: Trump’s logic-defying tariff announcement, and the news that the ANC had collaborated with parties outside of the GNU in order to secure approval of the fiscal framework, thereby further jeopardising an increasingly strained relationship with the DA.

The Liberation Day tariffs are to our minds nonsensical, and the escalating risk of a trade war has the potential to undermine not just global trade but also threatens the monetary and geopolitical order. The crude calculations used to arrive at the draconian outputs demonstrate the haste and lack of foresight that has gone into policy formulation:

- There is no cognisance of one of the most fundamental principles of trade economics – comparative advantage.
- There appears to be no appreciation that a current account deficit is a function of a capital account surplus – i.e., the US is dependent on foreign nations’ savings to augment its own low savings rate.
- The tariffs only take into account trade in goods and not services, where in many cases the US runs a surplus.

The immediate implication of all of this is clearly a rise in prices – i.e., higher inflation. But it is also very likely to lead to lower growth, and the risk of recession has undoubtedly risen. The policy will result in increased uncertainty amongst capital allocators. The likelihood of significant domestic re-industrialisation is low with only a four-year presidential window ahead. At an aggregate level, the US economy was in good shape with low levels of unemployment – this was not a problem in need of a solution. Whether or not this is intended as an extreme opening position in negotiations remains to be seen, but reciprocal tariffs have been announced by China, and an escalation seems likely.

Domestically, the GNU has been on unstable footing since February when the DA refused to back a budget containing a 2% VAT increase. There has clearly been an escalating level of distrust between the ANC and the DA since, and while at the time of writing it appears as if the coalition may just hold, the relationship between the two major parties has deteriorated to a level where they seem unable to row in the same direction. This bodes poorly for future policy formulation and execution.

The confluence of these events sent equity markets tumbling, and domestic bonds and the rand have sold off heavily. At the time of writing, the S&P 500 is almost 20% lower than its 19 February highs (although still only slightly negative over 12 months) and the rand is hovering close to R20/$.

Events such as these always present challenges, but indiscriminate sell-offs most often provide an opportunity to buy assets at attractive prices, which in turn lays the foundation for superior long-term return generation. The Fund still sits on a healthy allocation to cash and near-cash instruments. In past crises, we have demonstrated our ability to actively allocate fund capital where we see value while at the same time acting to protect against downside. The actions taken during these times have resulted in healthy inflation-beating returns for clients. We don’t see why this time around should be any different.

Portfolio managers
Pallavi Ambekar, Charles de Kock and Neill Young
as at 31 March 2025

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.