CORONATION GLOBAL CAPITAL PLUS PRESCIENT FEEDER AMETF

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 time. Our intent is that the fund should meaningfully outperform an investment in developed market cash over any five-year period. In addition, we aim to preserve capital over any 12-month period.

WHAT DOES THE FUND INVEST IN?

The fund can invest in all listed asset classes including shares, listed property, bonds and cash. The fund will primarily have exposure to developed economies (including the US, Europe and Japan) but can also invest in emerging markets.

The fund is managed to suit the needs of more conservative investors who want to invest for longer than three years. Exposure to growth assets (shares and listed property), which pose more risk than income assets, will typically not exceed 50%.

The intent is to keep the fund fully invested in foreign assets at all times. It will have exposure to a variety of currencies, with a general bias towards developed markets, specifically to the US dollar and euro.

The fund is allowed to make use of exchange traded funds and financial instruments to implement its investment views.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile

5/10
Moderate

Maximum growth/
minimum income exposures

Growth Assets: 50%
Income Assets: 50%

The fund aims to protect capital over any 12-month period in all market conditions, while offering real investment growth over the long term. However, capital is not guaranteed.

The fund invests in a broad range of different assets and many countries. Global currency movements may intensify investment gains or declines.

A conservative multi-asset fund which aims to preserve capital, it is classified as having a conservative to moderate risk profile. However, the fund has significant foreign asset exposure and is therefore subject to currency volatility. For the rand investor the risk profile of the fund should be considered as moderate to high.

This feeder fund aims to remain fully invested in units in the Global Capital Plus Fund, which is domiciled offshore. The only other assets that will be held at feeder fund level is local and foreign cash for liquidity purposes.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

An investment term of more than three years is recommended.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who are building wealth, and who

- seek a single international investment that will give them access to some of the best opportunities around the globe, while aiming to protect their capital;
- require conservative exposure to offshore markets;
- do not require an income from their investment.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 0.85% is payable.

The full annual fee is collected in the master fund. 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?

NEIL PADOA

BEconSc (AcSci), FFA, CFA

GENERAL FUND INFORMATION

Investment Manager	Coronation Asset Management (Pty) Ltd
Management Company	Prescient Management Company (RF) (Pty) Ltd
Liquidity provider	Prescient Securities (Pty) Ltd
Launch Date	16 August 2024
Benchmark	Secured Overnight Financing Rate (SOFR) + 1.5%
ASISA Fund Category	Global – Multi-asset – Low Equity
Income Distribution	Annually (March)
Bloomberg Code	COGCAP SJ
ISIN Code	ZAE000337150
JSE Code	COGCAP
Base Currency	ZAR
Exchange	JSE

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As at 31 March 2025

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ASISA Fund Category	Global - Multi Asset - Low Equity
Launch date	16 August 2024
Fund size	R 50.89 Million
NAV	1083.62 cents
Benchmark	SOFR + 1.5%
Portfolio manager/s	Neil Padoa
Number of units	4 697 819 units

	1 Year*	3 Year*
*Total Expense Ratio		
Fund management fee		
Fund expenses		
VAT		
Transaction costs (inc. VAT)		
Total Investment Charge		

PERFORMANCE AND RISK STATISTICS

Performance and Risk Statistics will be available 12 months after launch.

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Mar 2025
Equities	21.0%
Infrastructure	3.1%
Property	2.5%
Convertible Bonds	1.2%
High Yield Bonds	2.8%
Fixed Income	59.1%
T-Bills	11.5%
Inflation-linked bonds	7.9%
Investment Grade	39.7%
Cash	10.3%

TOP 10 HOLDINGS

As at 31 Mar 2025	% of Fund
Airbus Group Se	1.0 %
Rolls-royce	0.9 %
Eiffage	0.8 %
Cellnex Telecom	0.8 %
Warner Bros Discovery	0.8 %
Vinci	0.8 %
Microsoft	0.7 %
Flutter Entertainment	0.7 %
Charles Schwab	0.7 %
Amazon.com	0.7 %

CURRENCY ALLOCATION

Currency as at 31 Mar 2025	% of Fund
US Dollar	82.0%
Other	18.0%

INCOME DISTRIBUTIONS

Not available - New fund

TER's not yet available, it will be available 12 months after launch date. Please refer to page 4 for more information.

Please refer to page 4 of the Comprehensive Fact Sheet for important additional *information*, including change in cost disclosures.

Issue date: 2025/04/23

Please note that the commentary is for the US dollar retail class of the Fund. The feeder fund is 100% invested in the underlying US dollar fund. However, given small valuation, trading and translation differences for the two funds, investors should expect differences in returns in the short term. Over the long term, we aim to achieve the same outcome in US dollar terms for both funds.

Performance and fund positioning

The first quarter of 2025 (Q1) saw a reversal of recent trends: global equity markets declined 1%, and the US underperformed most other regions, with the S&P 500 declining 4%. In contrast, global bond markets posted solid gains, up 3%. Against the benchmark return of 1.1%, the Fund continued to perform well, gaining 1.4%. For the last 12 months, the Fund posted a return of 7.0% compared to the benchmark return of 5.1%. More importantly, the Fund has performed well over all meaningful periods.

At quarter-end, the portfolio was positioned as follows:

- 11% in short-dated US T-bills
- 24% in developed market government bonds
- 27% in investment-grade corporate bonds
- 7.5% in US inflation-linked bonds
- 4% in high yield fixed income
- 5.5% in real assets (listed infrastructure and property)
- 21% effective equity

In fixed income markets, we continue to maintain our conservative positioning. The Fund's duration of one year remains very short, with a yield to maturity (YTM) of 5%. This compares to the Global Aggregate Bond Index, with a duration of 6-7 years and a YTM of 3.6%. With credit spreads in both the investment grade and high yield markets at very low levels, we believe now is not the time to be reaching for yield. Notably, this conservative positioning has not come at the expense of returns, with the fixed income portion of the portfolio returning over 6% for the last year. This is well ahead of inflation and the global fixed income index, which returned 3%. Furthermore, it leaves the Fund well positioned, with plenty of liquidity to take advantage of stresses in both equity and credit markets that have started to emerge in April.

Much has been written over the last two years about the narrowness of equity market returns. Returns in 2023 and 2024 were dominated by the US and, more specifically, by a narrow cohort of US-listed large capitalisation technology shares. Indeed, over 60% of US returns over these two years were generated by the Magnificent 7 group of companies consisting of Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla.

While we owned and continue to own some of these names, the market's seeming obsession with a small group of technology companies created significant opportunities for stock pickers in large parts of the market, both in the US and elsewhere, that were totally ignored by investors. As a result, our analysts uncovered many good ideas across geography and sector. These are high-quality companies with strong growth prospects trading on depressed valuation metrics.

Many of these names performed strongly for the portfolio in the second half of 2024 and continued to do so in the first quarter of 2025. The first quarter of this year has also ushered in a very welcome and healthy broadening out of market returns. It is our strong belief, as long-term focused and patient stock pickers, that strong company fundamentals will be rewarded in time. It is thus pleasing to see the share prices of many of the abovementioned names responding strongly, with the gap between fundamentals and share prices starting to close. This comes against the backdrop of weaker US equity market performance, with market participants beginning to cast their nets wider than a small group of large capitalisation US technology shares. We believe this remains a very attractive environment for bottom-up stock pickers willing to take the long view.

Shares of Rolls-Royce, the British aerospace and defence company, performed strongly in the quarter. Rolls-Royce is a high-quality company with its key product - aircraft engines for longer haul widebody planes - holding a 55% market share and operating in a stable duopoly with GE Aerospace. The company has significant pricing power, generates the majority of revenue in its key civil aerospace division from long-term services contracts, which ensures excellent earnings visibility, and has a strong multi-year growth runway underpinned by growth in global air travel.

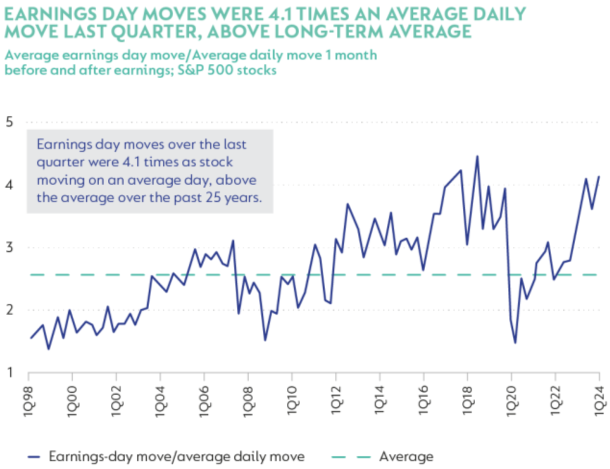
But the business has also been historically under-managed, generating operating margins well below peers such as Safran and GE Aerospace. This changed in early 2023 with the appointment of Tufan Erginbilgic as CEO. He has wasted no time since joining, implementing a headcount reduction, renegotiating onerous contracts with airlines, refining servicing contracts and, most importantly, making significant improvements to engine efficiency. His appointment has been nothing short of revolutionary, improving customer satisfaction whilst also growing earnings strongly. Operating margins in the civil aerospace segment have increased from break-even levels in 2021 to 17% today, but there is still scope to increase this further, with peers earning margins in the mid-20s range. After its strong run, Rolls-Royce trades on 23x forward earnings, a level we continue to find attractive considering its strong growth outlook and potential for further margin gains, driving robust earnings growth for many years to come.

Flutter detracted from returns in the quarter. Flutter is the leading online gambling and sports betting operator in the world, and it has the leading position in the large and fast-growing US market. Gambling stocks underperformed in the quarter after customer-friendly sports results, concerns of potential competition from prediction markets, and rising fears of a US recession. We believe these concerns to be temporary. In our view, Flutter's scale and superior product offering is a formidable moat, and ongoing efforts to legalise online betting in multiple markets will provide a structural tailwind for the entire industry for years to come. The US is now Flutter's largest market - here, margins are still well below normal, and growth is likely to be supported by additional states legalising online betting, underpinning our expectation of more than 20% annual earnings growth for Flutter over the next few years. The stock trades on 26x forward P/E, which we consider attractive given the growth outlook.

Developments post quarter end

In early April, markets sold off heavily following the announcement of the Trump administration's tariff plan. A negative reaction is understandable, considering the opening gambit is far worse than initial expectations. The sell-off has, in our view, been indiscriminate, reflecting widespread fear and de-risking, as opposed to a rational reassessment of specific company fundamentals. We have spoken before about increasing volatility in markets - the chart below illustrates this neatly.

Figure 1



Source: Bloomberg, Goldman Sachs Global Investment Research

For investors who allocate capital with a long-term horizon and who have a robust assessment of what a stock is worth, this volatility is an opportunity to be exploited. The volatility in recent days has been even more extreme, with the intraday range on a single day (9 April) matching that of entire years.

Re-examining the investment cases for every company we cover, our team has found that the earnings power of certain businesses is unscathed, others are likely to suffer only a temporary hit, for some, it is too hard to figure out, and, finally, there are those businesses with a high probability of impairment. We have followed our valuation discipline and responded to the changed opportunity set. This has caused portfolio turnover to be higher than usual, but the end result is a portfolio with a higher concentration of what we consider to be long-term winners at more attractive valuations (and therefore higher expected future returns). We have also sold some short-dated US T-bills to fund a higher allocation to equities and selected bonds where credit spreads have increased to more attractive levels. We would not be surprised to see continued market volatility and are prepared to take advantage of additional opportunities as they arise.

Thank you for your support and interest in the Fund.

Portfolio manager
Neil Padoa
as at 31 March 2025

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION GLOBAL CAPITAL PLUS PRESCIENT FEEDER AMETF

Collective investment schemes (CISs) should be considered as medium to long-term investments. The value of units may go down as well as up, and therefore Prescient 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 100% 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. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. A feeder fund invests in a single fund of a collective investment scheme, which levies its own charges and could result in a higher fee structure for the feeder fund. The asset allocation by instrument type are reflected on a look-through basis. The asset allocation by issuer type and top issuer exposures are not reflected on a look-through basis. The Management Company and Trustee are registered and approved under the Collective Investment Schemes Control Act (No.45 of 2002). Prescient is a member of the Association for Savings and Investments South Africa. 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. The Manager retains full legal responsibility for any third party-named portfolio. CISs are allowed to engage in scrip lending and borrowing. Standard Bank has been appointed as trustees for the fund. Prescient is a full member of the Association for Savings & Investment SA (ASISA). Exchange Traded Funds vs Unit Trusts: Whilst both unit trusts and ETFs are regulated and registered under the Collective Investment Schemes Control Act, ETFs trade on stock exchanges just like any other listed, tradable security. Unlike a unit trust, which can be bought or sold only at the end of the trading day, an ETF can be traded intraday, during exchange trading hours. Exchange traded funds are listed on an exchange and may incur additional costs. This portfolio operates as a white label fund under the Prescient ETF Scheme, which is governed by the Collective Investment Schemes Control Act.

Management Company: Prescient Management Company (RF) (Pty) Ltd **Registration number:** 2002/022560/07 **Physical address:** Prescient House, Westlake Business Park, Otto Close, Westlake, 7945 **Postal address:** PO Box 31142, Tokai, 7966. **Telephone number:** 0800 111 899 **E-mail address:** info@prescient.co.za **Website:** www.prescient.co.za.

Trustee: Standard Bank of South Africa Ltd **Registration number:** 1962/000738/06 **Physical address:** Standard Bank Centre, 5 Simmonds Street, Johannesburg, South Africa 2001 **Telephone number:** 0860 222 050 **Website:** www.standardbank.co.za

HOW ARE UNITS PRICED AND AT WHICH PRICE WILL MY TRANSACTION BE EXECUTED?

CISs 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?

As this is a new fund the fact sheet does not include performance information yet. Once performance information is available the following will apply: Performance is calculated by using net NAV to NAV numbers 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 and are available to investors on request. Unannualised performance represents the total return earned by the fund over the given time period, expressed as a percentage.

HOW ARE THE BENCHMARK RETURNS CALCULATED?

The benchmark used for performance purposes is the Secured Overnight Financing Rate (SOFR).

WHAT IS THE TOTAL EXPENSE RATIO (TER) AND TRANSACTION COSTS (TC)?

The TER and Transaction Costs cannot be determined accurately because of the short life span of the Financial Product. Calculations are based on actual data where possible and best estimates where actual data is not available. 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 the manager's website: www.prescient.co.za.

IMPORTANT INFORMATION REGARDING TERMS OF USE

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The fund has adhered to it's policy objective.