CORONATION GLOBAL EMERGING MARKETS PRESCIENT FEEDER AMETF

Fund Information as at 31 March 2025

CORONATION
TRUST IS EARNED™

WHAT IS THE FUND'S OBJECTIVE?

The fund aims to give investors access to the best opportunities in emerging equity markets. The fund actively seeks out attractively valued shares to maximise long-term growth. Our intent is to outperform the emerging equity benchmark over all periods of five years and longer.

WHAT DOES THE FUND INVEST IN?

The fund invests in the shares of companies which are either based in emerging countries, or earn a significant part of their revenue from emerging economies. It can also invest in cash and bonds, but will remain biased towards shares at all times. The fund is mandated to use derivative instruments for efficient portfolio management purposes.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile

9/10
Aggressive

Maximum growth/
minimum income exposures

- Growth Assets: 100%
- Income Assets: 0%

The fund will only invest in shares we view as being attractively valued and which may offer superior long-term investment growth.

The fund's share selection is the result of rigorous international research conducted by Coronation's investment team.

While we have a disciplined approach to reducing risk, shares can be volatile investments and there is a meaningful risk of capital loss over the short term. Emerging markets are generally viewed as more risky than developed markets. Global currency movements may intensify investment gains or declines.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The fund is managed to deliver the best possible returns over the long term; an investment horizon of 10 years or more is therefore ideal. It is not suitable as a single investment for investors who need to preserve their capital over five years or less.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who are building wealth, and who

- are comfortable with full exposure to shares in emerging markets;
- accept that the fund may underperform the market significantly in the short term in pursuit of superior long-term gains;
- hold other investments and are looking for exposure to emerging markets;
- do not require an income from their investment.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 0.95% is payable.

The full annual fee is collected in the master fund. Fund expenses that are incurred in the fund include administrative, trading, custody and audit charges. All performance information is disclosed after deducting all fees and other portfolio costs.

We do not charge any fees to access or withdraw from the fund.

More detail is available on www.coronation.com.

WHO ARE THE FUND MANAGERS?

GAVIN JOUBERT
BBusSc, CA (SA), CFA

SUHAIL SULEMAN
BBusSC, CFA

IAKOVOS MEKIOS
Ptychion (BSc), MIA, IMC, 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	22 August 2024
Benchmark	MSCI Emerging Markets Index
ASISA Fund Category	Global – Equity – General
Income Distribution	Annually (March)
Bloomberg Code	COGEM SJ
ISIN Code	ZAE000337176
JSE Code	COGEM
Base Currency	ZAR
Exchange	JSE

CORONATION GLOBAL EMERGING MARKETS PRESCIENT FEEDER AMETF

CORONATION
TRUST IS EARNED™

As at 31 March 2025

ASISA Fund Category	Global - Equity - General
Launch date	22 August 2024
Fund size	R194.79 Million
NAV	1047.02 cents
Benchmark	MSCI Emerging Markets Index
Portfolio manager/s	Gavin Joubert, Suhail Suleman and Iakovos Mekios
Number of units	18 617 367 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 GEOGRAPHIC EXPOSURE

Country	31 Mar 2025
Equities	**99.8%**
China	25.5%
Brazil	14.2%
South Korea	12.0%
Singapore	7.7%
India	7.6%
Taiwan	6.4%
South Africa	4.5%
France	3.3%
Indonesia	2.9%
Hong Kong	2.6%
Other	13.0%
Cash	**0.2%**
USD	0.2%
Other	0.0%

TOP 10 HOLDINGS

As at 31 Mar 2025	% of Fund
Tsmc (Taiwan)	4.8%
Nu Holdings (Brazil)	4.5%
Coupang (South Korea)	4.4%
Mercado Libre (Brazil)	4.2%
Jd.com (China)	4.1%
Prosus (China)	4.1%
Sea (Singapore)	4.0%
Hdfc Bank Limited (India)	3.7%
Grab Holdings (Singapore)	3.7%
Airbus Group Se (France)	3.3%

SECTORAL EXPOSURE

As at 31 Mar 2025	Fund
Consumer Discretionary	41.0%
Financials	19.0%
Industrials	12.1%
Information Technology	11.9%
Communication Services	6.6%
Consumer Staples	4.2%
Energy	3.2%
Materials	1.7%
Cash	0.3%

INCOME DISTRIBUTIONS

Not available - New fund

TER's not yet available. Please refer to page 4 for more information.

Issue date: 2025/04/24

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

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.

The Fund returned 2.9% during the first quarter of 2025, which was in line with the return of the benchmark MSCI Global Emerging Markets (Net) Total Return Index. Over the past three years, the Fund has now returned 2.6% p.a., comfortably ahead of the 1.4% p.a. return of the benchmark. We remain committed to improving the five- and 10-year relative returns, both of which are below the market return. Since its inception in July 2008, the Fund has outperformed the benchmark by 0.2% p.a.

The sell-off in technology, and specifically semiconductor stocks, was the big theme in global markets in the quarter (and has continued post quarter-end), and with the Fund being 4.5% underweight TSMC relative to its 10% benchmark weight, the -16% return from TSMC in the quarter ended up being the biggest contributor to the Fund's outperformance in Q1 (0.9% positive relative contribution). We have made the point a few times that whilst we believe that TSMC is a great company and its role in keeping the world going is indispensable (no one else can make the high-end chips that go into all the advanced electronics the world uses), a 5-6% position (as opposed to an 'overweight' 10-12% position) was appropriate given TSMC's valuation, other opportunities in Emerging Markets, and the geopolitical risk of having 95% of its production based in Taiwan (including almost all the high-end chips). Historically, TSMC's stellar share price performance has cost the Fund relative performance (-1.5% in 2024 as an example), but the sharp decline so far this year has now benefited the Fund on a relative basis. With TSMC at the time of writing down 30% YTD and trading on 13x this year's earnings, we have been slowly adding to the position.

The second largest contributor to relative performance was SEA Limited (SEA), which returned 23% and provided 0.7% of outperformance. SEA reported great results for 2024, and this, together with raised guidance for 2025, was a big driver of the upward movement in the share price. For the year as a whole, revenue was up 29% on 2023, but in the fourth quarter of 2024, revenue growth had accelerated to 37% year on year (YoY).

Most pleasingly, having been in the "loss-making" categorisation of the Fund from the time it was first bought, SEA has now graduated into the profitable camp with all divisions making a positive EBITDA (Earnings Before Interest, Tax, Depreciation & Amortisation) contribution and net income being positive for the last three quarters as well as for 2024 as a whole. For 2025, SEA management has guided to around 20% growth in Gross Merchandise Value (GMV) in ecommerce, and after some time of heavy pressure in their Digital Entertainment (gaming) business (the cash cow that has funded all their other ventures), they have guided to double-digit revenue growth there. At the end of March, SEA was a 4% position in the Fund.

Other material positive contributors were MercadoLibre (MELI; 15% return, 0.6% positive contribution), JD.com (18% return, 0.5% contribution) and Tencent Music Entertainment (26% return, 0.5% contribution). In the case of MELI, the positive share price movement was a reversal of what we saw in the fourth quarter, with the Brazilian real strengthening (Brazil is its most important market) and Argentina continuing its stabilisation programme under the Milei government. In the fourth quarter, MELI saw revenue grow 37% YoY, with Brazil up 38% and Mexico up 43% (both YoY). Net income for the quarter was almost 4 times higher than that of the comparable quarter in 2023. MELI continues to grow its market share in a growing market despite its already large size. Its years of investment into growing its ecosystem of sellers as well as improving its logistics and fulfilment capabilities (getting packages to buyers) have seen its market share increase to 42%. SEA's competing Shopee operation has also grown its market share strongly in Brazil and is now the number two player, having overtaken Magazine Luiza.

The biggest detractor in the period was Alibaba, which the Fund does not own but is now, after a 55% upward move in the quarter, a 3.3% weight in the benchmark. This underweight cost the Fund 1.2% relative performance. There are a few reasons why we haven't owned Alibaba (the Fund sold out of Alibaba in mid-2022), but the short summary is that, firstly, the Fund already has positions in JD.com and Pinduoduo (both China ecommerce) and from a portfolio risk point of view, we wish to limit overall Fund exposure to any one sector in a single country. Secondly, Alibaba has bled ecommerce market share to JD.com and Pinduoduo, as well as the live streaming companies like ByteDance. Having been highly dominant with 90% market share a decade ago, Alibaba now has less than 40% share of a much larger market. Alibaba has derated massively over time as its growth slowed and it spent more and more on its cloud and other divisions, and the decision not to own it has largely been correct. It is, therefore, important to understand what changed in such a short period of time to warrant a 55% move in the share price.

In our view, there are two main developments. Firstly, the Chinese government appears to be far more positively predisposed to Alibaba and the private sector in general. We have previously discussed the broader evolution in thinking by the government to the private sector as the Chinese economy has slowed, but in Alibaba's case, the rehabilitation of the founder Jack Ma is a significant positive development – he appeared onstage with China's president at a high profile government event in mid-February, having become almost invisible since their financial services arm Ant Financial had its high profile initial public offering pulled by authorities in 2021. The second main development was the announcement by China-based DeepSeek that they had produced AI models on par with those of Open AI in the US at a fraction of the cost. This set off a scramble for AI investment in China, and in Alibaba's results release in February, it was announced that they would be spending RMB380bn (about $50bn) in capex on the cloud segment over the next few years. This announcement is largely what drove the increase in the share price. Although there is potentially significant opportunity in Alibaba, we are a bit more circumspect on the company's long-term moat in AI. China's state-owned entities have invested heavily in cloud infrastructure, as have private sector entities like Baidu and Tencent. It is, therefore, far from certain that the heavy spending announced on cloud capex will generate meaningful financial returns for shareholders. The deeper issues with market share losses to better operators in ecommerce remain unchanged. We, therefore, retain our existing exposures to China ecommerce via JD.com (4.1% of Fund) and Pinduoduo (1.7% of Fund).

The Turkish hard discount retailer BIM returned -19% in the quarter and cost 0.6% of performance. Most of this move took place in mid-March when Turkey's flawed democratic credentials were worsened by the arrest of the country's leading opposition politician, the Istanbul mayor, who was about to be nominated by his party as their next candidate to take on the current president, Recep Tayyip Erdogan. The charges against the mayor are widely believed to be false and aimed at keeping him from challenging the incumbent, who has led the country in some form or another for over 20 years. The stock market and currency both fell sharply but subsequently recovered some of their losses.

We do not believe these negative political developments materially alter the long-term value of BIM. Historically, periods of currency weakness and high inflation have benefited this business as its value proposition becomes even more compelling in times of hardship. Our main concern has always been that unorthodox monetary policy destroys the value of the currency since we seek market-beating returns in dollars from the investments in the Fund, and from this perspective, the monetary authorities have stuck to high interest rates to bring down inflation and protect the currency.

This ended up being a reasonably busy quarter in terms of new buys and sells. This is to be expected in a volatile market where opportunities are constantly evolving. In India, the Fund bought the two leading food delivery companies, which effectively operate as a duopoly: Zomato (a previous holding that was sold) and Swiggy, a new listing that is part-owned by Prosus. These two businesses are now collectively 1.2% of Fund. Our thinking on the opportunity for these two stocks has evolved over time as we have come to appreciate that their addressable market is much wider than just food delivery. India is the third largest grocery market in the world, and 95% of it is informal, with small "kirana" stores (unbranded traditional convenience) dominating the sector. Less than 1% of sales are via ecommerce. The market opportunity here for Zomato and Swiggy is unparalleled, and they offer better selection and prices already, with the potential to take a significant portion of this market online.

With continued good execution, there is no reason why quick commerce cannot get to 5% market share within the next five years (from 0.3% in 2024), which implies one percentage point in annual market share gains in an overall market that is also growing strongly. Zomato and Swiggy are in a strong position to capture a large share of this, and together with their lead in food delivery, we believe they offer compelling long-term upside.

Partly as a hedge against heightened volatility and strained geopolitics (Russia/Ukraine, the Middle East, US tariffs, China/Taiwan), we bought AngloGold back into the Fund (having previously owned it for a long period) and the purchases, together with strong share price performance, meant this was a 1.7% position by quarter end. Gold mining stocks are often very frustrating investments – one doesn't always get the full benefit of higher gold prices feeding through to stock returns, but we believe AngloGold has ample self-help opportunities, and the position brings some valuable diversification to an investment portfolio given that AngloGold's earnings are geared towards changes in gold prices (the cost of digging the gold out of the ground doesn't change significantly in the short term, but earnings can swing wildly up or down with gold price moves). At spot gold prices of around $3 100 an ounce, AngloGold is trading on 6x forward earnings and offers a 5% dividend yield. Even at a gold price of $2 500, AngloGold is still attractive.

Other new buys included New Oriental Education (0.9% at quarter-end), Galaxy Entertainment (Macau gaming; 0.7% at quarter end) and TBC Bank in Georgia (0.6% at quarter-end). To fund the buys several names were sold, with the most material sales to zero being ICICI Bank in India (1.4% at the start of the period, got closer to fair value), Samsung Electronics (1.1%, due to concerns over execution) and Yum China (1.0%, close to fair value).

We remain very positive about the long-term prospects for the Fund, with the upside at 90% at the time of writing in early April and the potential return (IRR) of 22% p.a., which are well above the long-term averages.

Assessing the impact of tariffs on Fund holdings

At the time of publication, there is extreme market volatility driven by the ever-changing situation regarding the "reciprocal" tariffs the US has proposed to implement against the rest of the world. These were then delayed for 90 days, except for China, but the new standard 10% rate remains across the board for other countries. We can take no definitive long-term view on where these tariffs end up, but for now, it does look like China will be more affected than anyone else out of the major exporters to the US. Tariffs are unlikely to deliver on their stated goal of returning large-scale manufacturing to the US, particularly of low-value-added consumer goods. The economics of producing these goods in the US, where labour costs in manufacturing are 4- 20x higher than in emerging markets, means that such goods will always be far more expensive to produce in the US than elsewhere. For China, because it is more affected, we have carefully assessed the impact of tariffs on each of the Chinese holdings in the Fund. China's exports to the US make up less than 3% of its GDP. This is meaningful, but manageable. There is very little direct exposure to US trade within the Chinese holdings in the Fund, most of which are fully domestic operations, with the few stocks with large non-China exposure mostly exporting to, or operating in, the rest of Asia and/ or Europe.

Portfolio managers
Gavin Joubert, Suhail Suleman and Iakovos Mekios
as at 31 March 2025

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION GLOBAL EMERGING MARKETS 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 MSCI Emerging Markets Index.

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

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.

The fund has adhered to it's policy objective.