CORONATION GLOBAL OPTIMUM GROWTH PRESCIENT FEEDER AMETF

Fund Information as at 31 October 2024

CORONATION
TRUST IS EARNED™

WHAT IS THE FUND'S OBJECTIVE?

The fund aims to maximise long-term investment growth by investing in a globally diversified portfolio with exposure to both developed and emerging markets across multiple asset classes. Our intent is to provide competitive after inflation returns over all five-year periods.

WHAT DOES THE FUND INVEST IN?

The fund will normally have a significant bias towards shares, but can invest in a variety of assets including listed property, bonds and cash. The fund has a flexible mandate and can invest in any combination of developed economies (including the US, Europe and Japan), South African assets and other emerging market assets.

The fund will vary exposure to South African, developed and emerging market assets based on where the most attractive valuations are available. We expect the fund to have the majority of its assets invested in global equities over time. Its exposure will be in a variety of currencies, primarily the US dollar, British pound, euro and yen.

The fund may use exchange traded funds and other financial instruments (eg. derivatives) to implement specific investment views.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile

7/10
Aggressive

Maximum growth/ minimum income exposures

Growth Assets: 100%
Income Assets: 0%

The fund aims to achieve the best possible long-term growth for investors.

Consequently, it will have a sizeable exposure to shares, which typically offer the best returns over the long run.

The fund will only invest in assets we view as being attractively valued and that could offer strong long-term investment growth. The fund's share selection is the result of rigorous international research conducted by Coronation's investment team.

While shares typically offer superior long-term returns, this comes with higher levels of risk and volatility. We have a disciplined approach to reducing risk, but shares can be volatile investments and may suffer capital losses over the short term. Global currency movements may intensify investment gains or declines.

This feeder fund aims to remain fully invested in units in the Global Optimum Growth 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 ten years is recommended.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who are building wealth, and who

- are looking for the best growth opportunities available in both developed and emerging markets and accept the possibility of volatility and the risk of short-term losses;
- are comfortable with allowing Coronation a wide degree of discretion, in allowing us to make both the asset and geographical allocation decisions;
- require investment growth over the long term and accept the possibility of volatility and the risk of short-term losses;
- 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 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

MARC TALPERT
BAccSc, HDipAcc, CA (SA), 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	Composite: 35% MSCI World, 35% MSCI EM, 30% BGBA
ASISA Fund Category	Global – Multi-asset – Flexible
Income Distribution	Annually (March)
Bloomberg Code	COOPTI SJ
ISIN Code	ZAE000337119
JSE Code	COOPTI
Base Currency	ZAR
Exchange	JSE

CORONATION GLOBAL OPTIMUM GROWTH PRESCIENT FEEDER AMETF

As at 31 October 2024

CORONATION

TRUST IS EARNED™

ASISA Fund category	Global - Multi Asset - Flexible
Launch date	22 August 2024
Fund size	R56.32 Million
NAV	1016.30 cents
Benchmark	Composite: 35% MSCI World, 35% MSCI EM, 30% BGBA
Portfolio manager/s	Gavin Joubert and Marc Talpert
Number of units	5541750 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 Oct 2024
Equities	**77.2%**
Asia	32.6%
North America	21.0%
Europe	17.8%
Latin American	4.9%
South Africa	0.9%
Real Estate	**0.5%**
Europe	0.2%
Latin American	0.2%
South Africa	0.1%
Bonds	**13.0%**
South Africa	7.6%
Europe	5.2%
North America	0.3%
Cash	**9.3%**
ZAR	7.1%
Other	1.4%
USD	0.8%

TOP 10 HOLDINGS

As at 30 Sep 2024	% of Fund
Prosus Nv	3.4%
Delivery Hero	3.1%
Jd.com	2.9%
Airbus Group Se	2.6%
Pdd Holdings	2.6%
Lpl Financial	2.3%
Tsmc	2.2%
Elevance Health	2.1%
Canadian Pacific Kansas City	2.1%
Aia Group	2.1%

INCOME DISTRIBUTIONS

Not available - New fund

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

Issue date: 2024/11/14

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

CORONATION GLOBAL OPTIMUM GROWTH PRESCIENT FEEDER AMETF

Quarterly Portfolio Manager Commentary

CORONATION
TRUST IS EARNED™

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

Performance

The Fund increased by 3.8% in ZAR in the third quarter of 2024 (Q3-24). Global markets continued to exhibit strength in the quarter, with the MSCI World Index up 6% in USD but interestingly the MSCI Emerging Markets Index was up 9% in USD, a notable change from the past. A large driver of this was a sudden and rapid rally in Chinese assets driven by government stimulus announcements which resulted in the Hang Seng increasing 22% in USD in the quarter, and taking its YTD return to 30% compared to the MSCI World Index delivering a 19% USD over the same period. This is obviously a short time frame, and the key question is whether the rally can be sustained. However, considering the very low starting valuations in China and a Chinese government that appears concerned about the weakness in the economy, there is a probability that this rally has some legs but, most likely, not without volatility along the way. It was also encouraging to see returns from a much broader array of assets this quarter which, again, is quite different to the more recent past.

After a tough performance period for the Fund in 2022, it has been encouraging to see a strong performance come through, with the Fund delivering an annualised return of 21% in USD over the past two years. This has started to filter into some of the longer-term numbers, but we still remain unsatisfied with the medium-term performance of the Fund. In this regard, we remain excited about the Fund's future prospects – the weighted average equity upside of the Fund is currently 53%, which remains compelling. Beyond this, the weighted equity five-year expected IRR (internal rate of return) is 19% and weighted equity FCF (free cash flow) yield for stocks owned is ~5%. Over the past five years, the Fund has generated a positive return of 7.0% per annum (p.a.), over 10 years a return of 8.7% p.a. and, since inception more than 24 years ago, 12.8% p.a.

During the quarter the largest positive contributors were Delivery Hero (+62%, 1.3% positive impact), JD.com (+54%, 1% positive impact), South African government bonds (+12%, 0.9% positive impact) and Naspers/Prosus (+17%, 0.5% positive impact). The largest negative contributors were Sendas (-30%, 0.4% negative impact), ASML (-23%, 0.4% negative impact) and Brava Energia (-38%, 0.4% negative impact).

While it was pleasing to see a rally in Chinese assets, including those owned by the Fund, the underlying valuations of many Chinese assets remain attractive – to illustrate the point, below are the five biggest Chinese positions which represent just under 90% of our total Chinese asset exposure (in total now 14% of Fund) – as can be seen the prospective IRRs (five-year earnings growth + annual dividend yield, adjusted for a rerating/derating) remain high notwithstanding the rally.

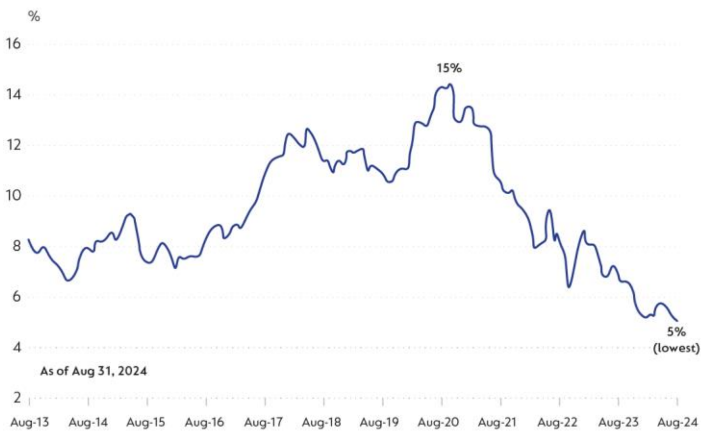
GLOBAL OPTIMUM GROWTH CHINA EXPOSURE

Stock	Expected 5-year IRR	Position size
Prosus/Naspers	24.9%	3.6%
JD.com	19.6%	2.9%
PDD Holdings	22.5%	2.6%
Melco Resorts	42.7%	2.0%
Li Ning	26.8%	1.5%

Source: Coronation

Global fund positioning to Chinese assets is also much lower than in the past and time will tell if this is the new normal or if appetite for these cheap assets garners more interest overtime notwithstanding the risks which are still very much part of investing in China.

CHINA ALLOCATIONS IN ACTIVE FUNDS GLOBALLY



Source: GIR EM Weekly Fund Flows Monitor, 27 Sept 2024
(includes GEM, AEJ, Global & Global ex-US funds, AUM: US$1.1tn)

Fund positioning

Whilst the Fund has ~14% exposure to Chinese assets, there remain many compelling opportunities outside of China – so while three of the Fund's top 10 positions are Chinese assets, there are other several very attractive positions held, with exposure to a diverse set of industries and geographies which should deliver compelling future returns.

GLOBAL OPTIMUM GROWTH EX-CHINA EXPOSURE

Stock	Expected 5-year IRR	Position size	Industry
Delivery Hero	19.1%	3.0%	Food delivery
Airbus	17.9%	2.6%	Aerospace
LPL Financial	19.0%	2.3%	US financials
TSMC	13.2%	2.2%	Semi conductors
Elevance Health	22.4%	2.1%	US healthcare
Canadian Pacific	14.3%	2.1%	NA railroads
AIA	10.0%	2.1%	Insurance

Source: Coronation

Considering the attractive and diverse equities on offer, the Fund ended the quarter with 79% net equity exposure, similar to the prior quarter. The Fund also has put option protection equating to 3% of Fund effective exposure spread across a range of indexes (US, Europe, and EM).

Bond markets performed better this past quarter but as the pace and extent of interest rate cutting across the developed world continues to be uncertain, volatility in these markets should persist, with rate cutting expectations being tempered due to recent robust jobs data coming out of the US. The Fund continues to hold a sizeable bond exposure which now sits at just under 13% at the time of writing, split between sovereign and corporate bonds. The South African 10-year government bonds purchased last quarter still represent ~8.4% of Fund at the time of writing. South African government bonds continued their rally, but the 10-year bond still yields just under 11%. Our view on the South African fiscal situation has evolved and became more positive, notwithstanding the deep-rooted problems the country still faces. What is encouraging, though, is a continued commitment to structural reforms post the election, and what seems like a fairly well-functioning coalition government. The fiscal position of South Africa is by no means solved, but the direction of travel appears to be more positive today and thus, notwithstanding the continued fiscal risks, we believe the current yield of the bonds purchased more than compensate you for these risks. Outside of the South African sovereign bonds held we continue to hold a collection of foreign corporate credit, which in aggregate is providing us with a weighted yield in hard currencies of just under 7% that remains attractive. We have limited exposure to real estate, with the balance of the Fund invested in cash, largely offshore.

The most notable increase in position sizes during the quarter was Coupang.

Coupang is an ecommerce retailer with a growing ecosystem beyond just ecommerce, based in South Korea. The business was founded by Bom Suk Kim who remains the CEO and driving force behind the business. Since its founding in 2010, the management team has executed superbly and now command just under 30% ecommerce market share. We expect their market share to continue to increase due to the excellent customer value proposition and they have also developed the second biggest food delivery business in South Korea, leveraging their ecosystem and loyal customers who are highly engaged. Beyond South Korea, Coupang is building a business in Taiwan that could be material over time, especially considering that Taiwanese ecommerce penetration is significantly lower than in South Korea, which provides natural market growth tailwinds for a strong executor to take advantage of. The business has begun an inflection towards profitability as the scale of the business becomes evident and they realise operational leverage from many years of foundational investment. Considering this, the business trades on a 22 times 2026 multiple which embeds an EBIT margin that is still well below normal. Earnings growth beyond 2026 should thus remain in the mid-30% range, leading to a rapid unwinding of this multiple.

Outlook

The first nine months of 2024 has been a general exuberant period for global markets, but it is encouraging to see the contributors to these returns becoming broader based. We remain excited about the prospects of the Fund against this backdrop as we continue to uncover and own attractive stocks and bonds, and whilst at times asset prices and their underlying fundamentals detach, they generally align long term. Things can change quickly as evidenced by the Chinese market rally and thus our focus remains on uncovering attractively-priced assets versus trying to time markets – a core principle of Coronation and how the Fund has been run since its inception nearly 25 years ago.

Portfolio managers
Gavin Joubert and Marc Talpert
as at 30 September 2024

CORONATION GLOBAL OPTIMUM GROWTH PRESCIENT FEEDER AMETF

CORONATION
TRUST IS EARNED™

Important Information

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION GLOBAL OPTIMUM GROWTH 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 a composite: 35% MSCI World Index, 35% MSCI Emerging Markets Index, 30% Bloomberg Global Bond Aggregate Index Unhedged.

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 objectives.