CORONATION GLOBAL EMERGING MARKETS FUND

Fund Information as at 31 January 2021

CORONATION
TRUST IS EARNED™

WHAT IS THE FUND'S OBJECTIVE?

The Global Emerging Markets Fund aims to give investors access to the best opportunities in emerging equity markets. The fund actively seeks out undervalued 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 will be fully invested in shares at all times. The fund is mandated to use derivative instruments for efficient portfolio management purposes.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Global Emerging Markets 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 ten 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 1.40% is payable.

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

GENERAL FUND INFORMATION

Fund Launch Date	14 July 2008
Class	B
Class Type	Accumulation
Class Launch Date	5 May 2011
Fund Domicile	Ireland
Morningstar Fund Category	Global Emerging Markets – Equity
Currency	US Dollar
Benchmark	MSCI Emerging Markets Index
Investment Minimum	US$15 000
Bloomberg	CORGEMB
ISIN	IE00B553TV27
SEDOL	B553TV2

CORONATION GLOBAL EMERGING MARKETS FUND

CORONATION

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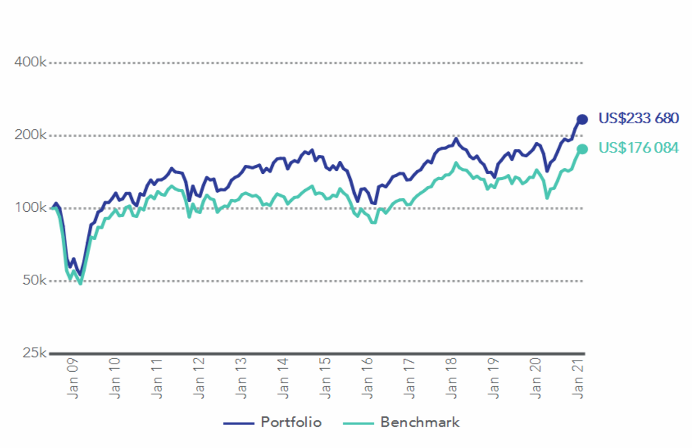
CLASS B as at 31 January 2021

Launch date	14 July 2008
Fund size	US$ 1.47 billion
NAV	16.92
Benchmark/Performance Fee Hurdle	MSCI Emerging Markets Index
Portfolio manager/s	Gavin Joubert and Suhail Suleman

	1 Year	3 Year
Total Expense Ratio	1.34%	1.30%
Fee for performance in line with benchmark	1.33%	1.26%
Adjusted for out/(under)-performance	(0.08)%	(0.06)%
Fund expenses	0.09%	0.10%
VAT	0.00%	0.00%
Transaction costs (inc. VAT)	0.16%	0.17%
Total Investment Charge	1.50%	1.47%

PERFORMANCE AND RISK STATISTICS

GROWTH OF A US$100,000 INVESTMENT (AFTER FEES)



PORTFOLIO DETAIL

EFFECTIVE GEOGRAPHIC EXPOSURE

Country	31 Jan 2021
Equities	**98.91%**
China	35.40%
South Africa	9.13%
India	8.49%
South Korea	7.65%
Russian Federation	7.31%
Brazil	5.24%
United Kingdom	4.06%
Taiwan Province Of China	3.99%
Mexico	3.62%
France	3.05%
Other	10.95%
Cash	**1.09%**
USD	0.97%
ZAR	0.23%
Other	(0.11)%

PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	133.68%	76.08%	57.60%
Since Launch (annualised)	6.98%	4.60%	2.38%
Latest 10 years (annualised)	5.92%	4.40%	1.52%
Latest 5 years (annualised)	17.22%	15.03%	2.20%
Latest 3 years (annualised)	6.24%	4.42%	1.81%
Latest 1 year	28.34%	27.90%	0.44%
Year to date	2.19%	3.07%	(0.87)%

TOP 10 HOLDINGS

As at 31 Jan 2021	% of Fund
Naspers Ltd (South Africa)	8.02%
Jd.com Inc Adr (China)	6.46%
Alibaba Group Holding (China)	6.27%
Samsung (South Korea)	3.66%
Netease.com Inc (China)	3.37%
Housing Dev Finance Corp (India)	3.21%
Magnit Ojsc-spon (Russian Federation)	2.83%
Taiwan Semiconductor Man (Taiwan Province Of China)	2.73%
Ping An Insurance Group Co (China)	2.58%
Naver Corp (South Korea)	2.58%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	23.6%	21.7%
Sharpe Ratio	0.27	0.19
Maximum Gain	99.4%	56.3%
Maximum Drawdown	(49.5)%	(51.4)%
Positive Months	57.6%	55.0%
	Fund	**Date Range**
Highest annual return	106.2%	Mar 2009 - Feb 2010
Lowest annual return	(33.6%)	Sep 2014 - Aug 2015

SECTORAL EXPOSURE

As at 31 Jan 2021	Fund
Consumer Discretionary	36.93%
Consumer Staples	25.09%
Financials	12.49%
Communication Services	11.93%
Information Technology	10.62%
Industrials	0.96%
Health Care	0.47%
Materials	0.32%
Cash	1.20%

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2021	2.2%												**2.2%**
Fund 2020	(2.0)%	(7.4)%	(15.4)%	8.7%	3.0%	7.6%	8.5%	4.0%	(1.7)%	1.6%	10.7%	6.6%	**23.1%**
Fund 2019	13.6%	3.6%	4.5%	2.6%	(6.0)%	8.7%	0.0%	(3.9)%	(1.0)%	3.0%	3.2%	5.9%	**38.2%**

Issue date: 2021/02/09

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 retail class of the fund.

The Coronation Global Emerging Markets Fund returned 20.0% during the final quarter of 2020 (Q4-20), 0.3% ahead of the 19.7% return of the benchmark MSCI Global Emerging Markets Total Return Index. For the year as a whole, the Fund returned 23.1%, outperforming the market by 4.8%. It is pleasing for us that the Fund has followed up its best-ever year of relative returns (outperformance of the market was 19.8% in 2019) with another year of strong outperformance. Over more meaningful long-term periods, the Fund has also outperformed materially; by 1.7% per annum (p.a) over five years, 1.9% p.a over 10 years and by 2.5% p.a since inception just over 12 years ago.

Given how tumultuous 2020 was, it seems scarcely conceivable that the market return was so positive for the year. The scale of disruption to human life was unprecedented in modern times outside of periods of war. Despite the emergence of more highly transmissible versions of Covid-19, we enter 2021 with hope on the horizon for a return to something akin to normal by year end if the world is able to roll out vaccines and cover the bulk of the vulnerable population (the elderly and those with conditions that increase their risk of severe outcomes if infected).

In the quarter under review, the biggest contributor to outperformance was HDFC (the Housing Development Finance Corporation). HDFC returned 48%, contributing 83 basis points (bps) to alpha. Earlier in 2020, HDFC had declined by 40% from pre-pandemic levels as India shut the economy down completely in one of the harshest lockdowns seen anywhere in the world. While most financial services could operate digitally during the lockdown, mortgages have a legal requirement to be signed in person on a physical piece of paper. With HDFC being unable to open their offices during the second quarter, loan origination plummeted. The large decline in HDFC's share price didn't make sense to us. Aside from being clearly driven by temporary factors, the mortgage business makes up less than half of HDFC's valuation, with the balance of value being its stake in the country's largest private sector bank (HDFC Bank), a life assurer and asset manager (all listed). None of these were as badly impacted by the lockdown, implying that the market was writing down the mortgage business to a fraction of its former value. As the year wore on, volumes returned to normal and now, despite many localised restrictions, loan volumes are back to 90% of pre-pandemic levels. The worst fears of large-scale defaults and people taking advantage of moratoria mandated by the Reserve Bank of India have also proven to be overblown and, as a result, HDFC's share price has recovered strongly.

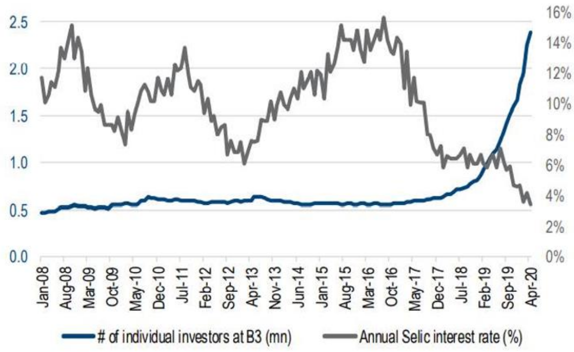
The next largest contributor to performance was pan-Latin-American ecommerce retailer MercadoLibre, up 54% for 61bps contribution. We wrote extensively about MercadoLibre in our commentary for the second quarter of 2020 and the reasons for the strong share price performance can be put down to operational results far in excess of our (already very positive) expectations. In the third-quarter results released in November, MercadoLibre saw gross merchandise volume and items sold on their marketplace more than double year-on-year. Their payments business MercadoPago also saw growth in excess of 100%, both on their network (people using their payment system to buy things on their websites) and off their network (people using MercadoPago at other retailers).

Other material positive contributors were Tencent (up 'only' 10%, so the zero weighting in the Fund contributed 56bps of alpha), Wuliangye Yibin (up 37% for 49bps alpha), and HDFC Bank, which makes up roughly 40% of HDFC's sum of the parts valuation (up 45% for 45bps contribution).

On the negative side, the largest three detractors were all due to underweights or zero weights. Although Samsung is now a 3.5% position in the Fund, we are underweight the benchmark and Samsung's 50% return in the quarter cost 47bps of alpha. We neither own Pinduoduo (a group-buying-themed eCommerce retailer in China) nor NIO (best described as China's Tesla), and both of these stocks more than doubled in the quarter, costing the Fund 42bps and 40bps of alpha respectively. Three other detractors of around 35bps each were Naspers, X5 and NetEase, all of which had positive returns in the quarter but lagged the 19.7% return of the index and therefore detracted from performance somewhat.

The biggest moves in position size for the quarter in existing holdings were in the two eCommerce players Alibaba (70bps decline in position size) and JD.com (93bps increase in position size). In the case of the former, the decline in the share price of 20% during Q4-20 was the primary driver of the reduced exposure. Alibaba suffered the fallout of the failed initial public offering of its financial services affiliate Ant Financial, as well as increased regulatory scrutiny of its operational practices by the antitrust authorities. We added slightly to the position, since Ant Financial makes up less than one fifth of our look-through valuation, but this buying was not enough to offset the impact of the share price decline. In the case of JD.com, continued great operational results, coupled with the share lagging the market, resulted in us buying more to increase the position further.

There were four new buys in the quarter, only one of which has been previously held in the Fund. Not coincidentally, this buy, the Brazilian stock and commodity exchange Brasil Bolsa Balcao (B3), was the largest of the buys and reached a 73bps position by year-end. We have covered B3 since 2008 (when it was known as Bovespa) and have owned it before. Over time, the company has evolved through mergers with complementary businesses that have established a 'moat' around its overall offering that is now exceptionally difficult to overcome. In its current form, B3 comprises an exchange for the trading of equities, as well as fixed income, currency contracts, over-the-counter derivatives and a lien system that assists with credit provision and the registration of loans. Brazil historically ran very high nominal and real interest rates, a legacy of the country's long fight against inflation, which culminated in the 'real plan' of 1994 that ended hyperinflation. The very high real interest rates made fixed income the investment of choice for domestic investors, to the extent that equity investment was not particularly attractive (why take equity risk when you can earn 5-8% real returns at very low risk?). As Brazil's economy has stagnated, and as central banks around the world slashed rates to boost economies in response to Covid-19, interest rates have declined to record lows in Brazil and investors have been drawn to equities in search of returns, as illustrated below.



Source: B3 Investor Relations, Central Bank of Brazil, BTG Pactual Research

We do not believe this is a once-off move, but rather a structural trend in the country as its financial system evolves toward what is found in other parts of the world. Equities comprise less than 10% of individuals' investment portfolios in Brazil, which is only half the level of neighbouring Colombia, a country with a far less developed financial system. In the US, for example, the figure is in the mid-30s. Brazilian mutual funds have, in aggregate, only 10% exposure to equities and, for pension funds, barely 20%. Volatility, of which there is plenty right now, benefits the derivatives business and lower interest rates benefit loan provision, which uses B3's infrastructure services. All these suggest many years of strong revenue growth and, with a large portion of B3's costs being fixed in nature, profits are likely to grow far in excess of turnover. In the results published after the end of the third quarter, for example, operating profits grew by 79% for the first nine months of 2020 on the back of a 41% increase in revenue over the same period. Our assessment of fair value for B3 has increased materially as the business and market have evolved and this, coupled with a 20% fall in the share price after a July peak, prompted us to start buying in November.

The next largest new buy was Youdao (54bps position at year-end). Youdao is majority owned by NetEase (3.0% of the Fund) and offers a variety of online education services catering to both adults (foreign languages, professional certification) and primary and secondary school students (K12). Their key selling point is personalised learning, with courses adapting to the progress and strengths and weaknesses of students. They have also launched some innovative hardware solutions such as a dictionary pen that simultaneously translates text as the user scans over it. Youdao aims to offer many of the benefits of offline/in-class tutoring online by combining good teachers with their technology. Already there are over 100 million monthly active users of their various services and they are spending heavily to convert these into students of their online courses. The association with NetEase provides a structural advantage in customer acquisition and their hardware sales should convert into more students over time, in our view. Profits are therefore depressed in the short term, but, as spending declines and revenue grows strongly, Youdao is likely to be very profitable and highly cash generative, in our view.

The Fund also purchased a 50bps position in Walmart de México y Centroamérica (Walmex), a majority-owned but separately listed subsidiary of the Walmart group that operates across Mexico and Central America. We started researching and following Walmex in detail back in 2010 and have met the company many times over the years, always being impressed by the business, but this is the first time it has been bought into the Fund, as valuation has never been on our side. Its various formats ranging from bodegas to Sam's Club (a members-only bulk-buying club), plus its status as an eCommerce operator in Mexico to rival Amazon and MercadoLibre, make it a very attractive business with a presence in all aspects of retail in the region. Walmex's share price has barely moved in dollars over the last ten years, even though its intrinsic value has consistently increased, and this combination brought it into buying range for us for the first time.

Our last new buy (40bps) was Taiwanese eCommerce operator Momo.com, which focuses on the business-to-consumer sector. Despite having many of the same drivers of eCommerce that South Korea has (high per capita income, densely populated urban areas, high internet and smartphone penetration), eCommerce penetration in Taiwan is only 12% vs 31% in South Korea. China mainland has 32% eCommerce penetration, partly driven by the very poor retail infrastructure for physical retail. We believe Momo.com will benefit disproportionately from rising eCommerce penetration thanks to its heavy investment in warehousing and logistics – Momo.com has outspent its main competitor PCHome by almost 3x on a like-for-like basis and now has an automated distribution centre near the capital Taipei and 13 satellite warehouses across the island. On delivery, although eCommerce operators in Taiwan outsource to third parties, Momo.com is investing in its own dedicated delivery infrastructure to gradually increase this over time from the 10% of orders being fulfilled directly right now to 20-30% within the next few years. They also aim to get delivery times down to three hours for the capital, which will be far superior to any competitor offering.

Finally, we sold our last remaining exposures in Chinese spirits firm Jiangsu Yanghe (43bps position) and Indonesian broadcaster Media Nusantara (17bps position) to make way for the buys above and, in the case of Jiangsu Yanghe, a very strong run in the share price to in excess of fair value.

Portfolio managers
Gavin Joubert and Suhail Suleman
as at 31 December 2020

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION GLOBAL EMERGING MARKETS FUND

The Global Emerging Markets Fund should be considered a 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 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. Coronation 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. Coronation Global Fund Managers (Ireland) Limited is authorised in Ireland and regulated by the Central Bank of Ireland. The fund is approved under Section 65 of the Collective Investment Schemes Control Act by the Financial Sector Conduct Authority of South Africa. Portfolio managed by Coronation Investment Management International (Pty) Ltd (FSP45646), an authorised financial services provider.

JP Morgan (Ireland) has been appointed as the fund's trustees (www.jpmorgan.com; t: +353-1-612-4000), and its custodian is JP Morgan Administration Services (Ireland) Limited (www.jpmorgan.com; t: +353-1-612-4000). Coronation is a full member of the Association for Savings & Investment SA (ASISA).

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

Unit trusts are traded at ruling prices set on every business day. Fund valuations take place at approximately 17h00 each business day (Irish Time) and forward pricing is used. Instructions must reach Coronation before 12h00 (SA Time) one day prior to the dealing date. You can expect to receive withdrawal payouts three business days after the dealing day. Large investments or redemptions (exceeding 5% of fund value) may be subject to an anti-dilution levy to defray dealing costs and expenses. This levy, where applicable, is applied fully for the benefit 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 B NAV prices. Class A NAV prices were used for the period prior to the launch of Class B. All underlying price and distribution data are 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.

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. 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 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 September 2020 (updated annually). The 3 year TER is for a rolling 36-month period to the last 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 www.coronation.com. You will also find additional information on the considerations pertinent to investing in a fund denominated in a foreign currency and domiciled in an offshore jurisdiction.

IMPORTANT INFORMATION REGARDING TERMS OF USE

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