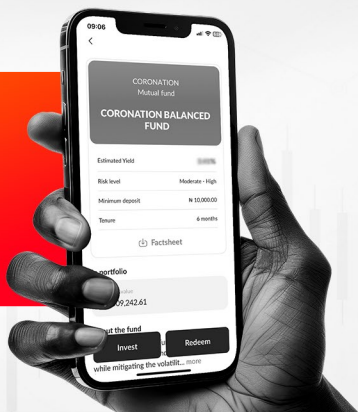


Frequently Asked Questions:

CORONATION BALANCED FUND



1

What is the Coronation Balanced Fund?

The Coronation Balanced Fund is an open-ended mutual fund that invests in a mix of equities, fixed-income securities, and money market instruments. It is designed to generate real returns and long-term capital growth for investors by strategically allocating funds across diverse asset classes in Nigeria.

2

Who should invest in the Coronation Balanced Fund?

The Fund is ideal for investors who:

- Have a medium to long term (6 months – 5 years) investment horizon.
- Are comfortable with some level of market fluctuations in pursuit of higher potential returns.

3

How does the Coronation Balanced Fund work?

The Fund pools capital from multiple investors and is managed by a team of experienced professionals who allocate investments across quoted equities, money market instruments, and fixed-income securities. Investment decisions are guided by strong research, risk management frameworks, and sound portfolio allocation strategies.

4

What are the key risks associated with the Fund?

As with any investment, the Coronation Balanced Fund carries certain risks, including:

- **Equity risk** – Fluctuations in stock prices.
- **Liquidity risk** – Challenges in selling assets quickly at favorable prices.
- **Interest rate risk** – The impact of changing interest rates on bond prices.
- **Credit risk** – The potential default of bond issuers.
- **Currency risk** – Exchange rate fluctuations (if applicable).

We recommend consulting our Investment Advisors to align the Fund with your risk tolerance and financial goals.

5

What factors drive the Fund's performance?

The Coronation Balanced Fund's performance is influenced by:

- Price movements of stocks and fixed-income instruments within the portfolio.
- Dividends earned from equities and interest income from fixed-income securities.
- Capital gains or losses from buying and selling securities.

6

What does the Fund invest in?

The Coronation Balanced Fund invests in:

- Equities of companies listed on the Nigerian Exchange (NGX), the National Association of Securities Dealers market (NASD) and other Alternative Market(s).
- Fixed-income instruments such as FGN Bonds, State Bonds, Sub-national Bonds, and Corporate Bonds.
- Money market securities provide liquidity and risk mitigation.

7

What is the minimum investment amount?

The minimum initial investment is ₦10,000, with additional investments allowed in multiples of ₦5,000.

8

How long should I invest in the Fund?

The recommended minimum holding period is 180 days. Early redemptions before this period will attract a 1.5% processing fee on income earned.

9

Can I choose specific securities to invest in?

No, as a collective investment scheme, the Fund pools all investors' contributions and is managed as a single portfolio. Investors share in the overall returns of the portfolio rather than selecting individual securities.

10

Are investment returns guaranteed?

No, returns are market-driven and reflect the performance of underlying assets. However, the Fund Manager actively seeks to maximise gains while managing risks through a diversified portfolio strategy.

11

How are the returns interpreted?

The returns in the Balanced Fund are calculated on an actual year-to-date basis. For example, if you invest ₦1,000,000.00 at the start of the month and the fund returns 5% by the end of the month, this means that your investment is worth ₦1,050,000.00.

12

How is the Fund's performance benchmarked?

The Fund aims to outperform a weighted average return of the 90-day Nigerian Treasury Bill, 5-year Sovereign Bond, and the NGX 30 Index, as approved by the Securities and Exchange Commission (SEC).

13

What are the costs associated with investing in the Fund?

Operating expenses, including management fees, trustee fees, auditor fees, and custodian fees, will not exceed 5% of the Fund's Net Asset Value (NAV). Performance reports are published net of fees.

14

How can I invest in the Coronation Balanced Fund?

You can invest via:

- **Coronation Wealth App** – The Coronation Wealth App can be downloaded from IOS and Android through the Apple Store and Google Play Store, respectively.
- **Access More App** – Access Bank clients can subscribe through the App.
- **Online portal** – Subscriptions can be completed digitally.
- **Subscription form** – Investors can fill out a physical form to subscribe.
- **Custodian Account:** Onboarded clients can make direct payments to the CORONATION BAL.FD/STANBICIBTC TRUST Account with Citi Bank (0012596077).

15

Can I transfer units of my investment to another person?

No, units in the Fund are non-transferable.

16

Can I use my investment as collateral for a loan?

Yes, units of the Fund can be pledged as collateral, subject to the lending policies of the financial institution providing the loan.

17

Is the Coronation Balanced Fund listed on the Nigerian Exchange Group (NGX)?

No, the Fund is not listed on the NGX, but it is regulated and supervised by the SEC.

