

WHAT IS THE FUND'S OBJECTIVE?

Top 20 aims to outperform the equity market over the long term.

WHAT DOES THE FUND INVEST IN?

The fund's managers actively seek out attractively valued shares that could offer strong long-term growth.

The fund would typically hold shares in a maximum of 20 companies selected from all equities listed on the JSE. Its investments will therefore always be concentrated and limited to shares in large companies listed in South Africa.

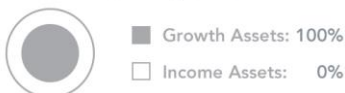
While investments in foreign markets are specifically excluded, the fund can invest in foreign companies that are listed locally. There are no restrictions on how much exposure the fund can have to different sectors (for example, to mining, financial or industrial companies). The fund will remain fully invested in shares at all times. The fund is mandated to use derivative instruments for efficient portfolio management purposes.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile



Maximum growth/ minimum income exposures



The Top 20 Fund focuses on a limited number of shares we believe are attractively valued and offer superior long-term growth, and avoid those shares that we view as least attractive. Consequently, its investment performance will often look very different from that produced by the overall market.

The fund can only invest in shares that are listed in South Africa. As a result, it cannot provide diversification into other asset classes or geographies. While the fund can invest in smaller companies, it is expected to always have an allocation biased towards larger companies.

Shares can be volatile investments and the risk of capital loss over the short term is high. However, given its focus on investing only in attractively valued shares that could offer long-term growth, the fund may preserve capital better than its benchmark over the long run.

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 large companies listed in SA;
- accept that the fund may underperform the market significantly in the short term in pursuit of superior long-term gains;
- are holding Top 20 as one of multiple equity funds in their investment portfolio.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of a minimum of 0.50% and a maximum of 3.00%, depending on the fund's performance, is payable.

If the fund's return (after fees and costs) is equal to that of its benchmark, a fee of 1.00% will be charged. We share in 20% of performance above the benchmark, up to a maximum total annual fee of 3.00%. Performance is measured over a rolling 24-month period.

When the fund return is below the benchmark over a rolling 60-month period the fee is discounted by 0.50%.

All fees exclude VAT. 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 fees to access or withdraw from the fund.

More detail is available on www.coronation.com.

WHO ARE THE FUND MANAGERS?



NEVILLE CHESTER
BCom, CA (SA), CFA



NICHOLAS STEIN
CA (SA), CFA

GENERAL FUND INFORMATION

| | |
|----------------------------|--|
| Launch Date | 2 October 2000 |
| Fund Class | A |
| Benchmark | FTSE/JSE Capped All Share Index (CAPI) |
| Fund Category | South African – Equity – General |
| Regulation 28 | Does not comply |
| Income Distribution | Semi-annually (March & September) |
| Investment minimum | R5 000 or R500/m debit order |
| Bloomberg Code | CORTP20 |
| ISIN Code | ZAE000026431 |
| JSE Code | CNTF |

CORONATION TOP 20 FUND

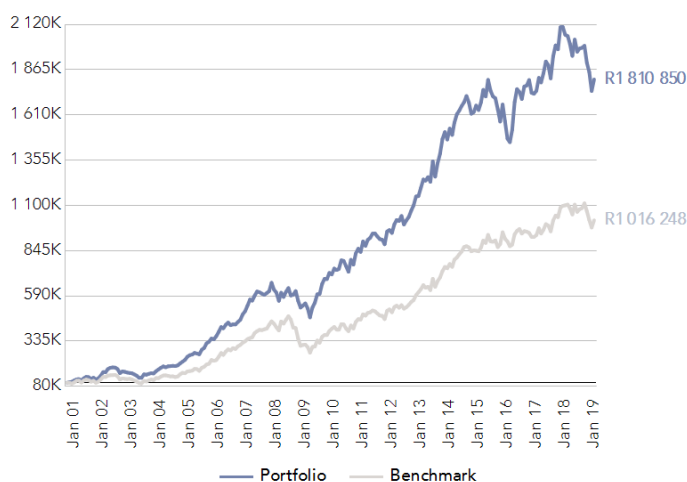
CLASS A as at 31 December 2018

| | |
|-----------------------|------------------------------------|
| Fund category | South African - Equity - General |
| Launch date | 01 October 2000 |
| Fund size | R17.97 billion |
| NAV | 12343.10 cents |
| Benchmark/Performance | FTSE/JSE Capped All Share Index |
| Fee Hurdle | |
| Portfolio manager/s | Neville Chester and Nicholas Stein |

| | | |
|--|---------|---------|
| Total Expense Ratio | 1 Year | 3 Year |
| Fee for performance in line with benchmark | 0.76% | 0.90% |
| Adjusted for out/(under)-performance | 1.00% | 1.00% |
| Fund expenses | (0.35)% | (0.23)% |
| VAT | 0.01% | 0.02% |
| Transaction costs (inc. VAT) | 0.09% | 0.11% |
| Total Investment Charge | 0.26% | 0.27% |
| | 1.02% | 1.17% |

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

| | Fund | Benchmark | Active Return |
|------------------------------|---------|-----------|---------------|
| Since Launch (unannualised) | 1710.9% | 916.2% | 794.6% |
| Since Launch (annualised) | 17.2% | 13.5% | 3.7% |
| Latest 15 years (annualised) | 16.5% | 14.4% | 2.0% |
| Latest 10 years (annualised) | 12.7% | 12.4% | 0.3% |
| Latest 5 years (annualised) | 3.4% | 5.7% | (2.3)% |
| Latest 3 years (annualised) | 7.0% | 4.3% | 2.8% |
| Latest 1 year | (12.2)% | (7.7)% | (4.5)% |
| Year to date | (12.2)% | (7.7)% | (4.5)% |

RISK STATISTICS SINCE LAUNCH

| | Fund | Benchmark |
|----------------------|---------|-----------|
| Annualised Deviation | 16.2% | 17.3% |
| Sharpe Ratio | 0.55 | 0.31 |
| Maximum Gain | 46.6% | 37.4% |
| Maximum Drawdown | (31.7)% | (43.4)% |
| Positive Months | 60.3% | 58.9% |

| | Fund | Date Range |
|-----------------------|---------|---------------------|
| Highest annual return | 68.9% | May 2005 - Apr 2006 |
| Lowest annual return | (31.7)% | May 2002 - Apr 2003 |

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|-----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Fund 2018 | (0.3)% | (2.1)% | (3.4)% | 4.8% | (3.4)% | 0.9% | 0.2% | 0.6% | (4.8)% | (2.8)% | (5.7)% | 3.8% | (12.2)% |
| Fund 2017 | 4.2% | (1.5)% | 3.0% | 3.6% | (1.1)% | (3.9)% | 6.8% | 3.2% | (1.1)% | 6.3% | 0.1% | (2.1)% | 18.1% |
| Fund 2016 | (1.4)% | 4.8% | 10.3% | 4.3% | (1.0)% | (2.3)% | 4.2% | 0.3% | 1.8% | (4.0)% | (0.3)% | 1.0% | 18.3% |
| Fund 2015 | 2.7% | 4.2% | (2.2)% | 5.5% | (3.4)% | (1.8)% | (0.6)% | (3.7)% | (4.2)% | 6.1% | (5.6)% | (6.2)% | (9.8)% |
| Fund 2014 | (2.4)% | 4.6% | 3.0% | 1.3% | 1.6% | 1.3% | 2.1% | (2.2)% | (3.7)% | 0.6% | 2.3% | (1.6)% | 6.8% |
| Fund 2013 | 3.9% | (0.6)% | 1.6% | (2.1)% | 9.4% | (6.4)% | 6.1% | 4.0% | 6.0% | 2.7% | (2.8)% | 4.2% | 27.9% |
| Fund 2012 | 5.3% | 2.5% | (0.6)% | 2.8% | (4.7)% | 2.4% | 2.0% | 3.4% | 2.7% | 4.6% | 0.1% | 4.1% | 26.9% |
| Fund 2011 | (2.9)% | 3.9% | 1.3% | 2.6% | 0.1% | (1.8)% | (1.6)% | (0.4)% | (2.9)% | 8.3% | 0.8% | (1.8)% | 5.2% |
| Fund 2010 | (1.2)% | 0.8% | 6.7% | (0.4)% | (4.0)% | (4.0)% | 9.4% | (3.5)% | 8.3% | 3.2% | (2.2)% | 7.2% | 20.6% |
| Fund 2009 | (5.5)% | (9.5)% | 11.9% | 5.1% | 8.8% | 0.3% | 9.4% | 4.4% | (0.4)% | 5.2% | (1.3)% | 4.8% | 35.9% |

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

| Sector | 31 Dec 2018 |
|---------------------------------|---------------|
| Domestic Assets | 100.0% |
| Equities | 95.9% |
| Basic Materials | 27.6% |
| Consumer Goods | 12.0% |
| Health Care | 7.4% |
| Consumer Services | 19.9% |
| Telecommunications | 7.3% |
| Financials | 21.8% |
| Real Estate | 4.1% |
| Cash | 1.5% |
| Other (Currency Futures) | (1.5)% |

TOP 10 HOLDINGS

| As at 31 Dec 2018 | % of Fund |
|------------------------------|-----------|
| Anglo American Plc | 10.6% |
| Naspers Ltd | 10.6% |
| Standard Bank of SA Ltd | 9.5% |
| British American Tobacco Plc | 7.6% |
| MTN Group Ltd | 7.3% |
| Nedbank Ltd | 6.3% |
| Northam Platinum Ltd | 5.1% |
| Spar Group Ltd | 5.0% |
| Mondi Limited | 4.9% |
| Exxaro Resources Ltd | 4.4% |

INCOME DISTRIBUTIONS

| Declaration | Payment | Amount | Dividend | Interest |
|-------------|-------------|--------|----------|----------|
| 28 Sep 2018 | 01 Oct 2018 | 363.05 | 353.41 | 9.64 |
| 29 Mar 2018 | 03 Apr 2018 | 146.83 | 146.31 | 0.52 |
| 29 Sep 2017 | 02 Oct 2017 | 216.30 | 215.76 | 0.54 |
| 31 Mar 2017 | 03 Apr 2017 | 121.09 | 120.83 | 0.26 |

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

After a difficult year, the final quarter of 2018 proved to be the most challenging period of all, as weak South African markets plummeted further on the back of concerns about the local economy and rising political rhetoric ahead of the 2019 elections. Appetite for emerging markets weakened further as the prospect of rising rates in the US offset the potential for economies to improve on the back of lower oil prices. Increasing concerns about Eskom's financial position and the resumption of load shedding put further pressure on the local market into the end of the quarter. The fund declined by 4.9% over the quarter, in line with the market return for the period.

The major disappointment this quarter was the withdrawal of the bid for Intu by a consortium which included Intu's current major shareholder, the Peel group. Despite a successful conclusion of the due diligence, the other partner in the transaction decided to withdraw at the last minute, as concerns over Brexit were heightened by the UK Prime Minister Theresa May's acrimonious relationship with her own party. The deal's collapse was disappointing, as the Brexit risks were evident before the bid was made. We remain convinced of the value in Intu and continue to engage with the board to ensure that the value is unlocked for all shareholders.

The best performing portion of the portfolio remains our resources position. Anglo American held a successful capital markets day, where the projected production from most of its operations was upgraded. In addition, prices for most of Anglo's commodities have remained strong, meaning that their balance sheet will have de-gearred and should be in a very strong position. Exxaro has also performed well, and recently announced further value accretion from the finalisation of its exit from Tronox, the mineral sands business. The proceeds from the sale of their final stake should be received in 2019, the majority of which will be returned to shareholders.

After selling down our holding in Mondi earlier in the year, we have started to build up a position again. The market appears to be overreacting to reports of capacity increases entering the market and ignoring significant capacity currently being taken out of the market, as China halts the importation of scrap paper into its mills. The share has fallen around 30% from its highs and looks very attractive at current levels.

On Christmas Eve, MTN notified shareholders that they had received notice from the Central Bank of Nigeria that it was reversing the US\$8bn penalty it had applied to MTN. This potential claim had been hanging over the company's head for the past few months and it was pleasing to see its complete reversal and that MTN was no longer being viewed as being guilty of avoiding exchange controls. A smaller administrative cost has been incurred as a result of the banks' involved with MTN not fulfilling their duties, and the company will look to recover these costs from the relevant banks. This means MTN can proceed with the planned listing of MTN Nigeria and can also repatriate profits from Nigeria, which will support its current dividend policy. The company's Nigerian operation has continued to perform exceptionally well despite all the noise around the forex issues.

Naspers has been under pressure due to the poor performance of Tencent, which is disappointing given that the management team are doing the right things to unlock the discount on the rump. They have tidied up the investment portfolio; exiting poor-performing businesses and successfully monetising others, such as Flipkart (Naspers successfully sold its stake to Walmart).

The company will list the video entertainment business in the first half of 2019 and unbundle it to shareholders, unlocking the discount on this part of the group. Tencent has, however, set the direction for the Naspers share ever since the introduction of Chinese legislation preventing new games from being launched and monetised in China. This caused Tencent's share price to fall significantly from its all-time high achieved earlier in the year. Towards the end of December, it was announced that the gaming regulatory approval process had resumed, and we expect this to normalise in the coming months, which should positively support both the Tencent and Naspers share price.

British American Tobacco continues to be weak on the back of concerns about the rise of next-generation, vaping and heat-not-burn products. On top of this, the US regulator announced its intention this quarter to ban menthol cigarettes - a significant part of the company's US portfolio. This ban has been instigated as the regulator looks to prohibit flavoured vaping capsules, which have targeted under-age consumers. We don't believe that the scientific research exists to substantiate these claims, which will be necessary for the regulator to prove in order to apply the ban. In addition, should menthol cigarettes be banned, their market exit will likely take over five years and is unlikely to significantly reduce the number of smokers, as consumers will shift to normal combustible cigarettes. British American Tobacco is now exceptionally cheap, trading on a single-digit PE multiple and a high single-digit dividend yield.

Our main exposure to the South African economy remains through banking stocks. These shares have not performed particularly well, based on the concerns around the economy. The banking stocks have, however, continued to deliver reasonable growth despite the challenging environment. Nedbank and Standard Bank, which make up the bulk of our banking exposure, have strong balance sheets and should benefit handsomely from any uptick in the economy.

We recently initiated a position in Shoprite. The FMCG retailer has had a tough semester, recording its first decline in earnings in many years. A weak overall market was further hurt by currency weakness in its African operations and teething problems at a number of its distribution centers. This has seen the share price decline, creating a decent entry point into a high-quality business.

After many years of strong double-digit returns, we cautioned the market in 2015 not to expect those levels of return to be maintained. We have now experienced three years of poor returns and, while this has been a disappointing period for us, the potential return from the South African equity markets now looks exceptionally strong. Off this base, we expect the markets and the fund to perform strongly in the years ahead.

Portfolio managers
Neville Chester and Nicholas Stein
 as at 31 December 2018

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION TOP 20 FUND

The Top 20 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. Asset allocation and top 10 holdings are reflected on a look-through basis. Coronation Management Company (RF) (Pty) Ltd is a Collective Investment Schemes Manager approved by the Financial Sector Conduct Authority in terms of the Collective Investment Schemes Control Act. Portfolio managed by Coronation Asset Management (Pty) (FSP 548) Ltd, an authorised financial services provider. 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. Unit trusts are allowed to engage in scrip lending and borrowing. Standard Chartered has been appointed as trustees for the fund (www.sc.com/za; 011-2176600). Coronation is a full member of the Association for Savings & Investment SA (ASISA).

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

Unit trusts 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?

Performance is calculated by Coronation as at the last day of the month for a lump sum investment using Class A NAV prices 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. Unannualised performance represents the total return earned by the fund over the given time period, expressed as a percentage. The fund's performance and fee benchmark is the FTSE/JSE Capped All Share Index (CAPI). The CAPI replaced the FTSE/JSE Top 40 Index from 1 Oct 2016. The fund benchmark shown in this MDD is therefore a splice of the current and historical benchmarks. Note that we use the formal SA – Equity – General category benchmark as specified in the ASISA Standard on Fund Classification, which is currently the FSTE/JSE All Share Index, for compliance monitoring purposes.

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 2017 (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 our website, www.coronation.com

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.