

WHAT IS THE FUND'S OBJECTIVE?

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

WHAT DOES THE FUND INVEST IN?

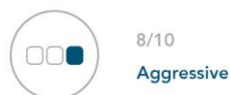
The fund's managers actively seek out attractively valued shares that could offer strong long-term growth.

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.

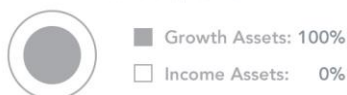
While investments in foreign markets are specifically excluded, the fund can invest in foreign companies that are listed locally. There are no restrictions on how much exposure the fund can have to different sectors (for example, to mining, financial or industrial companies). The fund will remain fully 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



PALLAVI AMBEKAR
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

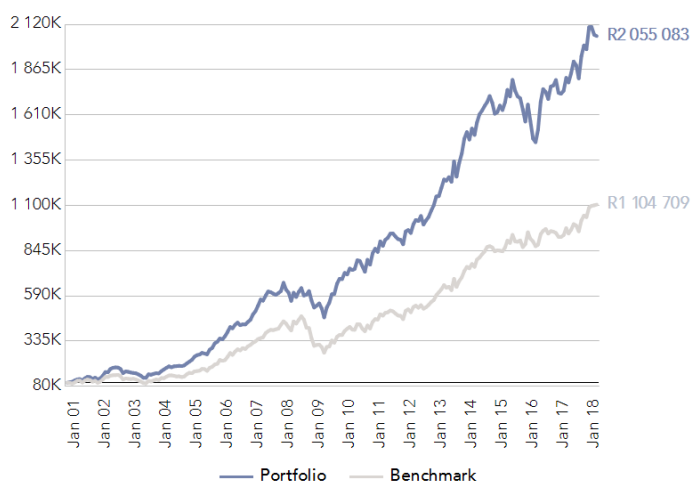
CLASS A as at 31 January 2018

Fund category	South African - Equity - General
Launch date	01 October 2000
Fund size	R20.49 billion
NAV	14556.02 cents
Benchmark/Performance	FTSE/JSE Capped All Share Index
Fee Hurdle	
Portfolio manager/s	Neville Chester, Pallavi Ambekar and Nicholas Stein

Total Expense Ratio	1 Year	3 Year
Fee for performance in line with benchmark	0.76%	0.75%
Adjusted for out/(under)-performance	1.00%	1.00%
Fund expenses	(0.35)%	(0.36)%
VAT	0.01%	0.02%
Transaction costs (inc. VAT)	0.09%	0.09%
Total Investment Charge	0.26%	0.26%
	1.02%	1.01%

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)	1955.1%	1004.7%	950.4%
Since Launch (annualised)	19.1%	14.9%	4.2%
Latest 15 years (annualised)	19.2%	16.5%	2.8%
Latest 10 years (annualised)	13.9%	10.8%	3.0%
Latest 5 years (annualised)	10.5%	11.2%	(0.6)%
Latest 3 years (annualised)	6.9%	8.6%	(1.7)%
Latest 1 year	12.9%	13.7%	(0.8)%
Year to date	(0.3)%	0.4%	(0.7)%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	16.3%	17.4%
Sharpe Ratio	0.66	0.38
Maximum Gain	46.6%	37.4%
Maximum Drawdown	(31.7)%	(43.4)%
Positive Months	61.1%	59.6%

	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)%												(0.3)%
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 Jan 2018
Domestic Assets	100.0%
Equities	92.7%
Basic Materials	25.8%
Consumer Goods	14.2%
Health Care	7.4%
Consumer Services	16.9%
Telecommunications	9.8%
Financials	18.7%
Preference Shares & Other Securities	1.0%
Real Estate	6.0%
Cash	0.3%

TOP 10 HOLDINGS

As at 31 Dec 2017	% of Fund
Naspers Ltd	12.8%
MTN Group Ltd	10.7%
British American Tobacco Plc	9.5%
Anglo American Plc	8.1%
Standard Bank Group Ltd	7.7%
Mondi Limited	7.1%
INTU Properties	6.7%
Old Mutual Life Assurance SA	6.5%
Northam Platinum Ltd	4.7%
Exxaro Resources Ltd	3.8%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
29 Sep 2017	02 Oct 2017	216.30	215.76	0.54
31 Mar 2017	03 Apr 2017	121.09	120.83	0.26
30 Sep 2016	03 Oct 2016	180.76	180.76	0.00
31 Mar 2016	01 Apr 2016	91.32	91.32	0.00

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

The fund had a weaker quarter, delivering a return of 4.2% which is behind the benchmark return of 6.5%. Pleasingly, the fund still returned 18.1% for the calendar year, just ahead of the benchmark return of 18%. The since inception numbers remain compelling, with alpha in excess of 4% per annum, net of fees.

The domestic market had a roller-coaster ride in the final quarter of 2017 as the rand volatility caused a large amount of market movement given the high weighting to dual-listed shares in the All Share index. The rand sold off to R14.50 mid-November and then retraced to end the year at R12.40 after the results of the ANC elective conference were received positively by the market.

In addition to the positive currency response, domestic shares rallied strongly as short positions were closed and investors tried to hurriedly gain exposure. This was very positive for our holdings in financial stocks such as Nedbank and Standard Bank, and the retail exposures held via Woolworths and Spar. We took this opportunity to lighten some of our pure domestic exposure as while we agree the outcome of the elective conference was net positive for South Africa, structurally the economy faces some major challenges ahead which are likely to keep a dampener on growth. As a result, we believe that many domestic shares now look quite expensive relative to their growth prospects.

In contrast, some of the dual-listed shares on the JSE do look quite attractive once again and we have added to two positions in particular. Firstly, British American Tobacco has pulled back quite substantially and is now rated well below its peers in its category. We think the outcome of the recent deal to buy out Reynolds will deliver plenty of opportunity to deliver strong results in the years ahead as cost synergies are extracted and the revenue synergies from rolling out British American Tobacco's full product suite in the US is achieved. The potential reduction in US tax rates is a further fillip to the group which now has a significant portion of its earnings derived from the US.

Secondly, we have added again to our position in Mondi, having sold down substantially earlier in the year. Mondi has now underperformed the All Share index after advising the market that while their results would be solid it would be a couple of percent behind market expectations. Strangely the market took this very negatively and the stock sold off almost 20% from peak to trough. We think the fundamentals for the company remain very favourable and all evidence is of further price increases to come for their key product ranges. In addition, Mondi has announced a transaction in the consumer packaging space which should be earnings accretive, and we still expect a special dividend to be announced with their results. All of this adds up to an attractive investment case and we have increased our exposure to Mondi significantly.

During the month of December one of the fund's holdings, Steinhoff (the Frankfurt and JSE-listed general merchandise retailer), announced that its CEO would be stepping down and that its financial statements could not be released due to what appears to have been a number of years of misstatement of its audited accounts. This resulted in the price of Steinhoff collapsing during the month of December which had a negative impact on the fund's performance for the quarter. As things stand today, we have not received any further information to be able to assess the scale and magnitude of the accounting irregularities and the impact it will have on the value of the company. Steinhoff owns many retail assets around the world, including the iconic locally-based Pep group and businesses such as Poundland (in the UK), Conforama (in France) and Mattress Firm (in the US) which are, on their own, valuable companies.

This was to some extent offset during December by our holding in Intu. We have held a big position in the company for some time now as we felt it was a uniquely positioned asset given its core holdings of dominant, tier 1 retail centres in the UK. The share price was very attractive as many hedge funds were shorting Intu over fears of Brexit and the threat of on-line retail without considering the merits of its centres and the continued requirement, even for on-line shops, of a presence in high footfall centres. The value in Intu was recognised by Hammerson, another UK-listed Reit, which in December proposed a merger at a significant premium to where the company was trading. Going forward the combined group will have an excellent strategic position in UK retail as well as the benefits of scale in management costs and lower funding costs over time. As a result, we remain shareholders in Intu as this value is still to feed through to its share price.

2017 was a good year for the fund and we enter 2018 with a number of compelling holdings in the portfolio that we believe will continue to deliver strong results in the years ahead and support investor returns over the medium to long term.

Portfolio managers
Neville Chester and Pallavi Ambekar
 as at 31 December 2017

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. Coronation Management Company (RF) (Pty) Ltd is a Collective Investment Schemes Manager approved by the Financial Services Board 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 advisor, advice fees are contracted directly between you and the advisor. We will facilitate the collection of advice fees only upon receiving your instruction, up to a maximum of an initial fee of 3.00% and an ongoing fee of 1.00% per annum (where an initial advice fee of more than 1.50% is selected, the maximum annual advice fee that we will collect is 0.50%). Advice fees are usually collected through the redemption of units. You may cancel the instruction to facilitate the payment of advice fees at any time. Advisors will only share in Coronation fees subject to prior approval by and/or disclosure to the investor. A portion of Coronation's annual management fee may be paid to administration platforms such as Linked Investment Service Providers (LISPs) as a payment for administration and distribution services.

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

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