

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

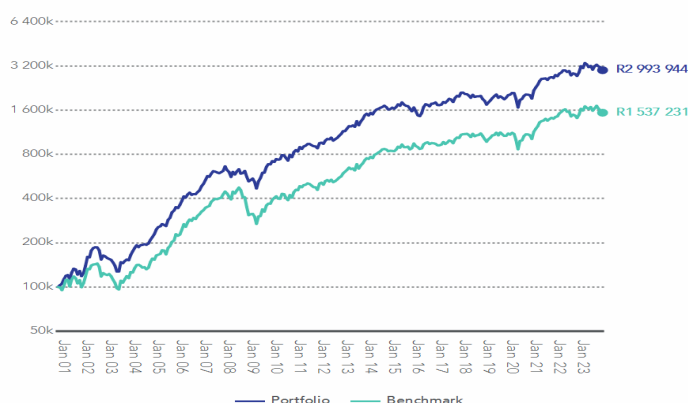
Launch Date	2 October 2000
Fund Class	A
Benchmark	FTSE/JSE Capped Shareholders Weighted All Share Index (C-SWIX)
ASISA Fund Category	South African – Equity – General
Income Distribution	Semi-annually (March & September)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CORTP20
ISIN Code	ZAE000026431
JSE Code	CNTF

CLASS A as at 31 October 2023

ASISA Fund Category	South African - Equity - General
Launch date	02 October 2000
Fund size	R23.95 billion
NAV	17475.51 cents
Benchmark/Performance	FTSE/JSE Capped Shareholders
Fee Hurdle	Weighted All Share Index
Portfolio manager/s	Neville Chester and Nicholas Stein

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)	2893.9%	1437.2%	1456.7%
Since Launch (annualised)	15.9%	12.6%	3.3%
Latest 20 years (annualised)	15.6%	13.3%	2.3%
Latest 15 years (annualised)	12.3%	11.3%	1.0%
Latest 10 years (annualised)	7.1%	7.4%	(0.3)%
Latest 5 years (annualised)	10.1%	8.6%	1.5%
Latest 3 years (annualised)	16.0%	14.7%	1.3%
Latest 2 years (annualised)	3.9%	3.4%	0.5%
Latest 1 year	3.6%	3.1%	0.5%
Year to date	(3.2)%	(3.2)%	0.0%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	16.2%	17.1%
Sharpe Ratio	0.50	0.28
Maximum Gain	46.6%	37.4%
Maximum Drawdown	(31.7)%	(43.4)%
Positive Months	59.9%	59.2%

	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 2023	8.3%	(2.2)%	(4.2)%	2.0%	(5.7)%	5.6%	2.3%	(2.7)%	(1.2)%	(4.4)%			(3.2)%
Fund 2022	1.8%	3.4%	(0.1)%	(2.3)%	1.4%	(6.6)%	3.2%	(0.9)%	(3.0)%	5.6%	10.4%	(3.0)%	9.0%
Fund 2021	4.5%	5.8%	3.5%	0.3%	0.4%	(2.3)%	3.5%	1.1%	(1.5)%	4.7%	(1.8)%	4.2%	24.1%
Fund 2020	(0.4)%	(8.8)%	(12.4)%	12.4%	1.8%	4.8%	2.4%	(0.3)%	(0.7)%	(5.3)%	13.5%	5.0%	9.0%
Fund 2019	3.2%	3.5%	3.1%	2.6%	(5.1)%	2.3%	(2.0)%	(2.6)%	2.8%	3.9%	0.8%	2.8%	15.8%
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%

*This column shows the most recently available figures for the 12 months ending September 2023.

The 12-month TER for the financial year ending September 2023 was 1.32% which included a 0.15% adjustment for out/(under) performance and a total investment charge of 1.58%.

Issue date: 2023/11/09

Total Expense Ratio	1 Year*	3 Year
	1.32%	1.39%
Fee for performance in line with benchmark	0.99%	0.99%
Adjusted for out/(under)-performance	0.15%	0.21%
Fund expenses	0.01%	0.01%
VAT	0.17%	0.18%
Transaction costs (inc. VAT)	0.25%	0.29%
Total Investment Charge	1.58%	1.68%

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Oct 2023
Domestic Assets	100.0%
■ Equities	99.9%
Basic Materials	25.6%
Consumer Goods	13.0%
Consumer Services	15.0%
Telecommunications	5.8%
Financials	24.3%
Technology	16.2%
■ Cash	0.1%

TOP 10 HOLDINGS

As at 30 Sep 2023	% of Fund
Prosus Nv	10.8%
Standard Bank Of SA Ltd	9.7%
Nedbank Ltd	9.4%
Sasol Ltd	7.1%
Anheuser-busch Inbev Sa/nv	6.5%
Mtn Group Ltd	6.4%
Anglo American Plc	6.0%
British American Tobacco Plc	5.9%
Naspers Ltd	5.2%
Cie Financiere Richemont Ag	4.6%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
29 Sep 2023	02 Oct 2023	559.04	558.12	0.92
31 Mar 2023	03 Apr 2023	76.91	76.51	0.40
30 Sep 2022	03 Oct 2022	478.30	477.86	0.44
31 Mar 2022	01 Apr 2022	99.77	99.46	0.31

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

The Fund returned -1.7% for the quarter and 14.5% for the last 12 months. The Fund's long-term performance remains pleasing against both the peer group and the benchmark.

Our overweight energy positions (Sasol and Exxaro) and underweight gold positions contributed to relative quarterly performance, while overweight positions in MTN and Naspers/Prosus detracted.

The quarter was characterised by global bond yields (and the US dollar) continuing their upward march as interest rate expectations shifted to a “higher for longer” basis. While developed market growth rates have been slowing, they remain relatively resilient given the interest rate backdrop. Chinese economic stimulus has not had the desired effect, with Chinese growth being below expectations. This has impacted (non-energy) commodity prices/equities and luxury equities, resulting in a weak quarter overall for SA equities (FTSE/JSE Capped SWIX: -3.8%).

Despite the fall in PGM prices, we believe that the range of outcomes for the metal prices in the next five years is very wide but with a strongly negative skew as battery electric vehicles continue to take massive share from internal combustion engines worldwide. South African PGM producers with high-cost mines face hard decisions which will require them to rationalise their asset bases at a significant social cost. Ultimately, the industry needs to be smaller and more cost-effective if it is to earn an economic return for shareholders. Unfortunately, capital allocation from much of the sector during the boom years does not give one confidence in the sector's ability to navigate the coming environment. During the quarter, we sold out of our remaining Impala Platinum position. Our only PGM exposure is indirect via our holding in Anglo American.

Energy prices (oil and thermal coal) have been strong during the quarter. The oil price has been aided by resilient global demand, OPEC supply discipline and peaking US shale oil well productivity. Strong Chinese import demand, higher gas prices, and constrained supply supported thermal coal prices. These factors led to good share price performances in Sasol and Exxaro, two of the Fund's holdings.

We have been building up our Mondi position over the last two quarters. Mondi continued to languish in the wake of the “loss” of its Russian business and a downturn in the markets for its end products. Mondi is a low-cost integrated producer of paper and packing with predominantly European and American exposure. When Russia invaded Ukraine last year, the group effectively lost its key Syktyvkar asset, which comprised approximately 20% of group earnings. It has taken 18 months for them to dispose of it, and surprisingly, they have managed to salvage €775mn in cash for the asset, where many Russian subsidiaries of other companies have gone for minimal values. After the invasion, the market effectively marked the Russian asset to zero, as evidenced by a >20% decline in the share price in the following weeks. In buying Mondi, we felt we were paying a reasonable multiple for a high-quality business at the bottom of its commodity cycle and any Russian proceeds represented an upside to our valuation. Mondi has a long-term track record of consistently investing through downcycles, which they have continued to apply in the

last 18 months with brownfield expansions across their operations as well as an acquisition in the US.

Global luxury stocks have come under pressure amidst concerns of a demand slowdown as consumer spending comes under pressure from higher interest rates and inflation in the US, as well as a weak Chinese recovery after easing their Covid restrictions. The resultant sell-off drove a significant correction in price-to-earnings (PE) multiples from the peaks reached in 2021 of 34 times for the sector (excluding Hermès) to the current 19 times, in line with the long-term sector average. Richemont declined some 25% during the quarter and trades on an attractive 15.7 times PE ratio (or 12 times excluding surplus cash on the balance sheet). We have used this weakness to add to the Fund's holding.

On the domestic front, while long-term structural challenges remain, the consumer is likely to benefit from lower stages of loadshedding seen in recent months. The Fund has added two domestic names this quarter – Spar and Motus. Spar's share price reached levels last seen over a decade ago. We have been encouraged by the Spar Chairman's hard work in injecting new leadership into the Group and announcing plans to exit loss-making Poland. Recent trading in South Africa has also been more buoyant than expected. Spar has a significant margin of safety, trading on a single-digit PE to next year's expected earnings.

While vehicle import and distribution can be regarded as “unexciting”, Motus has performed well over the last few years. Investment ahead of peers and exposure to brands at keener price points (Hyundai, Kia, Renault), contributed to this. We expect this trend to keep driving earnings growth and the increased contribution from their offshore parts division. The Motus valuation is undemanding, trading on less than five times next year's expected earnings, and an 8% dividend yield.

These buys have been funded from selling our life insurance holdings (Sanlam and Momentum-Metropolitan Holdings). Both of these holdings performed strongly over the quarter. Recent results aided by strong market returns and the first trading period where Covid was no longer a meaningful factor.

Looking at the PE ratio, dividend yield and upside for the Fund, we remain optimistic about its future return prospects off this base.

Portfolio managers
Neville Chester and Nicholas Stein
 as at 30 September 2023

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) Ltd (FSP 548), 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.

HOW ARE THE BENCHMARK RETURNS CALCULATED?

From 1 April 2021 the fund's benchmark is the FTSE/JSE Capped Shareholders Weighted All Share Index which replaces the FTSE/JSE Capped All Share Index. The benchmark returns shown in this MDD will be spliced between the previously applicable index values (includes the Top 40 Index up to 30 September 2015 and CAPI up to 31 March 2021) and the new index returns from 1 April 2021.

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 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 a rolling 12-month period to the last available month end (updated monthly). The financial year TER displayed at the bottom of page 2, is the latest available 12-month TER to the end of the previous financial year ending 30 September (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 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.