

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

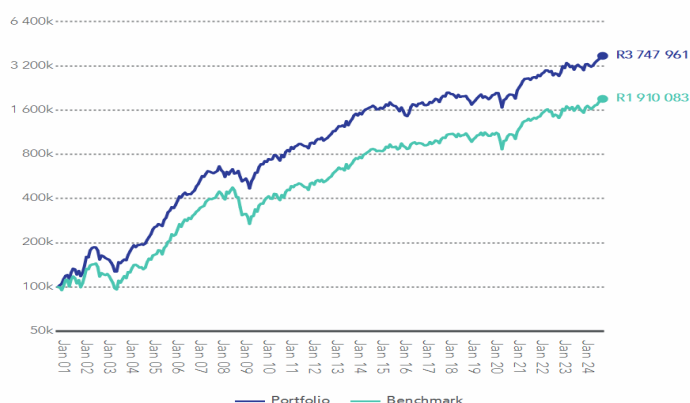
Launch Date	2 October 2000
Fund Class	A
Benchmark	FTSE/JSE Capped Shareholders Weighted All Share Index (C-SWIX)
ASISA Fund Category	South African – Equity – General
Income Distribution	Semi-annually (March & September)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CORTP20
ISIN Code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

CLASS A as at 31 August 2024

ASISA Fund Category	South African - Equity - General
Launch date	02 October 2000
Fund size	R27.93 billion
NAV	21812.40 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)	3648.0%	1810.1%	1837.9%
Since Launch (annualised)	16.4%	13.1%	3.2%
Latest 20 years (annualised)	15.5%	13.6%	1.9%
Latest 15 years (annualised)	12.0%	11.6%	0.4%
Latest 10 years (annualised)	8.4%	8.3%	0.1%
Latest 5 years (annualised)	14.6%	12.3%	2.3%
Latest 3 years (annualised)	11.7%	10.4%	1.3%
Latest 2 years (annualised)	15.3%	13.9%	1.4%
Latest 1 year	18.2%	17.0%	1.2%
Year to date	13.5%	11.5%	2.1%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	16.1%	17.0%
Sharpe Ratio	0.53	0.32
Maximum Gain	46.6%	37.4%
Maximum Drawdown	(31.7)%	(43.4)%
Positive Months	60.6%	59.9%

	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 2024	(2.5)%	(1.8)%	2.3%	4.2%	2.9%	2.4%	4.3%	1.1%					13.5%
Fund 2023	8.3%	(2.2)%	(4.2)%	2.0%	(5.7)%	5.6%	2.3%	(2.7)%	(1.2)%	(4.4)%	9.6%	0.6%	6.7%
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)%

Total Expense Ratio	1 Year*	3 Year
	1.57%	1.35%
Fee for performance in line with benchmark	0.99%	0.99%
Adjusted for out/(under)-performance	0.37%	0.17%
Fund expenses	0.01%	0.01%
VAT	0.20%	0.17%
Transaction costs (inc. VAT)	0.24%	0.28%
Total Investment Charge	1.82%	1.62%

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Aug 2024
Domestic Assets	100.0%
■ Equities	99.7%
Basic Materials	26.0%
Consumer Goods	11.6%
Consumer Services	14.2%
Financials	30.9%
Technology	17.1%
■ Cash	0.3%

TOP 10 HOLDINGS

As at 30 Jun 2024	% of Fund
Prosus Nv	10.9%
Standard Bank Of SA Ltd	9.9%
Nedbank Ltd	8.4%
Anheuser-busch Inbev Sa/nv	7.0%
Naspers Ltd	6.0%
Anglogold Ashanti Ltd	5.4%
Quilter	5.4%
British American Tobacco Plc	5.0%
Richemont	4.7%
African Rainbow Minerals Ltd	3.8%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
28 Mar 2024	02 Apr 2024	55.44	55.08	0.35
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

*This column shows the most recently available figures for the 12 months ending June 2024.

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: 2024/09/09

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

Performance and fund positioning

The Fund had a very strong quarter, returning 10%, which was especially pleasing given the significant volatility in local markets driven initially by fear and then by positive surprises running up to and after the election. With very different shares outperforming in these two phases, delivering positive alpha in this period is pleasing. Notably, it was done measuredly, without taking undue risks, given the inherently unforecastable outcome of the election and the formation of a Government of National Unity (GNU), which was by no means a certainty before and immediately after the election. Our investment process of identifying value, based on long-term modelling, remains the key underpin of our investment approach, aided by active portfolio activity to identify what we believe to be the 20 best shares to own. This long-term focus is best assessed over a minimum of five years, which is why we are also very happy to report that the five-year numbers remain significantly ahead of the benchmark, with an annualised return for the Fund of 12.3% versus 9.9% for the benchmark.

While we sit today with arguably the most positive potential outcome from our national elections (an ANC with less than 50% majority and a GNU with centrist parties like the DA and IFP), this was certainly not the base case running up to the voting day. The decline in the ANC support was not inevitable, and it was not certain which way a divided ANC would move - towards the populist left or right or towards the more centrist parties. Given this uncertainty, we could not make wild investments based on one view or the other. Instead, we maintained our long-held investment policy of focusing on valuation-led opportunities in the Fund. As we have been highlighting for several years now, there is compelling value to be had on the JSE in the form of dual-listed global companies that trade cheaply relative to their markets, as well as domestic businesses that are either able to continue growing market share in a low-growth economy or have a particular business focus which will allow them to continue growing earnings.

During the quarter, our Fund benefited from its resource exposure, particularly its overweight position in Anglo American as BHP Billiton came with a surprise bid for the company, focusing on its copper assets. Despite several increased offers, the Anglo board ultimately rebuffed the offer in favour of its own value unlock strategy. Given the relative unattractiveness and risk inherent in this own strategy we had significantly reduced our Anglo holding and, as a result, were not as negatively impacted when the price fell on the company's decision not to present the offer to shareholders.

We added further to our AngloGold holding, where the stock still does not reflect, in our view, the outlook for normal gold prices. We do not own Gold Fields, which came out with another disappointing operational update, further validating our choice of holding in the gold sector. Finally, our African Rainbow Mineral (ARM) investment had a particularly good quarter. We have felt that the market has not appreciated its decent mix of producing assets and has largely ignored its holding in Harmony, which is up 45% year to date. However, the trigger for the big jump this quarter seems to have been the impact of an industrial accident in Australia which saw the large manganese mine, Groote Eylandt, out of operation for many months. Spot manganese prices have doubled, which will benefit ARM's manganese operations. Fortunately, the manganese export line has not experienced the same volume decline as the coal and iron ore lines in South Africa.

In our domestic exposures, we have seen a sharp turnaround in the performance of SPAR after the business announced the formal sale of its Polish operations and managed to assure the market of the strength of its balance sheet. While SPAR's local troubles, due to a failed SAP implementation in their largest distribution centre, are still evident in the results, we are cautiously optimistic that this is mainly behind them. Generally, all the domestic exposures we own in the portfolio have performed really well this quarter on the back of steady earnings and a re-rating on optimism around the positive election outcome. The banking sector, in particular, should see positive optimism actually translate into earnings growth as both retail and corporate clients start borrowing to invest now that much of the political uncertainty has been put to rest.

A new position in the portfolio in the banking sector is Investec. The business has seen a very successful run over the past few years as its balance sheet has been slimmed down, non-yielding assets have been sold off, and capital has been returned to shareholders. The deal to merge its wealth management business into Rathbones has resulted in a scale player in an industry with significant growth prospects ahead of it. Despite the improved track record and reduced risk in its overall lending business, the company has remained very lowly rated. We believe this creates an opportunity to buy a bank that still has decent runway for growth on a very attractive multiple.

Remaining on the UK wealth opportunity, our holding in Quilter, the UK wealth management platform, also delivered a strong return this quarter as the market has started to recognise its very strong position in the space and the benefits that accrue to it from its upgraded platform. The business is capital-light and converts most of its earnings into cash, which is then returned to shareholders through a generous dividend policy. The UK wealth management space remains a growth area, and this has increasingly been recognised through a lot of M&A in the sector, which has seen the market positively re-rate all the players in this industry.

A share we hold which has not performed this quarter is ABI. We saw a strong run-up in the price after it presented favourable quarterly results, but subsequently, it has given up most of these gains. We think this still presents a significant opportunity. The global brewers' margins are continuing to open as they recoup input inflation from the past few years, as well as benefiting from the lowering of input costs now that inflation is coming down. They will also start lapping the poor results from their US operations last year, which resulted from a marketing fiasco in that market. This should make de-gearing a simple task that will also boost their bottom line as finance costs reduce.

Outlook

After a period of much uncertainty, it will be pleasing to enter a phase of relative stability, which would be positive for SA economic growth, but one needs to be aware that there is still plenty of global political uncertainty which would easily have an impact on the local market. Ultimately, we build robust and resilient portfolios of undervalued companies that we believe will outperform over the long term.

Portfolio managers

Neville Chester and Nicholas Stein
as at 30 June 2024

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

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