COMGEST GROWTH EUROPE S
USD ACC - IE00B3ZL9H82
30/06/2020

INVESTMENT OBJECTIVE
The investment objective of the Europe S Fund is to create a portfolio of high quality long-term growth companies headquartered or carrying out their predominant activities in Europe.

The Fund is aimed at investors with a long-term investment horizon.

RISK AND REWARD PROFILE
Lower risk
Typically lower rewards
Typically higher rewards

1 2 3 4 5 6 7

This indicator represents the risk and reward profile presented in the Key Investor Information Document. It is not guaranteed and may change during the month.

CUMULATIVE PAST PERFORMANCE (REBASED TO 100) AS AT 30/06/2020

ROLLING PERFORMANCE (%) AS AT 30/06/2020

ANNUAL PERFORMANCE (%) AS AT QUARTER END

Please see risks and other important information on final page
Net Asset Value (NAV): $22.58
Total Net Assets (all classes, m): $39.26
Number of holdings: 35
Average weighted market cap (m): $93,293
Weight of top 10 stocks: 47.3%
Active share: 63.7%

Holdings exclude cash and cash equivalents.

CURRENCY BREAKDOWN (%)

<table>
<thead>
<tr>
<th>Currency</th>
<th>Port</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR</td>
<td>44.7</td>
<td>42.0</td>
</tr>
<tr>
<td>CHF</td>
<td>27.3</td>
<td>29.0</td>
</tr>
<tr>
<td>DKK</td>
<td>12.9</td>
<td>5.7</td>
</tr>
<tr>
<td>GBP</td>
<td>6.8</td>
<td>17.4</td>
</tr>
<tr>
<td>USD</td>
<td>6.1</td>
<td>--</td>
</tr>
<tr>
<td>SEK</td>
<td>2.6</td>
<td>5.4</td>
</tr>
<tr>
<td>NOK</td>
<td>--</td>
<td>0.9</td>
</tr>
</tbody>
</table>

Breakdown based on currencies in which holdings are priced.

TOP 5 YTD CONTRIBUTORS (%)

<table>
<thead>
<tr>
<th>Name</th>
<th>Port</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASML Holding NV</td>
<td>1.42</td>
<td></td>
</tr>
<tr>
<td>Lonza Group AG</td>
<td>0.34</td>
<td></td>
</tr>
<tr>
<td>Ambu A/S Class B</td>
<td>1.06</td>
<td></td>
</tr>
<tr>
<td>Adyen NV</td>
<td>1.02</td>
<td></td>
</tr>
<tr>
<td>Sartorius Stedim Bi.</td>
<td>0.85</td>
<td></td>
</tr>
</tbody>
</table>

TOP 5 YTD DETRACTORS (%)

<table>
<thead>
<tr>
<th>Name</th>
<th>Port</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amadeus IT Group SA</td>
<td>-1.19</td>
<td></td>
</tr>
<tr>
<td>Industria de Diseno</td>
<td>-1.18</td>
<td></td>
</tr>
<tr>
<td>EssilorLuxottica SA</td>
<td>-0.95</td>
<td></td>
</tr>
<tr>
<td>Associated British ...</td>
<td>-0.90</td>
<td></td>
</tr>
<tr>
<td>Ryanair Holdings Fl.</td>
<td>-0.62</td>
<td></td>
</tr>
</tbody>
</table>

Past performance is not a reliable guide to future performance. Data on holdings is provided for information purposes only and is not a recommendation to buy or sell the securities shown.

FUND COMMENTARY

Never in the 30-year history of managing quality growth equities has the style we have espoused been put to such a test. Covid-19 has seen planes grounded, retail stores closed and supply chains disrupted. Over half of the world’s population has been in lockdown. 2020 is set to mark the sharpest economic downturn in peacetime history.

Our focus during this crisis has been twofold. First, to assess the liquidity position of each of your holdings to ensure even a prolonged crisis is manageable. Second, to attempt to determine what the potential long-term consequences may be for each company.

From a liquidity standpoint, your portfolio has fared well. This is in part because it is made up of defensive holdings with stable end markets, such as the pharmaceutical giant Roche or the world’s largest food and beverage company Nestlé, and in part because where that isn’t the case the companies have tended to run extremely conservative balance sheets. Despite having 99% of its planes grounded, Ryanair has had no recourse to the equity markets thanks to its €4bn of cash. Inditex, the owner of Zara and Massimo Dutti, could also rely on its €8bn cash pile when close to 90% of its stores were closed in April. Indeed, of the 35 holdings in the portfolio today, only three have outright cancelled their dividend.

Assessing the longer-term consequences of the crisis is a less precise science. If we were to guess, we think there will be little to no impact to over 90% of the portfolio. People will still use Novo Nordisk’s diabetes care products, make online purchases through Adyen and consume Lindt’s premium chocolate. The remaining circa 7% of the holdings are exposed to the aerospace sector where we see risks to longer-term traffic trends, albeit balanced by significant market share opportunities for the winners.

In the first half of 2020, the fund delivered a positive return in a down market. Some of the portfolio companies saw demand improve during the crisis, such as Ambu which supplies Intensive Care Unit medical devices to hospitals. For others, the crisis did little to derail what were already very strong fundamentals. ASML for example, which is a supplier to the semiconductor industry, appears to be on track to deliver 35 EUV machines this year, as originally planned. For its customers, the structural nature of the investment in the latest generation of lithography equipment is too critical to put on pause. If anything, the crisis could accelerate the demand for semiconductor chips associated with data centre and cloud capacity.

Among the other top contributors, payment processor Adyen looks set to be a key beneficiary of the accelerating shift to online from the crisis, boosting an already dynamic growth profile. The biggest detractors to performance unsurprisingly came from the aerospace and retail sectors. Amadeus and Ryanair fell sharply as almost all planes worldwide were grounded. The outlook for air traffic remains uncertain, with most commentators not expecting a return to the 2019 level of traffic before the end of 2024. In our view, the morose outlook is likely to see the strong get stronger. Ryanair has capitalised on the crisis to renegotiate terms with Boeing, the airports and the pilot unions in order to enhance its cost competitiveness. Amadeus has explicitly ring fenced much of its R&D activities in order to extend its technological lead at a time when competitors are retrenching. In the retail space, Inditex reported a sharp drop in revenues in the quarter to end May as the forced closure of the majority of its store estate weighed. Notwithstanding this, the company remains focused on making the appropriate long-term adjustments to its model by continuing to right-size its store estate and invest in its online platform.

Two industrial names were added to the portfolio during the first half of the year, namely the German engine manufacturer MTU and the Swiss-based sanitary products company Geberit. We took some profits on valuation grounds in names such as Sartorius Stedim, Coloplast and Ambu. Conversely, we used the opportunity of market volatility to increase our exposure to companies such as Adyen, Temenos and Ferrari. We sold out of SOS and Genmab during the period under review.

Rarely have the range of possible outcomes been so wide. On the one hand, a second wave could trigger a prolonged economic recession, accentuated by the withdrawal of government support measures and impaired demand. On the other, the absence of a second wave, a vaccine and a strong rebound in consumption could see economic growth return faster than expected. The outlook for corporate earnings could barely be more different, depending on the scenario.

For the portfolio we expect the range of earnings outcomes to be substantially narrower. Whether it rebound in consumption could be managed. The remaining circa 7% of the holdings are exposed to the aerospace sector where we see risks to longer-term traffic trends, albeit balanced by significant market share opportunities for the winners.

The views expressed in this document are valid at the time of publication only, do not constitute independent investment research and should not be interpreted as investment advice. The reference to specific companies does not constitute a recommendation to invest directly in these securities. Allocation is subject to change without notice. Remember that past performance is not a reliable guide to future performance.
KEY INFORMATION

ISIN: IE00B3ZL9H82
SEDOL: B3ZL9H8
Bloomberg: COMGRSU ID
Domicile: Ireland
Dividend Policy: Accumulation
Fund Base Currency: EUR
Share Class Currency: USD
Inception Date: 08/12/2010

Index (used for comparative purposes only):
S&P Europe 350 Shariah - Net Return

Legal Structure:
Comgest Growth Europe S, a sub-fund of Comgest Growth plc (an open-ended investment company with variable capital authorised by the Central Bank of Ireland), is an Undertaking for Collective Investment in Transferable Securities (UCITS)

Management Company: None / Comgest Growth plc is self-managed

Investment Manager:
Comgest Asset Management International Limited (CAMIL)
Regulated by the Central Bank of Ireland and registered as an investment adviser with the U.S. Securities and Exchange Commission
SEC registration does not imply a certain level of skill or training

Sub-Investment Manager:
Comgest S.A. (CSA)
Regulated by the Autorité des Marchés Financiers - GP 90023
Investment Team listed below may include advisors from affiliates within the Comgest group.

Investment Team:
Laurent Dohler
Pierre Lamelin
Franz Weis

Investment Manager’s fees:
2.00% p.a. of the NAV
Maximum sales charge: 4.00%
Exit charge: None
Minimum initial investment: USD 50
Minimum holding: None

Contact for subscriptions and redemptions:
RBC Investor Services Ireland Limited
Dublin_TA_Customer_Support@rbc.com
Tel: +353 1 440 6555
Fax: +353 1 613 0401

Dealing Frequency: Any business day (D) when banks in Dublin and Luxembourg are open for business
Cut off: 12:00 pm Irish time on day D
An earlier deadline for receipt of application or redemption requests may apply if your request is sent through a third party. Please enquire with your local representative, distributor or other third party
NAV: Calculated using closing prices of D
NAV known: D+1
Settlement: D+3

For more detailed information on ESG integration please consult our website www.comgest.com.

RISKS

- There is no assurance that the investment objective of the Fund will be achieved.
- The value of shares and the income from them can go down as well as up and you may get back less than the initial amount invested.
- Changes in exchange rates can negatively impact both the value of your investment and the level of income received.
- A more detailed description of the risk factors that apply to the Fund is set out in the Prospectus.

IMPORTANT INFORMATION

You should not subscribe into this Fund without having first read the Prospectus and the Key Investor Information Document ("KIID"). Tax applicable to an investment depends on individual circumstances. Depending on where you live, the Fund may not be available to you for subscription. In particular this Fund cannot be offered or sold publicly in the United States. Consult your financial or professional adviser for more information on investing and taxation.

The Prospectus, the KIID, the latest annual and interim reports and any country specific addendums can be obtained free of charge from the Investment Manager (at www.comgest.com) or the Administrator and from local representatives/paying agents including:
- United Kingdom: BNP Paribas Securities Services SCA, London Branch, Facilities Agency Services, c/o Company Secretarial Department, 10 Harewood Avenue, London, NW1 6AA. Investors in the United Kingdom WILL NOT have any protection under the UK Financial Services Compensation Scheme.

Further information or reporting may be available from the Investment Manager upon request. In Belgium, this document is for the use of Professional clients only (as defined in the MIFID Directive).

Carbon footprint: a fund’s carbon footprint seeks to determine the amount of direct and indirect greenhouse gas (GHG) emitted by the companies the fund is invested in and is measured in tonnes of carbon dioxide equivalents (tCO2e).

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