COMGEST GROWTH GLOBAL FLEX EUR R ACC - IE00BZ0X9R35

Sub-fund of Comgest Growth plc

31/03/2022

TOP 5 EQUITY HOLDINGS (% weight)

Microsoft	5.9
Alphabet A	5.4
Eli Lilly	5.1
Intuit	4.3
Taiwan Semicon Mfg	3.2

The above equity exposures are provided for information only, are subject to change and are not a recommendation to buy or sell the securities.

SECTOR BREAKDOWN (%)

	Long
Information Technology	23.7
Health Care	14.6
Communication Services	11.6
Consumer Staples	11.5
Industrials	9.3
Consumer Discretionary	9.2
Materials	7.9
Financials	6.3
[Cash]	5.9
Energy	--
Utilities	--
Real Estate	--

REGION BREAKDOWN (%)

	Long	Net
United States	45.7	22.6
Europe	21.3	7.8
Emerging Markets	14.1	3.6
Japan	11.1	2.7
Others	2.0	2.0
Total Exposure	94.1	38.6

Breakdowns based on Comgest data, GICS sector and MSCI country classifications. Long exposure reflects equity exposure while net exposure includes short equity index futures used for hedging purposes.

INVESTMENT POLICY

The objective of the Sub-Fund ("the Fund") is to increase the value of the Fund (capital appreciation) over the long term. The Fund intends to achieve this objective through investment in a portfolio of international and diversified, long-term growth companies. The Fund will invest on a global basis in shares and preferred shares issued by companies quoted or traded on regulated markets. The Fund will adopt a 'hedging strategy' using exchange traded equity and volatility index futures. The aim of the hedging strategy is to partially offset loss that may result from a decline in the price of shares held by the Fund.
The Fund is actively managed.
The Fund is aimed at investors with a long-term investment horizon (typically 5 years or more).

RISK AND REWARD PROFILE

Lower risk **Typically lower rewards**						**Higher risk** **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 31/03/2022

ROLLING PERFORMANCE (%) AS AT 31/03/2022

				Annualised				
	1 Month	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Incep.
Fund	0.40	-8.02	-8.02	0.16	2.79	-	-	5.34

CALENDAR YEAR PAST PERFORMANCE (%)

	2017	2018	2019	2020	2021
Fund	-	2.63	11.99	2.86	8.98

ANNUAL PERFORMANCE (%) AS AT QUARTER END

	1Q18 -1Q19	1Q19 -1Q20	1Q20 -1Q21	1Q21 -1Q22
Fund	10.14	-2.75	11.50	0.16

Performance data expressed in EUR. Returns may increase or decrease as a result of exchange rate fluctuations.
Past performance does not predict future returns.
Performance figures are calculated net of investment management fees, administrative fees and all other fees with the exception of sales charges. If taken into account, sales charges would have a negative impact on performance.
The cumulative graph and "Since Inception" data may refer to the last relaunch date of the share class which may differ from its actual inception date. Calendar year past performance is only shown for years for which a full calendar year of past performance is available.

COMGEST

COMGEST GROWTH GLOBAL FLEX
EUR R ACC - IE00BZ0X9R35

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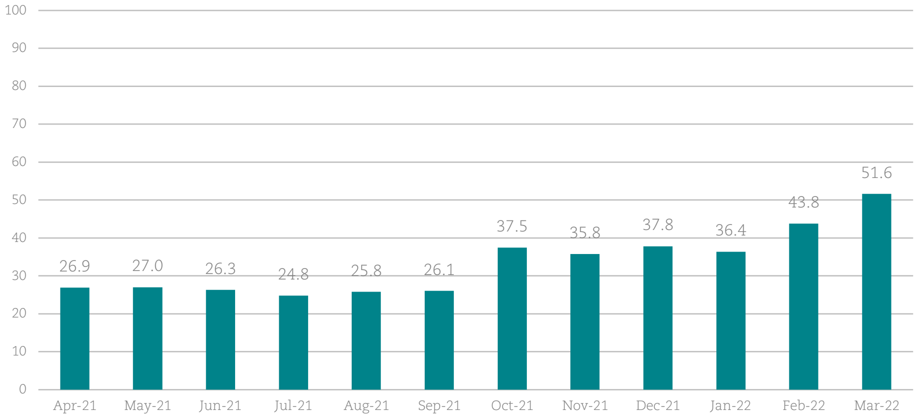
The adjacent graph displays the average short positions in equity index futures over each of the past 12 months. The Fund uses equity index futures which are correlated to the fund's portfolio of equity positions to attempt to hedge against market risk. The hedging level is determined by a number of proprietary quantitative indicators.

AVERAGE SHORT EXPOSURE TO EQUITY INDEX FUTURES (%)



STATISTICAL DATA	1 Year	3 Years	5 Years	10 Years	Since Incep.
ANNUALISED VOLATILITY					
Fund	8.92	9.76	-	-	9.32
SHARPE RATIO					
Fund	0.08	0.33	-	-	0.62
MAX. DRAWDOWN (%)					
Fund	-11.45	-15.43	-	-	-15.43

The above Statistical Data table is calculated using daily performance data. This approach differs from the Risk and Reward Profile which is calculated using weekly performance data.
The risk-free instrument used to calculate the above Sharpe ratio is the Euribor 3-month interest rate.

Performance data expressed in EUR. Returns may increase or decrease as a result of exchange rate fluctuations.
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The cumulative graph and "Since Inception" data may refer to the last relaunch date of the share class which may differ from its actual inception date. Calendar year past performance is only shown for years for which a full calendar year of past performance is available.

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Sub-fund of Comgest Growth plc

31/03/2022

Net Asset Value (NAV):	€12.62
Total Net Assets (all classes, m):	€74.16
Number of holdings:	38
Average weighted market cap (m):	€381,646
Weight of top 10 stocks:	39.1%

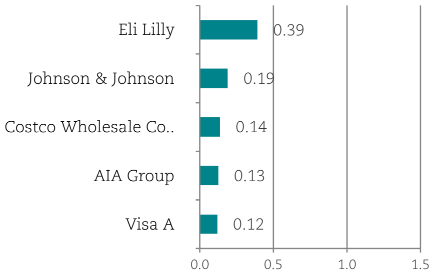
Holdings exclude cash, cash equivalents and derivatives (futures and FX forwards).

CURRENCY BREAKDOWN (%)

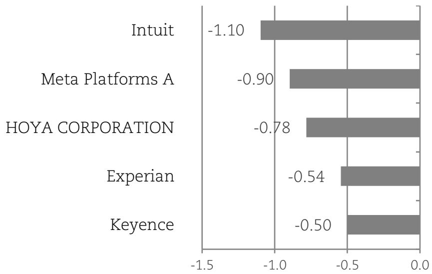
	Long	Net
USD	47.3	47.3
EUR	22.8	31.7
JPY	10.3	1.9
HKD	6.4	6.4
CHF	3.7	3.7
CNY	3.6	3.6
INR	2.8	2.8
GBP	2.7	2.7

Breakdown based on currencies in which holdings are priced. Net exposure includes whilst long exposure excludes FX forwards used for currency hedging purposes.

TOP 5 QUARTERLY CONTRIBUTORS (%)



TOP 5 QUARTERLY DETRACTORS (%)



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

FUND COMMENTARY

Whilst the tail end of March saw some light reprieve in global equities, major equity markets remained in negative territory come the end of the quarter. Inflationary pressures continue unabated, prompting 10-year US Treasury yields higher. Initial expectations were for inflationary forces to subdue into 2H 2022 following Covid-19 unlocking, supply chain bottleneck normalisation and a wash through of higher energy prices. Unfortunately, the Russia/Ukraine conflict has exacerbated inflationary pressures, most notably in energy, metals, agricultural fertiliser and basic foods. As much as central banks wish to stave off a more rapid rise in rates it does now seem unavoidable.

The US economy (unlike Europe in particular) appears, at least initially, to be more resilient with much less dependence on Russian oil and natural gas or Ukrainian wheat and sunflower oil. This fact, together with greater fiscal prospects, may make President Biden's 'Build Back Better' vision more delayed rather than forgotten. Japan maintains its course by following a monetary easing policy as it refutes any need for rate rises (despite the risk of import driven inflation) taking the JPY to a 7-year low versus the USD. Chinese equities, still reeling from regulation and US relation concerns, remained under pressure on renewed Covid lockdowns at a time where macroeconomic sentiment is weak.

In this context, the equity hedging contributed positively to performance thanks to an average hedging rate of 56% over the quarter. The hedging rate gradually increased from 38% at end Q4 2021 to 66% at end Q1 2022, and up to a maximum of 71%. Notably, our credit risk strategy and trend following strategy on price-earnings ratio ended bearish across all regions, and our short-term volatility prediction, long-term market trend and volatility regime strategies became more cautious on most equity indices as well. However, the model did not identify a liquidity risk in any major region for now, and earnings' trends remain positive. The recovery that occurred in the second half of March was challenging for the equity hedging but the model took this opportunity to further increase its hedging rates.

The currency hedging had a slight negative contribution to performance as the US and Hong Kong dollars strengthened against the euro but were hedged at an average of 16%, allowing the fund to participate well to their appreciation. The Japanese yen weakened against the euro and was hedged at 54% on average. The wide oscillations of the Japanese yen made its hedging challenging but the model managed to reduce their impact on the fund's volatility.

Regarding the equity portfolio, understandably the quarter marked an even greater 'rotation' than that seen through 2021. This led to longer duration growth investments finding less favour versus those found in the less sustainable ends of the market – cyclical value, energy, metals and banking. Despite our valuation discipline, which provided resilience versus the wider quality growth global universe, the equity portfolio suffered from this rotation.

There were a number of strong performers in the fund over the quarter. Eli Lilly, a global leader in the treatment of diabetes, posted excellent results across major blockbusters treating diabetes and benefitted from renewed excitement over its obesity opportunity. Johnson & Johnson, a global pharmaceutical, saw gains as it announced the carve out of its consumer business and posted robust 4Q results. Amazon, the leading online retailer, held up relatively well despite inflationary cost pressures, thanks to strong growth in advertising and its cloud business 'AWS' (Amazon Web Services). Visa, a leading payment network, contributed positively as it benefitted from a rebound in travel related spend which continues to improve.

The majority of the laggards in the fund suffered from the beforementioned rotation. Intuit, a leading ERP (enterprise resource planning) software provider to small- and medium-sized businesses, having seen stellar performance over 2021, retreated. This is despite greater opportunities arising from recent acquisitions and announcing a strong revenue growth projection. Hoya, a leading manufacturer of glass for technology and healthcare applications, dragged on performance despite a refreshed growth capital expenditure plan and solid recent results. The portfolio's long held position, L'Oréal, one of the world's largest beauty and cosmetics brand, lagged the market even though it reported a strong FY 2021. Meta, a rebranded Facebook, suffered as it signaled greater competition from TikTok, headwinds related to accessing user data on Apple's operating system, and a marked investment ramp in the metaverse.

During the quarter the fund added five new names to the portfolio: Adyen, a leading unified payments processor, and Align which has an 80% share of the clear aligner orthodontic market, are both expected to achieve 20%-30% revenue growth. EssilorLuxottica, the leader in eyeglass lenses and frames, entered the fund upon renewed conviction in both the combined group's synergy potential as well as its long-term opportunity in myopia management. Nike, the leading sportswear brand, is forecast to benefit from double digit earnings growth as it executes a shift from wholesale to DTC (direct to consumer) distribution. Lastly, we expect for Recruit, the owner of the Indeed recruitment platform, to enjoy strong top-line growth and margin expansion over the long term thanks to the continued digitalisation of the recruitment market.

These new purchases were funded by exits in four names: Medtronic, a leading medical products manufacturer, on poor execution. MTU, the commercial aerospace parts supplier, continues to face a delayed recovery in post pandemic air traffic growth. Roche, a leading oncological pharmaceutical, has failed to offset the biosimilar challenged legacy products. Lastly Walmart, the US retailer, continues to grow its like for like sales growth thanks to e-commerce initiatives although this comes at a cost to margin.

This quarter's rotation is not too dissimilar to the fourth quarter of 2016 'Trump Trade' and much like we saw through 2017 we believe that the underlying earnings growth of the equity portfolio (circa 14% NTM) will transpire. The equity portfolio is invested in high quality business models, with resilient earnings power (81% of our portfolio has exceptionally strong and innovation-led pricing power) and stalwart balance sheets (the aggregate leverage of the portfolio is in a net cash position). This is particularly important in the face of both rising inflation and interest rates.

The portfolio has no direct holdings in Russia or Ukraine and its aggregate revenue exposure to these countries is less than 2%.

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 does not predict future returns.

KEY INFORMATION

ISIN: IE00BZ0X9R35
SEDOL: BZ0X9R3
Bloomberg: COMGERE ID
SFDR Classification: Article 6
Domicile: Ireland
Dividend Policy: Accumulation
Fund Base Currency: EUR
Share Class Currency: EUR
Inception Date: 11/10/2017
Legal Structure:
Comgest Growth Global Flex, 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:
Alexandre Narboni
Schlomy Botbol
Laure Negiar
Léo Lenel
Ongoing charges: 2.02% p.a of the NAV
Investment Manager's fees (part of ongoing charges): 1.80% p.a of the NAV
Maximum sales charge: 2.00%
Exit charge: None
Minimum initial investment: EUR 10
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 are open for business
Cut off: 5:00 pm Irish time on day D-1
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

RISKS

This Fund has the following core inherent risks (non-exhaustive list):

- Investing involves risk including possible loss of principal.
- The value of all investments and the income derived therefrom can decrease as well as increase.
- There is no assurance that the investment objective of the Fund will be achieved.
- There is no assurance that hedging transactions will be effective or beneficial or that a hedge will be in place at any given time.
- To the extent that the share class is denominated in a currency other than yours, the cost and return in your currency may increase or decrease due to exchange rate fluctuations.
- The Fund invests in emerging markets which tend to be more volatile than mature markets and the value of investments can therefore move sharply up or down.
- A more detailed description of the risk factors that apply to the Fund is set out in the Prospectus.

IMPORTANT INFORMATION

This is a marketing communication. Please refer to the fund prospectus and to the KIID before making any final investment decisions. 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 listed below. For a full list of the local representatives/paying agents please contact Comgest at info@camil.com. Prospectus may be available in English, French or German and the KIIDs in a language approved by the EU/EEA country of distribution.

- 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.
- Sweden: SEB Merchant Banking, Custody Services, Global Funds, RB6, Rissneleden 110, SE-106 40 Stockholm.
- Spain: Allfunds Bank S.A., c/Estafeta no. 6 (La Moraleja), Complejo Plaza de la Fuente, Edificio 3, 28109, Alcobendas, Madrid, Spain. The CNMV registration number of Comgest Growth plc is 1294.
- Switzerland: BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zürich.

Further information or reporting may be available from the Investment Manager upon request.
Complaints handling policies are available in English, French, German, Dutch and Italian on our website at www.comgest.com in the regulatory information section. Comgest Growth Plc may decide to terminate at any time the arrangements made for the marketing of its UCITS.