

## TOP 5 HOLDINGS (% weight)

Taiwan Semiconductor Manufacturing C..	5.0
China Life Insurance Co. Ltd. Class ..	4.9
NetEase, Inc. Sponsored ADR	3.9
Power Grid Corporation of India Limi..	3.7
Hangzhou Hikvision Digital Technolog..	3.6

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 (%)

	Port.	Index
Information Technology	24.5	25.6
Financials	20.1	23.9
Consumer Staples	14.2	7.0
Consumer Discretionary	11.5	10.9
Telecommunication Services	10.3	5.5
Industrials	8.8	5.8
[Cash]	4.8	--
Utilities	3.7	2.6
Energy	2.0	6.8
Materials	--	7.1
Real Estate	--	2.4
Health Care	--	2.3

## COUNTRY BREAKDOWN (%)

	Port.	Index
China	32.2	27.7
Brazil	12.9	6.9
India	11.9	8.8
South Africa	9.7	6.8
Korea	6.2	15.7
Taiwan	5.0	12.2
[Cash]	4.8	--
Hong Kong	3.3	--
Mexico	3.1	3.5
United Kingdom	2.5	--
United States	2.2	--
Japan	2.0	--
Malaysia	1.5	2.4
Russia	1.5	3.4
Chile	1.3	1.2
Indonesia	--	2.5
Thailand	--	2.2
Poland	--	1.3
Philippines	--	1.2
Turkey	--	1.1
Qatar	--	0.7
United Arab Emirates	--	0.7
Colombia	--	0.4
Greece	--	0.4
Peru	--	0.4
Hungary	--	0.3
Czech Republic	--	0.2
Egypt	--	0.1

Breakdowns based on GICS sector and MSCI country classifications.

## RATINGS (as at 31.05.2017)

Morningstar Category:  
EAA Fund Global Emerging Markets Allocation  
Number of funds in Category: 208



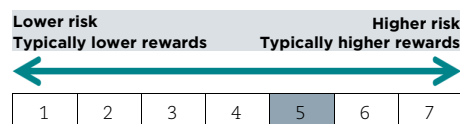
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## INVESTMENT OBJECTIVE

The investment objective of the CGEM Flex Fund is to achieve capital appreciation by creating a portfolio of high quality long-term growth companies based or operating in Emerging Markets.

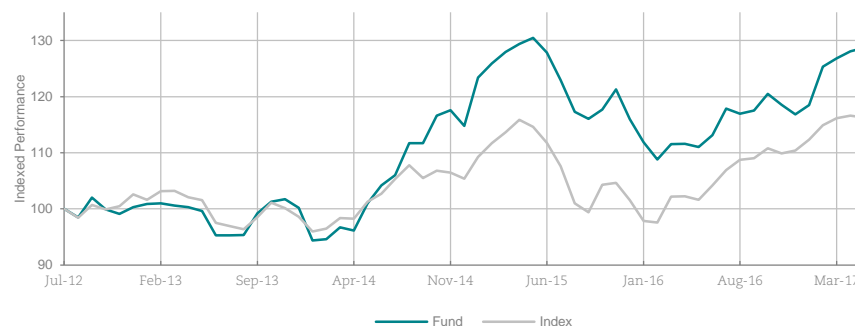
The fund is aimed at investors with a long-term investment horizon.

## RISK AND REWARD PROFILE



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 (INDEXED) AS AT 31.05.2017



## ROLLING PERFORMANCE (%) AS AT 31.05.2017

	1 month	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Incep.
Fund	0.53	1.53	10.18	15.94	8.42	-	-	6.02
Index	-0.30	0.07	5.28	14.38	4.70	-	-	3.36
Fund Volatility				11.19	13.23	-	-	12.44
Index Volatility				9.35	11.77	-	-	10.57

## CALENDAR YEAR PAST PERFORMANCE (%)

	2012	2013	2014	2015	2016
Fund	-	-0.10	14.58	1.01	0.75
Index	-	-3.89	6.92	-3.65	8.73

## ANNUAL PERFORMANCE (%) AS AT QUARTER END

	Q1 2013	Q1 2014	Q1 2015	Q1 2016
Fund	-3.85	32.30	-12.85	13.70
Index	-4.71	15.54	-10.10	13.69

Performance data expressed in EUR

Index: MSCI Emerging Markets - Net Return (changed from MSCI EM (NET) 60% + CASH (EUR) 40 % - Net Return on 01.04.2017). The index is used for comparative purposes only and the fund does not seek to replicate the index.

## Past performance is not a reliable guide to future performance.

The calculation of performance data is based on the net asset value (NAV) which does not include any sales charges. If taken into account, sales charges would have a negative impact on performance.

The Morningstar Rating™ is an objective, quantitative measure of a fund's historical risk-adjusted performance relative to other funds in its category. The overall rating is a weighted combination of the three-, five- and ten-year ratings. The top 10% of funds will receive a 5-star rating and the next 22.5% receive a 4-star rating.

Please see risks and other important information on final page

All information and performance data is as of 31.05.2017 and is unaudited

Source: CAMIL / FactSet financial data and analytics, unless otherwise stated

Comgest Asset Management International Limited, 46 St. Stephen's Green, Dublin 2, Ireland - info@comgest.com - www.comgest.com

Net Asset Value (NAV):	€13.31
Total Net Assets (all classes, m):	€120.54
Number of holdings:	41
Average weighted market cap (m):	€39,763
Weight of top 10 stocks:	37.3%
Active share:	87.4%

Holdings exclude cash and cash equivalents.

## KEY INFORMATION

**ISIN:** IE00B8J4DR61

**SEDOL:** B8J4DR6

**Bloomberg:** COMGEFI ID

**Domicile:** Ireland

**Dividend Policy:** Capitalisation

**Fund Base Currency:** EUR

**Share Class Currency:** EUR

**Share Class Launch Date:** 11/07/2012

**Index (used for comparative purposes only):**

MSCI Emerging Markets - Net Return

### Legal Structure:

Comgest Growth Emerging Markets Flex, a sub-fund of Comgest Growth plc, an open-ended umbrella-type investment company with variable capital and segregated liability between sub-funds incorporated in Ireland - UCITS V compliant

### Investment Manager:

Comgest Asset Management International Limited (CAMIL)

Regulated by the Central Bank of Ireland

### Sub-Investment Manager:

Quantam S.A.

### Investment Advisor:

Comgest S.A.

(CSA)

Regulated by the Autorité des Marchés Financiers - GP 90023

Investment Team listed below may include sub-advisors from other Comgest group entities.

### Investment Team:

Charles Biderman

Alexandre Narboni

Wojciech Stanislawski

**Investment Manager's fees:** 1.10% p.a of the NAV

**Maximum sales charge:** None

**Redemption fee:** None

**Minimum initial investment:** EUR 750,000

**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:** 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

## FUND COMMENTARY

China and Korea rose over the period, primarily led by positive earnings revisions and better operating profit margins, backed by positive macroeconomic data. On the other hand, Brazil fell, as corruption accusations against President Temer, the replacement of the recently impeached President Rousseff, increased the chances of him having to leave office prematurely.

Your fund outperformed the index over the period under review driven by the strong Q1'17 results of many of the companies in the portfolio.

Chinese life insurers performed strongly. Unlike last year, sentiment and a stabilisation in bond yields, accompanied by strong fundamental company growth, has led to a recovery in their share performance.

On the negative side, VipShop underperformed. VipShop is a leading franchise in online retail flash sales. While the group may not be seeing the explosive growth it saw in the early stages of development, it is focusing on improving its quality growth by building the trust of brands on its platform and investing in technology to provide more personalised content with the aim of increasing its share of wallet. We are forecasting the company to grow 5-year EPS at 23%, while the market has it trading on only NTM PER of 19x.

In Brazil, the effect of political uncertainty led to the underperformance of several companies, including CCR, the leading toll road concessionary. CCR produced good results, which benefited from the recent BRL4bn rights issue, lower interest rates and an indication that vehicle traffic declines were near an end. However, concerns that the recent political turmoil would translate into weaker-than-expected GDP growth, delays to concession auctions, a slowing of interest rate declines and a widening of the cost of debt, caused share price weakness.

Samsung Life Insurance saw Value of New Business (VONB) margin expansion of 460bps yoy as the company moved to more profitable policies, especially in protection, with VONB rising 17%. The EV was revised positively for the first time in five years and the company is benefiting from recent interest rate rises. Likewise, Inner Mongolia Yili, the dairy products company, produced results ahead of expectations, on 100bp improvement in operating margin with better cost management in sales and marketing, leading to a 12% EPS growth. Underlying demand growth has been recovering in the higher margin yoghurt and UHT products.

Amid low volatility in the emerging markets we continued to reduce the fund's hedging overlay. The fund's hedging level is extremely low, averaging just 2% in May.

**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. Remember that past performance is not a reliable guide to future performance.**

## 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.
- 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

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. 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](http://www.comgest.com)) or the Administrator and from local representatives/paying agents including:

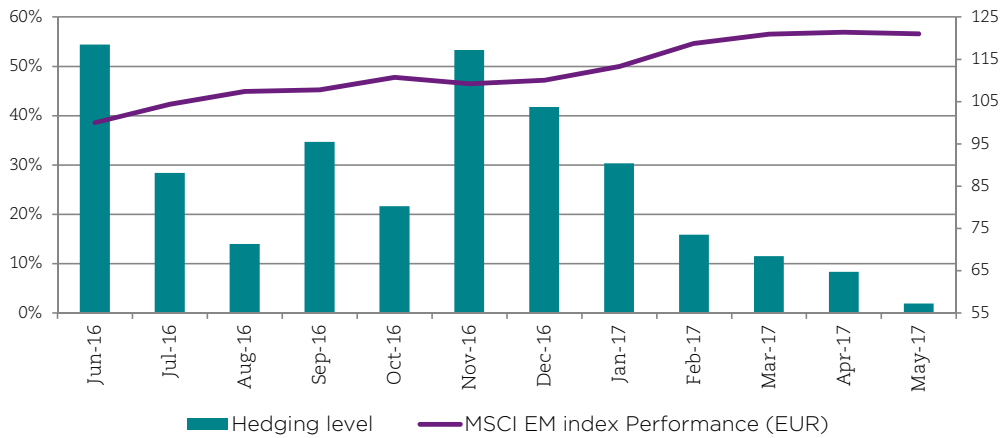
- United Kingdom: BNP Paribas Securities Services SCA, London Branch, Facilities Agency Services, c/o Company Secretarial Department, 55 Moorgate, London, EC2R 6PA. Investors in the United Kingdom WILL NOT have any protection under the UK Financial Services Compensation Scheme.
- Sweden: SEB Merchant Banking, Custody Services, Global Funds, RB6, Rissneleden 110, SE-106 40 Stockholm.
- Netherlands: Theodoor Gilissen Bankiers N.V., Keizersgracht 617, 1017 DS Amsterdam.
- 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.

Index Source: MSCI. The MSCI data is for internal use only and may not be redistributed or used in connection with creating or offering any securities, financial products or indices. Neither MSCI nor any other third party involved in or related to compiling, computing or creating the MSCI data (the "MSCI Parties") makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and the MSCI Parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to such data. Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

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**Average hedging levels**



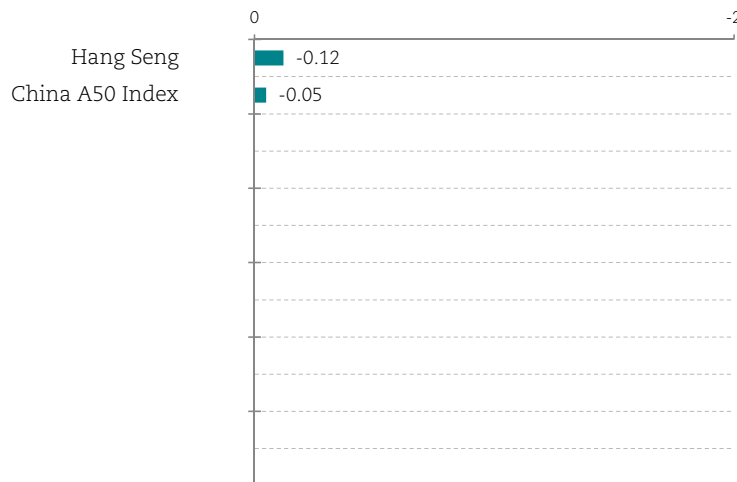
	1 month	3 months	1 year	YTD	Since inception
Average hedging level	2%	7%	26%	14%	37%

The fund uses equity index futures to attempt to hedge against market risk. To do this the fund takes short positions in equity index futures that are correlated to the fund's portfolio of equity positions. While the objective in using equity index futures is to hedge against the market risk arising from the equity positions, there can be no guarantee that this objective will be met.

The hedging level is determined by certain factors such as the level of volatility in equity markets. The hedging level is rebalanced on a daily basis. The above tables display the average hedging level of the fund for the period specified as from the date of this report.

Source: Comgest/Quantam

**Hedging Portfolio : Net notional futures exposure as % of NAV**



The fund takes net short positions on a basket of equity index futures that is correlated to the fund's equity positions. The above table displays the fund's short equity index futures positions which constitute this basket as at the date of this report. The price movement of the basket of equity index futures is negatively correlated with the movements of the fund's equity positions. The positions in the above table are subject to change on a daily basis. The above table lists the equity indices. In each case the Fund holds an equity index future position related to that index.