WOLFGANG FICKUS, CFA

COMGEST GROWTH EUROPE OPPORTUNITIES:

A EUROPEAN QUALITY HIGH GROWTH STRATEGY

Wolfgang Fickus, CFA
Member of the Investment Committee

As an all-cap strategy, Comgest's Growth Europe Opportunities (GEO) fund lies between Comgest Growth Europe, our large-cap flagship, and Comgest Growth Europe Smaller Companies, our small-cap product. With a broad growth equation that includes companies at an earlier stage of their strategic development and more established quality growth companies, GEO has enhanced the idea generation for our European fund range.[1] Since its launch in 2009, GEO has generated strong performance of 16% p.a. when compared to the MSCI Europe index. The annual outperformance of 7.6% versus the MSCI Europe since inception was primarily driven by 5.6% higher annual earnings of GEO vis-à-vis the comparative benchmark. With assets under management of €921 million as of end September 2018, the Comgest Growth Europe Opportunities (GEO) strategy seems poised to become the sixth Comgest strategy to reach the €1bn threshold.

WHAT'S DRIVING GEO PERFORMANCE?

GEO's aim is to build a portfolio of companies that generate dynamic, predictable and sustainable earnings growth. The type of companies that we believe are drivers of such growth include small- and mid-sized companies at an early stage of their strategic development to more established, fast-growing large market capitalisations. Combining a long-term investment horizon with an opportunistic approach to the selection of quality stocks, the fund also takes into consideration certain business models with highly attractive long-term growth prospects even if they may be sensitive to short-term cyclicality. In addition, GEO also considers investing in companies with a shorter stock market history if they meet our quality criteria. In our experience, such stocks are often valued attractively and may be subsequently rewarded with a re-rating if and when they deliver long-term dynamic earnings growth and establish their credentials as quality growth companies.

— We believe GEO companies that are drivers of growth include small- and mid-sized companies at an early stage of their strategic development to more established, fast-growing large market capitalisations

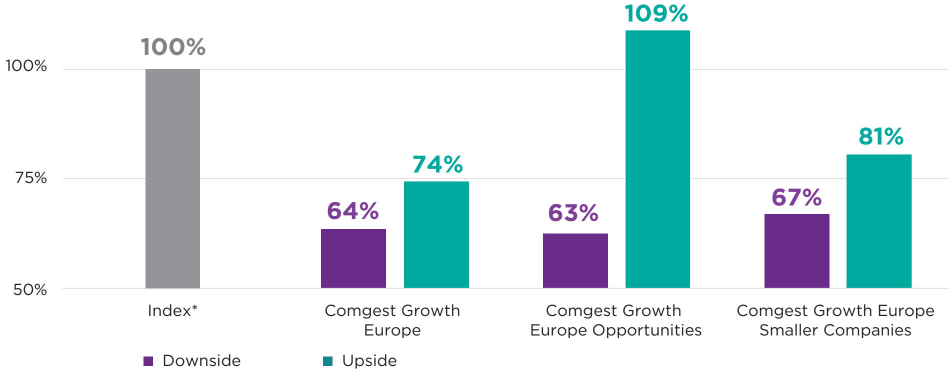
Since its inception in August 2009, GEO's absolute return of 16% p.a. (net of fees) has been reflective of our earnings growth objective. In both bull and bear market phases, the fund has comfortably outperformed the comparative MSCI Europe index, which returned 8.4% p.a. over the same period. With moderate volatility measured by a beta of less than one, GEO offers a medium risk quality characteristic.

[1] As of 30-Sept-2018.

WOLFGANG FICKUS, CFA

COMGEST GROWTH EUROPE OPPORTUNITIES:
A EUROPEAN QUALITY HIGH GROWTH STRATEGY

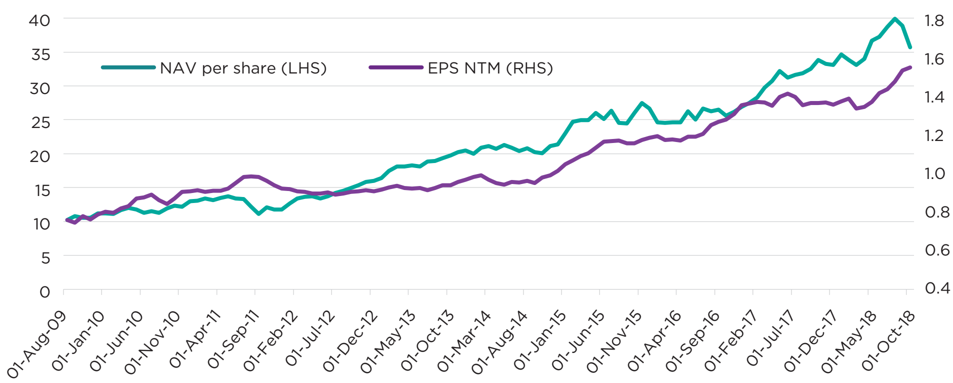
Figure 1. Upside / Downside Capture Since Inception



Source: Factset, Comgest. Past performance is not a reliable guide to future performance. The indices are used for comparative purpose only and the funds do not seek to replicate the indices.
*The comparative index is the MSCI Europe for both Comgest Growth Europe (inception date: 31-Dec-1993) and Comgest Growth Europe Opportunities (inception date: 07-Aug-2009), and the MSCI Europe Mid-Cap for Comgest Growth Europe Smaller Companies (inception date: 17-May-2000).

Probably the most important explanation of GEO's past performance is the strong earnings growth achieved by the companies held in the fund.[2] The fund typically looks to invest in companies with a dynamic, average mid-teen earnings growth for a five-year forecasting period and a realized earnings-per-share (EPS) growth of 15.9% over the past five years. At Comgest, we share the conviction that in the long run a company's share price will follow its earnings growth trajectory. In our opinion, GEO's record validates this premise, as do our other Comgest funds.

Figure 2. GEO Portfolio: EPS Growth CYI



Source: Factset, Comgest. Data as of 30-Sep-2018. Past performance is no guarantee of future results. The price of shares can go down as well as up

[2] Past performance is not indicative of future performance.

WOLFGANG FICKUS, CFA

COMGEST GROWTH EUROPE OPPORTUNITIES: A EUROPEAN QUALITY HIGH GROWTH STRATEGY

— **GEO's portfolio turnover of approximately 35% is slightly higher than that of our flagship fund, Comgest Growth Europe, which typically invests in more established, steady growth compounders**

As noted, GEO invests in companies in a more nimble, opportunistic manner than Comgest's other European funds, i.e., when short-term focused uncertainties create attractive valuation levels and entry opportunities. GEO's portfolio turnover of approximately 35% is slightly higher than that of our flagship fund, Comgest Growth Europe, which typically invests in more established, steady growth compounders. Examples of companies typical for the GEO fund include: Ambu, Christian Hansen, and Dr. Hoenle.

Ambu is a Danish company that provides single-use endoscopes (the "aScope") for use in pulmonary and urology applications. The aScope sells for US$300, which is a fraction of cost of endoscopes produced by the current market leader, Olympus. Single-use endoscopes are cheaper due to their low price and reduced contamination risk since they eliminate the need to sterilise reusable equipment. After a period of further investment, Ambu now aims to target the significant gastrointestinal endoscopy market. The stock quintupled over the past three years as the company hit what we consider to be the sweet spot of successful strategic development and strong earnings growth.

Another Danish company, **Christian Hansen,** supplies natural ingredient solutions to the food, nutritional and agricultural industries. GEO invested in the company soon after its initial public offering in 2010 and benefitted from an earnings growth of 21.5% p.a. and a substantial re-rating of its shares.[3]

A recent addition to our GEO portfolio is **Dr. Hoenle,** a German high-tech engineering supplier for the industrial and semiconductor sectors that produces ultraviolet (UV) systems and specialized adhesives for industrial applications. Based on our research, the adhesive activity is forecast to generate highly attractive growth. Dr. Hoenle's UV-activated adhesives are used in very small quantities for mission-critical applications in the automotive, aerospace, medtech and IT industries, e.g., semiconductor production. Dr. Hoenle was selected as the sole supplier of Apple's 3D Sensor, which enables facial recognition in their latest generation of iPhones.

— **In our experience, companies with strong earnings growth and unique market positions are what drive GEO's performance**

In our experience, companies with strong earnings growth and unique market positions are what drive GEO's performance.

[3] Due to valuation reasons, Christian Hansen is no longer held in the Comgest Growth European Opportunities fund, but the company does remain within Comgest's "universe" of potential investible holdings.

WOLFGANG FICKUS, CFA

COMGEST GROWTH EUROPE OPPORTUNITIES: A EUROPEAN QUALITY HIGH GROWTH STRATEGY

HOW DOES GEO FIT INTO COMGEST'S EUROPEAN FAMILY OF QUALITY GROWTH FUNDS?

With 16% p.a. EPS growth over the past five years, GEO's holdings have delivered the strongest growth among Comgest's European strategies, with companies held in Comgest Growth Europe Smaller Companies growing at 15% p.a. and those in Comgest Growth Europe at 11% p.a.

— GEO's high active share of 97% exceeds the 87% of Comgest Growth Europe

While our two other European funds already have a high active share, GEO diverges almost entirely from the comparative MSCI Europe index, and for a good reason in our opinion: neither market capitalisation nor index inclusion alone indicate either quality or growth. GEO's high active share of 97% exceeds the 87% of Comgest Growth Europe. As an all-cap fund GEO's opportunity set is larger, its opportunistic investment process is more agile and its turnover is slightly higher than both our flagship Europe and Europe Smaller Companies funds.

— Compared to GEO, Comgest's flagship Europe fund sits on the opposite side of our quality growth spectrum due to its high exposure to established compounders

For Comgest, fundamental quantitative yardsticks such as return on equity (RoE) or profit margin and qualitative criteria such as entry barriers and pricing power help us to determine a "quality" company. With a RoE of 19.5%, we believe that our GEO portfolio companies demonstrate as high a profitability as those held in our Comgest Growth Europe fund. An operating margin of 14.7% places GEO companies between those held in our flagship Europe fund and those of our Europe Smaller Companies fund.

Figure 3. Comgest Growth (CG) European Funds: Return on Equity and Operating Margin

	CG Europe Opportunities	CG Europe	CG Smaller Companies
ROE NTM	19.5%	19.7%	22.5%
Operating Margin NTM	14.7%	17.4%	12.9%

Source: Comgest, Factset; as of 30-Sep-2018.

Compared to GEO, Comgest's flagship Europe fund sits on the opposite side of our quality growth spectrum due to its high exposure to established compounders, which has provided excellent visibility and, although less dynamic, still generated double-digit growth.

WOLFGANG FICKUS, CFA

COMGEST GROWTH EUROPE OPPORTUNITIES:
A EUROPEAN QUALITY HIGH GROWTH STRATEGY

A NEW DIMENSION OF CROSS-FERTILISATION AND DYNAMISM

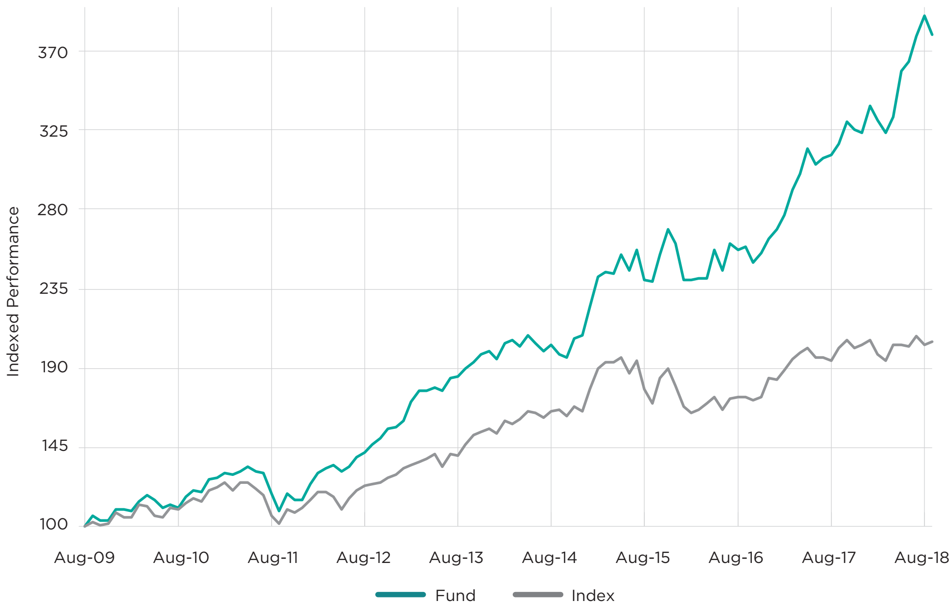
— The addition of GEO enables our European team to invest in a wider range of business models

Historically, smaller, less liquid quality growth companies were first bought for Comgest Growth Smaller Companies, and then upon reaching a large market capitalisation and improved liquidity characteristics, these were transferred to our large-cap fund, a process that remains in place. The addition of GEO, with its all-cap profile and opportunistic application of Comgest's quality growth style, enables our European team to invest in a wider range of business models, and focus their research efforts on the most promising candidates for our investment universe – resulting in bolstered idea generation across our range of European products.

— GEO has generated positive alpha since its launch in 2009

To date, GEO has generated positive alpha since its launch in 2009. Morningstar ranks our fund in the first quartile over 1, 3 and 5 years. As a result of all of these elements, we believe that Comgest Growth Europe Opportunities will appeal to investors who look for dynamic earnings growth and will accept slightly less visibility while remaining well within our sphere of quality companies.

Figure 4. GEO: Cumulative Performance Since Inception



WOLFGANG FICKUS, CFA
COMGEST GROWTH EUROPE OPPORTUNITIES:
A EUROPEAN QUALITY HIGH GROWTH STRATEGY

Figure 5. GEO: Sector Breakdown (%)

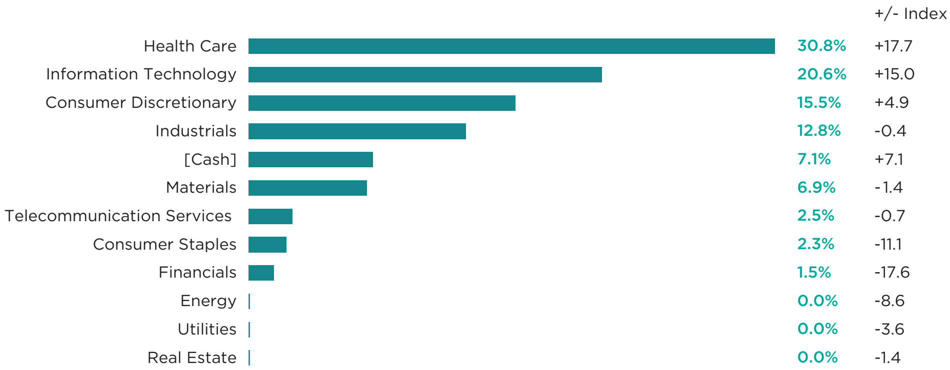


Figure 6. GEO: Top 5 Holdings (%)

Wirecard AG	Germany	Information Technology	7.5
Lonza Group AG	Switzerland	Health Care	6.6
ASML Holding NV	Netherlands	Information Technology	5.1
Sika AG	Switzerland	Materials	4.6
ASOS plc	United Kingdom	Consumer Discretionary	4.1

All data as of 30-Sep-2018.

Wolfgang Fickus, CFA
Member of the Investment Committee

Wolfgang Fickus is a graduate of the University of Cologne (Germany) with a degree in business administration (Diplom-Kaufmann) and studied at the London Business School. He also holds a CEMS Master’s in international management and is a CFA® charterholder. Wolfgang began his career in 1995 at Paribas Asset Management Paris as a European-equity fund manager. In 2000, he moved to WestLB where he worked as an analyst for European technology stocks before becoming the Head of Mid- and Small Cap Research in 2005. Wolfgang joined Comgest in September 2012 and is a Member of the Investment Committee.

IMPORTANT INFORMATION – FOR PROFESSIONAL INVESTORS ONLY

Date as of 30 September 2018 unless otherwise stated.

This document has been prepared for professional/qualified investors only and may only be used by these investors. This material is for information purposes only and it does not constitute investment advice. It should not be considered a solicitation to buy or an offer to sell a security. It does not take into account any investor's particular investment objectives, strategies, tax status or investment horizon. It is incomplete without the oral briefing provided by Comgest representatives.

Past performance is not a reliable indicator of future results.

Investing involves risk including possible loss of principal. The value of all investments and the income derived therefrom can decrease as well as increase. Changes in exchange rates can negatively impact both the value of your investment and the level of income received. Strategies which specialise in a particular region or market sector may entail higher risks than those which hold a very broad spread of investments. Investments made in small to mid-capitalization companies are subject to greater risks than large company stocks due to limited resources and inventory as well as more sensitive to adverse conditions.

The information contained in this communication is not an 'investment research' and is classified as a 'Marketing Communication' in accordance with MIFID II. This means that this marketing communication (a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research (b) is not subject to any prohibition on dealing ahead of the dissemination of investment research.

No discussion with respect to specific companies should be considered a recommendation to purchase or sell any particular security/ investment. The companies discussed do not represent all past investments. It should not be assumed that any of the investments discussed were or will be profitable, or that recommendations or decisions made in the future will be profitable.

Comgest does not provide tax or legal advice to its clients and all investors are strongly urged to consult their own tax or legal advisors concerning any potential investment.

Certain information contained in this presentation has been obtained from sources believed to be reliable, but accuracy cannot be guaranteed. No liability is accepted by Comgest in relation to the accuracy or completeness of the information.

All opinions and estimates constitute our judgment as of the date of this material and are subject to change without notice. Forward looking statements, data or forecasts may not be realised.

The portfolio holdings referenced herein may not be held at the time you receive this publication and are subject to change without notice.

The Comgest Growth funds mentioned herein are UCITS compliant sub-funds of Comgest Growth plc, an open-ended umbrella-type investment company with variable capital and segregated liability between sub-funds incorporated in Ireland and regulated by the Central Bank of Ireland.

Before making any investment decision, investors must read the latest prospectus and Key Investor Information Document ("KIID"), available at our offices free of charge and on our website at www.comgest.com.

Please refer to the prospectus and KIID for full details about the risks associated with the Fund/Funds mentioned herein.

Product names, company names and logos mentioned herein are trademarks or registered trademarks of their respective owners.

Comgest Asset Management International Limited is an investment firm regulated by the Central Bank of Ireland and registered as an Investment Adviser with the U.S. Securities Exchange Commission. Its registered office is at 46 St. Stephen's Green, Dublin 2, Ireland.

This material is in no case an offer for people living in a specific jurisdiction which does not authorize the distribution of the Funds mentioned herein.

Ratings and awards mentioned in this document can change at any time and do not constitute a buy recommendation.

The index is used for comparative purposes only and the fund does not seek to replicate the index.

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.

www.comgest.com

COMGEST S.A.
17 square Edouard VII, 75009 Paris
France
Tel: (+33) 1 44 94 19 00
info@comgest.com

COMGEST ASSET MANAGEMENT INTERNATIONAL LIMITED

Dublin Office
46 St. Stephen's Green, Dublin 2
Ireland
Tel: (+353) 1 631 0100
info.camil@comgest.com

UK Representative Office
43 Brook Street, Mayfair
London, W1K 4HJ
United Kingdom
Tel: (+44) 20 3871 4109
info.camil@comgest.com

COMGEST FAR EAST LIMITED
Level 10, 28 Hennessy Road
Hong Kong
Tel: (+852) 3972 0200
info.asia@comgest.com

COMGEST ASSET MANAGEMENT JAPAN LTD.
1-8-2 Marunouchi, Chiyoda-ku
Tokyo 100-0005
Japan
Tel: (+81) 3 4588 3640
info-jp@comgest.com

COMGEST SINGAPORE PTE. LTD.
8 Temasek Boulevard,
#20-01A Suntec Tower Three
Singapore 038988
Tel: (+65) 6672 7100
info.asia@comgest.com

COMGEST DEUTSCHLAND GMBH
Sky Office
Kennedydamm 24
40476 Düsseldorf
Germany
Tel: (+49) 211 44 03 87 0
kontakt@comgest.com

COMGEST US LLC
101 Arch Street, 8th floor
Boston, MA 02110
USA
Tel: (+1) 857 304 0135
info.us@comgest.com

COMGEST BENELUX B.V.
Gustav Mahlerplein 3-115
1082 MS, Amsterdam
The Netherlands
Tel: (+31) 6 229 20 612
contactnl@comgest.com