

For professional clients only – not for distribution to retail clients.

Fund Aim

The fund aims to provide long-term capital growth through investment primarily in Continental European equities.

TOP 10 HOLDINGS

1.	Nestlé	5.9%
2.	Roche	5.6%
3.	Deutsche Telekom	5.4%
4.	Novo Nordisk	5.3%
5.	Novartis	4.8%
6.	Mycronic	4.6%
7.	Enel	3.8%
8.	Total	3.8%
9.	SAP	3.8%
10.	Tokmanni	3.6%

PERFORMANCE

	Class B EUR	STOXX Europe 600 ex UK
3 months	-13.7%	-12.0%
6 months	-13.8%	-9.9%
12 months	-16.4%	-10.9%
Since launch (11 Sept. 2015)	7.5%	4.5%

	Class B EUR	STOXX Europe 600 ex UK
2018	-16.4%	-10.9%
2017	13.9%	11.6%
2016	8.6%	2.4%
2015 (from 11 Sept.)	4.0%	2.6%

Commentary

Global markets tumbled in December and the Comeragh European Growth Fund fell 6.4%, underperforming the 5.7% decline registered by the STOXX Europe 600 ex UK index. The S&P 500 fell by 9%.

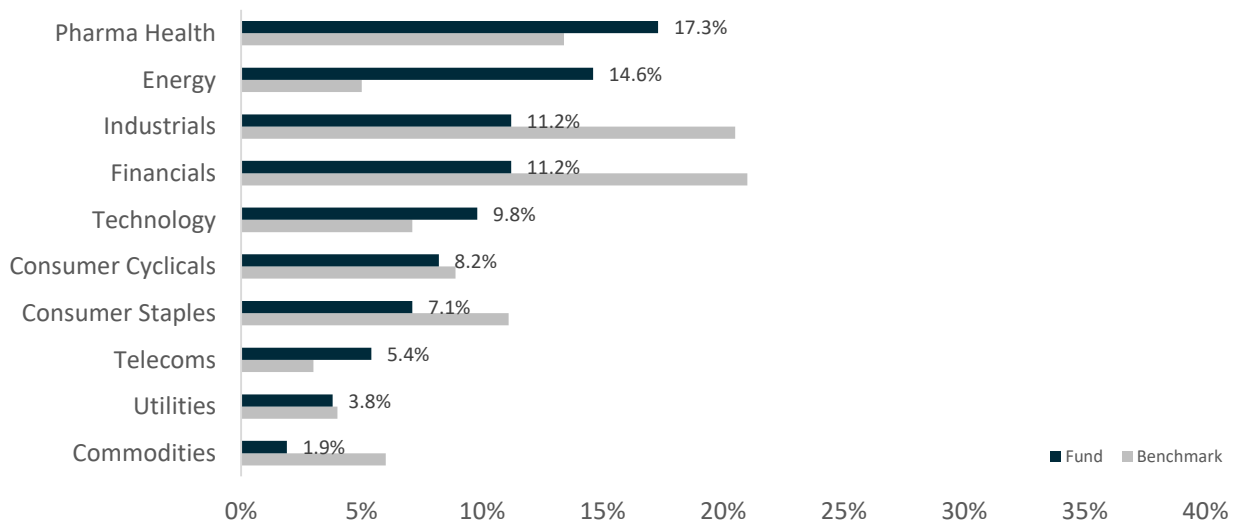
It is notable that US equities, hitherto the leaders of the bull market, saw the sharpest correction. Even the prospect of a thaw in the US-China trade war and a more dovish outlook from the Federal Reserve would not be enough to propel equities upwards; we believe it is telling that a half-hearted rally was met rapidly with further, sustained selling pressure. Although headline earnings expectations (for growth of 8%) appear rosy, a palpable sense that something is amiss has begun to emerge – a suspicion punctuated by a big profit warning from Apple just after month end. The correction has gone some way to offering up cheaper valuation multiples, but our indicators suggest that we still have some way to go before earnings estimates reflect the deteriorating economic reality and we reach a market bottom and a nadir in sentiment.

The best performing stock was Mycronic, which received a large order (about 8% of annual revenues) for three of its high margin mask writers. Other good performances came from Tokmanni and ENEL, where markets took a favourable view of investor day communications. For Tokmanni, like-for-like growth has seen a strong rebound

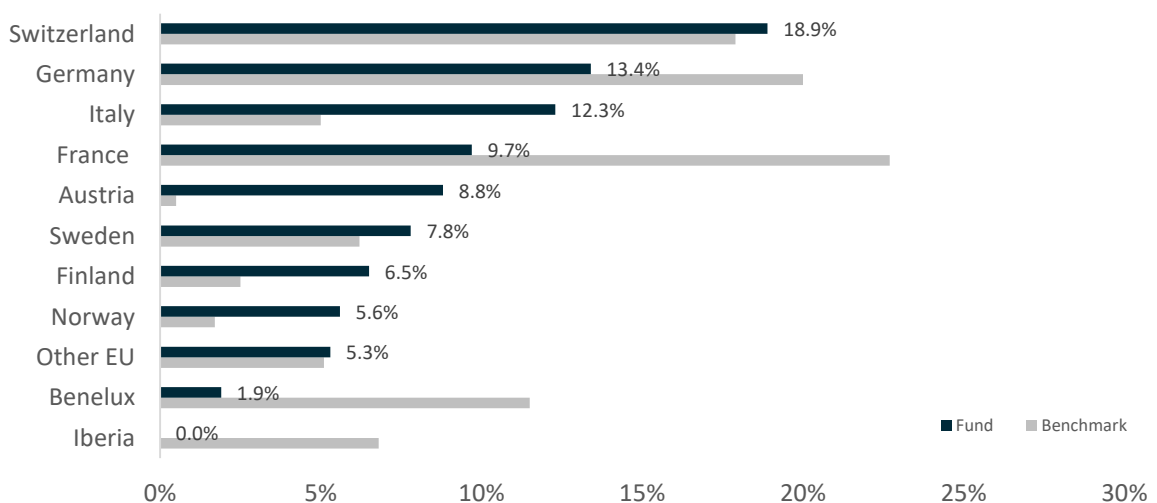
and management is guiding to margin gains whilst ENEL continues to show good profit cycle dynamics, a rarity in an otherwise uninspiring sector. On the negative side, the worst performance came from Implenia, which issued a profit warning and took a write-down in its international segment. The continued decline in the price of oil also saw some of our small/mid cap energy stocks fall, in particular OMV and Tethys Oil.

We would like to thank investors for their support during what has been a frustrating year. Our defensive positioning resulted in us lagging the market over the first nine months, whilst a few stock specific missteps and a tough quarter for the oil price meant that the benefits of our tactical asset allocation were not able to shine through in Q4. We are confident that the latter dynamics will reverse and expect our ongoing cautious stance to be rewarded as markets continue to experience turbulence. For the meantime, we remain defensively positioned with 9.6% in cash and 36% in mega cap defensive holdings, but we are excited about the prospect of 2019 bringing with it a significant buying opportunity in the months to come and the trigger for us to redeploy capital towards higher octane investment ideas.

Sector Allocation



Country Allocation



Risk Overview

	FUND	INDEX
P/E	11.4	14.2
EV/EBITDA	6.9	8.4
Div Yield	4.3%	4.0%
ROE	19.5%	16.5%
3m EPS Revs	1.6%	0.9%
Net Debt / EBITDA	0.38	0.94
Sharpe Ratio	-1.69	
Beta (3m)	0.93	

Fund Facts

Fund Status	Sub-fund of a Dublin-domiciled UCITS ICAV, authorised and regulated by the Central Bank of Ireland. Recognised in the UK by the Financial Conduct Authority
Sector	Europe ex UK
Benchmark Index	STOXX Europe 600 ex UK
Fund Size	€58.0m
Fund Launch Date	11 th September 2015

Class	ISIN	SEDOL	Distribution Type	Annual Management Fee	Initial Minimum Subscription
Class A EUR	IE00BYN38431	BYN3843	Income	0.60%	€100,000
Class A GBP Hedged	IE00BYN38985	BYN3898	Income	0.60%	£100,000
Class B EUR	IE00BYN38M12	BYN38M1	Accumulation	0.60%	€100,000
Class B GBP Hedged	IE00BYN38Q59	BYN38Q5	Accumulation	0.60%	£100,000
Class C EUR	IE00BYN38Y34	BYN38Y3	Income	0.75%	€500
Class C GBP Hedged	IE00BYN39629	BYN3962	Income	0.75%	£500
Class D EUR	IE00BYN39B71	BYN39B7	Accumulation	0.75%	€500
Class D GBP Hedged	IE00BYN39C88	BYN39C8	Accumulation	0.75%	£500

Further Information

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Dealing:

- Daily dealing (except Irish public holidays)
- 11.00 dealing cut-off (forward pricing)
- 17.00 valuation point
- CACEIS Ireland
 - + 353 (0)1 672 1631
 - One Custom House Plaza, IFSC, Dublin D01 C2C5, Ireland

Risk Warning

The value of investments and the income from them can go down as well as up and investors may not receive back the original amount invested. Past performance is not an indicator of future performance. Exchange rates may cause the value of the underlying overseas investments to go down as well as up. Investment in smaller companies may involve a higher degree of risk as markets are usually more sensitive to price movements.

Please read the Risk Section of the Fund's Prospectus and Key Investor Information Document (KIID) for a fuller description of the risks prior to investing. Comeragh Capital LLP and its affiliates and/or their officers, partners and employees may own or have positions in the fund and/or any investment mentioned herein. The factsheet does not represent an invitation to invest in the Fund. Subscriptions must be made in conjunction with the KIID and Prospectus, copies of which can be obtained free of charge in English at www.comeraghcapital.com. Comeragh Capital LLP acts as investment manager and promoter to Comeragh Funds ICAV.