Evermore Global Value Fund

Portfolio Commentary: 1st Quarter 2021

Dear Shareholder,

Global markets once again posted positive gains, as concerns about second and third surges of COVID-19 infections gave way to the significant progress made in the manufacture, distribution and provision of vaccinations, especially in the U.S. In addition, the passing of President Biden's $1.9 trillion stimulus plan, the largest in history, helped fuel stock market gains in the U.S. European equities also advanced in the first quarter, largely based on hopes of an improving economic picture evidenced by the manufacturing purchasing manager's index hitting a record high in March.

During the first quarter of 2021, we crossed the one-year anniversary of the COVID-19 global pandemic. There continues to be debate about whether daily life will be permanently changed, especially as we continue to better understand the efficacy of the various vaccines against rising number of COVID-19 variants and as we get a better sense for when we will need a booster vaccine shot in the near future. Changes impacting healthcare, education, shopping, dining, social interaction, etc. could be dramatic. We, of course, take these considerations into account in our research and analysis process for existing and prospective Fund investments. We believe that the impact of the pandemic will dramatically increase the flow of transitioning investment cases for us to consider for inclusion in the portfolio. We will touch on a number of these points throughout this first quarter update.

The number of interactions we had with management of existing portfolio companies as well as prospective portfolio companies continued to grow at a record pace during the quarter – a silver lining of the pandemic has been the ease in which we are able to schedule meetings with corporate executives. During the quarter, we saw a dramatic increase in spin-offs, break-ups, mergers & acquisitions, the launch of special purpose acquisition companies ("SPACs"), new deals coming to the market, and shareholder activism. This activity has positively impacted the portfolio in the following ways:

- Received takeover bids for two of our holdings
- Participated in the IPO of several companies, including spin-offs from larger conglomerates
- We were founding investors in the creation of a corporate sponsored SPAC which intends to implement a double merger when the target company is announced
- Invested in the warrants of one of the first SPACs in France that we believe offers a compelling opportunity to partner with some of the best value creators in France as they have joined forces to target the consumer goods sector with a critical focus on sustainability
- Invested in the listing of an Israel-based, yet NYSE traded asset light containership operator

You will note that the portfolio now holds stakes in two SPACs and the warrants of a third SPAC. No need to be concerned, we are not getting carried away with all the hype regarding SPAC investments. We invested in two, which are discussed below, where we have gotten to know and respect the founders, their target areas, their history of execution, and track record of previous deals. We have the ultimate optionality in that we can vote for the deal when announced if we like it or can elect to be repaid our original capital back (plus interest) if we so choose. Since each of these investment opportunities also came with severable and freely-trading warrants, there is additional optionality in these securities as well.

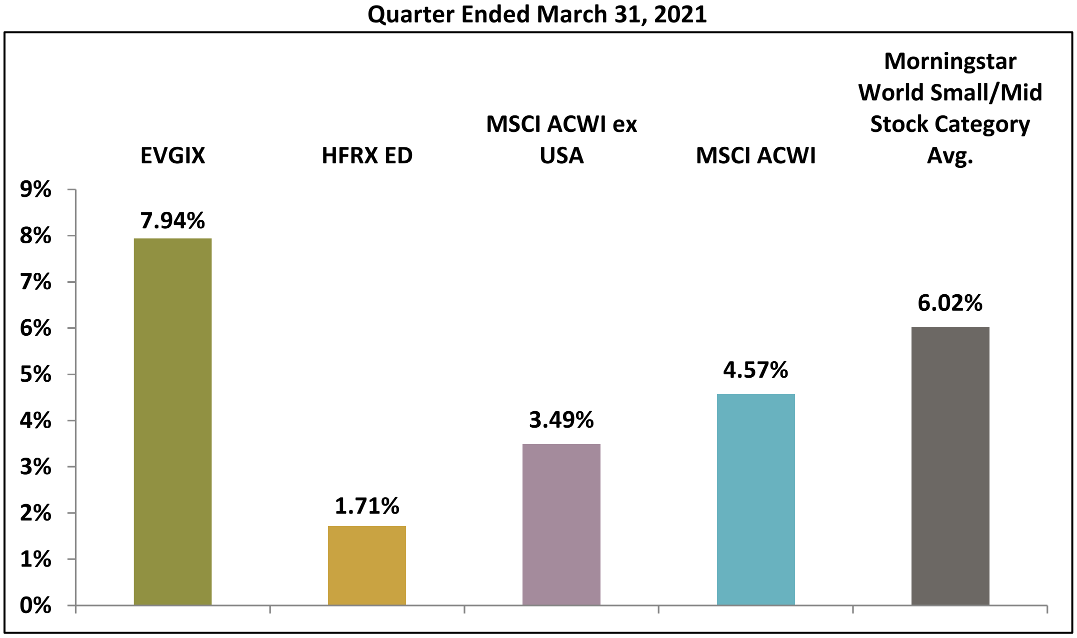
Now on to our portfolio review for the first quarter.

Portfolio Review – Investment Performance

Institutional Class shares of the Evermore Global Value Fund ("EVGIX" or the "Fund") were up 7.94% for the quarter ended March 31, 2021. As shown in the chart below, the Fund's strong performance in the first quarter beat the performance of all of its benchmark indices and its peer group.

The performance data quoted represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Performance data current to the most recent month end may be obtained by calling 866-EVERMORE (866-383-7667). The Fund imposes a 2% redemption fee on shares redeemed within 90 days. Performance data quoted does not reflect the redemption fee. If reflected, total returns would be reduced. ***Please*** **Click Here** ***for standardized performance of the Evermore Global Value Fund.***

Quarter Ended March 31, 2021

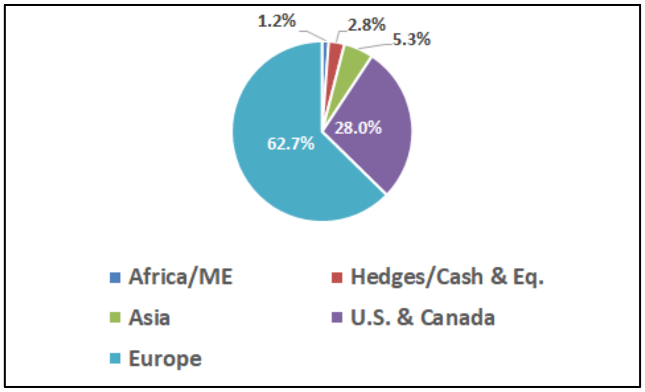


Morningstar World Stock Category Average represents an average of all the funds in the Morningstar World Stock Category.

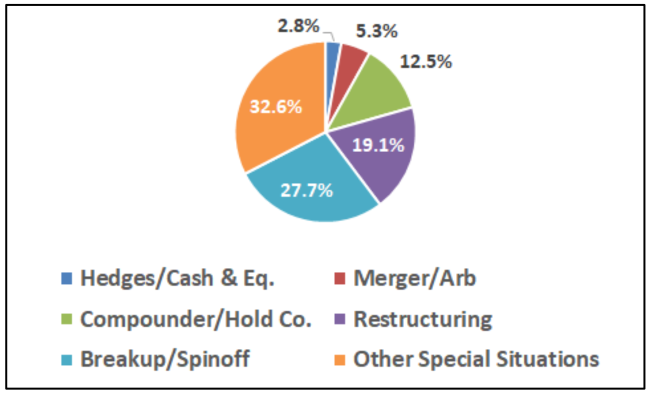
Portfolio Review – Characteristics

The Fund ended the quarter and year with $292 million in net assets and 36 issuer positions. As of quarter-end, **64.5%** of the Fund's net assets were in micro- and small- capitalization (up to $2 billion) companies; **17.5%** were in mid- capitalization (between $2 billion and $10 billion) companies; and **15.2%** were in large-capitalization (> $10 billion) companies. Set forth below please find the following geographic and strategy classification breakdowns (shown as a % of Fund net assets) as of quarter-end.

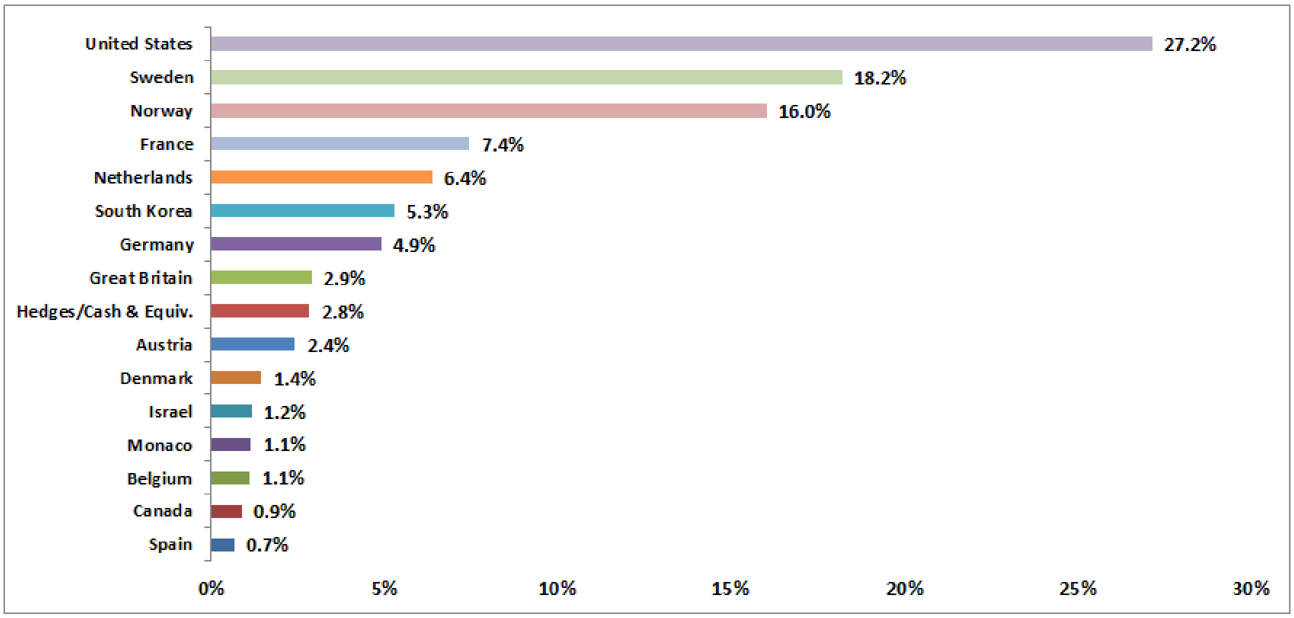
Region Exposure



Strategy Classification



Country Exposure



Portfolio Review –New Investments

The Fund ended the quarter with nine new positions. This was a very active quarter as we remain engaged acquirers of shares in many global markets and industries. One situation in particular stands out, so we will highlight our investment in **ZIM Integrated Shipping Services (ZIM US)**.

As special situations investors, we occasionally identify and take advantage of short-term security pricing irregularities in businesses undergoing a change in their capital structure. In the case of ZIM, we capitalized on a crisis created by what we observed to be a combination of timing and a slightly mismanaged IPO process.

ZIM is an Israel-based containership operator with an asset light business model and global niche approach to operations.

The company was created in 1945 and currently accounts for approximately 1.5% of global market share, making it one of the larger players in the movement of cargo in key markets around the world. ZIM is controlled by Kenon Holdings (28% stake), which in turn is controlled by Israel Corp, one of the largest conglomerates in Israel. Israel Corp is the investment vehicle for Idan Ofer, a billionaire shipping magnate who also controls Eastern Pacific Shipping, a privately held shipping company with a fleet comprised of over 200 dry bulk and container ships and crude tankers.

ZIM has evolved into a true turnaround story, going from a third- to first-quartile container operator (in terms of operating margins). Their success was in large part due to the new management put in place in 2017 and through its strategic partnership with the 2M alliance (Maersk and MSC, the two largest players worldwide) starting in late 2018. Credit can be given to CEO Eli Glickman, who has steered the company in a new direction by shifting to an asset light company; one that operates within select niche routes and that strengthens its platform by investing heavily in technology.

We were attracted to the situation precisely because of their unique business structure, which was created as a result of ZIM selling all its ships many years ago. The company essentially arbitrages various short- and medium-term containership leases (i.e., charter-in) with their aggressive use of technology to manage all aspects of ship management, fuel, navigation, etc. This asset light model works well as the duration of the chartered-in vessels is largely matched with the charters to end customers and is also structured with certain triggers for early termination that minimizes company exposure if freight rates go in the wrong direction.

ZIM was an incredibly interesting situation overall, especially with the massive amounts of economic stimulus just getting deployed across Europe and the planned mega spending here in the U.S. as additional underpinnings for robust conditions. Even more exciting, as the company approached its IPO, we thought the stock was being incredibly mispriced, and was available to investors at an extremely compelling valuation. The shares would be brought to market at about 3x our 2021 expected EBITDA (assuming the midpoint of the indicative IPO price range). We were interested.

However, as is so often demonstrated in special situation maritime investing, timing is everything; a lesson that we have learned the last five years.

Leading up to the IPO, we spent time getting to know the management of the company, how they built the business, how they went from a low-tech traditional container operator to a high-tech model in all aspects of the business. We decided to participate in the IPO. There was a late January day, just as we had given our indication of interest in the IPO to the bankers and the company, when the global markets sold off precipitously. The shipping sector sold off dramatically on the afternoon the deal was supposed to price (for reference, the S&P and NASDAQ both closed down more than -2.5% that day). We suggested to the bankers that they pull the deal and come back in a few weeks. However, with ZIM scheduled to be the first U.S. shipping IPO in the last five years and the media limelight (and fanfare) too great at that point, the decision was made to plow forward.

We decided to walk away on the day the books would close on the deal, which was the first time that Evermore had ever pulled an order at such a late stage. We felt the bankers were using the wrong strategy and the stock would fare poorly, especially as the deal was likely to price at $15 per share, below the indicative price range of $16 to $19 per share. The bankers asked at what price we would be willing to invest. For us, this question confirmed that the decision to pull our order was correct.

ZIM was priced at $15 per share and it promptly collapsed to an intraday low of $11.34 on the first day of trading. We felt this was a short-term crisis created by the bankers mismanaging the process and was not a true reflection of the company. So, we started buying in the open market after the stock had collapsed. The more transactional oriented hedge fund investors could not sell it fast enough. We ended up buying a nice sized position between $11.50 and $12.50 per share.

As the volatility subsided in the coming weeks and months, we decided to take some of our profits in late in the quarter as the stock traded above $25 per share. This was a rare short-term hold for us, but one that demonstrates the power of knowledge, price consciousness, industry experience and capital markets nuance, all packed-in to a short investment window.

Portfolio Review – Exited Investments

The Fund exited the following four positions that it held at the end of the year:

- The Fund invested in **AF Poyry (AFB SS)** several years ago when AF (Sweden) and Poyry (Finland) combined in a mega merger for infrastructure, IT and related industrial consulting services across the Nordics primarily. This has been a solid investment for the Fund and has compounded well. We decided to take profits and redeploy the capital elsewhere.

- The Fund exited its investment in **Constellium (CSTM US)** after a substantial revaluation of the stock. While we continue to believe there is further value here as the company continues to take advantage of a transition to aluminum components, especially in automotive and defense related sectors, ultimately, other investments were available at highly attractive valuations and we chose to redeploy the capital into those earlier inning situations.

- The Fund initiated its investment in **EOS Enterprises Inc (EOSE US)** in Q4 2020. Simply put, the stock moved up more than 100% in a very short period of time and we chose to take our profits and move on. Like in the case of ZIM, when the market gives us a gift, we oblige and take it.

- The Fund exited its position **Genco Shipping & Trading (GNK US)**, locking in a loss in this dry bulk carrier business. While we believe that the management team has done an excellent job navigating the pandemic and we remain staunch supporters of CEO John Wobensmith, but as stated previously, we believed there were too many other areas more attractive risk/reward profiles. To that end, we have continued to reduce the Fund's overall exposure to commodity type businesses.

Portfolio Review – Notable Events

As I mentioned in my introduction, the first quarter saw significant increases in catalyst-driven activities. Below please find the impact of these activities on a considerable number of the Fund's portfolio positions.

M&A:

- **MagnaChip Semiconductor Corp. (MX US)** received an all-cash bid of $29 per share in late March as compared to its year-end 2020 closing price of $13.52 (+114% premium). We expect the deal to close in the third quarter of 2021.

- **Gamesys (GYS LN)** agreed to be acquired by Bally's Entertainment in a transformative transaction which will elevate the management of Gamesys to run the combined new business. The stock ended 2020 at GBp 1140 per share and ended the quarter at GBp 1932 per share. Our initial view of the merger is quite positive though the position is under review to determine our level of interest in the combined business going forward.

- **Modern Times Group (MTGB SS)** closed the acquisition of Hutch Games, a UK-based leading developer of free-to-play mobile racing games. This is MTG's largest recent acquisition to date in the very attractive midcore gaming segment. MTG also announced the acquisition of Ninja Kiwi, a New Zealand-based developer of online and mobile games in the tower defense strategy genre. This is a transformative acquisition that broadens MTG's gaming vertical into a new gaming genre via a highly profitable market leader in the category. We expect the deal to close in the second quarter of 2021.

- **Exor (EXO IM)** closed the merger of Fiat Chrysler with Peugeot to create Stellantis, the fifth largest auto group in the world with brands including Jeep, Chrysler, Dodge, Maserati, Fiat, Alfa Romeo, Peugeot and others. Exor also announced the acquisition of a 24% stake in Christian Louboutin, the global luxury brand; Exor will have a board seat and will be closely involved as Louboutin embarks on the next phase of its high-growth fashion group.

- **Enzo Biochem (ENZ US):** announced that the Founder/CEO will relegate his role as CEO and focus primarily as head of scientific research for the company. An external search has commenced to bring in a CEO from the outside. In addition, the former CEO of LabCorp Diagnostics was hired as a strategic consultant to the board as well as a healthcare-focused investment bank to solicit and review strategic alternatives. This is dramatic shift at Enzo, which has been the target of several activists over the last few years.

Spin-Offs:

- **Vivendi (VIV FP):** announced the spinoff to shareholders of 60% of Universal Music Group (UMG) by the end of 2021. Vivendi will keep a 20% stake in UMG and previously sold a 20% stake to Tencent, the China based media powerhouse conglomerate. Depending on valuation after the spinoff, our intention is to keep the UMG shares in the portfolio.

- **IAC/InterActiveCorp (IAC US):** announced that the spinoff to shareholders of its stake in Vimeo will take place during the second quarter. This is a continuation of the company's core strategy of buying, building, scaling up and then spinning off businesses over time which has created exceptional returns for shareholders.

New Listings (IPOs):

We have taken advantage of the new listings market to a very modest degree over the last few years. In certain cases, we take a toe-hold position with the idea to opportunistically add on weakness. In other cases, we never get the chance to add as they evolve faster than we had anticipated, as you will see is the case in the summary below.

- **Group Nine Acquisitions (GNAC US)** is what is called a corporate-sponsored SPAC ("CSPAC"). In a CSPAC, the founder of the acquisition vehicle is an operating company whose intention is to find an appropriate target as laid out in their prospectus. Upon an acquisition, the CSPAC merges their operating business, and the target company, into the SPAC. This process thereby creates a larger scale business group that provides investors abundant knowledge about a significant part of the new company, its management and founding investors. We met with the founder, Ben Lerer, who has been a very successful venture capital investor over the years. He is the founder and CEO of Group Nine Media, a New York-based digital media holding company with a cross section of successful online and social media investments (e.g., The Dodo, Thrillist, NowThis, Seeker and POPSUGAR).

Portfolio Review - Top Contributors & Detractors

Below, please find the top four contributors-to and detractors-from Fund performance in the first quarter and summaries for the most impactful contributor and detractor.

Top Contributors	Top Detractors
Calumet (CLMT) Specialized lubricants and solvents *Breakup / Spinoff*	**LPKF Laser & Electronics (LPK GY)** High value-added lasers *Other Special Situations*
MagnaChip Semiconductor (MX) Semiconductor pureplay *Other Special Situations*	**Modern Times Group (MTGB SS)** Holdco (online/mobile gaming & Esports) *Breakup / Spinoff*
ZIM Integrated Shipping Services (ZIM) Asset light containership operator *Other Special Situations*	**Nordic Entertainment (NENTB SS)** Nordic broadcasting and media *Breakup / Spinoff*
IAC/InterActive Corp (IAC) Holdco (media, consumer & internet-related) *Breakup / Spinoff*	**Aker BioMarine (AKBMME NO)** Global krill value chain *Other Special Situations*

Calumet Specialty Products Partners LP (CLMT US) was the largest contributor to Fund performance in the quarter, with its units appreciating by 95% during the period. This strong performance came on the heels of the partnership's February announcement that, rather than fire sale its assets (which had been our base case assumption going into the investment, and one we believed would still yield strong returns), it had instead changed their plans. First, they closed on a $70 million sale leaseback transaction to help alleviate any immediate liquidity concerns. Next, they officially called off the sale process of its Performance Brands business, as management was unwilling to give this business away if it were not forced to. Lastly, they announced a transition in its value-maximization strategy for their Great Falls, Montana refinery. Specifically, Calumet now seeks a partner to buy a majority stake in Great Falls and to fund an approximate $180 million capital project to convert its fuels refining output into a renewable diesel operation. We believe the project (which is fairly low risk given the facility's existing oversized hydrocracker) would create structurally low-cost capacity in a growing market, offers compelling "incremental capital economics," and industrial logic, to certain would-be strategic acquirers.

The market has begun digesting the prospect of Calumet finally trading outside the long shadow of its past financial missteps and the elevated financial leverage they brought about. But beyond a better balance sheet, were Great Falls to become a minority investment, we believe the market will quickly revalue the partnership as the high margin specialty chemical business it is, rather than as a merchant fuels refiner. Ultimately, though there are certainly moving parts to this special situation, we continue to view the situation as extremely asymmetric and look forward to updates on Great Falls.

LPKF Laser & Electronics AG (LPKF GY) was the largest detractor from Fund performance in the quarter, with its shares falling 19% during the period. The weakness was driven in large part by an announcement from LPKF's CEO, Dr. Götz Bendele, that he would not renew his employment contract beyond its April 2021 expiration. Seemingly catching everyone from investors to the company's Board off guard, Dr. Bendele announced he would instead assume the CEO role at SUESS MicroTec SE, a semiconductor manufacturer. As a result, the market has been forced to ask itself why it should stick around for the commercialization of LPKF's nascent technologies if its own CEO appears unwilling to do so.

While we do not blame anyone for questioning the fact pattern here, we have come to know Dr. Bendele before and during our investment in the company. We believe his decision was driven primarily by financial reasons, and that Dr. Bendele is extremely confident in LPKF's position to execute against its business plan (to generate at least EUR 90 million EBIT in 2024). We look forward to the company naming a successor in due course and wish Dr. Bendele all the best going forward.

Closing Thoughts

Value investing has certainly been out of favor with many investors for many years. We keep hearing discussion that value investors cannot find attractive opportunities to invest. In our view, it is a great time to be a value investor given the large quantity of catalysts for value creation we are seeing. This is especially the case in Europe, where the years of low or no growth are further and further behind us. The self-help amongst companies and strengthening of balance sheets are underpinning a tsunami of opportunity in our view. The catalysts are poised to deliver. The stimulus rollout just starting in the European markets and a remarkable focus on digitalization and sustainability, combined with massive new spending programs in the U.S., make this the time for value with catalyst investing.

The environment for sourcing our style of catalyst driven value investments has been exceptional for the past nine months. We have worked diligently to sift through what we see as an abundance of our type of investment opportunities to selectively add to the Fund's portfolio and we believe these recent additions have created a more diverse and cheaper overall portfolio.

We wish you and your families continued health. Please feel free to contact me or Adam Ermanis - aermanis@evermoreglobal.com - with any questions.

Sincerely,

David E. Marcus
Portfolio Manager

Opinions expressed are those of Evermore Global Advisors and are subject to change, are not guaranteed and should not be considered investment advice.

Fund holdings and sector allocations are subject to change at any time and should not be considered recommendations to buy or sell any security. Current and future portfolio holdings are subject to risk.

S&P 500 is a stock market index that tracks the stocks of 500 large-cap U.S. companies.

Nasdaq is a global electronic marketplace for buying and selling securities.

Free cash flow represents the cash a company generates after cash outflows to support operations and maintain its capital assets.

Manufacturing Purchasing Managers' Index is an index of the prevailing direction of economic trends in the manufacturing and service sectors.

EBIT means earnings before interest and taxes and is an indicator of a company's profitability.

Please **click here** for the most recent holdings of the Global Value Fund.

Mutual fund investing involves risk. Principal loss is possible. Investments in foreign securities involve greater volatility and political, economic and currency risks and differences in accounting methods. This risk is greater for investments in Emerging Markets. Investing in smaller companies involves additional risks such as limited liquidity and greater volatility than larger companies. The Fund may make short sales of securities, which involve the risk that losses may exceed the original amount invested in the securities. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment in lower-rated, non-rated and distressed securities presents a greater risk of loss to principal and interest than higher-rated securities. Due to the focused portfolio, the fund may have more volatility and more risk than a fund that invests in a greater number of securities. Additional special risks relevant to the fund involve liquidity, currency, derivatives and hedging. Please refer to the prospectus for further details.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Fund before investing. This and other important information is contained in the Evermore Fund's statutory and summary prospectus, which may be obtained by contacting your financial advisor, by calling Evermore Global Advisors at 866-EVERMORE (866-383-7667) or on www.evermoreglobal.com*. Please read the prospectus carefully before investing.*

You cannot invest directly in an index.
Evermore Global Advisors, LLC is the advisor to the Evermore Global Value Fund, which is distributed by Compass Distributors, LLC.