Evermore Global Value Fund

Portfolio Commentary: 1st Quarter 2022

Dear Shareholder,

At the start of the year, the general focus was on a confluence of events including rising inflation, interest rates and the potential Russian invasion of Ukraine. These shocks caused significant volatility and declines across most major global markets throughout the first quarter. Our investment team conducted a deep dive into our holdings to review and discuss the impact of these events and whether any changes were warranted. This review increased our confidence in the portfolio, and we decided few adjustments were necessary. Instead, we took advantage of the quarterly volatility to add to a number of the Fund's positions and to initiate three new ones.

As the invasion of Ukraine began, our collective view that Russia would not trigger a war (but would instead push boundaries, extract some concessions, and leave it at that), went right out the window. Quickly it was clear that rational thinking was not the order of the day, and it has been heartbreaking to witness the pain and devastation that has since been inflicted on the Ukrainian and Russian people.

We decided a trip to Europe was required to get a firsthand perspective from a cross-section of European businesspeople. We wanted to learn how they viewed the unfolding situation and how the circumstances might impact their day-to-day operations, and also, their long-term goals. Our assistant portfolio manager, Thomas O, and I spent almost two weeks visiting Oslo (Norway), Stockholm (Sweden), and Paris (France). We met with a wide range of more than 25 groups including families that control businesses (both public and private), management teams, board members, bankers and a handful of money managers based in these markets. With war on their doorsteps, it was clear that these conversations would be so much more valuable face to face than through Zoom or just reading the press.

This was among the most intensive trips we have ever taken, and our schedule was filled daily from early morning to late in the evening. It was invigorating be face to face again, and we found most of our hosts were more than willing to go over our allotted time together. For many of the people we met, it was the first in person meeting they had with people from the U.S. in more than two years and so it felt like our conversations ended up covering more topics and more perspectives than we had planned.

Now a few weeks later, we feel our investors would benefit to know some of our key takeaways from the European trip. In no particular order, we observed:

- The continent is disgusted by Russia and Putin's actions.
- Almost every country and company that does business in Russia is taking a fresh look at these channels, is considering alternatives, and with trust at minimal levels, many have decided to exit.
- Primary business focuses for many are on inflation, interest rates, supply chains, and potential food scarcity over time (especially wheat and corn).
- Consumer and business spending may not drop as much as some fear, and government defense spending is poised to explode in the years ahead.

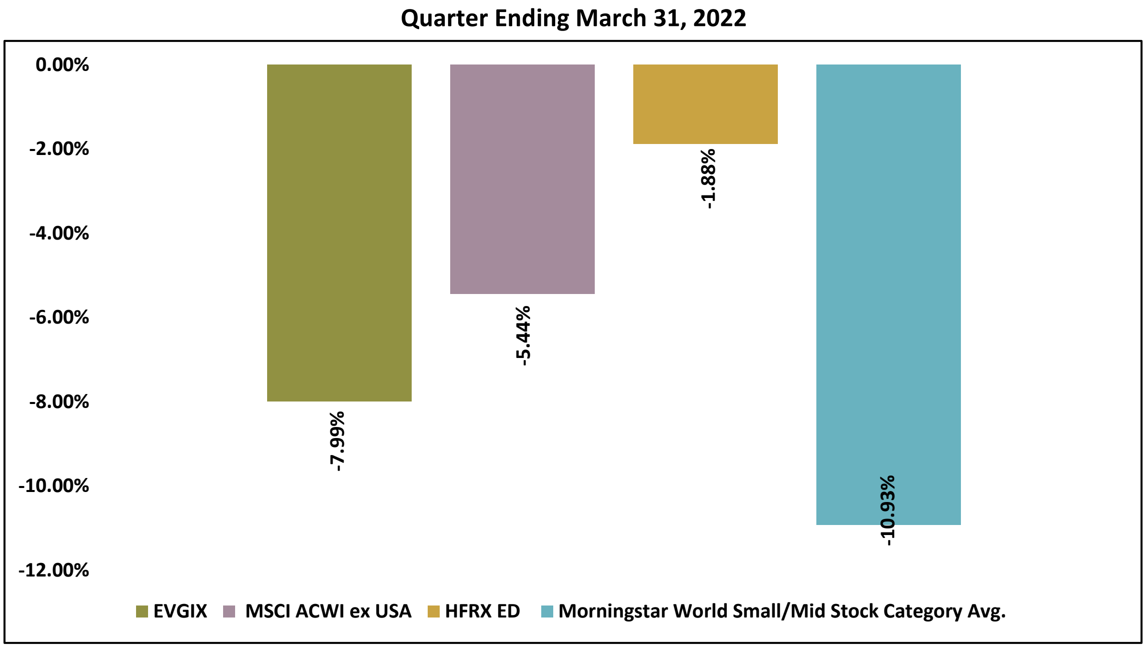
- European unity, which has been lacking at times in the last decade, is growing quickly, the wake-up call has been made and previous disagreements are now viewed through a more harmonious lens.
- While the headwinds to businesses and consumers are real, the discussions, which generally started with talk of business history related to each of these groups and current issues, evolved into discussions of opportunities coming during crisis times. Some companies discussed how they had built significant cash reserves over the years and now had incredible resources to take advantage of disruptions and dislocations that crisis has created. Bluntly, there are many businesses that did not prepare for tough times that could become acquisition targets for these companies.
- We heard more talk of break ups and spinoffs than ever before. We have been expecting this for years, but today we are seeing a real refocusing by holding companies and conglomerates.
- Valuations are coming down, though, interest rates are going up. This is a formula for more deals as strategic buyers who have cash can now more effectively compete with private equity firms that thrive on the use of low-cost debt. So, the playing field will expand in terms of potential buyers as the benefits of scale and pricing power continue to become more dominant forces.
- The level of focus on supply chains and logistics technology is increasing as more companies go "asset light" (i.e., outsource more and more of these critical service areas), so they can focus on their primary business goals and optimizing the long-term value of their businesses.
- We need to go back to Europe in the near-term to not only follow up with these groups, but also to expand the next trip to other countries and businesses. Being an "early traveler" can and often does re-energize and expand our incredible network of relationships globally.

It is clear that 2022 is going to be a very busy year for Evermore.

Portfolio Review – Investment Performance

Institutional Class shares of the Evermore Global Value Fund were down 7.99% for the quarter ended March 31, 2022. As shown in the chart below, it was a difficult quarter for markets after the Russian invasion of Ukraine, and the institutional shares of the Evermore Global Value Fund were not immune to the overall market drop that followed.

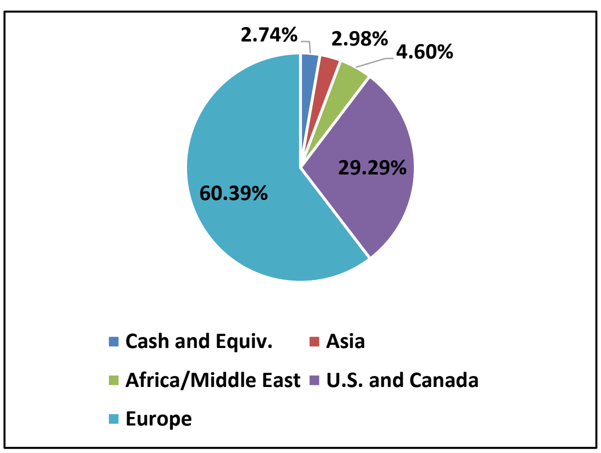
The performance data quoted represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance 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.***

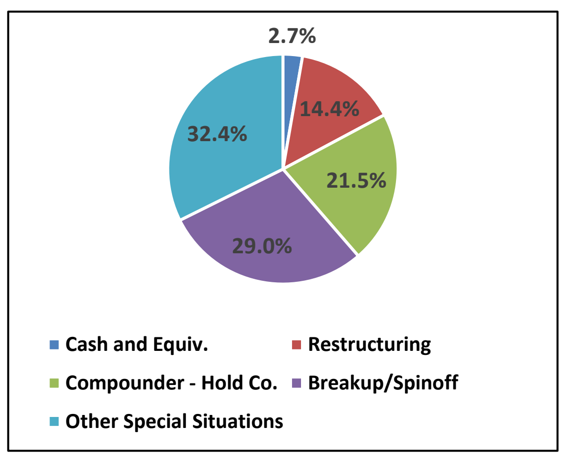


Morningstar World Stock Category Average represents an average of all the funds in the Morningstar World Stock Category.

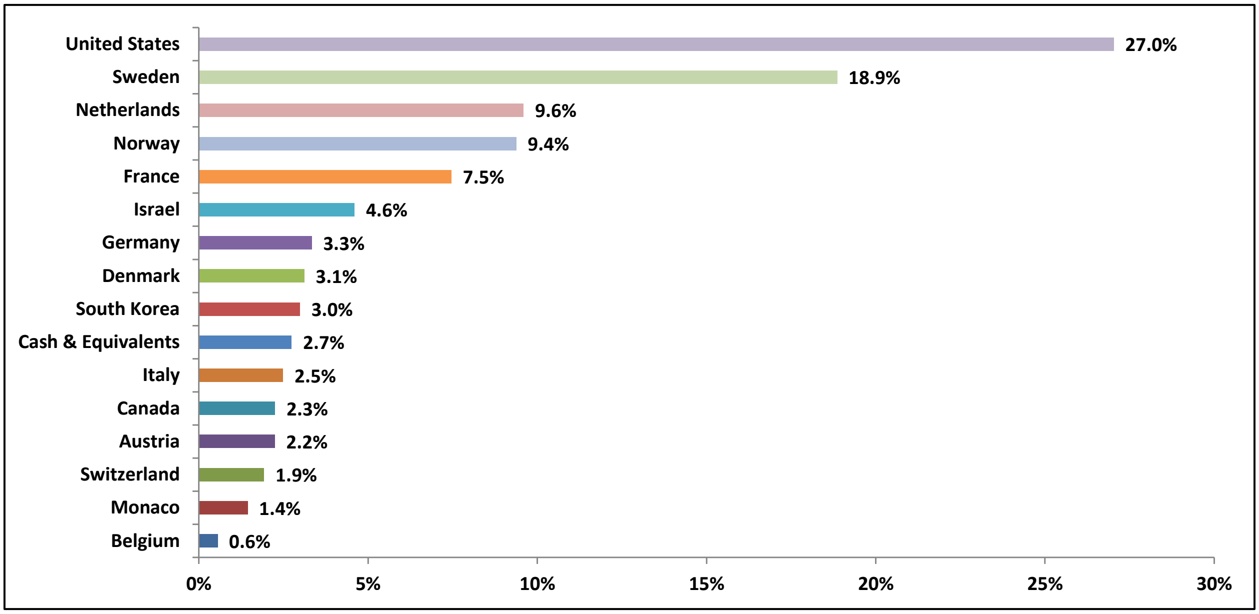
Portfolio Review – Characteristics

The Fund ended the quarter with **$199.5 million in net assets** and 38 **issuer positions**. As of quarter-end, 62.9**%** of the Fund's net assets were in small-capitalization (up to $2 billion) companies; 18.0% were in mid-capitalization (between $2 billion and $10 billion) companies; and 16.4% were in large- capitalization (> $10 billion) companies. The Fund had 2.7% of its net assets in cash and equivalents and hedges as of March 31, 2022. Set forth below please find the following geographic and strategy classification breakdowns (shown as a % of Fund net assets) as of quarter end.





Country Exposure



Portfolio Review – New Investments

The Fund was busy during the quarter as we initiated three new positions – **Colfax Corporation (CFX US; U.S.)**, **Inwit SpA (INW IM; Italy)** and **Onex Corporation (ONEX CN; Canada)**. Below please find summaries on INW and ONEX.

Inwit SpA ("**INW**"), is a €9.7 billion ($10.7 billion) market cap, leading wireless infrastructure operator in Italy, controlling more than 22,000 cell towers. The company was carved-out of Telecom Italia ("TIM") in 2015 and was IPO'd later that year. In early 2020, INW merged with the Vodafone ("VOD") Italian tower portfolio, effectively doubling the size of the business. Today, almost 90% of revenue is derived from TIM and VOD under long-term inflation-linked contracts.

We believe there are multiple strategic paths that would lead to a successful outcome for INW shares.

In March a private equity consortium (led by Ardian) that currently owns about 15% of INW bid TIM for an additional 12% equity stake at a 20% premium to the price at that time, which is higher than the current price of the stock. Additionally, Vantage Tower, which is controlled by VOD, owns 33% of INW and has generally spoken about their desire to participate in the consolidation of the European tower market. Nevertheless, as the 6th largest portfolio in a briskly consolidating European towers market, INW is a sizable and attractive target for a host of strategic and financial buyers.

We feel the odds of an acquisition are quite high here. However, should the company not be swallowed up in the consolidation of the sector, we would expect that INWIT would likely transition to a focus of deploying free cash flow towards debt reduction and higher regular and special cash dividends. Those payouts alone could be 15% to 20% of the market cap returned to shareholders over the next 18 months or so.

At our initial purchase price, INW was trading at approximately ~7% recurrent free cash flow yield, which is as cheap as any tower company in the developed world. With reassuring commentary from management regarding the risks related to potential consolidation of Italian cell providers, we believe the range of outcomes for INW over the next 24 months make the stock highly attractive.

Onex Corporation ("ONEX"), is a leading alternative asset manager that traces its roots to 1984 when current Chairman and CEO, Gerry Schwartz, founded the firm with $50 million of friends and family money after having worked for notable dealmakers Jerome Kohlberg and Izzy Asper at different stops in his career. During its first 15 years in existence, ONEX focused on private equity investing in North America using capital from its own balance sheet. In 1999, ONEX began raising private equity funds with third-party capital. At the end of last year, the firm managed approximately $40 billion of invested and committed capital, of which $33 billion was fee-paying.

ONEX is led by a well-regarded and capable management team that have their interests well-aligned with minority shareholders. As of December 31, 2021, ONEX employees had a total of ~$2.4 billion invested in ONEX funds and ONEX shares (of which management owns ~18% of the company's shares outstanding). Notably, the company has been chronic buyers of their own shares over the last two decades, and from 2020 through 2021, as ONEX shares languished, management repurchased nearly 10% of shares outstanding, which is the annual limit under Canadian NCIB regulations.

We believe ONEX is in the early stages of a transformation that the market does not completely comprehend. Encouragingly, there has been a marked change in shareholder communication efforts as management rolled out new key performance indicators and long-term 2026 guidance at their Investor Day event in October 2021. Most notably, we believe that fee-related earnings ("FRE"), which is modestly negative today, will inflect in the coming 12-24 months and can reasonably approach $2-Canadian ($1.54) per share by 2026; given prevailing multiples of 20x-30x that the market is placing on the FRE streams of U.S. and European alternative asset manager peers, we believe there is substantial value in ONEX's 3rd party asset management business – a business that the market is currently ascribing *negative* value.

ONEX trades at a clear and substantial discount to our assessment of intrinsic value. At the end of Q4 2021, the firm had on-balance sheet assets (mainly net cash and General Partner stakes in their private equity and credit funds) of approximately $115-Canadian ($91) per share, which, alone, is ~40% higher than where the stock currently trades. Given management's focus on compounding the value represented on its balance sheet, on scaling the third-party asset management business, and on aggressively repurchasing shares at opportune times, we view ONEX as an investment that can reasonably earn a ~25% internal rate of return over the next 3-4 years.

Portfolio Review – Exited Investments

The Fund exited just one position during the quarter, that being **Lamington Road DAC Trust Certificates and Warrants.** We have owned our stake in Lamington (which had previously been a subsidiary of the wound-down Emergent Capital) for several years. We originally purchased senior notes and common stock, and later, received warrants when the company went through a balance sheet reorganization in 2017. Last year, Lamington, which is domiciled in Ireland, issued new securities in a second balance sheet transformation. We continue to own the Lamington Series A notes which offer a high yield (currently paying a 9.75% cash coupon), however, the Fund took advantage of a liquidity opportunity that arose and we chose to shrink the position size overall by selling the more junior equity and warrant securities at an acceptable price.

Portfolio Review - Top Contributors & Detractors

Below, please find the top three contributors to, and detractors from, Fund performance in the first quarter along with summaries for two of the most impactful contributors and detractors.

Top Contributors	Top Detractors
Modern Times Group (MTGB SS) Holdco (online/mobile gaming & Esports) *Breakup / Spinoff*	**Storskogen Group AB (STORB SS)** Conglomerate *Compounder / Holding Co.*
ZIM Integrated Shipping Services (ZIM US) Asset light containership operator *Other Special Situations*	**Montana Aerospace AG (AERO SW)** Aluminum & Alloy Parts Manufacturer *Restructuring*
MPC Container Ships ASA (MPCC NO) Container vessel operator *Other Special Situations*	**Vivoryon Therapeutics N.V. (VVY NA)** Alzheimer's therapeutics provider *Other Special Situations*

Modern Times Group ("MTG") is a $1.6 billion market cap, Sweden-based holding company with gaming and Esports assets. During the quarter, MTG announced that Lasse Pilgaard will assume the CFO role starting April 1, replacing Lars Torstensson who previously announced that he was stepping down as CFO due to personal reasons. Lasse was most recently the CFO at TDC Group, the largest Danish telecom company. During his tenure at TDC, he was instrumental in stabilizing the various businesses and he was involved in the separation of TDC group into two standalone businesses. We believe he will be a great addition to MTG given Lasse's strong operational background and experience with various aspects of the capital markets.

In late January, MTG announced the sale of its Esports business (ESL Gaming) for $1.05 billion to Savvy Gaming Group, an Esports holding company owned by the sovereign wealth fund of Saudi Arabia. In our view, this is a transformative deal as the valuation for MTG's gaming assets came in significantly higher than our estimate of intrinsic value for this segment.

MTG intends to return at least 40% of net proceeds (tax free) to shareholders after the deal closes in the second quarter. Going forward, we believe MTG will still be an undervalued, fast-growing group of gaming businesses, led by strong management and with a net cash war chest.

ZIM Integrated Shipping ("ZIM") is a $8.7 billion market cap, Israel-based containership operator with a unique asset-light business model. ZIM continued to perform well during the quarter. As mentioned in our prior commentaries, management had significantly raised its 2021 full year Adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization ("EBITDA") guidance from $1.4 to $1.6 billion to $6.2 to $6.4 billion. ZIM actually generated $6.6 billion of Adjusted EBITDA for 2021, which exceeded the top end of the guidance range. For 2022, the company expects Adjusted EBITDA of $7.1 to $7.5 billion for the full year.

Given its continued strong cash flow generation, ZIM declared a dividend of $17 per share, which was paid on April 4th. Since the IPO in January 2021, ZIM has paid out a total of $21.50 per share to shareholders, of which $4.50 paid last year comprised of a $2.00 special dividend and $2.50 regular dividend that was initiated in the third quarter last year. ZIM ended the year with net cash of over $500 million on the balance sheet.

The exceptional container market uplift that we have observed starting in the latter half of 2020 has extended into 2022. We continue to closely monitor the current spot rates and fixtures (and duration) along with the current supply / demand fundamentals. We continue to have high conviction in ZIM.

Storskogen Group ("STORB") is a $4.1 billion market cap, Sweden-based diversified "Mergers & Acquisitions compounder" with a long-term focus on well-run, small- and medium-sized companies that are cash generative with market leading positions in their respective niche markets. We initiated a position in Storskogen during the fourth quarter last year which we discussed at length in our 4Q commentary.

Since reaching its recent high of SEK 60.95 at year end, we believe the selloff during the first quarter was attributed to short-term, trading-oriented investors taking profit. Also, local investors (predominantly family offices) broadly reduced their positions in M&A compounders in the Nordics (Lifco, Indutrade, etc.) which also included Storskogen.

We have observed that management may be incredibly skilled at running and operating their businesses but sometimes, they may be lacking when dealing with the capital markets, especially recently listed companies. We believe Storskogen's underlying portfolio of businesses are generally performing well. However, the high frequency of new acquisitions and management's zeal to announce each new acquisition with its own press release may have spooked investors.

We have spoken with management during our recent trip to Stockholm and we have had constructive discussions as to how their responses and messages might be misconstrued by shareholders. We believe the new acquisitions eventually get "lost" by investors especially as a standalone transaction might be deemed immaterial but in the bigger picture, may be a critical bolt-on for one of Storskogen's portfolio companies.

We continue to high conviction in Storskogen and will opportunistically add to our position.

And lastly, **Montana Aerospace (AERO SW),** Montana Aerospace was another detractor in Q1, with shares falling just over 50%. Montana, with its manufacturing facilities concentrated in Europe, is a leading extruded component supplier to the aviation, automotive, and energy industries. They specialize in aluminum, titanium and other metals and composites.

There was really no meaningful company-specific news during the quarter that would account for such a dramatic sell off. Instead, weakness appears to have been primarily driven by European energy cost inflation and fears around the future availability of titanium, which is a key input to production, and one in which Russia is a major global exporter.

During the quarter, Montana's leadership came to see us in our New Jersey office, and we had a very productive conversation. It appears Montana will have to absorb roughly one third of the energy cost inflation it is currently experiencing. But the company has recently guided to expectations of solid profitability for 2022, and the team is less concerned about considerations over which the market appears to be erroneously punishing the stock.

For example, Montana's vertical integration leaves the company comparatively well-positioned to weather metals cost inflation. With regard to titanium, Montana is supplied with the metal directly by aircraft OEM customers such as Airbus and Boeing, with no price risk to the company.

As far as availability goes, we believe that these large OEMs have multi-month inventory levels and will have little issue in ongoing sourcing given their size and strategic importance to the titanium market. While Russia is a low-cost producer, titanium is not all that scarce globally, and so we wouldn't be surprised if today's pricing environment were to entice new capacity to come online too.

The bottom line is that Montana Aerospace is a not-easily-replaceable supplier to what now is a robust commercial aviation industry. While there are incremental worries that were introduced to the story in Q1, as value investors, we need to weigh them against the intrinsic value we believe is inherent and achievable in the stock. Over $1 billion was wiped off the market cap in a matter of weeks late in the quarter. This is a level that far exceeds the aggregate financial impact we expect Montana to actually bear from cost inflation.

The company is trading at approximately 3x our full year 2024 EBITDA forecast. Overall, we look forward to the integration of recent acquisitions and trust that investors will ultimately revert to valuing the business on its fundamentals (and not fear) when inflationary clouds begin to dissipate. We continue to have high conviction in Montana Aerospace and will continue to opportunistically add to our position.

Closing Thoughts

Inflation, interest rates, supply chain bottlenecks, commodity prices, plus war in Ukraine (and fears of what Russia will do going forward) are impacting day to day life and markets. We have spent a lot of time considering the perspectives we have gathered and thinking about how the investment landscape may develop over the coming months and years. While uncertainty is never received well by market participants, what we do know is that fear, panic, crisis and stress have always created incredible opportunities for knowledgeable and price conscious investors. Our extreme focus on special situations and family-controlled businesses allows us to work on ideas that should be less tethered to the markets over time, and we feel our portfolio is positioned well to thrive as turmoil and volatility hopefully begin to wane this summer.

Thank you for your confidence and attention, and if you have any questions, please reach out to Adam Ermanis or myself; know that I look forward to writing you again in a few months.

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.

The MSCI ACWI ex USA Index captures large and mid-cap representation across 22 Developed Markets countries.

The HFRX Event Driven index utilizes a UCITSIII compliant methodology to construct the HFRX Hedge Fund Indices. The methodology is based on defined and predetermined rules and objective criteria to select and rebalance components to maximize representation of the Hedge fund Universe.

EBITDA – Earnings before interest, taxes, depreciation, and amortization.

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.

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