Evermore Global Value Fund

Portfolio Commentary: 4th Quarter 2021

Dear Shareholder,

Despite the emergence of the highly transmissible Omicron variant of COVID-19 and continued concerns about inflation across the world, global markets generally posted a strong fourth quarter. By year end, fears over rising cases of the virus subsided due to scientific data that indicated that the variant presented a lower risk of severe disease. Strong corporate earnings growth and investor sentiment that 2022 could bring continued earnings growth seemed to outweigh these pandemic-related risk factors in investors' minds.

In the U.S., in addition to solid corporate earnings, the signing of the bi-partisan $1.2 billion infrastructure bill and the continued rise in technology stocks also helped drive market returns higher. Although an unreliable supply of Russian gas, as well as other energy issues, led to a sharp rise in gas and electricity prices in Europe, European markets also showed gains in the fourth quarter. While many Asian markets made up some ground in December, declines in October and November led to an overall small decline in Q4.

After three quarters of disappointing performance, the Evermore Global Value Fund ("EVGIX" or the "Fund") posted strong gains in the fourth quarter resulting in a full year gain of more than 6% for Institutional Class shares.

Our investment team continued its active engagement with both existing and prospective portfolio companies. We have found that most of the companies that we have been in contact with are still not working full-time in their offices, however, they are starting to meet in person with institutional shareholders. In fact, the CEO of our largest holding visited with us in our offices in New Jersey just last week.

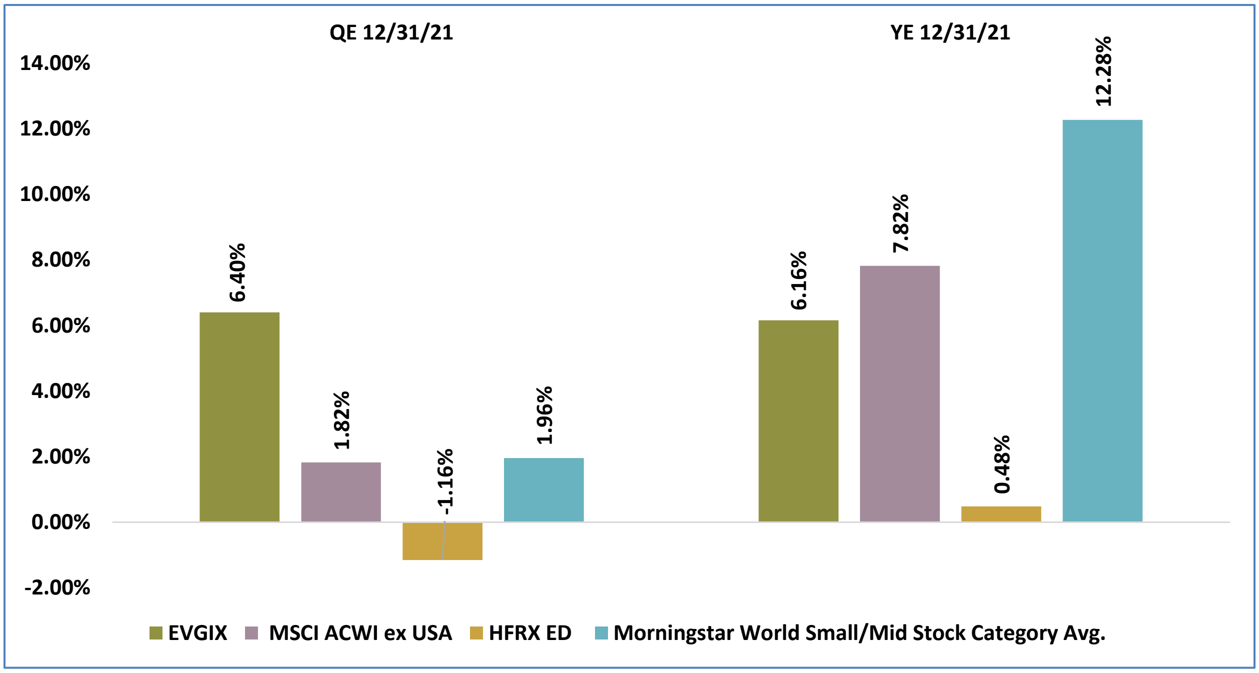
As the New Year gets underway, we remain confident in our portfolio holdings and construction, and believe that those positions that detracted significantly from performance in 2021 (which will be discussed in detail in the Fund's upcoming 2021 annual report) have the ability to meaningfully contribute to the Fund's performance in 2022.

Portfolio Review – Investment Performance

Institutional Class shares of the Evermore Global Value Fund were up 6.40% and 6.16% for the quarter and year ended December 31, 2021, respectively. As shown in the chart below, the Fund's performance in the fourth quarter beat the performance of each of its benchmark indices and 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 and Year Ending December 31, 2021

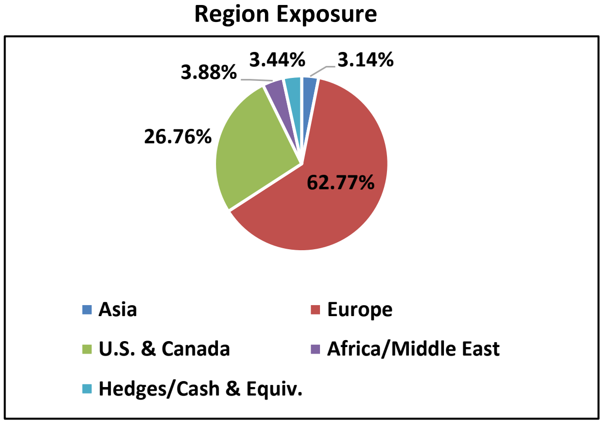


Morningstar World Stock Category Average represents an average of all the funds in the Morningstar World Stock Category.

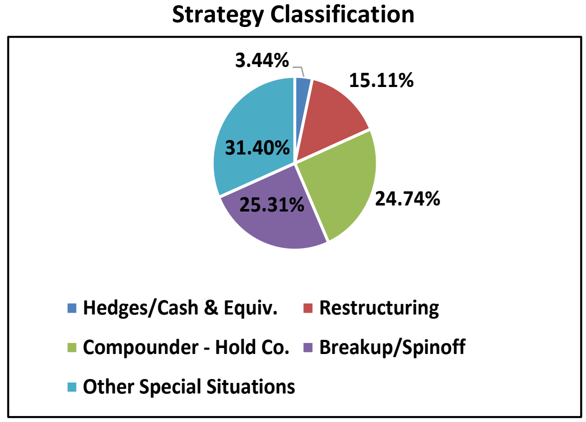
Portfolio Review – Characteristics

The Fund ended the quarter with **$226.6 million in net assets** and **34 issuer positions**. As of quarter-end, **56.9%** of the Fund's net assets were in micro- and small-capitalization (up to $2 billion) companies; **16.5%** were in mid-capitalization (between $2 billion and $10 billion) companies; and **23.1%** were in large-capitalization (> $10 billion) companies. The Fund had **3.4%** of its net assets in cash and equivalents and hedges as of December 31, 2021. Set forth below please find the following geographic and strategy classification breakdowns (shown as a % of Fund net assets) as of quarter end.

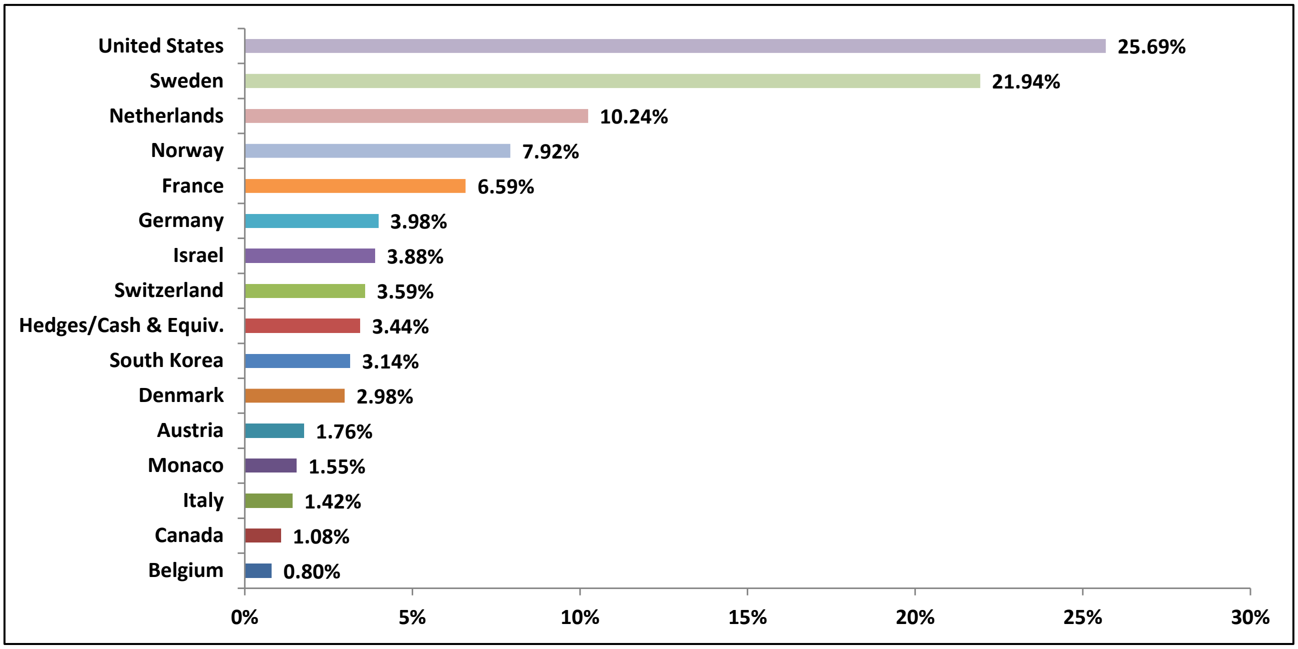
Region Exposure



Strategy Classification



Country Exposure



Portfolio Review – New Investments

The Fund ended the quarter with three new positions – **Byggfakta Group Nordic HoldCo AB** (BFG SS; Sweden); **Storskogen Group AB** (STORB SS; Sweden); and **The Social Network AG** (PU11 GY; Germany). Below please find a summary of our investment in Storskogen Group AB in the *Portfolio Review - Top Contributors & Detractors* section below.

Portfolio Review – Exited Investments

The Fund exited the following positions during the quarter:

- **Aker BioMarine ASA (AKBM NO).** The Fund exited its position in Aker BioMarine ASA in the quarter at a loss, having owned shares since the company's IPO. We ultimately underestimated the volatility that Mother Nature can introduce to krill farming and did not foresee the continued deterioration for the business in South Korea, a key market for Aker BioMarine's high margin *Superba* krill oil designed for human consumption.

- **Aker Clean Hydrogen AS (ACH NO)**. The Fund exited its investment in Aker Clean Hydrogen. We decided to maintain our exposure to Aker Clean Hydrogen indirectly through our investment in Aker Horizons (AKH NO), which in turn, owns 77% of ACH.

- **Enzo Biochem Inc. (ENZ US)**. The Fund exited its long-term holding in Enzo Biochem with a modest profit. This was undoubtedly a very frustrating investment case. On the one hand, we had a portfolio of great underlying assets, net cash on the balance sheet, a beneficiary of the pandemic crisis, past settlements from patent infringements and several activists that were/are involved. And, on the other hand, Enzo's ability to commercialize the business was rife with fits and starts. In the end, we decided to move on and redeploy the capital into new and existing investments.

- **Ice Group ASA (ICEGR NO).** The Fund exited its position in Ice Group in the quarter as a loss, after the company put forth a reorganization plan that called for massive equity dilution to pay off a hedge fund creditor. This was an unfortunate example of a company creating a tremendous amount of business value over our ownership period, only to have it accrue to the benefit of lenders. Ice's unsustainable debt structure ultimately amounted to a hamster wheel for this pre-free cash flow business (and a distraction to a team trying to disrupt the Norwegian wireless duopoly). Our misjudgment was that, while Ice's control by the deep-pocketed industrial group Access Industries should seemingly have precluded any onerous financings from becoming overly dilutive to Ice's owners, this simply did not turn out to be the case here.

- **PharmaSGP Holding SE (PSG GY).** The Fund exited its investment in PharmaSGP at a loss. The pandemic impacted the company, especially during the second phase of lockdowns that affected its core European markets. While the share price recovered from the lows during the second quarter we exited the position and used the proceeds for new investment ideas that became actionable during the quarter.

Portfolio Review - Top Contributors & Detractors
Below, please find the top three contributors to, and detractors from, Fund performance in the fourth quarter along with summaries for two of the most impactful contributors and detractors.

Top Contributors	Top Detractors
Calumet (CLMT) Lubricants, solvents, renewable diesel *Breakup / Spinoff*	**Modern Times Group (MTGB SS)** Holdco (online/mobile gaming & Esports) *Breakup / Spinoff*
Storskogen Group AB (STORB SS) Conglomerate *Compounder / Holding Co.*	**S&T AG (SANT GY)** IT Services and IoT Hardware *Restructuring*
KKR & Co. Inc. Private equity and real estate investing *Compounder*	**Ice Group ASA** Mobile network operator *Other Special Situations*

Calumet Specialty Products Partners L.P. (CLMT US) was the largest contributor to Fund performance in the quarter, with its units appreciating 66.9% during the period. Calumet has been a Fund holding since January 2020, and our recent focus has been on the very near-term and significant value creation we see from Calumet repurposing its Great Falls, MT refinery into one that can also produce renewable diesel ("RD") at very competitive economics. Broadly speaking, 2021 was the year the market began paying attention to the situation in earnest, with units appreciating 322%.

In our Q3 commentary, we noted that after the September quarter, management announced the long-awaited funding for the Great Falls conversion. The financing, which comes in the form of a privately placed callable convertible term loan featuring a market-adjustable strike price, was at an all-in cost below our expectations and, notably, comes without direct equity dilution of the Renewable Diesel project. The market has taken notice, as have analysts that have turned quite constructive on units post the financing announcement. We believe this term loan looks quite a bit like bridge project financing that may ultimately be repaid as soon as later this year, as management continues to seek external validation on the value of the RD asset.

We see a number of viable paths toward a market-based valuation at the now-carved-out wholly-owned subsidiary, Montana Renewables LLC ("MRL") that might take the market by surprise. All the while, Calumet's Specialties Business, comprised of both B2B and B2C lines, has been running very well and is seeing incredibly strong demand growth. As such, we feel Calumet enters 2022 in a position of significant strength and flexibility. Consider that Calumet, whose Specialties Business alone, we believe, justifies the partnership's entire $2.5B enterprise value at year-end, still retains 100% of Montana Renewables, which may prove to be worth north of $3 billion in the medium term. We believe MRL is seeing strong interest from ESG (Environmental, Social, and Governance) investors, infrastructure funds, SPACs, and strategics alike, for what may be the single most logistically advantaged RD project in North America today. Despite units appreciating significantly over our holding period, we continue to see significant asymmetry in the situation and maintain a sizable position.

Storskogen Group AB (STORB SS), a position which the Fund initiated in the fourth quarter, was the second largest contributor to performance during the quarter. Founded in 2012, Storskogen is a $10.3 billion market cap, Sweden-based diversified "compounder" with a long-term focus on acquiring well-run, small- and medium-sized companies that are cash generative with market leading positions in their respective niche markets. While Sweden was its core market during its formative years, Storskogen expanded to the broader Nordic markets including Finland, Denmark, Norway, the UK and Switzerland. Starting in 2020, Storskogen has further expanded its reach to select European countries with acquisitions in Germany, Switzerland and the UK. For example, the acquisition of Artum, the leading Swiss industrial holding company, which Daniel Kaplan (CEO and co-founder) refers to as a "mini-Storskogen," will facilitate greater access to opportunities in Europe and especially the DACH region. Storskogen focuses on three business areas: Services (construction, infrastructure, logistics, digital service, etc.), Trade (distributors, brands and producers) and Industry (manufacturing, automation, industrial technology and product solutions).

We participated in the IPO at SEK 38.50 per share, which started trading on October 6. Our longstanding relationships with the bankers on the IPO afforded us the opportunity to get "wall crossed" on the transaction. Ahead of the IPO, we spent a lot of time getting to know management and understanding the entrepreneurial DNA driving this M&A machine. The founders, Daniel Kaplan, Alexander Murad Bjärgård (current head of M&A) and Ronnie Bergström (former head of the Industry Business Area), who in aggregate control over 50% of the voting shares, have built an exceptional acquisition platform for profitable, stable and market leading companies.

Similar to Evermore's IPO investment in Lifco (12x share price appreciation from its 11/2014 listing through year-end 2021), we categorize Storskogen as an M&A compounder, a family-controlled company that has created substantial value through its focus on buying, building, and scaling up its portfolio via acquisitions in addition to organic growth. Storskogen has an equally impressive track record of acquisitive growth having completed 152 acquisitions since inception (as of 11/2021). During the same period, there have been no divestments or impairments in the portfolio. Given the robust pipeline, we believe management has already earmarked attractive targets to deploy some of the SEK 7.2 billion of IPO net proceeds in short order.

Modern Times Group AB (MTGB SS) ("MTG"), the $1.13 billion Sweden-based holding company of gaming and Esports assets, was the largest detractor to Fund performance during the fourth quarter. We wrote about MTG in the previous quarterly commentary attributing the performance to exogenous factors, largely sector rotation and investor sentiment towards the gaming sector. There is a view that the gaming sector will decline precipitously as the world evolves out of the pandemic. We believe that gaming will remain strong. During the fourth quarter, there once again was limited company-specific news flow.

In spite of our frustration that carried over into the fourth quarter, we continue to believe MTG is well-positioned to continue its strategic initiatives for both the gaming and the Esports segments. In January, the U.S.-based game publisher, Take-Two Interactive, announced it will acquire Zynga, an online and mobile game developer for $12.7 billion enterprise value, implying a transaction multiple of 30x trailing twelve months 9/30/21 adjusted EBITDA and 20x 2021 consensus EBITDA. We expect to see more consolidation in the gaming space and MTG is a prime target in our view. In addition, with the eventual return of live events for Esports, we believe management is likely exploring a deal that would crystallize the value of ESL Gaming, the world's largest Esports league and competitive events operator.

Important Update on MTG:
Subsequent to quarter end, in January 2022, MTG announced the sale of their Esports division at an incredible valuation. The price was huge, over $1 billion, which was about 50% more than our expectation of the value of this part of their business.

The company announced that they will pay out 40% of the proceeds to shareholders in a tax-free distribution after the deal closes in the second quarter. MTG will then have net cash on the balance sheet, creating a compelling war chest as they focus on growing their remaining core businesses in online and mobile gaming. We believe this assets sale news will be the first of a number of catalysts announced during 2022.

S&T AG (SANT GY), the Austrian provider of IT Services and specialized software-embedded IoT (Internet of Things) hardware, was the second-largest detractor from Fund performance during the quarter, with its shares falling by 35% in the period. The bulk of the pain was felt on December 16th, when shares fell

29.3% after the company was attacked by short seller, Viceroy Research. The short seller mainly alleged the company had a number of off-balance sheet entities, each with a checkered history.

While it is never fun to have a portfolio holding become the subject of a short attack, in the case of S&T, we believe this drawdown will be temporary in nature and the allegations will be proven baseless. In fact, management has done an excellent job defending the company, and none of the allegations have been shown to be accurate. In short, S&T was confirmed to have no off-balance sheet entities, and the short seller seems to have backed off the case.

While the stock took a dip, management and other insiders have purchased more than €5 million euros worth of shares. And after recent conversations with company management, the stock price weakness will likely serve as an opportunity for the company to accelerate its share repurchases at compelling prices.

It also should be noted that S&T is well into the process of selling its IT Services division, with an outcome most likely sometime in the third quarter of 2022. In fact, we believe the proceeds of a sale could amount to around half of S&T's current market cap and provide significant additional firepower to the company's share repurchase efforts. We believe patient shareholders will ultimately be rewarded here.

Closing Thoughts

The pandemic has been a boon to some investors and not so good for others. We are in the latter group. Both 2020 and 2021 have been frustrating and disappointing overall for us and our investors. We have taken a lot of punches. However, we believe that the end result of the pain and frustration has put the Fund's portfolio in a very healthy position going forward.

Inflationary pressures and the ongoing impact of the pandemic on the supply chain will continue to create choppy markets. That said, we expect earnings to continue to be strong across many of the sectors and companies in which the Fund invests, which we believe should translate to an improved performance profile for the Fund in the New Year.

We wish you and your families a safe, healthy, happy and prosperous 2022. 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.

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.

Evermore Global Advisors, LLC is the advisor to the Evermore Global Value Fund, which is distributed by Compass Distributors, LLC.