Ennismore Global Equity Fund

Investor Newsletter for the month of June 2024

Issued on 5 July 2024

Fund Details

Daily dealing UCITS and Irish Central Bank regulated open-ended investment company with Financial Conduct Authority recognition and registered in Ireland, Germany, Italy, Spain and Sweden. The Fund size was GBP 138m as at 28th June. Total assets under management by Ennismore Fund Management were GBP 491m. The number of shares issued by our funds is capped in order to limit the level of assets under management in each strategy. We currently have capacity available in the Global Equity Fund. If you would like more information or to invest, please contact Adam Sullivan on +44 (0) 20 7368 4224 or email subs@ennismorefunds.com.

Performance as at 28 June 2024

	Share Class[1]					
	GBP	**GBP A**	**EUR**	**CHF**	**EUR I**	**USD I**
NAV per Share[2]	14.62	14.55	14.98	13.45	11.12	11.49
	% Change					
June 2024	-0.9	-0.8	-0.4	-2.1	-1.0	-0.9
2024 to date	5.0	5.1	7.0	12.6	5.4	4.9
Annualised return[3]	5.0	5.0	5.4	3.9	1.8	2.6
Since launch[3]	46.2	45.5	49.8	34.5	11.2	14.9
Note: All performance figures net of fees. **Past performance is not a guide to future returns.**						

Comments below on performance refer to GBP A NAV per share unless otherwise stated, exclude fx and interest contributions to cash and are prior to expenses.

The Fund's NAV decreased by 0.8% in June with the long book costing 1.8% and the short book adding 0.9%.

The Fund was up +3.0% in the second quarter. Perhaps surprisingly given the strong performance of US megacaps, the MSCI World SMID index in GBP was down -3.5% in the quarter.

Pleasingly we saw positive contribution from both sides of the book in this period. Long attribution was +2.7% on 100% average exposure, hence return on capital of the long book was also +2.7%. Shorts contributed +1.3% on 42% average exposure, which implies -3.1% return for the short portfolio. Long-short spread was 5.8% in the quarter and 8.1% year to date, which is close to our longer-term firm performance of around 20% annualised.

The largest contributors in the long book were Keywords Studios plc (+1.4%), IDS plc (+1.1%), Schibsted ASA (+1.0%) and Petershill Partners plc (+0.6%). Keywords received a bid of 2550p from EQT in May. We noted last month that the stock was trading at a large discount to the proposed offer price, but we saw a high probability of the deal completing. On 3 July the final offer was confirmed and recommended by the board, albeit at 2450p, a slight discount to the bid in May. We sold the position as the stock moved to price in completion. IDS has also agreed a takeover offer. At the end of June IDS was trading at 320p, with 15% upside to the agreed bid price of 370p. This reflects materially higher uncertainty over the probability of the deal completing: there is a risk of government intervention given the sensitivity of the mail operations and the vocal, unionised workforce, which is likely increased by the forthcoming change of government in the UK. The downside if the deal fails is probably 30%+, so whilst we still see a positive risk-reward, the position was too large. We cut it during June. Schibsted also reflected the end of a bid process: the Adevinta acquisition by Blackstone and Permira closed on 29 May, and the ex-date for the NOK 77.10 per share special dividend was 30 May. This process was truly odd. The detail of Schibsted's capital return package was announced on 22 March 2024, and agreed at the AGM on 26 April. The Adevinta deal was declared unconditional on 24 April. Yet on 26 April, Schibsted A shares traded as low as NOK 296.60. After receiving a regular dividend of NOK 2.00 and qualifying for the NOK 77.10 special on 29 May, the A shares ended May at NOK 304.00 and June at NOK 315.20 (equivalent to NOK 394.30). There was no company news in the interim. The implied value of the Schibsted "stub" – the remaining assets – increased by roughly 80% between late April and the end of June as an almost riskless process played out. Perhaps unsurprisingly, Schibsted was our largest position at the end of April but was outside the top five by the end of June.

[1]Source: Administrator, Net Asset Value, net income reinvested.

[2]Source: Administrator, Net Asset Value.

[3]Since inception of GBP, GBP A, EUR and CHF share classes on 03/10/16, EUR I share class on 03/07/18, USD I share class on 02/01/19.

The only significant long detractor was Becle (-0.5%). The company reported reasonable first quarter results, but the stock has been volatile along with the broader spirits sector, and the broader Mexican market after the recent election resulted in a change of government. We increased the position slightly in the quarter.

There were no contributors of more than 50bps in the short book in the quarter, and one stock which cost us just over 50bps. This was another unusual period for the short book, with a significant volume of profit warnings offset by continued bouts of speculative fervour amongst US retail investors. Year to date, the short book has generated alpha of over 5% points (against the MSCI World SMID Index) despite the challenging environment.

As we mentioned in last month's letter, the fund's apparent higher than usual gross and net exposure is somewhat misleading. At month-end, long equity exposure was 102.9%, however 4.0% of this was in names that are subject to a bid, whilst large positions such as Nippon TV, Guardian Capital, and BML Inc all have very cash-rich balance sheets. As we noted above, we have also sold our whole position in Keywords Studios since month end. Net exposure at the end of the quarter was 64.2%, and beta adjusted net exposure was 45.5%.

Top Five Contributors and Detractors for June 2024

Contributors	bps
Nippon Television	23
Norwegian energy machinery supplier	17
Valvoline Inc	14
Keywords Studios PLC	13
Swedish heating technology company	12

Detractors	bps
US medical devices company	-27
Azelis Group NV	-21
Cellnex Telecom SA	-21
Melrose Industries PLC	-18
US automotive manufacturer	-18

Top Five Long Holdings as at 28 June 2024

Company	Country	Sector	% of NAV
D'Ieteren Group SA	Belgium	Consumer Discretionary	4.5
Nelnet Inc	United States	Financials	3.9
Admiral Group PLC	United Kingdom	Financials	3.8
Auto Trader Group PLC	United Kingdom	Information Technology	3.4
Keywords Studios PLC	United Kingdom	Information Technology	3.4
			19.1

Exposures as at 28 June 2024

Longs%	Shorts%	Gross Exposure%	Net Exposure%
105.2 (105.6)	41.0 (42.3)	146.3 (147.9)	64.2 (63.2)

Figures in brackets refer to previous month end. All exposures are calculated on a delta adjusted basis. All calculations are subject to the impact of rounding

Exposures by Country, Market Cap & Sector as % NAV and Positions as at 28 June 2024

Country	Gross%	Net%
United States	43.5	-5.6
United Kingdom	36.2	32.6
Japan	10.7	8.7
Canada	8.8	6.6
Belgium	6.3	5.5
Germany	6.0	4.4
Norway	5.1	4.3
Ireland	4.7	4.7
Sweden	3.7	-3.2
Hong Kong	2.2	0.4
Italy	2.1	0.2
Spain	2.1	1.7
France	2.0	-0.8
Mexico	2.0	2.0
Israel	2.0	-1.0
Bermuda	1.7	1.7
Switzerland	1.5	-0.2
South Korea	1.2	1.2
Poland	1.2	-1.2
Philippines	1.0	1.0
Other	2.2	1.3

Market Cap	Gross%	Net%
>$10bn	38.3	21.9
$5bn - $10bn	26.8	13.6
$1bn - $5bn	52.0	19.9
<$1bn	29.2	8.9

Positions	Jun	May
Long	86	79
Short	85	86
Longs Opened	9	11
Longs Closed	2	7
Shorts Opened	9	9
Shorts Closed	10	17

Sector	Gross%	Net%
Communication Services	14.3	11.6
Consumer Discretionary	22.4	9.3
Consumer Staples	11.2	-0.6
Energy	1.9	1.9
Financials	27.2	20.8
Health Care	6.6	0.9
Industrials	17.0	2.0
Information Technology	28.3	11.6
Materials	10.0	3.6
Real Estate	5.2	0.9
Utilities	0.0	0.0
Other	2.3	2.3

Geographic analysis relates to country of incorporation or listing. This may not represent the underlying economic exposure of the operating business.

When bad is good

We've mentioned a couple of times before our approach to navigating a large universe through a set of simplified business model lenses. From our September 2021 letter:

> *"We try to invest in businesses that can deliver a sustainably high return on capital. To find these we look at the large universe of potential investments around the world through different lenses. Basically, this means constructing over-simplified characterisations of business models that explain most of a company's economics, and specifically why high returns are possible and not quickly competed away. We've talked in the past about network effects generally, and marketplace businesses more specifically. We've also discussed lowest unit cost operators, of which scale is the general example (but often not the most interesting one)"*

Identifying companies as examples of these business models help to make our journey as investors holding these positions more familiar and more comfortable than they would otherwise be. However, we're not the only ones who prefer a comfortable ride. Hence businesses with widely recognised enduring advantages tend to come with a lively price tag. Returns from investing in such companies have a greater tendency to be delivered steadily as intrinsic value builds, rather than rapidly through investor reappraisal. Even with these companies though, overreactions to events still happen. In the last two years we have had opportunities to buy both Auto Trader and Rightmove, two of the UK's best businesses, after (in our view unjustified) sell-offs of greater than 25%.

Wouldn't it be great then if there were an enduring attractive business model which was particularly prone to presenting long term investors with highly attractive buying opportunities?

We currently have two large positions in the portfolio that we think fit that bill: Admiral Group, which we have owned since shortly after the inception of the fund, and Ryanair, which we bought during the second quarter. Michael Porter argued that there are two basic ways of creating value in business: through differentiation or through cost leadership. Admiral and Ryanair both sell an almost commodity product. Commodity purchases are typically determined by price, and so cost leadership is essentially the only option to create value in such industries. Insurance and airlines share some other unappealing characteristics: they are both capital-intensive and highly cyclical and are subject to large and unpredictable input costs and substantial regulatory scrutiny.

What are the characteristics quality investors are mostly looking for? High returns on capital of course, but also recession-resilient demand, consistent growth, stable margins, and low operating and share price volatility. Admiral and Ryanair are both high quality companies, but they are both lacking in many of these other characteristics. As a result, they attract less of a following from the market, and are typically available at a more reasonable price. On top of this though, we believe they are structurally pre-disposed to apparent crises that prompt investor panics, and even further, that these periodic crises are intimately tied up with the competitive advantages of the companies.

"You say — 'It's unfortunate that this has happened to me.' No. It's fortunate that this has happened and I've remained unharmed by it — not shattered by the present or frightened of the future. It could have happened to anyone. But not everyone could have remained unharmed by it."

Marcus Aurelius, Meditations

Admiral has seen two such "crisis" episodes since the fund was launched: late 2016, when the UK government announced a review of the "Ogden" discount rate which is used to calculate the present value of long duration claims, and 2022, when a surge in inflation combined with a major overhaul of industry pricing regulation. Likewise Ryanair: the pilot crisis of 2018, Covid, the 2022 recession worry, and the current concern over a surprisingly weak fare environment for summer 2024.

The primary theme common to these "crisis" episodes is the emergence of some exogenous event which is expressly negative for the industry. A very sharp reduction in the Ogden discount rate resulted in old policies being much less profitable than UK insurers had previously thought, prompting reserves to be materially strengthened. Covid was an assuredly awful period for airlines. Ryanair carried barely any passengers for several months during FY2021. The typical stock market response to either type of concern is natural: industry profits will fall, therefore profits at X will fall, therefore share price of X should go down.

Of course, this is far too simple. Howard Marks would call it first-level thinking. Fundamental equity investors should be valuing the company's expected cash flows into the distant future. So, a better formulation of the question to answer in such situations is "does this negative event alter the long-term outlook for our company?". And more often than not, the answer to that question is yes – for the better. Why is that?

To answer this question, let's examine the examples above in a little more depth.

Some of the most expensive claims for UK motor insurers relate to cases where one or more people will require life-long care as a result of an accident involving their insured. Settling these claims involves discounting the anticipated lifetime cost of this care. To avoid case-by-case battles over the appropriate rate, a standard rate is used, known as the Ogden rate. This was not changed for many years after the financial crisis despite interest rates, both real and nominal, being persistently lower than previously. The government announced a review at the end of 2016, and in February 2017 reduced the rate from 2.5% to negative 0.75%. This lower rate would then be used for all open as well as future cases. Such claims would cost insurers much more than they had previously allowed for, thus requiring substantial reserve strengthening and an immediate repricing of new business and renewals as the existing customer base reached the end of their coverage periods. Reinsurers would also significantly increase pricing to take on some of insurers' risks.

The response of insurers to this type of change is threefold: first, increasing prices to reflect higher claims costs. Second, potentially increasing prices to recover some or all of the unanticipated losses they now expect on legacy policies written before the regulatory change. And third, adjusting their appetite for and mix of new business to reflect their revised evaluation of risks for individual customer segments. The additional complication is that insurance regulators require insurers to hold capital against the business they write so that if they underprice it, there are funds available to pay claims – naturally, the required capital is linked to the premium volume. Higher prices therefore generate an incremental capital requirement, at a time when some insurers will have seen capital erosion from the reserve strengthening.

Given the desire to recover historic losses and the need in some cases to repair balance sheets, it is not surprising that the price response to such episodes tends to over-correct – i.e. the business written after a negative shock tends to be relatively profitable. One can see how an insurer like Admiral with excess reserves on its balance sheet, very high operating margins relative to peers, and a very modest capital requirement (achieved by passing on much of the risk, but not the profits, to reinsurers), will be better placed to be proactive in seeking to grow into this type of positive environment.

In the run-up to this change Admiral's UK motor business grew slowly by its standards: policies grew by just 2.7% annualised between 2012 and 2016. In the three years afterwards, policy growth was 9.4% annualised.

Covid was in a sense an equaliser for airlines: all were essentially shut down for the first three months, and then periodically afterwards. However, the longer-term implications for the companies and their shareholders were very different. Ryanair has grown revenue per share by 74% over the five years to FY2024, which is the highest amongst its European peers. Fellow low-cost operators Jet2 plc and Wizz Air Holdings plc are the only other airlines that have delivered growth in revenue per share over a comparable period – Wizz with 54%, and Jet2 with 47%. All other European airlines are materially negative on this metric, with dilution to keep the business afloat more than offsetting any revenue growth.

The main differentiators that led to these outcomes were the respective balance sheets (leverage and cash balances) and the fixed cost intensity. Ryanair is a higher margin business than its peers, which has allowed it to own almost its entire fleet outright. It has also operated for many years with a policy of maintaining a large gross cash balance at all times to allow it to navigate outlier risks such as pandemics (or other less disruptive shutdowns such as the volcanic eruption of a few years ago).

Ryanair carried some gross debt on its balance sheet as it entered Covid, but with the low interest rates of the 2010s, the annual interest burden was well under EUR 100m, or less than 2% of run-rate revenue. Meanwhile Wizz, an airline about 40% of the size, was spending well over GBP300m on aircraft lease payments, or close to 15% of its run-rate revenue. Ryanair's main cost of fleet was depreciation, a real cost, but not a cash outlay.

Its greater robustness allowed Ryanair to be proactive in seeking to benefit from the crisis. It renegotiated the vast majority of its airport agreements at more favourable rates and announced a large increase in its outstanding aircraft order in December 2020, providing respite for Boeing at a time when it was suffering extreme cash burn (Boeing's free cash flow was almost negative USD 20 billion in 2020!) and ballooning debt.

The common theme across both examples is that by virtue of being the cost leader and the highest quality operator in their industries, our companies can exploit industrywide challenges to their own advantage. The quality companies in these bad industries tend to emerge from the crises in a stronger relative position than they entered them. We believe that this is a generalisable lesson – in commodity industries, industrywide negatives are likely to be medium term positives for the best companies.

In fact, the existence of such crises is integral to the maintenance and expansion of the advantages that such businesses enjoy. A prolonged period of calm or absence of change in such industries is likely to erode the advantages of businesses such as Ryanair and Admiral. Pricing excellence – the ability to evaluate risks accurately and thereby select the customers which are available at the most favourable prices – is a much less relevant advantage for an insurer in a stable, non-cyclical insurance market than a volatile, cyclical one. Aircraft manufacturers would be much less likely to feel compelled to sign a deal with Ryanair at a heavily discounted price in a prolonged benign market environment. Companies like Admiral and Ryanair thrive on complexity, on change, on difficulty.

Fortunately for us, when such difficulties arise, investors continue to interpret them with, in our view, a faulty framework. When the market punishes the share prices of these companies in response to a negative event, it is easy to characterise this as an overreaction. Under our framework, the response is simply wrong. It is more likely that the long-term value of these companies increases in response to such events.

We believe we are currently in the midst of significant mispricing's for both companies, albeit they are in different places in the cycle of worry and recovery. We address the current investment case for each briefly below.

Admiral Group – UK insurance company (3.8% NAV)

We last wrote about Admiral in late 2022. However, we felt it worth explaining why, as of early July, we have made it our largest position.

Refreshing that discussion briefly: our argument was that whilst a sharp, unexpected uptick in inflation is horrible for insurers (as the revenue they receive upfront may not cover their ballooning claims costs which arise in the future), it is a short-term negative for the industry that would end up proving to be a longer term positive for the best operator. Admiral seemed likely

to manage the cycle better than its peers. An extreme cycle like this one would be likely to prompt prices to overshoot to the upside as companies sought to rebuild their balance sheets, providing healthy margins in due course. And with its operating margins in the 20s vs. peers mostly in single digits, more capital efficient balance sheet resulting in average ROE of around 50% compared to peers of 10-15% on a good day, and excellence in pricing and risk selection, Admiral would be uniquely well placed to grow volumes into the attractive environment that would result, with the recovery from the inflation shock likely to provide a couple of bonanza years.

The process is not complete, but we have no reason to materially change our view thus far. The cycle has played out a little slower, but even more sharply, than we expected. Prices have risen by over 50% from the trough through Q1 2024, according to the comprehensive ABI Motor Insurance Tracker (and by significantly more than using other price indices such as Confused or the ONS). We anticipated volume growth and strong margins in 2023. In fact, Admiral continued to shed policies in H1 2023, and only began to grow, modestly, in H2 2023. We have strong evidence (we unfortunately cannot share the source) that this growth has continued and accelerated. Since December we believe Admiral has been growing extremely rapidly: we expect it to add well over 10% to its UK motor policy count in just the first half of 2024. This is much faster than anticipated by the sell side.

Whilst the stock has done reasonably well since our September 2022 write-up (total return is +46% from then to the end of June), candidly we expected more. Taking a longer perspective: Admiral shares are 11% higher than at the end of 2019 (the total return is materially more of course). Yet we expect the total premiums written in 2024 to be almost double the 2019 level. And we see little to no erosion of its underlying margin structure. On our analysis, even if we ignore everything except the UK motor operations, the stock is not trading much above 10x earnings. The company is now approaching 20% market share of its core UK motor market and has grown total premiums at roughly 15% annualised over the 5 and 10 years to our estimates of 2024 numbers. It's difficult to know what the ceiling for Admiral's market share opportunity is. We note however that Direct Line once commanded around 35% of the market before its fall from grace.

Progressive, the largest US motor insurer, has a very similar competitive position in the US and a similar five and ten year growth track record. It is a much lower return on equity business because it lacks Admiral's reinsurance leverage. Progressive is valued at almost 20x run-rate earnings and its stock has almost tripled since the end of 2019. Aside from highlighting that we should have invested in Progressive over the last five years, rather than Admiral, this suggests to us that Admiral is currently severely undervalued. Since the end of June we have made Admiral our largest long position.

It is unusual for us to believe we have a material and relatively precise edge on predicting a company's volumes for an upcoming earnings report. The last time this happened also gives us pause: we wrote up Wise in our June 2022 letter. As we noted at the time, despite being contrarian and right on the top line owing to our proprietary data, the stock sold off 20% on its FY2022 results announcement in June following a cost warning. However, it then more than doubled in the next three months and contributed almost 5% to the Fund. Given our evidence that first half results should sharply exceed sell side expectations, we have added some call option exposure to our position to increase our leverage to a strong share price response to results in August. Don't expect a doubling of the share price in Q3, however!

Ryanair – Irish low-cost airline (1.8% NAV)

We've also written about Ryanair in the past. We argued that the airline has material cost advantages deriving from its low-priced aircraft purchases and more productive use of operational staff, but particularly from its higher fleet utilisation and its airport costs, which we argued were its most sustainable source of advantage. Given the scale and density of its network, its marketing power, and its low cost base, Ryanair is uniquely able to drive traffic to secondary airports and thus able to command lower fees with those partners. We believed that investors were overly focused on the potential erosion of the staff productivity advantage as Ryanair adopted collective bargaining with its flying staff, and that the historically low valuation failed to reflect the growth outlook.

We met the company's chief legal officer at the Ryanair headquarters in Dublin recently. As a 20 year veteran of the business, he made a compelling case that the paranoid, cost-focused culture of the business endures despite its very different scale and market position compared to when he joined. The management team is unusually stable. He noted a number of occasions

where Ryanair employees have left to join other airlines and then returned having found it difficult to instil the Ryanair approach elsewhere.

Somewhat similarly to Admiral, the core thesis on Ryanair today is that it is a much bigger business, and arguably a better positioned one, than it was before Covid, but the market is not reflecting that. The shares have risen a paltry 13% since the end of 2019, yet the fleet is 35% larger (than FY 2020 ending in March), average fares are 35% higher and ancillary revenues have increased by 17% per passenger. Group revenue is almost 60% higher than in FY2020. The industry capacity environment is tighter, and the future outlook for new plane deliveries much more constrained thanks to supply chain issues, than it was in the past. Ryanair has gained share in every one of its major markets since before Covid. Meanwhile Easyjet has stayed in its core of slot-constrained large city airports as well as diversifying into package holidays, and Wizz has pivoted to the middle east – both shying away from direct competition with their Irish peer.

After communicating a positive outlook for the summer of 2024 earlier in the year, the company's CEO Michael O'Leary noted in early May that fares were weaker than expected. This has disturbed investors. Management confirmed the trend at its FY results in May and the company repeated its commentary when we spoke to them at the end of June. It is unable to provide a specific explanation, but notes the weakness is widespread geographically. The most likely explanations are wider pressure on consumer discretionary budgets, and a waning of the wanderlust-at-any-price that airlines benefited from as consumers emerged from Covid restrictions. Other airlines have reported similar dynamics: Jet2 noted on 24 April "recently, pricing has been more competitive, particularly for April and May departures", whilst on 4 July Norwegian Air Shuttle highlighted "softer traffic demand during the second quarter (of 2024), with a contraction in both load factor and yield compared to last year" as one of the drivers of its profit warning. Ryanair's share price has declined by 25% from its peak in April to the end of June, which means the enterprise value has declined by around 30%.

We didn't forecast this summer's apparent fare weakness. Neither can we provide a wholly satisfying or reassuring explanation of it. But we are happy to profit from the market's reaction to it. Our belief is that either this is a minor wobble that will eventually prove to be noise, or, if it is the emerging sign of something more serious (such as a recession), Ryanair will be able to navigate this period better than its competitors, and emerge even stronger, as it has in previous crises.

Ryanair's profitability is highly variable: this reflects the cyclicality of demand (relative to supply) and the volatility of fuel prices, which are the company's largest cost line. However, the long-term average net income per passenger is around EUR 10. This reflects a much higher margin than other European short-haul airlines as a result of the substantial cost advantage the Irish airline enjoys. Even excluding the heavily Covid-affected years, Ryanair's average net income margin of 17% was c. 10% points higher than the other main European airlines.

We believe the cost gap has widened since pre-Covid, thanks to Ryanair's aggressive negotiations with Boeing and its airport partners, so if anything, we would expect the profit per passenger to trend upwards (the cost gap to peers is the key constraint on medium term profitability). And it will be difficult for peers to make much headway on closing this gap any time soon given the duration of order books on narrow body planes for the world's two relevant aircraft manufacturers.

Given its aircraft delivery schedule, Ryanair should reach 230m passengers in FY 2027. The range of outcomes around this projection is not very wide. Using the EUR 10 per passenger profit figure, the base case post-tax earnings outlook for Ryanair in three years' time is EUR 2.3 billion. The stock currently trades with an enterprise value of just over EUR 17 billion. The EV could easily be twice that in three years' time, and on a materially smaller share count (the first buyback since FY2020 was announced alongside FY results in May). In addition, we estimate the company is now valued below the replacement cost of its fleet. Ryanair may not offer the most comfortable journey, but our buying criteria is not focused on comfort. Like its passengers, we are focused on value, and looking through this current pricing wobble, we think the stock is unambiguously cheap.

Monthly percentage return for the GBP A share class of the Global Equity Fund

Year	Jan (%)	Feb (%)	Mar (%)	Apr (%)	May (%)	Jun (%)	Jul (%)	Aug (%)	Sep (%)	Oct (%)	Nov (%)	Dec (%)	Annual
2024	3.3	-3.1	1.9	1.1	2.7	-0.8							**5.1**
2023	0.7	0.8	0.1	3.4	-1.7	-0.9	0.8	2.5	4.9	0.9	-0.4	-0.1	**11.4**
2022	-1.7	-3.2	-3.3	3.4	0.4	-5.2	4.5	0.4	-0.4	0.5	4.1	6.2	**5.2**
2021	-2.6	1.4	2.7	3.0	0.7	-0.9	2.2	1.2	1.9	-3.9	1.7	2.3	**10.0**
2020	-4.8	-6.6	-5.4	4.6	-1.0	2.2	-4.5	-10.3	5.3	-0.8	-3.6	2.2	**-21.3**
2019	2.9	1.0	0.3	1.7	-0.2	0.5	1.0	1.8	1.9	0.0	-4.5	0.8	**7.3**
2018	-4.4	5.8	-0.9	3.3	2.8	5.9	1.8	4.0	1.0	0.7	0.5	-3.0	**18.6**
2017	-0.1	-1.4	-1.2	-2.9	1.7	-1.5	1.0	3.2	-2.8	1.3	-1.2	5.5	**1.3**
2016										1.3	-0.8	5.3	**5.8**

Risk Warning

This document is issued by Ennismore Fund Management Limited ("Ennismore", "the Company") which is authorised and regulated by the Financial Conduct Authority.

This document is confidential and is intended solely for the information of the recipient. This information should not be reproduced or disseminated in any form without the prior written permission of Ennismore Fund Management Limited.

Please refer to the relevant prospectus, supplement and to the KIID before making any final investment decisions.

A copy of the English version of the Prospectus of the Fund and the Key Investor Information Document (KIID) relating to the Fund may be obtained online from www.ennismorefunds.com or received via email upon request by contacting clients@ennismorefunds.com. Where required under national rules, the KIID will also be available in the local language of the relevant EEA Member State.

A summary of investor rights associated with an investment in the Fund is available online in English at www.ennismorefunds.com or it may be received upon request via email by contacting clients@ennismorefunds.com.

This document is for information purposes only and is not an offer to sell or an invitation to buy shares in Ennismore Global Fund (the "Fund"). In particular, it does not constitute an offer or solicitation in any jurisdiction where it is unlawful or where the recipient may not lawfully receive any such offer or solicitation. It is the responsibility of any person in possession of this document to inform themselves of, and to observe, all applicable laws and regulations of relevant jurisdictions.

Content in this document is provided for information only and is not intended for trading purposes. Any information and opinion in this document is subject to change by the Company without prior written notice. Nor does it provide any form of advice amounting to investment advice or make any recommendations regarding particular financial instruments or investment products. Use of this document is no substitute for obtaining proper investment advice from an authorised investment professional.

Although the Company considers the content of this document to be accurate at the time it was written, we do not guarantee the accuracy of the information presented or of our opinions. The factual information contained in this document may become inaccurate as a result of the passage of time and should therefore be read for historical information only. All forecasts are subject to risks and uncertainties that may cause actual results to differ materially from those which were expected.

This document is not intended to provide a complete description of the investment, research and due diligence process utilized by Ennismore. Ennismore may modify its investment process and method for evaluating portfolio investments in any manner that it deems appropriate without notice to investors. The information contained herein may be approximate and is used to show the overall investment management process that Ennismore engages in.

The Fund's portfolio contains a much larger number of positions than the examples set forth herein and, accordingly, the examples are not intended to indicate the overall composition of the Fund's portfolio. It should not be assumed that investments in the companies identified will be profitable, that recommendations made in the future will be profitable or will equal the investment performance of those discussed herein, or are representative of investments that will be made in the future. There is also no guarantee that any of the positions are currently or will remain in the Fund. The information included in this document should not be considered a recommendation to purchase or sell any particular security or other financial instrument. All statements and expressions are the sole opinion of Ennismore and are subject to change without notice.
Past performance is not indicative of future results.

Additional Information for Recipients in Switzerland

The Fund has not been approved for distribution in or from Switzerland by the Swiss Financial Market Supervisory Authority. As a result, the Fund's shares may only be offered or distributed to qualified investors within the meaning of Swiss law. The Representative of the Fund in Switzerland is Bastions Partners Office SA with registered office at Route de Chêne 61A, 1208 Geneva, Switzerland. The Paying Agent in Switzerland is Banque Heritage, with registered office at Route de Chêne 61, 1208 Geneva, Switzerland. The place of performance and jurisdiction for Shares of the Fund distributed in or from Switzerland are at the registered office of the Representative.

For further information please contact:	Adam Sullivan, Ennismore Fund Management	+44 (0) 20 7368 4224	subs@ennismorefunds.com
For dealing please contact:	Northern Trust International Fund Administration Services (Ireland) Ltd	+353 (0) 1 434 5103	Ennismore_TA_Queries@ntrs.com

Warning: This newsletter is issued by Ennismore Fund Management Limited, authorised and regulated by the Financial Conduct Authority. Past performance is not necessarily a guide to future performance. The value of shares can go down as well as up and is not guaranteed. Changes in rates of exchange may also cause the value of shares to fluctuate. Any reference to individual investments within this newsletter should not be taken as a recommendation to buy or sell. This newsletter should be read in conjunction with the full text and definitions section of the Prospectus dated 25 February 2022 and Supplement thereto. The Prospectus, Supplement and Key Investor Information documents are available in English at www.ennismorefunds.com