

Equity Long/Short

Share classes	ISIN	NAV / Unit	Performance, MTD	Performance, YTD	Long / Short	Performance, gross	Exposure (Wkly. ave)	# Positions (Month end)
EUR - S	LI057918 4016	937.40	-8.92%	1.19%				
EUR - T	LI057918 3992	940.84	-8.90%	1.28%				
					Long	-8.66%	90.69%	17
					Short	+0.11%	-29.45%	6
CHF - S	LI057918 4024	916.87	-9.05%	0.53%	Σ	- 8.56%	120.14%	(gross exp.)
CHF - T	LI057918 4008	930.35	-9.07%	0.57%			61.24%	(net exp.)

Dear Friends and Investors,

The KEN European Growth Champions Fund ended the month of April at -8.90%. The average net exposure was 78.85%. The long book lost -8.66%, while the short side gained +0.11%.

Market review: May was the weakest month so far this year, with small- and mid-cap stocks significantly underperforming large caps. In the US, the ongoing struggle over the debt ceiling, and in Europe concerns about growth and recession, were the main factors.

Portfolio review: Among the few positive performers were *Piraeus*, *Tui*, and *Societe Generale*. *Piraeus Financial Holdings* reported very strong numbers, leading to a more than 20% increase in the 2023 EPS and RoaTBV guidance. Additionally, the Greek elections, with the clear victory of the conservative incumbent Mitsotakis, provided further momentum to the stock. With continued structural reforms and fiscal discipline, Greece could soon regain its investment-grade status after 10 years, which should attract significant foreign investments. The stock remains attractively priced with a P/E ratio of 5x and a 0.5x book value for sustainable ROTE of over 12%. *Tui*, whose stock price was halved in three months, has stabilized after a capital increase. The crucial profits are made during the summer months, and there still seems to be a significant level of skepticism about how travelers will manage their travel budgets this year. In *Societe Generale*, we have invested in a bond that has gained in value this month. We believe that the environment in the banking sector has calmed down, and investors are slowly returning. The investment in *Embracer Group*, a Swedish video game manufacturer with approximately EUR 3 billion market capitalization and around 16,000 employees worldwide, underperformed. The stock declined after the announcement of quarterly results. This was surprising to us, as a weak result was already openly discussed and expected beforehand. In many cases, investors are already positioned accordingly, and it's not uncommon for a stock to rise after the news: "sell the rumor, buy the fact." On the day of the investor call, after the results were digested, the stock dropped by 45%. The reason for this seemed to be the last-minute collapse of a deal — a long-standing cooperation that was believed to be secure but fell apart at the eleventh hour. During the investor call, management explained that the deal had in-

involved 7 months of exclusive negotiations and there were verbal commitments in place. Parts of this cooperation were included in the guidance, which then forced the management to revise it down. From a negotiation standpoint, one can question the tactics involved, but from a corporate governance perspective, the inclusion of a weighted portion of the deal can be considered legitimate and a sign of trust in the contracting party. In hindsight, this turned out to be more than unfortunate. As a result, the portfolio experienced a setback of approximately 4% for the month of May. Our investment in Embracer Group was preceded by a personal meeting with Lars Wingefors, the founder and CEO of the company, back in April. Although we viewed the timing of the news as unfortunate, the market reaction seemed exaggerated to us, and we initially decided to remain tactically invested. During the call, it was emphasized that the company is now able to negotiate with other cooperation partners, and they intend to do so. We are hopeful that investor confidence will be regained. The stock has now recovered by 30% from its low point, but it is still significantly below our entry point. In a first step to reestablish investor confidence, insider purchases of Embracer shares worth EUR 14 million were made by the management.

Investment decisions: We have recently made a marginal reduction in exposure.

Outlook: The fresh all-time high in the DAX seems to be out of sync with the current economic situation. Many industries are facing challenges and are under significant pressure. The MDAX has underperformed the DAX by 20% over the past 12 months. Historically, the MDAX has been able to outperform the DAX by an average of 2% per year. We anticipate that this relationship will normalize, and as a result, we are constantly searching for lucrative opportunities.

Best regards,

Kilian Kentrup
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EUR-T	Jan	Feb	Mar	Apr	Mai	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2023	8.14%	-1.45%	4.75%	-0.41%	-8.90%								1.28%
2022	-4.61%	-4.27%	3.18%	-7.25%	-3.12%	-8.97%	0.87%	-1.80%	-2.51%	3.66%	6.38%	-0.92%	-18.70%
2021	1.88%	2.09%	0.32%	1.73%	3.36%	1.82%	5.67%	-0.52%	0.74%	-0.84%	-3.53%	0.59%	13.82%
2020												0.38%	0.38%

Administrator



Custodian Bank



Auditor



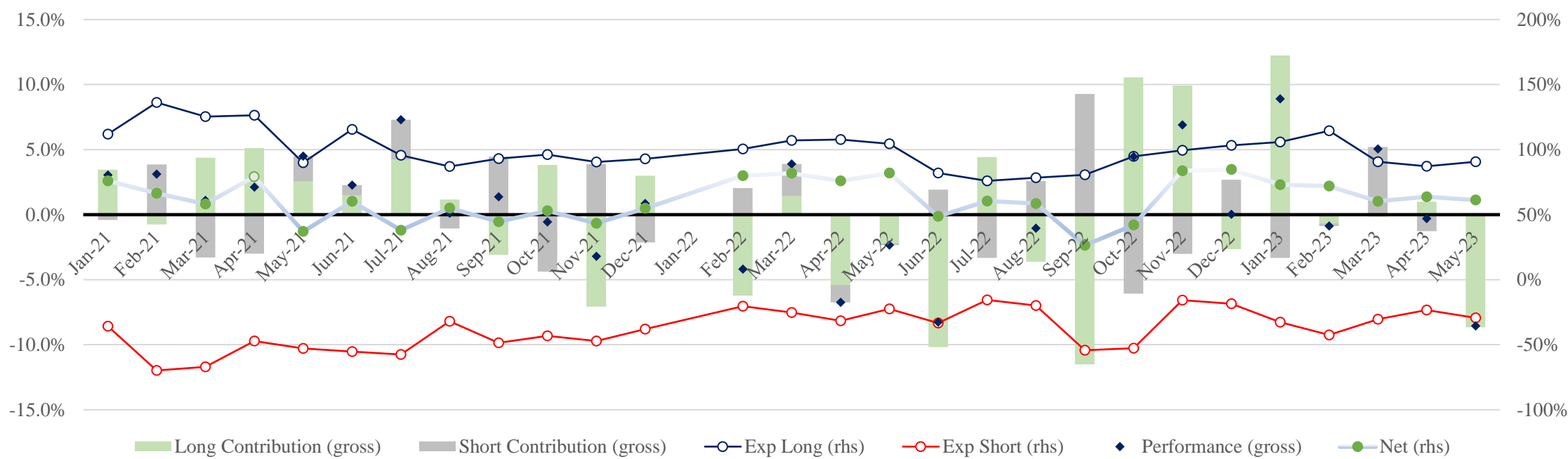
Asset Manager



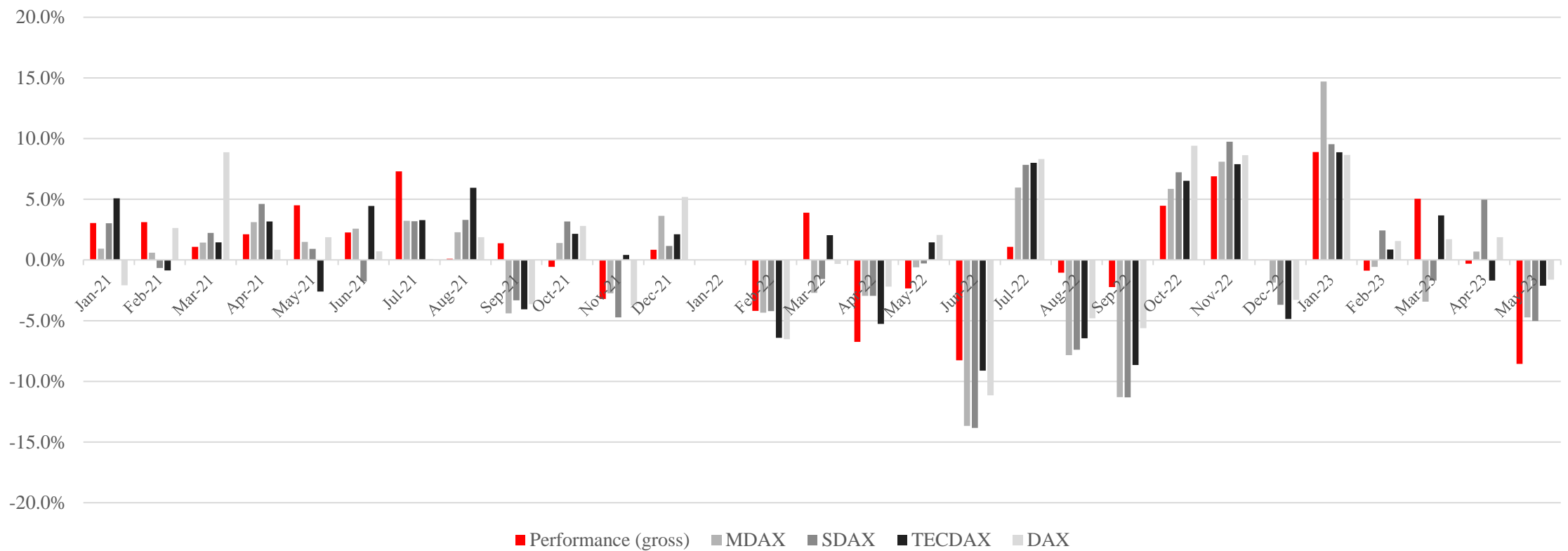
Advisor



Long/short contribution, gross



KEN Fund im Index-Vergleich



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