Investmentaktiengesellschaft für langfristige Investoren TGV

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Dear Investors

We are enclosing the shareholder letter for our Teilgesellschaftsvermögen "Intrinsic" for the first half of 2024 written by our sub-advisor CL Capital GmbH.

Yours sincerely

Investmentaktiengesellschaft für langfristige Investoren TGV

Sub-Fund Intrinsic
Half-Year Report 2024 of the subadvisor CL Capital GmbH

Dear Co-Investors,

The performance of the TGV Intrinsic in the first half of 2024 was +14.9% after all fees. The NAV, as of June 30, 2024, was €187.05. The DAX achieved a return of +8.9% in the first half of 2024.[1] Since the launch of the TGV Intrinsic on March 29, 2019, the fund has achieved an annualised performance after all fees of +12.7%. During the same period, the DAX increased by an average of +9.1% per year.

The TGV Intrinsic Half-Year Report 2024 first provides an overview of the portfolio structure and performance. In April 2024, TGV Intrinsic celebrated its fifth anniversary. I would like to take this opportunity to reflect on the first five years of its existence. First, I will elaborate on the two biggest investment mistakes since the inception of TGV Intrinsic. Following that, I will discuss two aspects that have rather satisfied me over the past five years. To conclude, I will briefly present the investment theses of the five largest portfolio positions, as these will be crucial for the future performance of TGV Intrinsic. My reflections are inspired by parallels to fishing. During a visit to a listed fishing company in Namibia in 2012, I learned how essential it is to understand the underlying processes of a result. In this sense, this investor's letter aims to help evaluate my work over the first five years, regardless of the outcome achieved.

Portfolio structure and performance overview as of June 30, 2024

Portfolio structure

NAV as of 06/30/2024	187.05€
Number of investments	15
Weighting of the biggest investment	15.7%
Weighting of the five largest investments	65.9%
Weighting cash	1.2%

Alphabetical listing of the five largest positions within the TGV Intrinsic

Fomento Económico Mexicano (FEMSA)
Hostelworld
MercadoLibre
Spotify
VEF

[1] I consider a global stock index such as the MSCI All Country World Index to be a more suitable benchmark; however, mentioning it would involve high licensing fees.

Performance overview

Period	TGV Intrinsic (1)	Dax (2)	Delta (1)-(2)
2019 (9 months)	9.2%	15.0%	-5.8%
2020	25.2%	3.6%	21.6%
2021	24.5%	15.8%	8.7%
2022	-35.0%	-12.4%	-22.6%
2023	47.1%	20.3%	26.8%
2024 (6 months)	14.9%	8.9%	6.0%
Since inception	87.1%	58.2%	28.9%
Since inception p.a.	12.7%	9.1%	3.6%

In the first half of 2024, there were no changes within the five largest portfolio positions. All companies continued to perform well operationally, reflected mainly in rising stock prices. Notably, in February, the Mexican company FEMSA clarified its goals for future capital allocation. To achieve the targeted capital structure, over the next two years, more than ten billion USD must be returned to shareholders, while substantial investments are planned for the expansion of its retail stores and digital services. Spotify, with its second-quarter figures, managed to increase its EBIT margin by 15 percentage points from -8% to +7% compared to the previous year. This year, further margin improvements are targeted, with a renewed focus on revenue growth starting next year. In May, I had the opportunity to visit the three Indian holdings of the Swedish investment company VEF in Bangalore. The founders of Juspay, representing 16% of VEF's net asset value (NAV), particularly impressed me with their innovative and entrepreneurial mindset. I expect Juspay to further boost VEF's NAV.

At the start of the letter, I left out the usual reminder that the annual performance of the TGV Intrinsic gains significance only after five years. This period has now passed, rendering the reminder unnecessary. When the annual performance significantly worsened a year and a half ago, a befriended investor jokingly asked if I would extend the period to ten years if the poor stock performance persisted. Fortunately, this wasn't necessary. Nonetheless, the fluctuations of the past three years highlight how strongly performance today is still influenced by individual positive or negative years. Investing in a fund, like investing in companies, requires understanding the underlying processes leading to good or bad outcomes. This realization struck me particularly during my 2012 visits to management teams of listed companies in South Africa and Namibia.

Know the Fish you're angling for or "Where did the Orange Roughy go?"

In 2012, besides visiting companies in South Africa, I also visited the Namibian subsidiary of the trading conglomerate Bidvest Group. Bidvest Namibia is mainly involved in fishing and benefits from the rich local fish stocks. At first glance, the company appeared interesting due to its high profitability and low valuation multiple. However, a deeper analysis and meeting with the company's management in Walvis Bay revealed its heavy reliance on fishing licenses, presenting a significant risk I couldn't reliably assess, leading me to rule out an investment. One memorable anecdote from the then-CEO of Bidvest Namibia underscored the importance of understanding the underlying processes that lead to certain outcomes.

In 1998, the fishing company Gendor Holdings goes public in Namibia. Initially, it meets the ambitious forecasts made at its IPO, achieving decent profits. However, in 2005, a shock announcement reveals a drastic, unexpected decline in fish stocks in Gendor's fishing areas. Gendor has to lay off employees, sell ships, and ultimately file for bankruptcy.[2] During my meeting in Walvis Bay, I learned that Gendor Holdings fished for orange roughy, a species similar to the ocean perch that matures and spawns only after 20 to 30 years. Overfishing young stocks prevents reproduction, depleting the population. Given a fishing company's likely knowledge of these biological facts, Gendor Holdings seemingly accepted overfishing for short-term gain.

I can reassure you: This is not a warning of a comparable fish decline where TGV Intrinsic fishes. With my global approach, I fish in all oceans full of diverse species. I never lack investment ideas, only time to thoroughly analyze them. I believe I will continue to learn about various industries, understand business models, and travel to new countries, increasing the diversity of "fish" I can understand and catch. The Gendor Holdings example highlights the importance of understanding how good results are achieved and the caution needed with short-term observations. This letter aims to help investors evaluate my work over the past five years, regardless of the results.

I also want to thank TGV Intrinsic investors for their early trust. They couldn't rely on existing results but had to trust my investment strategy and me. With TGV Intrinsic now five years old, I find it suitable to reflect on the journey. I will first address the two biggest active investment mistakes of the first five years, followed by two aspects I am satisfied with. To help current and future investors of TGV Intrinsic assess whether the fund is fishing in promising waters, I will conclude with an overview of the current portfolio. But first, the painful part.

Hall of Shame

As an investor at Investmentaktiengesellschaft für langfristige Investoren TGV, I learned early on the importance of analyzing once own mistakes. We informally remembered our biggest investment mistakes in the "Hall of Shame." I will regularly (but hopefully not too often) report on my investment mistakes, and today I inaugurate my own "Hall of Shame." Generally, investment mistakes fall into two categories: mistakes of commission (entering a bad investment) and mistakes of omission (missing a good investment). Mistakes of omission often significantly impact upon potential returns, as an investment can lose at most 100% of its value but increase manifold. However, I find mistakes of commission particularly interesting for fund investors, so I will focus on the two biggest mistakes of commission in this letter: the Dutch map provider TomTom and the Brazilian financial services company StoneCo.

[2] https://www.namibian.com.na/big-fishing-company-sells-ships-and-slashes-workforce-as-catch-collapses/

Insufficient Margin of Safety in unfamiliar Waters

TomTom, founded in 1991 in Amsterdam, achieved great success with the production of navigation systems. In 2009, facing increasing competition, TomTom deepened its value chain by acquiring the Belgian map software company Tele Atlas for 2.9 billion euros. Consequently, the company's focus shifted increasingly to selling digital map data and traffic information. In an era of increasing automation of mobility solutions, map data and traffic information could play a crucial role. Cars need precise and real-time data to determine their position accurately and calculate the optimal route. TomTom is one of the few providers producing particularly high-resolution maps. Additionally, the company has a large installed base of over 600 million internet-enabled devices generating real-time map and traffic information data. A significant part of the investment thesis was the expected fundamental change in the monetization of these real-time map data.

Instead of one-time payments for less detailed map data without real-time information, I saw the opportunity to establish a subscription model for real-time data. Conversations with the company, customers, and industry experts indicated a high likelihood of replacing the one-time fee by an annual subscription. TomTom developed a new software platform to process these real-time map data and transmit them to vehicles. Operational costs for this platform were expected to remain stable with increasing revenues, leading to a significant profit increase. This was not reflected in the stock price, justifiably, as I realize today. My assumptions were too optimistic. The expected change in monetization has not occurred to date. The primary mistake was not this misjudgment though – I believe I gathered comprehensive information providing a good understanding of the situation.

The bigger mistake was that the investment was not expected to yield good returns without the business model change. It lacked the "margin of safety" described by Benjamin Graham. The first shares were recommended for purchase in April 2019, with the last shares sold in February 2022. Overall, a loss of 3.3% was realized at an average sale price of 7.68 euros. This loss was manageable, and the stock is trading around 5 euros today. The 2022 sales were used to recommend purchasing other companies like Spotify or MercadoLibre, whose stock prices had fallen sharply. More painful was the portfolio's approximately 50% gain during the holding period, while TomTom often held a nearly 10% weighting. This caused significant opportunity costs, hindering better portfolio performance.

A key lesson is to recommend companies with the potential for business model improvements only if the investment is expected to yield good returns without these improvements. An example is the investment in Hostelworld: At the time of investment, I believed the "social features" offered a clear differentiation from Booking.com and additional monetization potential. The expected return was attractive even without these new features due to the post-COVID recovery potential. While I was overly optimistic in unfamiliar waters with TomTom, I failed to recognize changes in previously familiar waters with StoneCo, the Brazilian financial services company.

Casting Nets in familiar Waters amid changing Fish Stocks

Founded in 2012 in Sao Paulo, StoneCo is a Brazilian financial services company selling mobile point of sale (mPOS) systems to small to medium-sized merchants, many of whom previously did not accept credit cards. Additionally, StoneCo provides loans based on mPOS data and sells software to these merchants. TGV Intrinsic had already invested in StoneCo in 2020 until early 2021. After a rapid 80% share price increase, the valuation based on my expectations was ambitious, leading to a sale recommendation. Nevertheless, I continued to follow the company's development and regularly spoke with StoneCo and its competitors (these are next to MercadoLibre mainly PagSeguro and GetNet). After StoneCo lent too aggressively to its customers and merchants were able to double-pawn receivables because of technical issues, the stock fell from over $90 to around $15. This valuation appeared promising again, and I recommended repurchasing the shares. The investment thesis focused on the quick recovery of the loan business while I expected the mobile POS system sales to continue positively.

In reality, the recovery of the loan business took longer than I had anticipated. Building a more experienced credit team, adjusting risk models, and resolving technical issues took time. The delayed return of revenues from the loan business meant a crucial profit driver was missing. While I was focusing my research on rebuilding the loan business, it became clear after a few months that StoneCo's competitive position regarding mobile POS systems had deteriorated. When I began analyzing StoneCo post-IPO in 2018, the company had a clearly differentiated competitive position. StoneCo was the preferred provider of mobile POS systems for medium-sized Brazilian merchants and, in 2021, had over 450 customer centers across Brazil, offering the best service to its customers. Competitors lacked a comparable service network. For smaller merchants and street vendors, PagSeguro was the market leader in Brazil, along with MercadoLibre.

StoneCo then began offering a cheaper mobile POS system to enter the small merchant market. The logical reaction from the market leader in this segment, PagSeguro, was to enter the market for medium-sized merchants and build its own service network. Additionally, MercadoLibre has become a stronger provider for medium-sized merchants in recent years, integrating them more intensively into its ecosystem. Once I realized this situation, I decided to recommend selling the position. As a result, TGV Intrinsic incurred a loss of 18.3%. Including the previous investment in StoneCo, a consolidated gain of 19.4% was achieved. I sold the shares at an average price of about $11 – the stock price stands at around $13 eighteen months later. The decision to sell proved beneficial as I recommended reinvesting the proceeds into building the Nubank position, which has performed significantly better operationally and in stock price than StoneCo.

This example shows how quickly competitive situations can change when the strength and dynamics of competitive advantages are not properly assessed. This was a mistake I made with the investment in StoneCo. Proper analysis of competitive advantages is also crucial for remaining calm during crisis years like 2022. Good company analysis is similar to a fisherman making his boat weatherproof to navigate stormy waters well. Often, interesting investment opportunities arise in crisis situations like in 2022. I believe I took good advantage of the opportunities that emerged back then and would like to highlight two aspects I am rather satisfied with in the first five years.

Staying calm in stormy Waters and finding fellow Fishermen

> *"Only I have no luck anymore. But who knows? Maybe today. Every day is a new day. It is better to be lucky. But I would rather be exact. Then when luck comes you are ready."*

- Hemingway, The Old Man and the Sea -

There are times when nothing happens for a long time, and then a lot happens in a short period. Like experienced fishermen who prepare every day for the big catch, good investors must complete most of their company analysis in advance to be ready in times of high volatility. As Buffett and Munger often emphasize, an investor's temperament is a key success factor in that regard. Reflecting on the first five years, I am satisfied with my behavior during high volatility times and felt well-prepared. I particularly took advantage of 2022, going fishing in stormy times and luckily returning with full nets.

Back then, I recommended increasing the MercadoLibre position by 25% at an average share price of $810, the Spotify position by 140% at an average price of $125, and the VEF position by 130% (including 2023) at an average price of 2.6 SEK. The purchases of MercadoLibre and Spotify significantly contributed to the strong performance in 2023, and I believe they will prove successful in the long term. These decisions were possible because I had a deep understanding of the business models and their competitive positions and could also assess the key individuals involved. It was also helpful that, as a single investor, I faced hardly any institutional constraints. When the fund was down 35% in 2022, there were no employees questioning my investment strategy, no investment committees to justify myself to, and no investors calling me with angry comments. I believe this is one of my greatest competitive advantages for long-term success.

Although - or perhaps because - I do not face these institutional constraints, I have built a valuable network of great long-term investors over the past 15 years. Since starting as a working student at Shareholder Value Management AG and later working at the Investmentaktiengesellschaft für langfristige Investoren TGV, I have had the opportunity to meet many long-term investors. Over the years, some of these investors have become close friends, going far beyond professional relationships. This network allows me to discuss investment ideas and evaluate entrepreneurs without competing with each other. It also provides grounding in the fast-paced world of capital markets, and I am happy to have built and expanded these relationships over the years. The role of networks in company analysis and their strong predictive power for the behavior of founders and entrepreneurs towards their owners is further illustrated by the - perhaps not so surprising - insolvency of Gendor Holdings.

The major shareholder was the Spanish fishing company Pescanova through an intermediate holding called NovaNam. Lack of integrity by the Namibian subsidiary was also an alarm signal for the corporate culture of the listed parent company. Indeed, only a few months after my visit to Namibia in 2013, Pescanova filed for bankruptcy due to accounting irregularities and much higher debt than stated. Therefore, I place great value on building networks with great people with a high level of integrity in both investment and personal contexts and am fortunate to have many inspiring people in my life. I hope to have given you some interesting insights into the first five years of TGV Intrinsic. The rest of the letter focuses mainly on the current portfolio, allowing existing and potential investors to decide whether TGV Intrinsic's boats are fishing in promising waters.

Where TGV Intrinsic is currently fishing

On the following pages, I will briefly present the investment theses for the five largest positions in the portfolio. Currently, the portfolio holds twelve company investments. Six of these companies are headquartered in Europe, three in Latin America, and one each in North America, Australia, and Africa. This geographic distribution does not fully capture the portfolio's international nature, as, for example, VEF is based in Stockholm, but its investments are mainly in Latin America and Asia. Therefore, looking at revenue distribution is more indicative. If the current portfolio were a single company, approximately

40% of the revenues would come from Latin America (especially Brazil and Mexico), around 30% from Europe (Germany and Western Europe), about 10% from Asia (mainly India), nearly 10% from the USA, and the remaining 10% from Australia and Africa.[3] Seven of the twelve companies are founder-led, while the other five are either family-owned or have an active owner. The largest investment in the portfolio has usually accounted for 15-20% in recent years, with the five largest positions typically representing 60-70% of the portfolio.

TGV Intrinsic has achieved a performance of +87.1% in the first five years, outperforming the DAX, which rose by +58.2%. Additionally, TGV Intrinsic surpassed the most well-known global "All Countries" index, which recorded a +83.4% increase, as well as the leading "Emerging Markets" index, which gained +23.8% over the same period. FEMSA and MercadoLibre have been part of the portfolio since it was launched in 2019. Hostelworld, Spotify, and VEF joined in 2021. Naturally, there are occasional changes within the five largest portfolio positions, especially when errors of analysis like those of TomTom occur. Generally, however, the largest five portfolio positions should only change slowly and have remained unchanged since the end of 2022. The following paragraphs provide a brief summary of the investment thesis for each of the five companies, as they will likely have a significant impact on TGV Intrinsic's future performance.

<u>FEMSA</u>
The Mexican family enterprise FEMSA was founded in 1890 in Monterrey. In 2023, the company achieved a revenue of about 36 billion euros and a profit of nearly 2 billion euros.[4] Today, FEMSA operates in three business areas: retail, operating 23,000 OXXO convenience stores, 4,500 pharmacies, 600 gas stations, and nearly 2,800 convenience stores in Europe; a 47% stake in Coca-Cola FEMSA, the world's largest Coca-Cola bottler by volume; and a rapidly growing digital services segment. The digital wallet Spin now has about eight million monthly active users, while the loyalty program Premia has around 20 million monthly active users. I expect growth in all three business areas in the coming years, with close integration between the segments.

FEMSA opens approximately 1,500 new OXXO stores annually in Latin America, achieving attractive returns on invested capital of around 30%. Brazil has emerged as a new growth market, with nearly 500 OXXOs currently operating mainly in the Sao Paulo region. If the concept proves successful in other Brazilian regions, the number of OXXOs in Brazil could reach similar levels to Mexico. The 22,000 OXXO stores in Mexico serve as an efficient customer acquisition channel for the Spin digital wallet, which has gained eight million monthly active customers in three years, with an annual customer growth rate of about 40%. With the expansion of financial products in the app, I expect a significant increase in revenue per customer. Coca-Cola FEMSA runs a stable core business, supplying over two million points of sale – mainly kiosk owners – with Coca-Cola products and other goods. These kiosk owners could be integrated into FEMSA's digital financial ecosystem in the future. The founding families still hold 39% of the company, ensuring long-term capital allocation. Excluding the Coca-Cola FEMSA stake and the existing cash, the remaining FEMSA "stub" is currently traded at a P/E ratio of about 14 and plans to return

[3] These figures are not 100% accurate, as the companies do not break down their revenues by country, and I had to estimate some values.
[4] I have adjusted the annual profit to account for minority interests in Coca-Cola FEMSA.

significant capital to shareholders over the next two years alongside substantial investments in the mentioned areas. Currently, they are repurchasing shares, and I also expect significant special dividends.

<u>Hostelworld</u>
The Irish company Hostelworld, founded in 1999 in Dublin, is the world's largest online booking platform for hostels and budget accommodations. The platform handles about seven million bookings per year, accounting for around 20% of the online hostel booking market. Last year, Hostelworld generated a revenue of nearly 100 million euros and an EBITDA of around 18 million euros. Thanks to a renewed technology platform during the COVID period, Hostelworld has since introduced new products. In 2022, the so-called "Social Features" were launched, allowing users to connect with other travelers at the same place and time after booking, creating hyper-local networks.

These "Social Features" are being further developed, enabling hostels to post their weekly activities online so that Hostelworld users can see what activities are offered during their stay. 80% of bookings on Hostelworld are made by users who use these features, providing a clear differentiation from competitors like Booking.com. I expect that in addition to booking growth, these social features will be monetized in the coming years, leading to further revenue growth. Hostelworld is currently valued at about ten times the expected EBITDA for 2024.

<u>MercadoLibre</u>
The Argentine company MercadoLibre, founded in 1999 in Buenos Aires, is now the largest online retailer and one of the leading digital financial service providers in Latin America. Last year, the online platform had about 85 million active buyers and processed a gross merchandise volume of about 45 billion USD. The digital financial platform MercadoPago has about 50 million users and processed a payment volume of over 180 billion USD last year. From these services, MercadoLibre generated a revenue of about 14 billion USD in 2023 and a net profit of nearly one billion USD. I expect structural growth in MercadoLibre's end markets for many years – the online retail penetration in Brazil, for example, is only about 15%. Revenue growth remains around 40%, while profit grows disproportionately due to increasing margins. Particularly, the advertising segment in online retail - growing by 70% - with an EBIT margin of about 60%, contributes to margin expansion. While Amazon already generates over 5% of its gross merchandise volume as advertising revenues, this segment at MercadoLibre is still below 2%.

In digital financial services, the credit segment, with a loan portfolio of about 4 billion euros, is still at the beginning of its potential. With extensive data from the commerce and financial services platform, MercadoLibre can accurately assess credit risks and is gradually expanding its loan portfolio after many years of testing. Additionally, new segments such as expanding the retail business or issuing more credit cards are driving revenue growth. If MercadoLibre's advertising revenues reach 5% of its gross merchandise volume, it would mean an additional profit of about 2 billion USD in a few years. The credit segment also has the potential to contribute high profits. I expect MercadoLibre to achieve a net profit of 5 billion USD in a few years, with further growth potential. The current company valuation is around 80 billion USD. The founder, Marcos Galperin, still holds about 7% of the shares, ensuring the company's long-term orientation.

Spotify

The Swedish audio streaming provider Spotify was founded in 2006 by Daniel Ek and Martin Lorentzon. More than 600 million users, including almost 250 million paying subscribers, can listen to over 100 million songs, 6 million podcasts, and now also 250,000 audiobooks on the platform. In 2023, Spotify generated a revenue of about 13 billion USD and achieved an EBIT margin of 7% in the second quarter of this year, up from -8% twelve months ago. User numbers continue to grow by about 15% annually, and I expect Spotify to maintain this growth during the coming years. By focusing on digital audio products, Spotify offers the best user experience and has extensive data to make precise recommendations for music and other audio offerings. Newer areas like podcasts, advertising, and audiobooks promise higher margins than the music segment, while Spotify continues to better monetize its strong position in the music industry.

I expect the current cost structure to accommodate significantly larger customer numbers. If subscriber numbers continue to grow at a similar rate, an additional gross profit of about 3 billion euros could be generated in five years. The advertising segment through podcasts and potentially audiobooks should also contribute to the profit. In a few years, I expect Spotify's net profit to reach 3 billion USD, with many more years of growth potential. The total enterprise value is currently around 60 billion euros. The two founders, who still hold about 26% of the shares and over 70% of the voting rights, ensure a long-term capital allocation.

VEF

The Swedish investment holding company VEF was founded in 2015 in Stockholm by David Nangle, the current CEO, and Per Brilioth, the current supervisory board member. The company invests long-term in non-listed fintech companies in emerging markets. The portfolio includes 15 investments, with the three largest – Creditas (secured consumer loans, Brazil), Konfio (unsecured business loans, Mexico), and Juspay (payment infrastructure, India) – making up 78% of the portfolio. Since 2015, the NAV per share has grown by 17.5% per year, reaching a value of 400 million euros in the second quarter of 2024. Although high valuations were partly paid in 2021, I am impressed by the investment team's ability to identify and invest in successful companies early on. By focusing on non-listed companies, VEF fishes in completely different waters than TGV Intrinsic, making it a valuable addition to the portfolio. The future performance will largely depend on the three largest investments mentioned.

Creditas reached breakeven in the first quarter of 2024 and is now focusing on profitable growth, supported by a database of several million first contacts that are gradually reactivated. This allows structurally lower customer acquisition costs than in the past. Konfio has also reached breakeven and is refocusing on growing the loan book. The Indian Juspay particularly impresses me with its visionary founders. They have a deep technical understanding of India's payment problems and continuously develop successful products. VEF's total enterprise value currently shows a discount of about 50% to the NAV of 400 million euros, with a market value of just under 200 million euros. I expect the NAV to continue growing as strongly as in the past, while the discount to NAV should simultaneously decrease.

I hope to have given you a brief overview of where TGV Intrinsic is currently casting its nets. I also want to inform you of a structural change: Norman Rentrop, founder and owner of the Investmentaktiengesellschaft für langfristige Investoren TGV in Bonn (InvAG), announced at this year's investors' meeting that he does not intend to continue the operation of InvAG indefinitely. Therefore, the

InvAG will no longer be the home of TGV Intrinsic and the other existing sub-funds. Together with the InvAG management, we are working to transfer the TGVs to another capital management company (KVG) this year. The transfer and the new sales prospectus require the approval of the German supervisory authority, BaFin. As things stand, it is planned that, apart from a change in management by another KVG by 31.12.2024, practically nothing will change for you as an investor in TGV Intrinsic, and you do not need to take any action. I want to express my deep gratitude to Norman Rentrop, Jens Große-Allermann, Waldemar Lokotsch and the entire team at the InvAG. They have allowed me to realize my life's dream. I will always be grateful for that and will contribute my part to ensure that the unique network of long-term investors in Germany, primarily built by Norman Rentrop and Jens Große-Allermann, continues to grow and thrive.

Every change offers the chance for a new beginning. Against this background, the fund advisors of the "Other Sub-Funds"[5] have decided to move closer together. The reasons are simple: First and foremost, we have great respect for each other. We have always maintained a lively exchange and share many resources, such as joint research, insights from company or market observations, and contacts. Therefore, we want to intensify cooperation in the future, while of course maintaining the individual character of each TGV. Additionally, a reorientation offers the opportunity for further professionalization. A joint external appearance of the group and joint events, such as the annual investors' meeting at Godesburg, offer advantages to all parties involved.

If you have any questions about TGV Intrinsic, you can always contact me via email at clemens.lotz@clcapital.de.

I wish you all a pleasant and successful second half of 2024.

Clemens Lotz

[5] Laurenz Nienaber of TGV Compound Interest, Dr. Martin Possienke and Christoph Schäfers of TGV Falkenstein Fonds, Dr. Mathias Saggau of TGV Partners Fund and TGV Truffle and Lars and Thorsten Ahns of TGV Rubicon Stockpicker Fund.