



Invest in competitively advantaged business models, talented management teams, and understandable businesses



Concentrated portfolio of 15 to 30 securities, keeping capital in our best ideas while remaining adequately



Strive for long-term capital appreciation by investing in companies with strong and durable competitive advantages

STRATEGY FACTS

Inception Date	12/31/2003
Strategy AUM	\$780 Million
Active Share	93.7%
# of Holdings	23

FIRM FACTS

Firm AUM	\$1.07 Billion
Number of Staff	15

All employees are investors in the strategy. Independently owned since the firm was founded in 1997.

MANAGEMENT FEES

1% on first \$10mm then tiered schedule:

\$10mm - \$25mm	0.80%
\$25mm - \$100mm	0.60%
\$100mm+	0.50%

STOCK SELECTION APPROACH

The strategy represents a long-only equity offering that invests in competitively-advantaged businesses which can be purchased at compelling prices based on their long-term earnings potential. It is a high-conviction, concentrated, unconstrained strategy with a benchmark agnostic portfolio construction. Central to the security analysis is verifying the existence and sustainability of a company’s moat. These competitive advantages have the most influence on rates of return on invested capital over time. High returns on invested capital, which are far more persistent than high growth rates, result in more distributable cash per dollar of reported earnings. In determining whether a particular company may be a suitable investment, we focus on the following characteristics:



Source of competitive advantage such as powerful network effects, a compelling brand, high customer switching costs, and differentiated product or service offerings.



Management team’s track record including their focus on capital allocation, maximizing returns on capital, and commitment to shareholders.

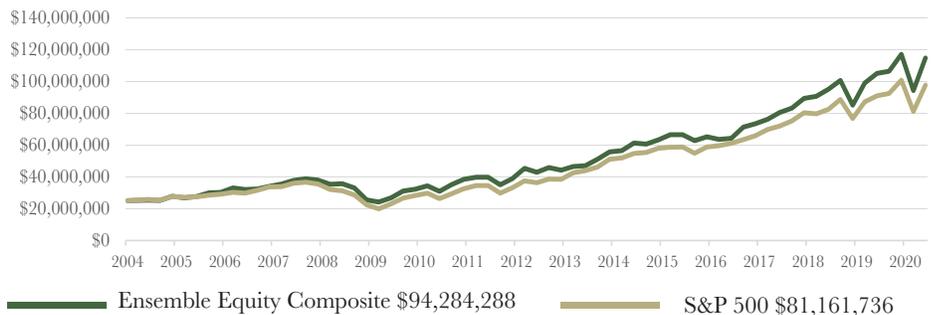


Economics of the business such as the existence of pricing power, returns on new capital, cash flow characteristics, and the stability and expansion potential of profit margins.



Outlook for the company’s products or services including the expected future demand for those products or services, the stage of the product lifecycle, potential scalability of the business model, and the existence of a recurring nature to the company’s sales.

GROWTH OF \$25,000,000 SINCE INCEPTION



PERIOD RETURNS

	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	INCEPTION*
ENSEMBLE EQUITY COMPOSITE	-1.92%	9.21%	12.54%	11.55%	14.01%	9.68%
S&P 500	-3.08%	7.51%	10.72%	10.72%	13.98%	8.62%

Returns as of June 30, 2020

Returns for periods exceeding 1 year are annualized

As of 6/30/20, the Ensemble Equity Strategy AUM was \$780 million and the Ensemble Equity Composite AUM was \$286 million. The Ensemble Equity Strategy represents firmwide accounts managed with an overall Equity objective whereas the Ensemble Equity Composite is a subset of the strategy comprised of accounts with an Equity objective which are fee paying, fully discretionary, unrestricted and have \$500,000 or more in assets. The composite’s inception date is December 31, 2003 and composite performance includes historical performance for accounts that are no longer with the firm.

Past performance is no guarantee of future returns. No representation is made that past returns are indicative of future results. Performance results shown are for the Ensemble Equity Composite and are unaudited and subject to change. The Ensemble Equity Composite includes realized and unrealized gains and losses, the reinvestment of dividends and other earnings, and is net of management fees, brokerage transaction costs and other expenses. Taxes have not been deducted. Net of fee performance was calculated using actual management fees. Management fees for an Ensemble Equity account range from 1.00% to 0.50% on an annual basis and are typically deducted quarterly. Fees are negotiable, and not all accounts included in the composite are charged the same rate. Please see additional disclosure on back page.

INVESTMENT TEAM



Sean Stannard-Stockton, CFA
President & Chief Investment
Officer



Arif Karim, CFA
Senior Investment Analyst



Todd Wenning, CFA
Senior Investment Analyst



Paul Perrino, CFA
Director of Portfolio Analysis

PERFORMANCE STATISTICS

Equity Composite

	SINCE INCEPTION
TRACKING ERROR	5.20%
STANDARD DEVIATION	16.04%
BETA	0.94
EXCESS RETURN	1.06%
ALPHA	1.53%

TOP 10 HOLDINGS BY WEIGHT

Equity Composite

NETFLIX, INC.	NFLX	8.5%
HOME DEPOT, INC.	HD	8.4%
FIRST REPUBLIC BANK	FRC	7.5%
INTUITIVE SURGICAL, INC.	ISRG	6.8%
MASTERCARD, INC. CLASS-A	MA	6.6%
ALPHABET, INC. CLASS-A	GOOGL	6.2%
BOOKING HOLDINGS, INC.	BKNG	6.2%
MASIMO CORP	MASI	5.9%
FERRARI NV	RACE	5.3%
BROADRIDGE FINANCIAL SOLUTIONS, INC.	BR	5.0%

Holdings as of June 30, 2020

Ensemble Capital is an SEC registered investment adviser; however, this does not imply any level of skill or training and no inference of such should be made. Ensemble only transacts business in states in which the firm and its advisory personnel have been properly notice filed, registered, or are exempt from registration. The information expressed herein has been prepared for informational purposes only and does not constitute a recommendation or solicitation to buy or sell any particular security or investment advisory services which may be referenced herein. Ensemble's Equity strategy is intended to maximize the long term value of the underlying accounts. The strategy generally invests in U.S. common stocks, but from time to time the underlying accounts may hold cash and/or fixed income investments in an attempt to maximize capital gains. The strategy holds mostly large and medium capitalization stocks, although accounts may also hold small capitalization stocks. The comparative benchmark is the Standard and Poor's Index of 500 Stocks ("S&P 500"), an index of 500 large capitalization equities, generally considered a comprehensive indicator of market performance. The S&P 500 index includes realized and unrealized gains and losses, the reinvestment of dividends and other earnings and is not subject to fees and expenses. It is not possible to invest directly in an index. The holdings in the Ensemble Equity strategy may differ significantly from the securities that comprise the benchmark. Active Share is measured against the SPDR® S&P 500® ETF (SPY). The SPDR® S&P 500® ETF seeks to provide investment results that, before expenses, correspond generally to the price and yield performance of the S&P 500® Index (the "Index"). Unless otherwise stated, returns for periods exceeding 1 year are annualized. Investing involves the risk of loss. Future investments will be made under different economic and market conditions than those that prevailed during the historical periods described. The Firm has wide latitude to vary the Firm's activities and may not necessarily continue investing in the manner that generated the results presented in this presentation. The Firm may use a wide range of investment strategies and techniques and may change the mix of strategies and techniques at any time. The firm will attempt to moderate these risks, but there can be no assurances that the Firm's investment and trading activities will be successful or that investors will not suffer losses. Actual account performance is likely to differ from the composite performance shown for a variety of reasons, including but not limited to: differences in market conditions at the time of investment, account size, client-imposed investment restrictions, and market, economic and individual company considerations; the timing and frequency of investments; the deduction of taxes; tax considerations; and other factors. Certain information expressed herein has been taken from third party sources, which we believe to be reliable but not guaranteed. For definitions of financial terms, please visit ensemblecapital.com/definitions.



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