

# International Micro Cap Composite

AS OF JUNE 30, 2021



## Highlights

- Seeks undiscovered micro-cap growth companies at attractive valuations
- Truly active, collaborative, bottom-up, fundamental process
- Systematic coverage of the developed and emerging markets micro-cap universe
- Broad sector and country approach

## Portfolio Facts

**\$1.5B**

Total Strategy Assets<sup>^</sup>

**\$2B**

Average Market Cap  
(weighted)

**87**

Number of Holdings

## INVESTMENT APPROACH

We use a bottom-up approach that seeks to identify companies with outstanding long-term growth potential. We look for companies with:

- Strong financials
- A sustainable competitive advantage
- Industry-best management teams
- Price-to-earnings ratios around our expected 5-year earnings growth rate

Primarily invests in companies outside the U.S. with market caps of less than \$1.5 billion at the time of purchase

Approximately 80-120 positions

## FUND MANAGERS



Linda Lasater, CFA  
Lead Portfolio Manager  
Years of Experience: 20



Dan Chace, CFA  
Portfolio Manager  
Years of Experience: 23



Allison He, CFA  
Associate Portfolio Manager  
Years of Experience: 16

## ABOUT THE PORTFOLIO

Strategy Inception	1/27/2005
Minimum Initial Investment	\$10 million

## INVESTMENT RESULTS AS OF 6/30/2021

	QTD	YTD	AVERAGE ANNUAL TOTAL RETURNS				Inception
			1 Year	3 Years	5 Years	10 Years	
Composite - Gross of Fees	4.83	3.04	37.18	19.16	18.18	14.69	13.81
Composite - Net of Fees	4.46	2.31	35.28	17.50	16.45	12.76	11.72
MSCI AC World Ex-U.S.A. Small Cap Index	6.35	12.24	47.04	9.78	11.97	7.02	7.85
MSCI World Ex-U.S.A. Small Cap Index	4.81	9.92	42.28	8.92	11.88	7.66	7.35

Returns for periods less than one year are not annualized.

## CALENDAR YEAR RETURNS

	2014	2015	2016	2017	2018	2019	2020
Composite - Gross of Fees	5.43	11.96	6.70	30.04	-12.94	34.79	43.92
Composite - Net of Fees	3.39	9.82	4.82	28.01	-14.23	32.97	41.97
MSCI AC World Ex-U.S.A. Small Cap Index	-4.03	2.60	3.91	31.65	-18.20	22.42	14.24
MSCI World Ex-U.S.A. Small Cap Index	-5.35	5.46	4.32	31.04	-18.07	25.41	12.78

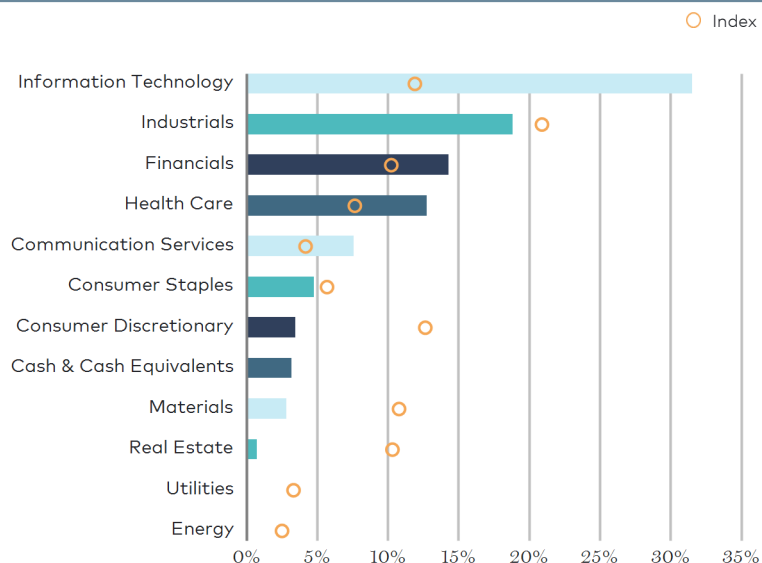
<sup>^</sup>Total Strategy Assets across all vehicles and composites. Since inception performance calculated from 1/31/2005.

Composite returns for the International Micro Cap Composite have been provided. The Wasatch International Micro Cap Composite contains fully discretionary equity accounts following the Wasatch International Micro Cap style. The composite primarily invests in foreign micro cap companies with the goal of long-term growth of capital. For comparison purposes the composite is measured against the MSCI AC World Ex-U.S.A. Small Cap and MSCI World Ex-U.S.A. Small Cap indices. Wasatch Global Investors is an independent registered investment advisor. Registration does not imply a certain level of skill or training. Wasatch Global Investors claims compliance with Global Investment Performance Standards (GIPS®). To receive a complete list and description of composites and/or a GIPS Composite Report, e-mail [inforequest@wasatchglobal.com](mailto:inforequest@wasatchglobal.com). Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance. Returns are presented both gross and net of investment management fees. Returns are preliminary.

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**SECTOR ALLOCATION**



**PORTFOLIO CHARACTERISTICS**

	Portfolio	Index
Average Market Cap (\$ weighted)	\$2.0B	\$2.9B
Median Market Cap	\$1.3B	\$1.2B
Number of Holdings	87	4,413
Est. 5-year EPS Growth (%)	23.4	17.0
P/E (forward)	34.2	15.4
Portfolio Turnover (%)	36	n/a
Active Share (%)	98	n/a

**PERFORMANCE STATISTICS**

Alpha	7.48
Beta	0.81
R-Squared	0.73
Standard Deviation	16.15
Upside Capture	87.37
Downside Capture	64.09

Performance period: 5 year

**COUNTRY ALLOCATION**

	Portfolio	Index		Portfolio	Index
<b>Developed</b>	<b>66.6%</b>	<b>75.1%</b>	<b>Emerging and Frontier</b>	<b>30.2%</b>	<b>24.9%</b>
Japan	24.7	19.2	India	11.1	4.4
United Kingdom	15.5	12.1	Taiwan	4.7	5.4
Germany	6.8	3.6	South Korea	4.2	4.5
France	3.2	2.3	Russia	1.8	0.2
Sweden	3.0	5.1	Thailand	1.8	0.9
Norway	2.5	1.7	Egypt	1.7	0.1
Australia	2.4	6.1	Mexico	1.6	0.4
Other	8.4	25.0	Other	3.3	9.1

Weights are calculated as a percentage of total portfolio including cash & cash equivalents.

**TOP TEN HOLDINGS** AS OF 3/31/2021

Esker SA	2.6
Metropolis Healthcare Ltd.	2.4
Avon Rubber PLC	2.4
LEENO Industrial Inc.	2.3
Aavas Financiers Ltd.	2.3
YouGov PLC	2.2
Qualitas Controladora SAB de CV	2.1
Atoss Software AG	2.0
Avant Corp.	1.9
Future PLC	1.9
<b>Total</b>	<b>22%</b>

Portfolio Characteristics, Allocations, and Top Ten Holdings are derived from representative accounts following the Wasatch International Micro Cap style. Individual client accounts may differ from the representative accounts. Portfolio holdings are subject to risks and may change at any time. References to specific securities should not be construed as recommendations by the Advisor.

**Est. 5-year EPS Growth %:** Estimated percentage increase in earnings per share (EPS) per year of the fund's holdings over the next 5 years. Returns are not guaranteed and may be higher or lower. Source: Wasatch and FactSet. **P/E (Forward):** Sum of stock prices of the fund's holdings divided by the aggregate earnings per share of those holdings for the next 12 months calculated as a weighted harmonic average. **Weighted Average Market Cap:** Average market capitalization of companies held by the fund, weighted by their percentage of fund net assets. **Portfolio Turnover:** A measure of trading activity in a fund's portfolio over the past 12 months expressed as a percentage of the fund's average total assets. **Alpha** measures a fund's risk/reward potential. A positive alpha means the fund outperformed the index. A negative alpha means the fund underperformed the index. **Beta** measures a fund's risk in relation to the market. A beta of 0.8 means the fund's total return is likely to move up or down 80% of the market change; 1.25 means total return is likely to move up or down 25% more than the market. **R-Squared** measures (from 0 to 1.0) how closely a fund's movements are correlated with movements of its benchmark. An R-squared of 1.0 would mean that the fund's movements are completely correlated with the movements of its benchmark. **Active Share** measures the difference between portfolio holdings and the benchmark. It is the sum of the absolute values of the different weightings of each holding in the fund versus each holding in the benchmark, divided by 2. **Standard Deviation** measures the degree to which a fund's performance has varied from its average performance over a particular time period. The greater the standard deviation, the greater a fund's volatility (risk). **Upside Capture** explains how well a fund performs in time periods where the benchmark's returns are greater than zero. **Downside Capture** explains how well a fund performs in time periods where the benchmark's returns are less than zero.