

Micro Cap Value Composite

AS OF JUNE 30, 2021



Highlights

- Seeks undervalued micro-cap companies with future growth potential
- Flexible approach allows for multiple expansion and earnings growth
- Blend of undiscovered growth, value momentum, graduating class and fallen angel micro-cap stocks

Portfolio Facts

\$838M
Total Strategy Assets[^]

\$1B
Average Market Cap
(weighted)

98
Number of
Holdings

INVESTMENT APPROACH

We use a bottom-up approach that seeks to identify undervalued companies with future growth potential. We look for the following types of companies:

- Undiscovered growth: growth companies with low valuation due to lack of street coverage
- Value momentum: companies with attractive multiples and accelerating growth
- Graduating class: maturing micro-cap companies that are entering a period of EPS growth and valuation expansion
- Fallen angels: growth companies that have suffered a temporary setback

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

FUND MANAGER



Brian Bythrow, CFA
Lead Portfolio Manager
Years of Experience: 27

ABOUT THE PORTFOLIO

Strategy Inception	7/28/2003
Minimum Initial Investment	\$1 million

AVERAGE ANNUAL TOTAL RETURNS

INVESTMENT RESULTS AS OF 6/30/2021	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Composite - Gross of Fees	9.19	25.83	78.44	27.25	26.75	19.20	17.14
Composite - Net of Fees	8.86	25.10	76.39	25.62	25.02	17.31	15.01
Russell Microcap® Index	4.14	29.02	75.77	14.47	18.13	13.06	9.85

Returns for periods less than one year are not annualized.

CALENDAR YEAR RETURNS

	2014	2015	2016	2017	2018	2019	2020
Composite - Gross of Fees	1.26	9.25	14.58	28.78	-7.01	32.42	42.84
Composite - Net of Fees	-0.52	7.44	12.69	26.91	-8.34	30.62	41.16
Russell Microcap® Index	3.65	-5.16	20.37	13.17	-13.08	22.43	20.96

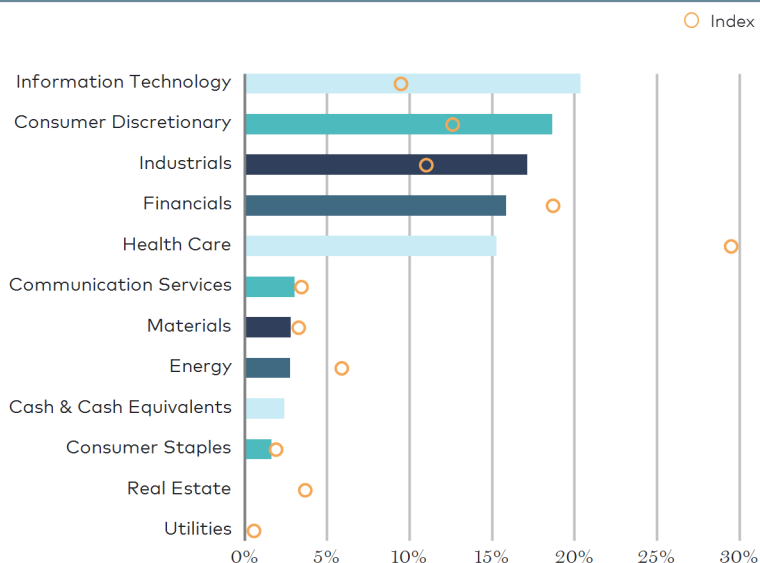
[^]Total Strategy Assets across all vehicles and composites. Since inception performance calculated from 7/31/2003.

Composite returns for the Micro Cap Value Composite have been provided. The Wasatch Micro Cap Value Composite contains fully discretionary equity accounts following the Wasatch Micro Cap Value style. The composite primarily invests in growing micro cap companies with the goal of long-term growth of capital. Income is an objective only when consistent with long-term growth of capital. For comparison purposes the composite is measured against the Russell Microcap® Index. 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. 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)	\$1.1B	\$753M
Median Market Cap	\$567M	\$291M
Number of Holdings	98	1,738
Est. 5-year EPS Growth (%)	29.1	17.6
P/E (forward)	25.1	14.2
Portfolio Turnover (%)	87	n/a
Active Share (%)	97	n/a

PERFORMANCE STATISTICS

Alpha	10.05
Beta	0.81
R-Squared	0.84
Standard Deviation	20.10
Upside Capture	95.71
Downside Capture	73.61

Performance period: 5 year

COUNTRY ALLOCATION

	Portfolio	Index		Portfolio	Index
Developed	97.6%	100.0%	Emerging and Frontier	-	-
United States	65.6	100.0			
Canada	8.8				
United Kingdom	5.2				
Germany	5.0				
Israel	4.5				
France	2.9				
Japan	1.9				
Other	3.6	0.0			

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

TOP TEN HOLDINGS AS OF 3/31/2021

Skyline Champion Corp.	2.5
Neo Performance Materials Inc.	2.0
American Outdoor Brands Inc.	1.8
Sterling Construction Co. Inc.	1.6
Thunderbird Entertainment Group Inc.	1.5
Full House Resorts Inc.	1.5
Mortgage Advice Bureau Holdings Ltd.	1.5
JDC Group AG	1.5
MagnaChip Semiconductor Corp.	1.5
Sharps Compliance Corp.	1.4
Total	17%

Portfolio Characteristics, Allocations, and Top Ten Holdings are derived from representative accounts following the Wasatch Micro Cap Value 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.