

# Long/Short Alpha Fund

AS OF DECEMBER 31, 2022

Investor Class : WALSX Institutional Class: WGLSX



## Fund Overview

- Primarily invests in long and short positions of U.S. small- and mid-cap companies
- Aims to maintain a directional net long exposure to the market
- Seeks to provide higher risk-adjusted returns with lower volatility than the market

## Fund Facts

\$26M

Total Assets  
(all share classes)

147/72

% Exposure  
Gross/Net

54/49

# of Holdings  
Long/Short

### ABOUT THE FUND

	Investor Class	Institutional Class
Inception	10/1/2021	10/1/2021
Minimum Initial Investment	\$2,000	\$100,000
Gross Expense Ratio	4.96%	4.06%
Net Expense Ratio	2.50%	2.25%
CUSIP	936793546	936793538

Net expense ratios reflect the expense waiver, if any, contractually agreed to through 1/31/2023.

### FUND MANAGER



Mick Rasmussen, CFA  
Lead Portfolio Manager  
Years of Experience: 8

INVESTMENT RESULTS AS OF 12/31/2022	QTD	YTD	AVERAGE ANNUAL TOTAL RETURNS				
			1 Year	3 Years	5 Years	10 Years	Inception
Investor Class: WALSX	14.09	-8.38	-8.38	n/a	n/a	n/a	2.23
Institutional Class: WGLSX	14.17	-8.20	-8.20	n/a	n/a	n/a	2.47
Russell 2500™ Index	7.43	-18.37	-18.37	n/a	n/a	n/a	-12.39
FTSE U.S. 3-Month Treasury Bill Index	0.87	1.50	1.50	n/a	n/a	n/a	1.21

Returns for periods less than one year are not annualized.

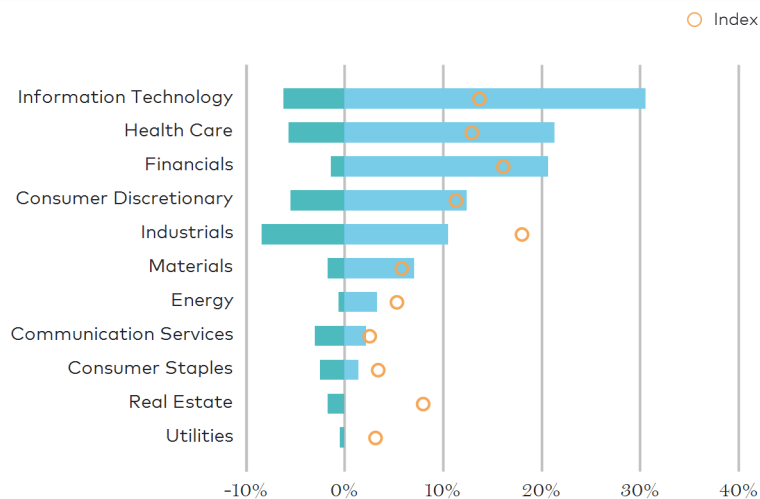
### CALENDAR YEAR RETURNS

	2022
Investor Class: WALSX	-8.38
Institutional Class: WGLSX	-8.20
Russell 2500™ Index	-18.37
FTSE U.S. 3-Month Treasury Bill Index	1.50

Data shows past performance and is not indicative of future performance. Current performance may be lower or higher than the data quoted. For the most recent month-end performance data, visit [wasatchglobal.com](http://wasatchglobal.com). Investment returns and principal value will fluctuate and shares, when redeemed, may be worth more or less than their original cost. The Advisor may absorb certain expenses, without which total returns would have been lower. Wasatch Funds will deduct a 2% redemption fee on Fund shares held 60 days or less. Performance data does not reflect this redemption fee or taxes.

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## SECTOR ALLOCATION



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

## TOP FIVE SHORT HOLDINGS AS OF 9/30/2022

Alphatec Holdings, Inc.	-1.3
Xometry, Inc. Class A	-1.3
Par Pacific Holdings, Inc.	-1.2
Coty, Inc. Class A	-1.2
Nevro Corp.	-1.1
<b>Total</b>	<b>-6%</b>

The Fund uses short selling which incurs significant additional risk, including the risk of unlimited losses. Equity investing involves risks, including potential loss of the principal amount invested. Being non-diversified, the Fund can invest a larger portion of its assets in the stocks of a limited number of companies than a diversified fund. Non-diversification increases the risk of loss to the Fund if the values of these securities decline. Securities in the Fund are generally added to the portfolio as long or short positions based upon security rankings provided by multi-factor quantitative models and on fundamental analysis of securities. The reliance on quantitative models entails risks, including that a model may be limited or incorrect, that the data on which a model relies may be incorrect or incomplete and that the Advisor may not be successful in selecting companies for investment in the Funds portfolio. The Advisor will generally sell a security if, among other things, the rankings provided by the quantitative models decline and/or research analysis reveals a deterioration of the company fundamentals. Fund Objective: Long-term growth of capital

**An investor should consider investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus, which contains this and other information, visit [wasatchglobal.com](http://wasatchglobal.com) or call 800.551.1700. Please read the prospectus carefully before investing.**

Index represents Russell 2500™ Index.

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**Est. 5-year EPS Growth %:** Estimated percentage increase in earnings per share (EPS) per year of the funds holdings over the next 5 years. Returns are not guaranteed and may be higher or lower. Source: Wasatch and FactSet. **P/E Ratio (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. **Market Cap:** Weighted average market capitalization of companies held by the fund, median is the midpoint. **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 sensitivity to market movements. The beta of the market is 1.00 by definition. **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. **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). **Sharpe Ratio** is calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe ratio, the better the fund's risk-adjusted performance.

Wasatch Funds are distributed by ALPS Distributors, Inc.

Fund holdings are subject to risks and may change at any time. References to specific securities should not be construed as recommendations by the Fund or its Advisor.

## FUND CHARACTERISTICS

	Long	Short	Index
Average Market Cap (\$ weighted)	\$8.2B	\$4.1B	\$6.0B
Median Market Cap	\$4.6B	\$1.7B	\$1.4B
Number of Holdings	54	49	2,448
Est. 5-year EPS Growth (%)	17.3	*	14.2
P/E (forward)	19.2	*	12.6
% of Net Assets	110	37	*

## PERFORMANCE STATISTICS INVESTOR CLASS SHARES

Alpha	11.92
Beta	0.77
R-Squared	0.83
Standard Deviation	19.03
Sharpe Ratio	0.05
Upside Capture	89.57
Downside Capture	62.07

Performance period: since inception

## TOP FIVE LONG HOLDINGS AS OF 9/30/2022

Roper Technologies, Inc.	3.8
Bank OZK	3.8
ICF International, Inc.	3.5
Ensign Group, Inc.	3.3
Monolithic Power Systems, Inc.	3.1
<b>Total</b>	<b>17%</b>