

Small Cap Value Composite

AS OF SEPTEMBER 30, 2023



Highlights

- Seeks to exploit the inefficiency when a growth stock becomes a value stock
- Goal is to capture multiple expansion and earnings growth
- Blend of fallen angels, undiscovered gems, and quality value holdings

Portfolio Facts

\$2.3B / **\$4B** / **64**
Total Strategy Assets[^] / Average Market Cap (weighted) / 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:

- Fallen Angels: growth companies that have suffered a temporary setback
- Undiscovered Gems: growth companies trading at value prices
- Quality Value: statistically cheap, slower growing companies

Primarily invests in U.S. companies with market caps of less than \$5 billion at the time of purchase

Approximately 45-65 positions

ABOUT THE PORTFOLIO

Strategy Inception	12/17/1997
Minimum Initial Investment	\$1 million

FUND MANAGERS



Jim Larkins, MBA
Lead Portfolio Manager
Years of Experience: 27



Austin Bone
Portfolio Manager
Years of Experience: 10

INVESTMENT RESULTS AS OF 9/30/2023

	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Composite - Gross of Fees	0.50	14.50	26.36	14.31	6.79	9.79	12.89
Composite - Net of Fees	0.14	13.75	25.37	13.53	6.02	8.92	11.78
Russell 2000 [®] Value Index	-2.96	-0.53	7.84	13.32	2.59	6.19	7.45
Russell 2000 [®] Index	-5.13	2.54	8.93	7.16	2.40	6.65	7.02

Returns for periods greater than one year are annualized.

CALENDAR YEAR RETURNS

	2016	2017	2018	2019	2020	2021	2022
Composite - Gross of Fees	22.34	19.70	-8.58	25.55	14.27	26.33	-20.65
Composite - Net of Fees	21.31	18.69	-9.37	24.58	13.42	25.53	-21.12
Russell 2000 [®] Value Index	31.74	7.84	-12.86	22.39	4.63	28.27	-14.48
Russell 2000 [®] Index	21.31	14.65	-11.01	25.52	19.96	14.82	-20.44

[^]Total Strategy Assets across all vehicles and composites. Since inception performance calculated from 12/31/1997.

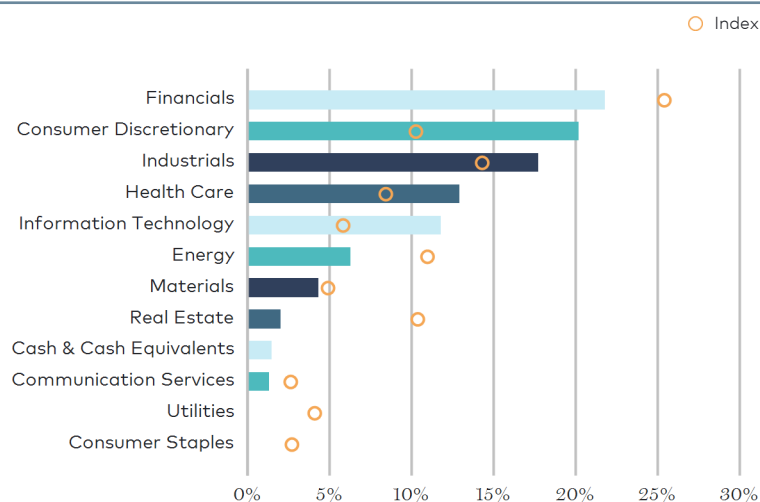
Composite returns for the Small Cap Value Composite have been provided. The Wasatch Small Cap Value Composite contains fully discretionary equity accounts following the Wasatch Small Cap Value style. The composite primarily invests in small companies with the goal of long-term growth of capital. Income is a secondary objective, but only when consistent with long-term growth of capital. For comparison purposes the composite is measured against the Russell 2000[®] Value and Russell 2000[®] 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 pooled funds 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. GIPS[®] is a registered trademark of CFA Institute.

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Wasatch Small Cap Value Composite

AS OF SEPTEMBER 30, 2023

SECTOR ALLOCATION



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

COUNTRY ALLOCATION

	Portfolio	Index		Portfolio	Index
Developed	98.5%	100.0%	Emerging and Frontier	-	-
United States	96.6	100.0			
Israel	1.9				

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

PORTFOLIO CHARACTERISTICS

	Portfolio	Index
Average Market Cap (\$ weighted)	\$3.9B	\$2.4B
Median Market Cap	\$3.3B	\$756M
Number of Holdings	64	1,448
Est. 5-year EPS Growth (%)	11.5	9.8
P/E (forward)	13.4	9.9
Portfolio Turnover (%)	61	n/a
Active Share (%)	95	n/a

PERFORMANCE STATISTICS

Alpha	4.32
Beta	1.01
R-Squared	0.93
Standard Deviation	26.37
Upside Capture	113.75
Downside Capture	97.79

Performance period: 5 year

TOP TEN HOLDINGS AS OF 6/30/2023

Kadant Inc.	3.7
Ensign Group Inc/The	3.2
Nova Ltd.	2.9
Hamilton Lane Inc.	2.9
Artisan Partners Asset Management Inc.	2.8
Innospec, Inc.	2.7
Bank OZK	2.7
Skyline Champion Corp.	2.7
Moelis & Co.	2.7
Euronet Worldwide Inc.	2.5
Total	29%

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

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