

## CS McKee Micro Cap Value

# Performance

As of March 31, 2026

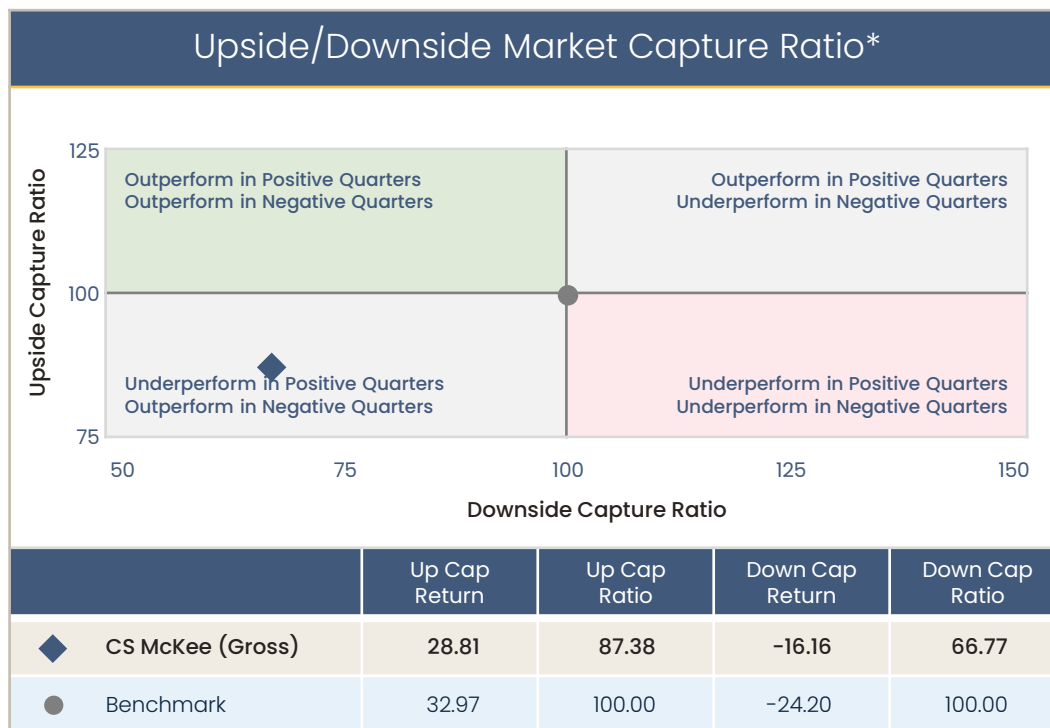
Calendar Year Returns													
	QTD	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Micro Cap Value (Gross)	7.07	7.07	17.56	13.45	8.56	-13.81	42.42	-3.98	14.91	-12.12	6.68	36.62	-4.20
Micro Cap Value (Net)	6.82	6.82	16.56	12.37	7.53	-14.62	41.02	-4.87	13.82	-12.96	5.68	35.34	-5.06
Russell Microcap Value Index	5.76	5.76	23.84	9.16	8.87	-16.69	34.84	6.33	21.29	-11.96	11.08	30.60	-6.46

Annualized Trailing Returns			
	3 Years	5 Years	10 Years
Micro Cap Value (Gross)	16.01	8.48	10.41
Micro Cap Value (Net)	14.94	7.47	9.37
Russell Microcap Value Index	17.96	6.20	11.50

Annualized Sharpe Ratios**			
	3 Years	5 Years	10 Years
Micro Cap Value (Gross)	0.93	0.37	0.36
Russell Microcap Value Index	0.77	0.17	0.38
Risk-Adjusted Value	0.16	0.21	-0.01

\*Period: Trailing 5yr

\*\* Using Quarterly Returns, Risk-Free Rate: Citigroup 3-month T-Bill



The above information is shown as supplemental information and complements the composite disclosure presentation. Please see full disclosure information at the end of this presentation.

# CS McKee Micro Cap Value Characteristics

As of March 31, 2026

## Characteristics Summary

	Micro Cap Value*	Russell Microcap Value Index
Number of Holdings	92	953
Weighted Average Mkt Capitalization (\$Mil)	982	1,465
Dividend Yield (%)	1.99	1.47
LT Debt/Capital (%)	28.44	23.99
Price/Book	1.25	1.25
Price/Sales	0.85	0.80
Price/Cash Flow	7.64	6.73
P/E Ratio (FY1 Est)	12.61	23.75
P/E Ratio (FY2 Est)	10.18	16.96
EPS Growth – Next 3-5 Years (% Est)	11.44	5.19
Predicted Beta	0.74	1.00
Active Share (%)	90.59	
Turnover (TTM %)	38.91	

## Top 10 Holdings

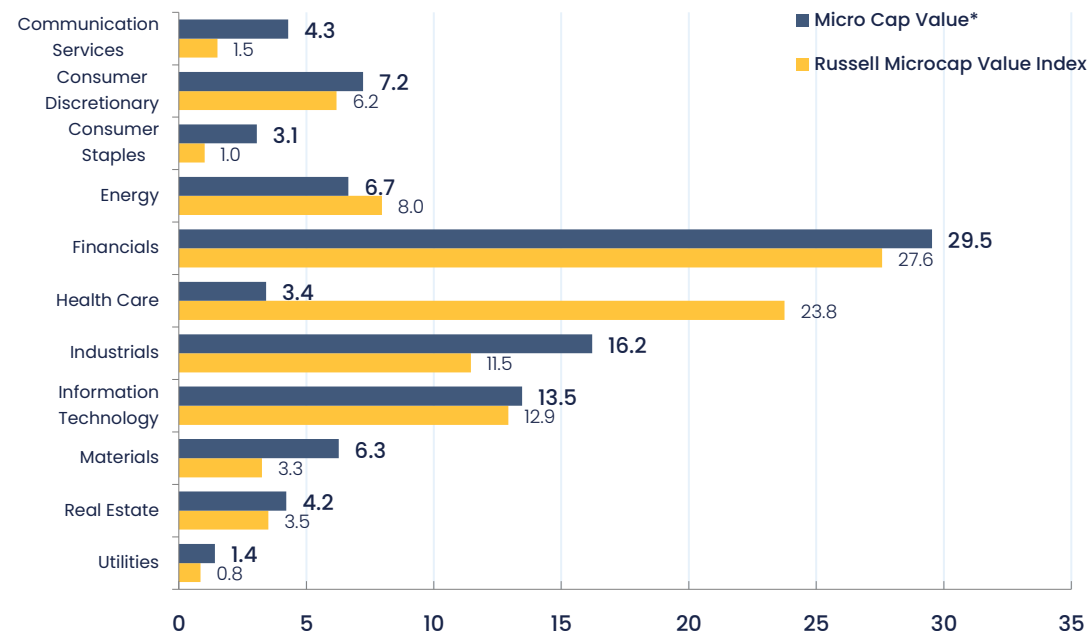
Company	Micro Cap Value*	Russell Microcap Value Index
NWPX Infrastructure Inc.	1.99	0.26
Mitek Systems, Inc.	1.89	0.17
Global Ship Lease, Inc. Class A	1.86	0.00
Postal Realty Trust, Inc. Class A	1.84	0.16
Whitestone REIT	1.83	0.26
Cohu, Inc.	1.73	0.00
Bandwidth Inc. Class A	1.68	0.13
Genco Shipping & Trading Ltd	1.66	0.25
Covenant Logistics Group, Inc. Class A	1.64	0.11
Northeast Bank	1.63	0.12

## Best & Worst Contributors to Performance<sup>†</sup>

Contributors	Rel Effect (%)	Weight (%)	Detractors	Rel Effect (%)	Weight (%)
American Public Education, Inc.	0.66	1.60	Build-A-Bear Workshop, Inc.	-0.62	1.12
VAALCO Energy, Inc.	0.54	1.12	EverQuote, Inc. Class A	-0.52	0.70
Talos Energy, Inc.	0.44	1.10	Inspired Entertainment, Inc.	-0.42	1.17
Cohu, Inc.	0.38	1.57	Aebi Schmidt Holding AG	-0.33	1.32
Vishay Precision Group, Inc.	0.37	0.64	CRA International, Inc.	-0.29	1.01

<sup>†</sup> Best & Worst contributors are calculated using an attribution methodology, based upon the relative weights of securities versus the benchmark index, including securities not held within the portfolio. Weight shown represents average portfolio weight during the quarter.

## Sector Allocation (GICS)



“The out-performance in the first quarter was driven largely by stock selection and style factor effects.”

### How did the portfolio perform?

The CS McKee Micro Cap Value model returned 7.1% on a total return basis during the first quarter of 2026, ahead of the Russell Micro Cap Value index return of 5.8% by 131 basis points.

### What factors had the greatest impact on the portfolio?

The outperformance in the first quarter was driven largely by stock selection and style factor effects. The largest contribution to relative results came from stock selection, particularly in the Energy and Technology sectors. Positive style factors included overexposure to profitability and book to price. Negative style factors included underexposure to volatility and liquidity.

### What sectors provided the greatest contribution to portfolio return?

The strongest performing sectors from an attribution perspective in the first quarter were Energy, Technology, and Materials, adding 73, 64 and 21 basis points, respectively, to relative performance.

### Were there any sectors that hindered the portfolio's performance?

The most significant headwinds came from Communication Services, Consumer Discretionary, and Staples, which detracted 32, 11, and 9 basis points, respectively. In Health Care, the Biotech industry (13.7% return, 13.3% weight of overall benchmark) detracted 116 basis points as our portfolio does not own the speculative growth, non-earners comprising the benchmark holdings in Biotech.

### What were among the strongest performing securities in the portfolio?

One of the best performing stocks, both in terms of attribution and absolute return, was American Public Education. The stock rose 50% in the first quarter and contributed 66 basis points to relative performance. The company was able to beat earnings expectations despite the impact of the federal government shut down last October and continued to show a healthy recovery in the Rasmussen University segment.

VAALCO Energy rose nearly 74%, adding 54 basis points to relative return, as the stock was rewarded for progress on its 2026 drilling campaign and for bringing a large floating production facility back online later this year. Rising oil prices also contributed to its strong performance.

Cohu Inc. rose 32%, adding 38 basis points to relative return, as investors cheered a return to an upcycle in demand after several tough years.

### What were the weakest performing securities in the portfolio?

In Consumer Discretionary, Build-A-Bear Workshop returned -39% and cost the portfolio 62 basis points. Tariffs had a larger negative impact on 1Q26 than analysts had been modeling along with concerns over the potential impact on consumer spending by higher energy prices.

In Financials, EverQuote returned -43%, a 52 basis point drag on the portfolio. First quarter earnings results reflected robust growth, but market fears over AI disruption to software and internet services dominated. We expect those fears to abate as the company demonstrates that AI is being used to support growth and margins instead of being a dire threat.

In Industrials, Aebi Schmidt Holding returned -33% and detracted 33 basis points as investors misunderstood the nature of the lowered 1Q26 guidance. Short term expense to support capacity for an upcycle in the walk-in van business should benefit earnings as the year progresses.

“We expect significant volatility to continue until there is greater certainty around the outcome of the war.”

### Outlook

Small Cap Value equities outperformed Growth and Large Caps with a strong start to 2026 driven by an earnings re-acceleration and an expectation of healthy economic growth driven by last year's federal tax bill (OBBBA) and continued reshoring of manufacturing. Market sentiment had also been lifted by expectations of the Fed continuing their easing cycle into 2026. However, the markets fell during March as energy prices jumped both ahead of and during the war with Iran.

We expect significant volatility to continue until there is greater certainty around the outcome of the war. While the portfolio remains overweight in most of the pro-cyclical sectors, we have reduced that exposure to balance the risks of a protracted war and, potentially, a very negative outcome. Our base case remains moderate economic growth.

The Micro Cap Value portfolio remains focused on finding attractive opportunities among individual stocks with a focus on financial strength to reduce downside risk. Sixty-five percent of the active risk in the portfolio is attributable to stock specific risk, with the remainder split between style factor risk and industry risk. Style risk is concentrated in underexposure to Volatility, Beta, and Momentum, and overexposure to Profitability and Earnings Yield. The portfolio is overweight to Industrials, Materials, Communication Services, Staples, Financials, and Consumer Discretionary, and underweight to Health Care and Energy.

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## SECTOR POSITIONS

**INDUSTRIALS**  
Overweight

Many opportunities in this diverse sector as companies benefit from infrastructure investment, data center construction, reshoring, and other cyclical factors.

**MATERIALS**  
Overweight

Overweight driven by diverse set of attractive, individual stocks.

**COMMUNICATION SERVICES**  
Overweight

No overall sector view; overweight driven by diverse set of attractive, individual stocks.

**HEALTH CARE**  
Underweight

Most of the sector is Biotechnology and Pharmaceuticals (21.2% of total benchmark), which are all speculative growth, non-earners, which we do not consider Value stocks and will not own in a Value portfolio. Outside of Biotech/Pharma, we are slightly overweight the rest of the sector.

**ENERGY**  
Underweight

The February sale of fully-valued TETRA Technologies after a massive gain created the underweight and not a negative outlook on the sector.



CS McKee

# Micro Cap Value Disclosure

Disclosure

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CS McKee is an independent registered investment adviser specializing in institutional and retail investment management. Registration does not imply a certain level of skill or training. On April 25, 2025, CS McKee acquired the assets of Foundry Partners LLC. Historical Foundry performance has been retained for all Foundry strategies that were adopted by CS McKee. A list of composite descriptions and broad distribution pooled funds are available upon request.

Effective with the acquisition of Foundry Partners LLC, CS McKee created the CS McKee Micro Cap Value Composite, which includes the prior performance history of Foundry's Micro Cap Value strategy and CS McKee's performance from the acquisition date forward. The legacy Foundry composites continue to be managed in a similar manner by the same portfolio managers, with no accounts excluded from the composites shown. Accordingly, the performance presented includes historical/predecessor performance.

The securities or positions shown or discussed do not represent a complete listing of portfolio holdings. Actual holdings will vary based on account size, client-imposed restrictions, cash flows, and other factors. There is no assurance that any securities discussed remain in the portfolio or that securities sold have not been repurchased. It should not be assumed that past decisions were or will be profitable. A complete list of holdings is available upon request.

Performance is presented in U.S. dollars and reflects total returns. "Gross" returns are shown before deduction of investment management fees, while "Net" returns reflect the deduction of actual investment management fees charged to client accounts included in the composite, which may vary. For illustrative purposes only, a \$100 million account paying a 0.50% annual management fee and earning a 10% gross return compounded over 10 years would result in an approximate 9.5% net return. This example is hypothetical and not representative of actual client performance or fee arrangements. Fees are detailed in Part 2A of CS McKee's Form ADV. Past performance does not guarantee future results. Investing involves risk, including the potential loss of principal.

Information shown is as of the date indicated. All data, including top holdings and characteristics, is subject to change without notice. Holdings shown are for illustrative purposes only and are not a recommendation to buy or sell any security. Holdings and characteristics may differ between client accounts managed under the same strategy. CS McKee does not guarantee the accuracy of third-party data.

Benchmark returns are shown for comparison and reflect reinvested dividends. Benchmarks are unmanaged, not investable, and do not incur fees or expenses. Strategy differences—such as risk, holdings, or asset mix—may materially affect results. Benchmark data is from sources believed reliable, but accuracy is not guaranteed.

CS McKee claims compliance with the Global Investment Performance Standards (GIPS®). Composite characteristics, including the number of accounts, assets under management, and dispersion measures, are provided in the GIPS® Composite Report. Please refer to the report for additional important information or to view a list of composite descriptions by visiting: [www.csmckee.com/gips](http://www.csmckee.com/gips)