

Moerus Worldwide Value Fund

MOWIX - MOWNX

Q3 2025 Quarterly Review & Outlook



Performance (%) (As of September 30, 2025)	QTR	YTD	1 Yr	3 Yr*	5 Yr*	Since Inception June 1, 2016*
Moerus Worldwide Value Fund (Inst.)	11.39%	33.91%	31.09%	31.22%	25.45%	11.15%
MSCI All-World Country Index ex USA (Net) ¹	6.89%	26.02%	16.45%	20.67%	10.26%	8.41%
MSCI All-World Country Index (Net) ²	7.62%	18.44%	17.27%	23.12%	13.54%	12.00%

*Performance for periods longer than 1 year is annualized.

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. Returns are shown net of fees and expenses and assume reinvestment of dividends and other income. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Investment performance reflects expense limitations in effect. In the absence of such expense limitations, total return would be reduced. For performance current to the most recent month-end, please call 1-844-663-7871.

The gross total expense ratio of the Moerus Worldwide Value Fund Institutional Class ("the Fund") is 1.56%. The Adviser has contractually agreed to reduce its fees and/or absorb expenses of the Fund, until at least March 31, 2026, to ensure that total annual fund operating expenses after fee waiver and/or reimbursement (exclusive of any taxes, brokerage fees and commissions, borrowing costs, acquired fund fees and expenses, fees and expenses associated with investments in other collective investment vehicles or derivative instruments, or extraordinary expenses such as litigation) will not exceed 1.25% for Institutional Class Shares.

Fund Performance – Q3 2025

The Moerus Worldwide Value Fund Institutional Class ("the Fund") returned +11.39% in the Third Quarter ("Q3"); by comparison, the MSCI All Country World ex USA ("MSCI ACWI ex USA") Net Index returned +6.89%, while the MSCI All Country World ("MSCI ACWI") Net Index returned +7.62%. In short, in the Third Quarter, the Fund generated strong returns in *absolute* terms and meaningfully outperformed both the MSCI ACWI ex USA and the MSCI ACWI in *relative* terms. Longer-term, the Fund has significantly outperformed both the MSCI ACWI ex USA and MSCI ACWI over one, three, and five-year periods (see table above). We'll return to the Fund's performance after a review of markets in Q3.

Market Review – Q3 2025

The Third Quarter was another strong period overall for global equity markets. Unbridled enthusiasm for all things AI seemingly grew even stronger, amid announcements of massive capital investments and partnerships between the space's major players. In their enthusiasm, equity markets shrugged off not only the on-again, off-again tariff-related noise, but also persistent geopolitical tensions. A number of trade agreements were announced by the Trump administration (e.g., with Japan, the E.U., the U.K., Vietnam, and Indonesia); however, some feel more like general *agreements in principle*, with the finer details remaining ambiguous and to be determined. Elsewhere, Q3 saw setbacks rather than progress, with the administration announcing increased tariffs on non-exempt Brazilian imports to 50% – ostensibly in response to the Brazilian government's prosecution of former President Jair Bolsonaro – while also raising the tariffs on many Indian imports to 50% (after taking issue with India's purchase of Russian oil). As for geopolitics, the Russia/Ukraine war saw a series of escalations despite the Alaska meeting between Trump and Putin. Yet markets generally took such developments in stride in Q3, focusing on the ongoing AI frenzy as well as hopes of monetary easing – with the Fed indeed cutting rates by 0.25% in September amid signs of a weakening U.S. labor market. For the quarter, both U.S. (S&P 500: +8.11%; NASDAQ Composite: +11.43%) and international equity market benchmark indices (MSCI ACWI ex USA Index: +6.89%; MSCI Emerging Markets Index: +10.64%) generated strong positive performance. As illustrated by index performance, Growth stocks (MSCI ACWI Growth Index: +8.98% in Q3) outperformed Value stocks (MSCI ACWI Value Index: +6.13%) for the

¹The MSCI All-Country World ex USA Index (Net) is an unmanaged index consisting of 46 country indices comprised of 22 of 23 developed markets (excluding the US) and 24 emerging market country indices and is calculated with dividends reinvested after deduction of withholding tax. The Index is shown solely for comparison purposes and the underlying holdings of the Index may differ significantly from the portfolio. The Index is a trademark of MSCI Inc. and is not available for direct investment.

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second consecutive quarter after a difficult start to 2025. Precious metals continued their recent surge, driven by fiscal and geopolitical uncertainty and angst. Post-Q3, following months of a temporary trade truce, China announced restrictions on rare earth exports, and President Trump responded by threatening to impose an additional 100% tariff on Chinese imports and calling into question a potential meeting with Chinese President Xi Jinping, which some had hoped would lead to a breakthrough in talks. The matter remains unresolved at the time of this writing.

Fund Attribution – Q3 2025

Against this backdrop, the Fund generated strong performance on an *absolute* basis and meaningfully outperformed both the MSCI ACWI ex USA and the MSCI ACWI on a *relative* basis in Q3, despite the quarter generally favoring Growth stocks over Value. The Fund's five most significant positive contributors in Q3 were Dundee Corp., Valterra Platinum, Capstone Copper, Midland Holdings, and Cromwell Property Group. The largest contributor to performance by *sector* in Q3 was the Fund's collection of Materials holdings, driven by meaningful gains across holdings in the group, including the top three overall contributors for the quarter (Dundee, Valterra, and Capstone). Materials holdings in the Fund include investments in precious metals (gold, silver, platinum), base metals (copper, nickel) and other resources (crop nutrients, iron ore). Recent gains in gold and silver prices accelerated in Q3, helping to drive returns across the Fund's precious metals-related holdings, while also beginning to attract mainstream investor interest that had been largely lacking for the better part of the past decade. We are often asked about our thoughts on gold and whether the Fund's ownership of gold-related holdings implies that we have a strong view on future gold prices. The short answer? No, it does not. The longer answer begins with the Moerus philosophy and approach, which strives to buy out-of-favor businesses at discounted prices. Ideally, these holdings are well financed and well managed, with management teams who have demonstrated both willingness and ability to take actions that are additive to shareholder value over the *long-term*. Yes, *short-term* moves (up and down) in gold prices undoubtedly influence related stock prices, and rising prices helped drive gains in the Fund's related holdings in 2025. However, we believe that the ability to build enduring business value through non-operating means – most notably well-executed corporate activity (e.g., M&A, asset sales, spin-offs, share repurchases) – is more important to generating long-term returns. We believe that this has been the case for the Fund's three largest gold-related investments: Dundee, Wheaton Precious Metals and Major Drilling. Each holding has performed well in 2025 as gold garnered increased attention. However, we'd argue that the seeds of their 2025 returns were planted over the many years prior, as their management teams toiled in relative obscurity, taking actions that we believe built significant value – even though it largely went unnoticed at the time, as the precious metals space remained deeply depressed from 2013 to 2023.

Take, for example, Dundee Corp., the largest contributor to Fund performance in Q3 and year-to-date. The Fund first invested in shares of Dundee in 2020. This Canadian Holding Company, once a conglomerate with a sprawling collection of interests spanning various industries, had fallen on hard times, with its share price declining from over C\$20 in 2013 to below \$1.50 in 2020 – or a fraction of our estimate of its Net Asset Value (NAV). This, in our view, was despite the impressive track record of its management team (led by Jonathan Goodman) of creating value in the mining space. Over the past several years, Dundee has sold a number of non-core assets/businesses (e.g., investment banking/capital markets, real estate), narrowing its focus to the core business of investing in early stage mining companies – Goodman's area of expertise. Meanwhile, these non-core asset sales raised cash on the balance sheet, which management used to redeem its preference shares, pay down other liabilities, and focus on its bread and butter: investing in promising early-stage mining companies in need of funding. The results since then have been impressive, with Dundee successfully monetizing some assets (e.g., Reunion Gold/G Mining Ventures) at prices that generated significant profits, which we believe highlighted the exceptional undervaluation of Dundee shares. Dundee shares have risen to roughly C\$4 at present, and we would argue that management has also increased the company's NAV dramatically in our years of ownership. Rising gold prices and the resulting increased investor attention has certainly helped Dundee shares, but we believe the corporate actions executed by its management in recent years – behind the scenes, while few were paying attention – are what has driven the bulk of the long-term value creation that the stock began to benefit from in 2025.

Like Dundee, Wheaton Precious Metals (WPM), the large-cap Canadian precious metals streaming company, has benefitted from rising gold prices. But WPM also benefits, in our view, from its asset-light, cash-generative precious metals streaming model, which offers shareholders potential upside from both increased prices and production growth, while at the same time mitigating mining-related risks by diversifying its portfolio across numerous miners, geographies and specific projects. Unlike Dundee, WPM is well known, and because of its well-liked business model, its shares are rarely for sale at discounted prices, in our view. One of those times, however, was in 2016 (the year of the Fund's inception), when a combination of low gold and silver prices, an industry that was quite unpopular with investors at the time as a result, and issues at some mines in which WPM owned streams, conspired to pressure WPM shares, which fell roughly 64% from 2013 through 2015. This provided the Fund with an opportunity to invest in what we believe is a well-financed,

well-managed, attractive business at a discounted entry point, from which the Fund could potentially benefit from the long-term compounding of value. That has indeed played out since then, with WPM returning an annualized 24% from the start of 2017 through Q3 2025, significantly outpacing gold (15%), silver (13%), and the VanEck Gold Miners ETF (17%). Although rising gold and silver prices helped in an absolute sense, the primary driver of WPM's strong performance above and beyond that has been a successful long-term track record of streaming; cumulative cash flow generated from WPM's streams have already exceeded the company's total amount invested in streams to date, despite the company boasting an effective remaining reserve life that is estimated to last decades into the future. The third gold-related holding, Major Drilling International (MDI) is, like WPM, a long-tenured Fund holding, dating back to those same dark days for the industry in 2016. Unlike WPM, MDI is a drilling services provider to mining companies, with gold mining activities the largest component of MDI's overall revenues by far. During the prolonged period of depressed conditions for gold miners from 2013 to 2023, demand for related drilling activity was particularly subdued, leading to a difficult period for drilling service providers with high debt levels, many of which fell into distress if they didn't go out of business altogether. MDI, however, maintained a strong balance sheet under the leadership of its management team, whose prudent approach allowed the company to successfully navigate those difficult years from a position of relative strength. The Fund acquired shares of MDI at what we thought was an unusually depressed valuation relative to the value of its assets – which we believed was remarkable for a service business of this quality and type. Since then, MDI's management team has continued to maintain a strong financial position while taking advantage of the weak period, expanding its footprint (including in Latin America and Australia) by making acquisitions at modest prices. With precious metals coming back into favor and miners (MDI's customers) beginning to enjoy improved access to financing after a decade-long drought, we believe MDI is well-positioned to benefit from a revival in drilling demand, as its footprint grew stronger during the lean years.

Staying within Materials but moving beyond gold, Valterra Platinum was the second largest contributor to the Fund's Q3 performance amid rising platinum prices. Valterra is a relatively recent addition to the Fund (added in late-2024). South Africa-based Valterra – formerly known as Anglo American Platinum prior to its June 2025 separation from Anglo American – is the world's largest producer of Platinum Group Metals (PGMs), a group that includes platinum, palladium, and rhodium. The stocks of PGM producers had generally been down and out for many years as platinum and palladium prices languished amid investor expectations of waning demand. This was driven by arguably lofty expectations of increasing *electric vehicle* (EV) adoption, as emission reduction applications in *internal combustion* engine and *hybrid* vehicles are an important source of demand for these metals. Producers suffered significantly in recent years, with some estimates suggesting that nearly 40% of global PGM production had become uneconomic at the commodity prices seen by early 2025. This, in turn, forced producers to cut higher-cost production and reduced investment in future PGM *supply*. However, *demand* has proven more resilient than expected under the pre-existing assumptions, as EV adoption is growing more slowly than previous forecasts amid its own well-documented challenges (e.g., reduced incentives, high purchase prices, insufficient charging infrastructure, weak resale values, etc.). As a result of these dynamics, the platinum market swung into deficit, with a third consecutive year of undersupply expected in 2025, while relatively resilient consumption has been met increasingly by above-ground inventories, which have begun to decline precipitously over the past couple of years. We believe Valterra is uniquely positioned to benefit from improving PGM market dynamics, given its large, low-cost, and long-lived assets; its strong balance sheet and conservative financial position that provides an anchor to windward in difficult times; and a discounted valuation that reflects not only years of depressed conditions for PGM producers. Further, we believe the demerger from Anglo American is a positive in that Valterra will be managed with a single-minded focus on its PGMs business, rather than as merely a part of Anglo American's portfolio of assets. As for Capstone Copper, the Canada-based copper miner continued to perform well after being added to the Fund in early April 2025 in the middle of the sharp market sell-off triggered by the "Liberation Day" tariff announcements, which resulted in an opportunity to acquire shares in a business with attractive growth prospects at what we believe was an unusually depressed price. As market sentiment improved since then, Capstone shares appreciated significantly, recovering from the steep (but short-lived) decline that offered the Fund the opportunity to invest at an attractive price. In sum, while the Fund's Materials holdings benefited from rising commodity prices in Q3, we believe there are a number of exciting things going on within the businesses themselves, which bode well for the compounding of shareholder value longer-term.

While the Fund's Materials holdings were by far the largest driver of performance in Q3, other notable contributions came from the Fund's investments in Real Estate – led by gains in Midland Holdings and Cromwell Property Group – as well in Energy, driven mainly by appreciation in offshore services providers Valaris and Tidewater. On the negative side, there were little in the way of common themes other than declines in the Fund's Indian holdings Bajaj Holdings & Investment, Edelweiss Financial, and IDFC First Bank amid adverse U.S./India tariff-related headlines, as well as depreciation in Brazil-centric holdings Natura Cosméticos and Arcos Dorados amid cyclically weak consumer spending. We believe the long-term investment theses of each remain attractive – perhaps even more so at recently reduced prices.

Fund Outlook

We have long believed that forecasting near-term economic variables is not a particularly productive use of our time, given our view that such forecasts rarely prove accurate enough, or consistent enough, to merit basing investment decisions on them. Indeed the forecasts of many economic and financial market pundits have often been off the mark in recent years on various topics (e.g., recession or no recession, inflation and interest rates, etc.). Our crystal ball is no clearer than anybody else's, and thus forecasting is hardly of any interest to us as a long-term investor, except to the extent that the fallout from volatility in *near-term* market expectations provides attractive investment opportunities from a *longer-term* perspective. The on-again, off-again, ever-changing landscape surrounding tariffs is no different. It remains unclear whether the Trump administration's ultimate goal is to gain concessions within the existing system, or to seek a new system altogether. Needless to say, we are not confident in anybody's ability to accurately predict the ultimate outcome.

Instead, we intend to maintain our long-term focus and seek to take advantage of the opportunities made available by heightened volatility that may very well continue. In recent years, we have seen a healthy number of attractive long-term investment opportunities become available amid the short-term volatility in financial markets' expectations and notoriously fickle macro forecasts (re: interest rates, inflation, etc.). That was *before* the recent tariff-induced surge in volatility. Although sometimes unpleasant, we believe such volatility is more *friend* than *foe* to the long-term, price-conscious investor, and that our long-term focus is one of the notable advantages that we have during highly volatile periods. For the many other investors who are highly short-term focused – either by choice, by mandate, or by financial necessity (e.g., those who invest on margin) – extreme volatility is their enemy, as it could result in forced or motivated selling at discounted prices that may not appropriately reflect longer-term, fundamental values. This often creates opportunities for the patient, long-term, price-conscious investor who is willing and able to tolerate day-to-day volatility in order to obtain compelling bargains over the long run. Over the years, previous periods of extreme market turmoil (e.g., Asian Financial Crisis, Global Financial Crisis, European Sovereign Debt Crisis, the pandemic, etc.) ultimately proved to have provided exceptional long-term buying opportunities for those who were able to be patient and stay focused on valuation, fundamentals, and the mitigation of the risk of permanent capital impairment. We believe that it is during such times that the seeds of attractive long-term capital appreciation are planted. We believe that this is another one of those periods, for those who are willing and able to zoom out from the wild swings in sentiment on intra-day tariff-related headlines, and focus instead on long-term, fundamental business values. We believe today's tariff-induced volatility is another of those moments in which babies might periodically be thrown out with the bathwater, and our goal is to take advantage of the fleeting opportunities that such volatility provides. Furthermore, relative to our past years of experience, we see less competition for the deep value, out-of-favor opportunities that we seek – perhaps as a result of both attrition among the ranks of value investors in recent years, as well as style drift towards Growth among those who have modified their approach amid a long period of outperformance by Growth strategies. We believe this combination of factors bodes well for the Fund and for our investment approach looking forward. Thanks for your continued support and interest.

Current and future portfolio holdings are subject to change and risk.

Top ten holdings as of 9/30/25 as a % of the Fund's net assets: Dundee Corp. (5.60%), Valterra Platinum Ltd (4.85%), Midland Holdings Ltd (3.50%), Valaris Ltd (3.16%), Hong Kong Exchanges and Clearing Ltd (2.84%), Banco Bradesco S.A.-ADR (2.80%), Douglas Elliman Inc. (2.77%), Travis Perkins PLC (2.62%), UniCredit SpA (2.54%), and Cromwell Property Group (2.45%).

Risk Disclosures: Investing in Mutual Funds involves risks including the possible loss of principal and there can be no assurance that any investment will achieve its objectives. International and in particular, emerging country and frontier market investing involves increased risk and volatility due to currency fluctuations, economic and political conditions, and differences in financial reporting standards.

A current Fund Fact sheet can be found on the Moerus Capital Management website.

You should carefully consider the Moerus Worldwide Value Fund's investment objectives, risks, charges and expenses carefully before you invest. This and other important information about the Funds are contained in the prospectus, which can be obtained by calling 1-844-MOERUS1 or visiting www.moeruscap.com. The prospectus should be read carefully before investing.

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