Moerus Worldwide Fund

MOWIX - MOWNX

Q3 2026 Quarterly Review & Outlook

Performance (%) (As of September 30, 2026)	QTR	YTD	1 Yr	3 Yr*	5 Yr*	10 Yr*	Since Inception June 1, 2016*
Moerus Worldwide Fund (Inst.)	1.56%	7.02%	12.18%	24.37%	19.07%	11.03%	11.25%
MSCI All-Country World ex USA Index (Net)[1]	0.48%	14.22%	20.00%	20.54%	9.55%	9.25%	9.48%
MSCI All-Country World Index (Net)[2]	1.60%	13.03%	16.75%	21.73%	11.57%	12.38%	12.45%

**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 Fund Institutional Class ("the Fund") is 1.31%. The Adviser has contractually agreed to reduce its fees and/or absorb expenses of the Fund, until at least March 31, 2027, 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 2026

The Moerus Worldwide Fund Institutional Class ("the Fund") returned +1.56% in the Third Quarter ("Q3"); by comparison, the MSCI All Country World ex USA ("MSCI ACWI ex USA") Net Index returned +0.48%, while the MSCI All Country World ("MSCI ACWI") Net Index returned +1.60%. In short, in Q3 the Fund generated a positive return in *absolute* terms and outperformed the MSCI ACWI ex USA in *relative* terms, while performing nearly in line with the U.S.-heavy MSCI ACWI. Longer-term, the Fund has significantly outperformed the MSCI ACWI ex USA over three, five, and ten years, and since inception (see table above). We'll return to the Fund's performance after a review of markets in Q3.

Market Review – Q3 2026

In the Third Quarter, positive headline returns for benchmark indices obscured signs of weakness felt beneath the surface across global equity markets. An increasingly narrow set of leaders drove market cap-weighted index performance, as market breadth deteriorated significantly in Q3. The S&P 500, for example, posted meaningful *positive* returns (+2.30%) in Q3, while the S&P *Equal Weight* Index (-1.87%) *declined*; similarly, the MSCI ACWI (+1.60%) gained while its own equal-weighted version slumped (-0.90%). In Q3, surging government bond yields grabbed the market's attention. 10-year and 30-year U.S. Treasury yields reached their highest levels in decades amid growing fiscal concerns and no end in sight to the Middle Eastern conflict that has propelled prices for crude oil, gasoline, jet fuel, and diesel, fueling inflationary pressures. Japan, Germany, France, and the U.K. also saw government bond yields rise to multi-year highs. Coinciding with rising bond yields and a Federal Reserve interest rate hike, the USD strengthened meaningfully in September, and U.S. indices (S&P 500: +2.30%; NASDAQ Composite: +2.61%) outperformed international benchmarks (MSCI ACWI ex USA: +0.48%; MSCI Emerging Markets Index: -0.37%) in Q3. Driven by a strong start, precious metals (gold, silver, platinum) were up in Q3, though some of the earlier gains were lost in September amid rising yields. The higher rates also weighed on real estate-related securities in Q3. Energy-related stocks outperformed amid the Iran conflict, related disruptions in

[1] *The 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.*

[2] *The MSCI All-Country World Index (Net) is an unmanaged index consisting of 47 country indices comprised of 23 developed 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.*

shipping through both the Strait of Hormuz and Bab al-Mandab Strait off the coast of Yemen, recent attacks on Saudi energy infrastructure, and the ongoing Russia-Ukraine war that has also increasingly ravaged energy infrastructure.

Fund Attribution – Q3 2026

Against this backdrop, in Q3 the Fund generated positive performance on an absolute basis and outperformed the MSCI ACWI ex USA, while performing nearly in line with the U.S.-centric MSCI ACWI despite U.S. outperformance in Q3. The Fund's five most significant positive contributors in Q3 were Dundee Corp., Greenfire Resources, Barratt Redrow, Aker ASA, and Grupo Cibest. The five largest detractors in Q3 were Natura Cosméticos, Grupo Financiero Galicia (GGAL), Cromwell Property, LATAM Airlines, and Midland Holdings. By *sector*, the two most significant positive contributors to the Fund's Q3 performance by a wide margin were Materials and Energy, which together accounted for three of the five largest individual contributors. Given the correlation of *short-term* movements in the *stock prices* of these holdings with those of their related *commodity prices*, a common misconception we've encountered in conversations with investors and analysts is that the Fund's Materials and Energy holdings reflect a bet on, or forecast of, future commodity prices. It is true that the shares of the Fund's Materials holdings (led by Dundee) indeed benefited in Q3 from higher prices for precious metals and copper, while our Energy-related holdings (Greenfire, Aker, Tidewater, International Petroleum) benefited from rising oil prices. These same two groups were also among the main detractors from performance just a quarter before, as oil prices declined in Q2 amid the short-lived U.S./Iran MoU, while higher interest rate expectations and a stronger USD weighed on precious metals. Of course, there is a correlation in the short-term. However, the Fund's Materials and Energy investments are *not* in any way a reflection of any view on the future prices of metals or oil. That's fortunate for us, as our crystal ball is as uncooperative as anybody else's; it failed to tell us that oil prices would decline in Q2 on the ceasefire and MoU headlines, and then it neglected to inform us when that MoU would unravel and oil prices would surge in Q3. Rather than a view on commodity prices, the Fund's Natural Resource-related holdings reflect multi-year investments in a collection of *businesses* that we believe are prolific *long-term value creators* for shareholders across a range of commodity prices that will be cyclically volatile along the way. That volatility often unnerves short-term traders who dominate activity in today's markets. For us, however, volatility is opportunity. It offers the Fund the opportunity to invest at bargain prices in these skilled long-term value creators when they – or more often, the commodities they are associated with – are out of favor or "having a bad day." And, volatility also offers the managements of these businesses the opportunity to snap up assets on the cheap during those same periods, sowing the seeds for future value creation.

Zooming out from the short term, Dundee and Energy-related holdings Aker, Tidewater, and International Petroleum (IPC) are all long-tenured holdings that are among the more meaningful positive contributors to the Fund's performance over the past five years. Each of these holdings have created significant value over the years by acquiring attractive assets at depressed prices when they were out of favor and/or in need of capital. Dundee's management team (headed by CEO Jonathan Goodman) has an enviable track record of creating value by investing in early-stage miners with promising assets. Over the past several years, Dundee has sold non-core assets and narrowed its focus to mining-related investments (Goodman's area of expertise). The results have been impressive, as Dundee has realized substantial gains on some investments – most notably Reunion Gold (acquired by G Mining Ventures) and Maritime Resources (acquired by New Found Gold) – while others have continued to progress along the path to realization. Aker is a Norway-based Industrial Holding Company with a collection of assets (mostly but not entirely energy-related) that has a track record of shrewd capital allocation that goes back decades and includes the buying, building, and selling of businesses at attractive prices. In a recent example of this, on June 30th Aker announced the sale of Cognite, an industrial data company that Aker helped establish in 2017 and grow since then, to Schneider Electric in a deal that is expected to generate nearly $1.5 billion in cash proceeds to Aker and generate a return of over 20x Aker's invested capital. Driven by numerous value-accretive corporate actions over the years, Aker shares returned 24% per annum on average over the *15-year* period through September 2026 (in NOK terms), compared to an annualized 13% return provided by the OBX Index in Oslo. Suffice to say, those 15 years have seen a wide range of oil prices, both high and low. Oil producer IPC built up its Canadian asset base over the past nine years through a series of smart, low-priced acquisitions, while also repurchasing its own shares during the same period. The result? IPC has grown its production by 5x and its reserves by 18x since 2017 while reducing shares outstanding (i.e. without diluting shareholders) over that period. Similarly, offshore supply vessel operator Tidewater has created significant value for shareholders through multiple acquisitions of distressed and/or motivated sellers, share buybacks, and operating cost reductions. Canada's Greenfire Resources was added to the Fund in late 2025 and has been one of the leading contributors to the Fund's YTD performance. While higher oil prices have helped in 2026, more notable to us has been Greenfire's strategic actions under a new controlling shareholder (Waterous Energy Fund) who arrived in late 2024. Since then, Greenfire has recapitalized its balance sheet via two rights offerings, using the proceeds to acquire an oil producer directly adjacent to its own assets at an attractive price, while also developing its own oil resources that had been neglected under a previous ownership team whose balance sheet had been saddled with too much debt.

This longer-term process of building business value is much more important to us than any view of whether commodity prices might rise or fall next quarter. The only prediction on the short-term path of commodity prices that we can offer is a safe one: they will fluctuate. From one quarter to the next these Fund holdings may be volatile, rising and falling along with the prices of the commodities they are associated with. Volatility makes many investors uncomfortable. But for the companies we strive to invest in – those with strong financial positions that offer the flexibility to be opportunistic during cyclical lows, headed by management teams with track records of taking advantage of such times – it's that volatility and uncertainty that offer periodic chances to build significant business value over the long term. Dundee, for example, made many of its investments during a long period in which early-stage miners struggled to get financing at reasonable terms. Much of the asset base that IPC enjoys today was assembled by its opportunistic management team during a deeply depressed period for Canadian oil in 2017-18 that offered exceptional value. Similarly, Tidewater was acquiring offshore supply vessels at bargain prices when oil prices were low, offshore energy activity had little-to-no future in the minds of many, and numerous competitors were paralyzed by financial distress. For those who maintain a long-term focus and invest with like-minded management teams who see volatility as opportunity, we would argue that it is during those volatile periods when money is truly made, even though that money isn't often counted until conditions normalize. So while these holdings' share prices benefited from higher commodity prices in Q3, we believe it is their enduring ability and willingness to be opportunistic throughout the commodity cycle that has set the stage for long-term value creation.

Other leading contributors in Q3 included United Kingdom-based Barratt Redrow, a new position added to the Fund in 2026. Barratt Redrow, the largest housebuilder in the U.K., has suffered along with the entire industry over the past several years amid a host of issues that include higher mortgage rates that have weighed on demand, building materials cost inflation, ballooning environmental regulations, a painfully slow land entitlement process in the U.K., higher energy prices resulting from the Iran conflict, and weak consumer sentiment. As a result, the industry has seen slow sales rates, lower levels of completions, depressed profitability, and significant stock price declines. This offered us an opportunity to invest at an unusually depressed price in Barratt Redrow, a well-financed leader in an industry that despite the above challenges is well-positioned for the longer-term, in our view, given a growing shortage of residential housing in the U.K. and a government under pressure to resolve it. Barratt Redrow shares performed well in Q3, driven by fiscal 2026 results that exceeded modest consensus expectations, in addition to the U.K. government recently announcing plans for a new program designed to assist first-time home buyers. Rounding out the top-five contributors was Grupo Cibest, a Holding Company that owns the leading Colombian bank (Bancolombia). Grupo Cibest, another industry leader having a bad day, was added to the Fund in 2022 after a number of factors (e.g. political uncertainty, pandemic-related impacts) offered an attractive opportunity to invest in a leading business in its domestic market at an unusually discounted cost basis, providing significant potential to benefit from the long-term compounding of shareholder value. In Q3 Grupo Cibest shares appreciated meaningfully, continuing their strong run over the last couple of years. This has been driven (in part) by a series of earnings results that have been well received by the market, share repurchases, a Presidential Election result in 2026 that was viewed favorably by the financial community, and a number of sell-side analyst upgrades along the way.

On the negative side, the main detractors from performance in Q3 came from two general groups. The first is the Fund's Latin American holdings (Grupo Cibest's gains notwithstanding), which accounted for three of the five most significant Q3 detractors. This group was hit by numerous factors in Q3. Inflation and high interest rates in Brazil (currently 13.75%) have weighed on disposable incomes, impacting some consumer-oriented stocks (e.g. Natura Cosméticos, Arcos Dorados), while rising jet fuel prices have dampened investor sentiment towards LATAM Airlines. GGAL shares depreciated in Q3 amid signs of weakness in Argentina's economy, as the Milei administration's efforts at meaningfully reducing inflation have weighed on economic growth. For Natura, the largest Q3 detractor, the above macro headwinds have presented an added challenge, as its management continues to work to streamline the business and re-focus on its core brands and markets. These are steps that we believe are in the best interests of shareholders long-term and will ultimately prove to bear fruit, but the process will take time to play out and has clouded Natura's recent quarterly results – neither of which have been well-received by an impatient market. Each of these businesses are leaders in their respective industries; Natura is the largest beauty products company in Latin America, Arcos Dorados is the McDonald's Master Franchisee in the region, LATAM is the region's largest airline, and GGAL is a leading bank in Argentina. We believe that these are quality businesses available at depressed prices that belie their formidable industry positions – and from our long-term perspective, their valuations have become even more compelling following the October selloff sparked by the Brazilian Presidential Election. The other notable Q3 detractor was the Fund's collection of Real Estate-related stocks (including Cromwell Property and Midland Holdings) – a group that saw investor sentiment adversely impacted during the quarter by rising yields and interest rate expectations. While the current environment has presented headwinds to their stock prices in the near term, we believe each of the Fund's Real Estate holdings are well-financed, doing the right things from a longer-term business perspective, and offer unusually attractive value at their recently reduced share prices.

Fund Outlook

Looking at financial markets today, numerous sources of uncertainty abound. These include questions surrounding the future effects of ongoing wars in the Middle East and Ukraine and related geopolitical rivalry elsewhere, elections and political risk in the U.S. and around the world, rising bond yields and the difficult fiscal position many governments face, whether policymakers can successfully tame inflation without destabilizing the economy and broader financial system, whether the massive capital expenditures required for AI generate returns on investment that are sufficient to justify currently stretched Tech stock valuations, and countless potential consequences (both intended and unintended) as AI continues to proliferate at breakneck speed – just to name a few. As noted earlier, 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. But one thing that seems safe to forecast is that given these and other uncertainties, periodic spasms of volatility seem likely. Headlines will generate noise, market sentiment will swing wildly from one headline to the next, traders (both human and algorithmic) will react continuously, and market pundits will pontificate and predict. Lost in the noise will be opportunities hiding in plain sight for those who are willing and able to zoom out and focus on the long run.

Whereas volatility represents risk for finance professors and traders who are concerned with day-to-day stock price movements, for the Fund it represents opportunity. 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, and our goal is to take advantage of the fleeting opportunities that such volatility provides. Further, as outlined earlier, we believe the Fund is populated with a number of well-financed businesses that have staying power through volatile times, and which are run by vulture-like management teams who have demonstrated ability and willingness to swoop in and seize opportunities that volatility episodically provides. 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, which often force or motivate short-term market participants to sell at discounted prices that may not appropriately reflect longer-term, fundamental values. 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. Increasingly, it seems, the same popular names can be found across many portfolios, both Growth and Value alike. In short, fewer people are turning over the same rocks that we do in search of value as compared to 10-15 years ago. Finally, with equity market indices increasingly concentrated in Tech and AI-adjacent areas, we believe that many investors are less diversified than they assume they are, being invested in index funds, ETFs – or even actively managed funds that are unwilling or unable to stray far from benchmark allocations. The Fund's track record since inception has been compiled without the benefit of Big Tech's massive outperformance during that period; we believe it offers diversification that investors may increasingly seek in a volatile world. All told, we believe these factors bode well for the Fund's investment approach looking forward. Thanks for your continued support.

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

Top ten holdings as of 9/30/26 as a % of the Fund's net assets: Greenfire Resources Ltd (4.18%), Dundee Corp. (4.03%), Natura Cosméticos SA (3.27%), Barratt Redrow PLC (3.12%), Exor NV (3.04%), CNH Industrial NV (2.98%), Travis Perkins PLC (2.76%), Grupo Argos SA (2.54%), International Petroleum Corp. (2.53%), and Jefferies Financial Group (2.46%).

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 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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