

INTERNATIONAL VALUE FUND

MANAGER REVIEW & ECONOMIC OUTLOOK

HWNIX



PERFORMANCE (%) as of June 30, 2025

	QTR	YTD	1 Yr	3 Yr	5 Yr	Since 12/31/15
International Value Fund – I Shares	13.56	26.50	26.60	20.78	19.81	9.16
MSCI World ex-USA Value Index	10.53	21.90	24.96	17.76	14.76	7.89
MSCI World ex-USA Index	12.05	18.99	18.70	15.73	11.51	7.84

The performance shown represents past performance. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end, access our website at www.hwcm.com.

The Fund's total annual operating gross expense ratio as of the most current prospectus is 4.09% for I Shares; 0.70% net expense ratio. The Advisor has contractually agreed to waive advisory fees and/or reimburse expenses through August 29, 2026. Expense ratio shown is gross of any fee waivers or expense reimbursements. I Shares sold to a limited group of investors. Periods over one year are average annual total return. Average annual total returns include reinvestment of dividends and capital gains. Expense limitations may have increased the Fund's total return.

MARKET COMMENTARY

International equity markets delivered robust gains in the second quarter of 2025, outperforming U.S. equities and other asset classes. Developed international stocks surged, with the MSCI World ex-USA Index advancing +12.0% for the quarter, while emerging market equities matched this performance, buoyed by a weakening U.S. dollar and supportive policy measures in Europe and China. The rally followed a turbulent start to the quarter, as global markets initially sold off sharply in response to new U.S. tariff announcements and escalating geopolitical tensions. However, as many tariffs were delayed and economic data remained resilient, investor sentiment improved, driving a rapid market recovery.

Among the major regions within the broad index, North America (Canada) slightly outperformed Asia Pacific and Western Europe, though all three regions delivered double-digit returns. Growth stocks led the quarter, with the MSCI World Ex-USA Growth Index surging +13.6%, outpacing the MSCI World ex-USA Value Index return of +10.5%. All eleven MSCI World ex-USA GICS sectors delivered positive returns for the quarter, led by utilities (+20.9%), communication services (+20.4%), and technology (+19.2%). Energy, healthcare, and consumer discretionary were the laggards, delivering returns of +1.4%, +3.0%, and +6.2%, respectively.

During the quarter, we made selective adjustments to individual positions, taking advantage of market weakness to add attractively valued companies while reducing exposure to companies where we had less conviction. Industrials is the portfolio's largest sector overweight. Our industrials exposure is primarily concentrated in industrial conglomerates, aerospace & defense, and passenger airline companies, where we see attractive relative value with limited risk. Technology is the second largest overweight in our portfolio. Our tech holdings generally share key characteristics: strong balance

sheets, sticky customer bases that generate recurring and predictable cash flow, and promising growth prospects. Our largest underweights are in financials and real estate. We remain underweight real estate due to a lack of compelling relative valuation opportunities, while the financials underweight primarily reflects our underweights to banks and insurance companies at the end of June.

We remain committed to identifying businesses with durable balance sheets, sustainable return on equity, stable free cash flow, and attractive valuations relative to expected earnings. We believe our investment strategy, centered on identifying undervalued assets and effective risk management, is poised to generate consistent long-term returns.

ATTRIBUTION ANALYSIS – 2Q25

The Hotchkis & Wiley International Value Fund outperformed the MSCI World ex-USA Value Index in the second quarter of 2025. Stock selection in industrials, consumer discretionary, and materials contributed the most to relative outperformance. Stock selection in financials also worked well, as did the underweight position in healthcare. Conversely, the overweight position in financials detracted from relative performance in the period. Stock selection in communication services and energy also detracted, as did the underweight in utilities.

LARGEST INDIVIDUAL CONTRIBUTORS – 2Q25

Babcock International (BAB LN) is a UK government outsourcer with ~60% of Revenue from Ministry of Defense (MoD) contracts. The company continued to perform well in Q2 on strong business execution. Revenue growth and profitability should continue as the UK and other European countries invest more in defense spending.

(continued)

Portfolio managers' opinions and data included in this commentary are as of June 30, 2025 and are subject to change without notice. Any forecasts made cannot be guaranteed. **Diversification does not assure a profit nor protect against loss in a declining market. Past performance is no guarantee of future results.**

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JDE Peet's (JDEP NA) is a large pure play coffee and tea company. The company's shares rose in the quarter on positive organic sales growth across all categories. We believe that margins can continue to improve as coffee bean prices normalize and pricing and cost cuts take hold. The stock remains attractively valued.

Societe Generale (GLE FP) is the one of the largest banks in France and provides retail, commercial and investment banking services in France, Eastern Europe, Russia and Northern Africa. Soc Gen outperformed after delivering another strong quarter, with returns well ahead of consensus and management's full-year target. With gradually improving returns and solid capital ratios, Soc Gen is an undervalued stock trading at below tangible book and low multiples of earnings.

LARGEST INDIVIDUAL DETRACTORS – 2Q25

Kosmos Energy Ltd. (KOS) is an independent E&P focused offshore. Kosmos is competitively differentiated because of the expertise it takes to explore, discover and operate assets offshore. Shares fell over the quarter on worries about OPEC+ barrels returning to the market, coupled with worries about slowing demand. We continue to believe the valuation of the stock does not fully reflect the value of the Company's existing production. In addition to its existing production, it also has additional brownfield and greenfield LNG development opportunities, an exploration portfolio, and a platform to acquire and operate additional offshore resources.

WPP PLC (WPP LN) is one of the world's largest ad agency holding companies. WPP shares fell during the quarter on lower-than-expected revenue growth. We believe that growth will improve and that the company can deliver near mid-teens returns from the combination of capital return and capital-free organic growth.

Panasonic Holdings Corp. (6752 JP) is a Japanese multinational electronics company. Panasonic offers an attractive opportunity given its extremely depressed valuation, trading at a significant discount to competitors on price-to-book and earnings multiples. With improving corporate governance, a strong balance sheet, and management targeting return on equity above 10%, we believe Panasonic is positioned for future earnings and shareholder value growth. Shares fell over the period due to uncertainty surrounding the effect of tariff policy on Panasonic's profitability and cost structure.

Mutual fund investing involves risk. Principal loss is possible.
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You should consider the Fund's investment objectives, risks, and charges and expenses carefully before you invest. This and other important information is contained in the Fund's summary prospectus and prospectus, which can be obtained by calling 1-800-796-5606 or visiting our website at www.hwcm.com. Read carefully before you invest.

The Fund may invest in foreign and emerging markets securities, which subjects the Fund to increased risk. Please read the fund prospectus for a full list of fund risks. All investments contain risk and may lose value. Equities, bonds, and other asset classes have different risk profiles, which should be considered when investing.

Fund holdings and/or sector allocations are subject to change and are not buy/sell recommendations. Current and future portfolio holdings are subject to risk. Specific securities identified are the largest contributors (or detractors) on a relative basis to the MSCI World ex-USA Index. Securities' absolute performance may reflect different results. The Fund may not continue to hold the securities mentioned and the Advisor has no obligation to disclose purchases or sales of these securities. Attribution is an analysis of the portfolio's return relative to a selected benchmark, is calculated using daily holding information and does not reflect the payment of transaction costs, fees and expenses of the Fund.

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The MSCI World ex-USA Index is a free float-adjusted weighted index capturing large and mid cap stocks. The MSCI World ex-USA Value and MSCI World ex-USA Growth Indices are free float-adjusted weighted indices capturing large and mid cap stocks, exhibiting overall value or growth style characteristics, respectively. The MSCI indices represent stocks across 22 of 23 Developed Markets (DM) countries, excluding the United States and include reinvestment of dividends, net foreign withholding taxes. The Fund's value disciplines may prevent or restrict investment in major stocks in the benchmark indices. It is not possible to invest directly in an index.

A value-oriented investment approach involves the risk that value stocks may remain undervalued or may not appreciate in value as anticipated. Value stocks can perform differently from the market as a whole or from other types of stocks and may be out of favor with investors and underperform growth stocks for varying periods of time.

Top ten holdings as of 6/30/25 as a % of the Fund's net assets: Siemens AG 4.6%, Ericsson 4.1%, Henkel AG & Co. KGaA 4.0%, Heineken Hldg N.V. 3.5%, Akzo Nobel N.V. 3.5%, Shell PLC 3.3%, Lloyds Banking Group PLC 2.9%, TotalEnergies SE 2.8%, BNP Paribas SA 2.8%, and Societe Generale SA 2.8%. **Global Industry Classification Standard (GICS)** is a system for categorizing every public company by economic sector and industry group; **Return on equity (ROE)** is a measure of financial performance calculated by dividing net income by shareholders' equity.

Certain information presented based on proprietary or third-party estimates are subject to change and cannot be guaranteed. Information obtained from independent sources is considered reliable, but H&W cannot guarantee its accuracy or completeness.

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