

INTERNATIONAL VALUE FUND

MANAGER REVIEW & ECONOMIC OUTLOOK

HWNIX



PERFORMANCE (%) as of September 30, 2026

	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since 12/31/15
International Value Fund – I Shares	1.84	14.95	22.83	23.29	15.46	10.86	10.60
MSCI World ex-USA Value Index	3.71	14.96	24.33	23.71	14.72	10.40	9.91
MSCI World ex-USA Index	0.89	10.16	15.89	18.89	9.66	9.27	8.90

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 3.45% for I Shares; 0.72% net expense ratio. The Advisor has contractually agreed to waive advisory fees and/or reimburse expenses through August 29, 2027. 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

The MSCI World ex-USA Index returned +0.9% in the third quarter of 2026, bringing its year-to-date return to +10.2%. The value version of the index returned +3.7% compared to -1.9% for growth, extending value's considerable year-to-date edge: +15.0% vs. +5.3%, respectively.

Earnings growth outside the US appears to be in the low double digits, quite good by historical standards but well below that of the US, where quarterly earnings grew more than 30% year-over-year. Solid corporate earnings appeared to offset renewed conflict in the Middle East and rate hikes in both Europe and the US. The collapse of the US/Iran ceasefire and the subsequent campaign of tanker attacks near the Strait of Hormuz sent oil prices higher. Brent crude rose 45% to \$104/barrel in the quarter. The energy sector of the MSCI World ex-USA Value Index returned +13.9% in the quarter, its best performing sector by a wide margin.

Inflation fears are growing. The Harmonized Index of Consumer Prices ("HICP"), Europe's closest equivalent to the US Consumer Price Index, rose 3.8%, with higher energy prices a notable driver. The European Central Bank raised its benchmark rate by 25 basis points in September, its second hike of 2026. Around the world, long-term bond yields rose. Predictably, rate-sensitive sectors like utilities and real estate declined. Banks, which comprise nearly a third of the MSCI World ex-USA Value, returned +6%.

Regionally, Europe underperformed, declining 1.7% as the Middle East conflict and higher energy prices appeared to weigh on the region. Japan (+6.0%), Pacific ex Japan (+4.5%), the UK (+1.9%), and Canada (+1.5%) outperformed. The US dollar was little changed relative to other major currencies, aside from the modest strengthening of the Japanese Yen.

After a spectacular run, enthusiasm for all things AI paused. Information technology was the worst performing sector in the MSCI World ex-USA Value, declining 12.2%, though it comprises just 2% of the value index. Uncertainty about how the AI buildout will be financed appeared to grow.

The quarter also brought a meaningful change in market disposition. In the first half of the year, high beta and high momentum stocks dominated, while value and quality lagged. In the third quarter, this largely reversed, with value and quality performing better. A single quarter does not mark the end of a speculative cycle; still, the third quarter was a reminder that valuation and fundamentals eventually matter. We believe our portfolio of high quality, attractively valued, financially sound businesses is well positioned as that reality reasserts itself.

ATTRIBUTION ANALYSIS – 3Q26

The Hotchkis & Wiley International Value Fund underperformed the MSCI World ex-USA Value Index in the third quarter of 2026. Stock selection in materials was the largest detractor, followed by the underweight and stock selection in financials. Stock selection in consumer discretionary also detracted. Positive stock selection in technology, communication services, and energy helped relative performance.

LARGEST INDIVIDUAL CONTRIBUTORS – 3Q26

SAP is one of the world's largest application software vendors, headquartered in Germany. SAP operates an extremely sticky software business, has an excellent balance sheet and boasts improving governance. Shares rose sharply in the days after the company's earnings, as investors grew more confident in the cloud growth outlook. Despite these durable compounding characteristics, the stock trades at a significant discount to intrinsic value due to AI disruption fears we believe are unfounded.

WPP is one of the world's largest ad agency holding companies. The stock outperformed during Q3 as first half results exceeded expectations and the decline among its largest clients moderated. Recent wins with Estée Lauder, JLR, and Heineken also suggested early traction from the new CEO's restructuring plan.

(continued)

Portfolio managers' opinions and data included in this commentary are as of September 30, 2026 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.**

WWW.HWCM.COM

INTERNATIONAL VALUE FUND

MANAGER REVIEW & ECONOMIC OUTLOOK

HWNIX



Shell PLC is a leading integrated energy company that produces hydrocarbons, chemicals, refined products, liquefied natural gas, and electricity. The Company trades at a low free cash flow multiple and returning meaningful amounts to shareholders. The stock outperformed as crude oil prices rebounded and stronger oil, gas and trading results drove Shell's highest quarterly profit since 2022, supporting continued share buybacks.

LARGEST INDIVIDUAL DETRACTORS – 3Q26

Fuso Chemical, based in Osaka, Japan, has 90%+ market share in ultra-pure silica used as an abrasive particle in semiconductor polishing applications, as well as ~30% share of the global market for malic acid, a food additive. Fuso's businesses are monopolies and oligopolies selling niche, high-value products into end markets with attractive growth outlooks. The stock underperformed during the quarter, giving back some of its strong performance earlier in the year. The Company's long-term prospects are unchanged.

Ericsson is a large vendor of the hardware and software needed to operate wireless networks. Earnings are below normal as the Enterprise business continues to lose money and market share gains in Japan have yet to convert to material revenue. The stock underperformed as quarterly results raised concerns that higher component costs could pressure 2027 margins in its core Network business. We believe this surge in input cost is manageable.

Qantas Airways is Australia's leading domestic airline, with a strong international presence and a highly valuable loyalty program. The stock underperformed during Q3 as the Iran conflict drove higher fuel costs and weaker demand, while fuel hedges that will roll off raised concerns about FY27 earnings. As the underlying demand was strong before the conflict, we view these headwinds as temporary.

Mutual fund investing involves risk. Principal loss is possible.
NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE
The Hotchkis & Wiley Funds are distributed by Quasar Distributors, LLC

WWW.HWCM.COM

INTERNATIONAL VALUE FUND

MANAGER REVIEW & ECONOMIC OUTLOOK

HWNIX



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.

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 Index** captures large and mid cap securities exhibiting overall value style characteristics across Developed Markets countries. The **Harmonized Index of Consumer Prices** is a standardized measure of inflation and consumer price changes used across the European Union, the Eurozone, and other participating countries. The indices do not reflect the payment of transaction costs, fees and expenses associated with an investment in the Fund. 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.

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's Financial Services, LLC ("S&P") and is licensed for use by Hotchkis & Wiley ("H&W"). All rights reserved. Neither S&P nor MSCI is liable for any errors or delays in this report, or for any actions taken in reliance on any information contained herein.

MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed, or produced by MSCI. See www.hwcm.com for full disclaimer.

Top ten holdings as of 9/30/26 as a % of the Fund's net assets: SAP SE 4.3%, Fuso Chemical Co. NPV 4.3%, Ericsson 4.0%, Akzo Nobel N.V. 3.5%, Shell PLC 3.4%, TotalEnergies SE 3.1%, Heineken Hldg N.V. 2.9%, BNP Paribas SA 2.9%, Accor SA 2.6%, and Nippon Sanso Hldgs Corp. 2.6%.

Artificial Intelligence (AI); Basis point (bp) is a unit equal to 1/100th of 1% and is used to denote the change in a financial instrument; **Beta** is a measure of a stock's volatility in relation to the overall market; **Brent Crude** oil is a major light, sweet crude oil extracted from offshore fields in the North Sea and **Free Cash Flow** represents the cash a company generates after accounting for cash outflows to support operations and maintain its capital assets.

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. Earnings growth is not a measure of the Fund's future performance.

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.

Mutual fund investing involves risk. Principal loss is possible.
NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE
The Hotchkis & Wiley Funds are distributed by Quasar Distributors, LLC

WWW.HWCM.COM