

INTERNATIONAL SMALL CAP DIVERSIFIED VALUE FUND

MANAGER REVIEW & ECONOMIC OUTLOOK

HWTIX



PERFORMANCE (%) as of March 31, 2026

	QTR	YTD	1 Yr	3 Yr	5 Yr	Since 6/30/20
Int'l Small Cap Diversified Value Fund – I Shares	0.59	0.59	25.21	15.86	10.05	15.78
MSCI World ex-USA Small Cap Index	-0.37	-0.37	29.19	13.77	5.40	10.39
MSCI World ex-USA Small Cap Value Index	-0.13	-0.13	30.76	16.05	8.14	13.32

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 4.84% for I Shares; 0.89% 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

The MSCI World ex-USA Small Cap Index declined -0.4% in the first quarter of 2026, while the value version of that index declined -0.1%. The defining event of the quarter was the US/Israel military campaign against Iran. Brent crude oil rose more than 100% to \$127/bbl¹ following US/Israel strikes on Iran and the subsequent closure of the Strait of Hormuz. As a result, the energy sector outperformed by a wide margin. More than 20% of global crude oil supply flows through the Strait, much of it destined for Asia. Beyond oil, the disruption has created supply shocks across several key commodities, including natural gas, nitrogen-based fertilizer, helium, and aluminum. The impact on international equity markets varied meaningfully by region, reflecting each economy's energy import dependence and sector composition.

Japan was the best-performing major developed market in the quarter. Prime Minister Takaichi's landslide re-election was well-received given her pro-business stance. Continental Europe fared worse. The region entered the crisis with gas storage near 30% capacity, and the Strait closure revived concerns about European energy security. European natural gas prices rose more than 70% in the quarter, pressuring energy-intensive industries. The largest performance detractor in the quarter, for example, was industrials. We had several positions that fell on concerns about supply chains and increased input costs. The European Central Bank held rates steady but revised its 2026 inflation forecast higher and cut its GDP growth estimate. Accordingly, markets shifted from pricing rate cuts to potential hikes.

Energy was a bright spot. While we did not anticipate the Iran conflict, our positioning reflected the view that select energy companies offered free cash flow yields more attractive than other major market segment. More broadly, we believe the global crude market faces a risk of structural undersupply in the coming years, supporting higher oil prices over time. Additionally, a

significant portion of global supply originates from geopolitically unstable regions, and we believed this disruption risk had been underappreciated. We are slightly overweight the benchmark, but our exposure is centered on upstream energy companies that are sensitive to the commodity price. These stocks performed well.

The Hotchkis & Wiley team remains disciplined and long-term focused. We remain optimistic about the portfolio's positioning and prospects, particularly relative to the broad market.

ATTRIBUTION ANALYSIS – 1Q26

The Hotchkis & Wiley International Small Cap Diversified Value Fund outperformed the MSCI World ex-USA Small Cap Index in the first quarter of 2026. Positive stock selection in energy, healthcare, and the underweight position in real estate helped relative performance. Stock selection in industrials, consumer discretionary, and utilities detracted from performance.

¹ Based on current crude prices, rather than prices for future delivery which are also frequently quoted. Based on the latter, Brent prices rose ~95% closing at ~\$118/bbl.

Portfolio managers' opinions and data included in this commentary are as of March 31, 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.**

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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. Investing in smaller and/or newer companies involves greater risks than those associated with investing in larger companies. 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. Attribution is an analysis of the portfolio's return relative to a selected benchmark, is calculated using daily holdings information and does not reflect the payment of transaction costs, fees and expenses of the Fund.

The **MSCI World ex-USA Small Cap Index** is a free float-adjusted weighted index capturing small cap representation across 22 of 23 Developed Markets countries, excluding the United States. 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.

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Gross Domestic Product (GDP) is a monetary measure of the value of all goods and services produced within a country during a specific time period. It's a key indicator of a country's economic health and is often used to evaluate economic growth; and **Free cash flow yield** measures the financial performance of a company by comparing its free cash flow per share to its market price per share.

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.

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.
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