

Aravis Capital ICAV/ Fiduciary U.S. Small Cap Equity UCITS

Performance Through

30th June 2026



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About FMI

Founded in 1980, Employee-Owned

FMI has 14 investment professionals who are Employee Owners (23 Employees Total)

Headquarters: Milwaukee, Wisconsin (90 miles north of Chicago)

Managing Money is Our Sole Focus

One Team, One Process, One Philosophy. This mantra creates consistency, continuity, and alignment across all portfolios.

We believe purchasing good companies at discount valuations will achieve superior risk-adjusted returns over a full market cycle.

\$9.1 Billion in AUM (\$9.3 Billion in AUA) – As of June 30, 2026

U.S. Small Cap Equity:	\$3.9 Billion	Inception: 1980
U.S. Large Cap Equity:	\$3.2 Billion	Inception: 2000
International/Global Equity	\$2.0 Billion	Inceptions: 2010, 2013

“We Eat Our Own Cooking”

FMI employees have significant investment in the firm and our mutual funds.

Investing alongside ensures alignment with client interests.

Aravis ICAV/Fiduciary U.S. Small Cap Equity UCITS

Aravis/Fiduciary U.S. Small Cap Equity UCITS – Launched April 2026

- Seed Investors from Australia/UK: Current AUM: US\$10.2 Million
- US\$ 20-30 Million of additional commitments
- Founders Class Available for first \$100 Million (For Life of Investment)
- Early-stage Founders Class TER: 0.70% (inclusive)

Targeting Institutional Investors, Family Offices and Wealth Managers

- UK, France, Spain, Nordic Countries to start.
- Eventually the rest of EU, Australia, Middle East
- Focus on Institutional Allocators

Key UCITS Details

- Aravis Capital ICAV/Fiduciary Management US Small Cap Equity UCITS
- Founders Class USD Acc. ISIN: IE000517A1C8
- Also available in GBP, and Euro
- Availability: Allfunds, Clearstream, Euroclear (others available on request)
- Benchmark: Russell 2000

“We Eat Our Own Cooking”

Aravis Capital is a seed investor. Investing alongside ensures alignment with client interests.

Professional Staff

Name	Function	Years Exp.	Partner	PMC*
John S. Brandser	President / Chief Executive Officer	41	Yes	Yes
Michael S. Stanley	Executive Vice President	26	Yes	-
Jonathan T. Bloom, CFA	Chief Investment Officer	16	Yes	Yes
Benjamin D. Karek, CFA	Director of Research	9	Yes	Yes
Robert M. Helf, CFA	Research	36	Yes	-
Dain C. Tofson, CFA	Research	18	Yes	Yes
Matthew T. Sullivan, CFA	Research	13	Yes	Yes
Jake E. Strole, CFA	Research	11	-	-
Bladen J. Burns, CFA	Client Service	34	Yes	-
Carrie B. Nichols	Client Service	21	Yes	-
Drew D. Peterson, CFA	Client Service	8	Yes	-
Collin M. Hirsch	Trader	24	Yes	-
Nora S. Nicols	Trader/Portfolio Administration	17	Yes	-
Alexis B. Zawacki	Trade Operations	8	-	-
Ryan J. Ladwig, CPA	Chief Compliance Officer	16	-	-
Jessica P. Taske	Finance/Client Administration	24	Yes	-

*PMC = Portfolio Management Committee

A Diverse, Long-Tenured Client Base

HEALTH CARE

Organization	Since
American Board of Psychiatry and Neurology	2009
Ancilla Systems, Inc.	2003
Blue Cross Blue Shield of Kansas City, MO	2010
Froedtert Health, Inc.	2007
Holy Name Medical Center, Inc.	2013
Methodist Healthcare Ministries of South Texas	2017

PUBLIC PLANS

Organization	Since
Cooper City Police Officers Pension Fund	2010
Port Orange Fire and Rescue Pension Fund	2013
Tamarac, FL General Employees Pension Fund	2006
Tredyffrin Township Police Pension Plan	2008

SUB-ADVISED

Organization	Since
Liberty All-Star Equity Fund	2020

CORPORATE

Organization	Since
A.O. Smith Corporation	2008
Baker Hughes Incorporated	2010
FFVA Mutual Insurance Company	2010
FM Global Pension Plan	1995
Minnesota Lawyers Mutual Insurance Company	2004
Quad Graphics Inc.	2009

ENDOWMENTS & FOUNDATIONS

Organization	Since
Chipstone Foundation	1995
Diocese of Winona, MN	2015
Indian Land Tenure Foundation	2002
Lutheran Foundation of Fort Wayne, IN	2010
Marianist Province of the United States	1982
Milwaukee Art Museum	1995
OSF Equity Fund - Sisters of St. Francis	1993
Schoenstatt Sisters of Mary	2009
Sisters of Providence	1995
Sisters of St. Dominic	2009
St. Mary's University of San Antonio, TX	2010

Inclusion on this list does not constitute **endorsement** of Fiduciary Management, Inc. by any of these organizations.

Structural Advantages

"We Eat Our Own Cooking"

We invest alongside our investors, ensuring our interests are fully aligned with yours.

Time Horizon Arbitrage

3-5 year outlook allows us to capitalize on short-term market dislocations.

High Active Share

Different on purpose -- our portfolio looks nothing like the index.

45+ Year Track Record

We don't change our stripes -- disciplined, research-first since 1980.

Active Focused Approach

We make our research count -- generally 30-40 concentrated holdings.

Low Turnover

Mitigate transaction costs and maintain tax efficiency through disciplined investing.

Value Orientation

Emphasize quality businesses at a discount to intrinsic value.

We're Not a Product Shop

One investment team, one philosophy, one process -- consistent outcomes.



SECTION TWO

Investment Philosophy and Research Process

The Investment Overview

Analyst Research

- All research team members conduct fundamental research on ideas sourced from company visits, screens, conferences, trade periodicals, and general reading
- Strong orientation toward low absolute and relative valuations
- Business owner's approach: deeply examine business economics and management quality
- Focus on companies with strong recurring revenue and attractive returns on invested capital (ROIC)

Weekly Research Meeting

- Structured weekly forum where research team members present investment ideas and provide updates on companies on the monitor list.
- The forum encourages collaborative discussion, surfaces key questions, and helps build conviction in potential investments.
- Once sufficient conviction is established, company reports and valuation models are produced using our standardized framework.

Portfolio Management Committee (PMC)

- Reviews portfolio exposures and fit of positions within the overall portfolio
- Collaborate and monitor existing holdings
- Target 3-5 year holding period, reflecting a long-term ownership orientation

Name	Role	Research Team	PMC
Jonathan T. Bloom, CFA	CIO	Yes	Yes
John S. Brandser	CEO, President	-	Yes
Robert M. Helf, CFA	Senior Analyst	Yes	-
Benjamin D. Karek, CFA	DOR, Senior Analyst	Yes	Yes
Jake E. Strole, CFA	Senior Analyst	Yes	-
Matthew T. Sullivan, CFA	Senior Analyst	Yes	Yes
Dain C. Tofson, CFA	Senior Analyst	Yes	Yes

Idea Generation

By the numbers

30–40

Holdings

6–8

New names per year · low turnover

\$1–7B

Typical market cap at purchase

From idea to portfolio

1

Broad Sourcing

Company visits, conferences, trade periodicals, and quantitative screens.

2

Initial Screen

A good business at a fair valuation, earning returns above its cost of capital — no red flags in management or ownership.

3

Team Vetting

Ideas are discussed and vetted by the team. Most ideas are rejected early.

4

In-Depth Research

Promising names advance to full due diligence.

Research Process

Analysts evaluate three areas — business model, valuation, and management — supported by a disciplined ROIC framework.

Good Business

- Advantaged business - durable, tough to replicate
- Attractive and improving ROIC prospects
- Understandable business
- Solid balance sheet
- Defensible market positions with strong barriers to entry
- Recurring revenue and/or modestly priced, mission-critical products

Reasonable Valuation

- Significant discount to intrinsic value
- Normalized earnings assessment
- EV/NOPAT, P/Sales, P/Book, P/Earnings
- Comps, SOTP, DCF, Private Market Value

Company Management

- Superior capital allocation
- Track record of creating shareholder value
- Smart strategic decisions
- Disciplined acquisitions
- Sound ownership structure
- Aligned compensation

ROIC Focus

10+ years of filings reviewed, adjusting NOPAT and invested capital for write-offs — seeking a positive spread over the cost of capital through a full cycle and identify improving returns on capital.

Purchase & Sales

A committee-driven process paired with a primarily valuation-based sell discipline.

Purchase Decision

Write-Up & Valuation Model

Detailed report using our standard framework.

Research Meeting

Discussed and debated at the weekly meeting.

Conviction & Sizing

Sized 1–3% once conviction is reached.

Final Weighting

Reviewed by the PMC with oversight from the CIO.

Sell Discipline

Set a Target

A fair value range is established.

Valuation-Driven

~70–80% of exits are valuation-driven.

Fundamental Change

~20–30% of exits are from a change in thesis.

On Declines

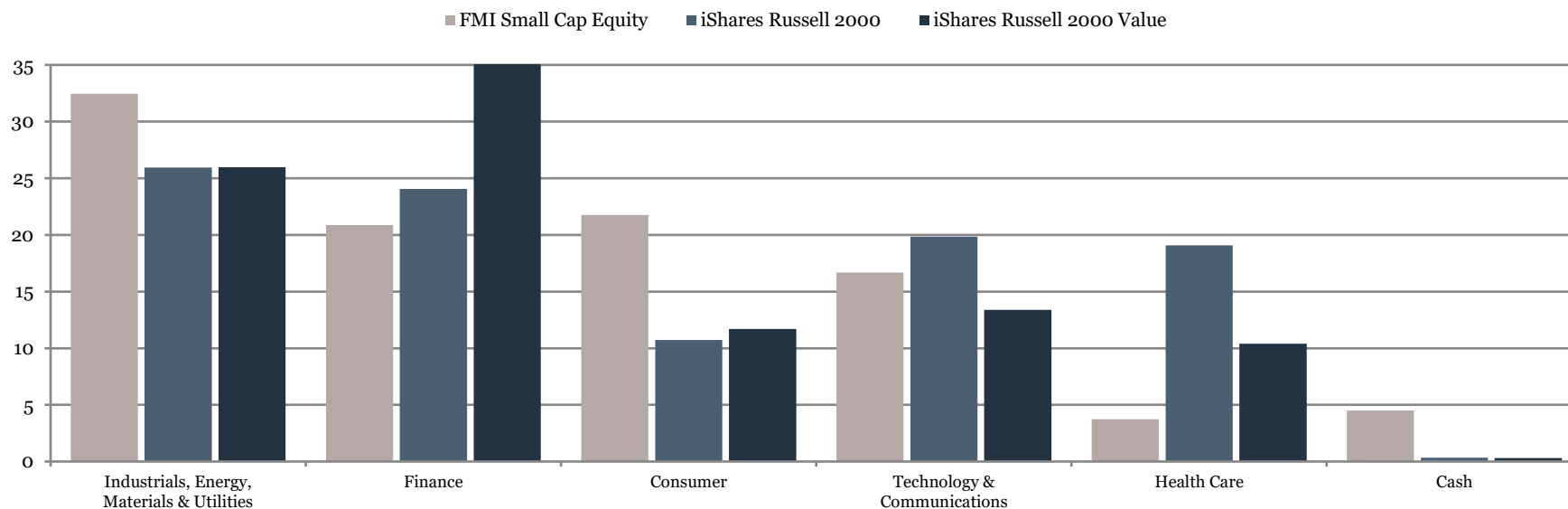
No auto-sell; we re-underwrite and often add.



SECTION THREE

FMI Small Cap Equity

FMI Small Cap Equity - Portfolio Structure



Ten Largest Holdings

Holding	Portfolio
Insight Enterprises	6.8%
Aramark	5.3%
Hayward Holdings	5.2%
Valvoline	5.1%
OneMain Holdings	4.8%
Zions Bancorporation	4.6%
AptarGroup	4.6%
Gates Industrial	4.3%
Mueller Water Products	3.9%
Cavco Industries	3.9%
Total Weight	48.5%

Characteristics

	FMI Small Cap Equity	iShares Russell 2000	iShares R2000 Value
Number of Holdings	27	1,999	1,410
P/E (trailing)*	24.0x	35.8x	29.3x
P/E (forward)*	17.6x	30.6x	23.7x
EV/EBITDA*	13.1x	19.6x	14.5x
Price-to-Sales*	1.9x	7.1x	4.3x
Price-to-Book*	3.7x	4.3x	2.2x
Mkt. Cap.*	\$6.9B	\$4.2B	\$3.5B
Active Share	-	98.9%	99.5%

*Estimated valuations are based on a representative account from the FMI Small Cap Equity Composite. Estimated valuations for both FMI and the iShares are weighted average calculations, not reweighted to exclude cash, and financial companies are excluded from the EV/EBITDA calculation. Valuations for both the portfolio and the ETF are modified based on criteria identified by FMI. For more detailed information regarding these valuations, please contact FMI. Valuations and sector weightings presented above are shown as supplemental information to the FMI Small Cap Equity compliant presentation.

FMI Small Cap Equity - Portfolio Holdings

Industrials, Energy, Materials, And Utilities		Consumer		Finance		Technology And Communications		Health Care	
Producer Manufacturing	20.4%	Consumer Services	10.4%	Finance	20.9%	Technology Services	6.8%	Distribution Services	3.7%
Gates Industrial Corp.		Aramark		OneMain Holdings Inc.		Insight Enterprises Inc.		Henry Schein Inc.	
Mueller Water Products Inc.		Valvoline Inc.		Zions Bancorp. NA					
Donaldson Co. Inc.				Primerica Inc.		Commercial Services	6.6%		
Carlisle Cos. Inc.		Consumer Durables	9.1%	White Mountains Insurance		FTI Consulting Inc.			
Fortune Brands Innovations		Hayward Holdings Inc.		Houlihan Lokey Inc.		Huron Consulting Group Inc.			
Simpson Manufacturing Co.		Cavco Industries Inc.		FirstCash Holdings Inc.					
Alliance Laundry Holdings						Electronic Technology	3.3%		
		Retail Trade	2.2%			MSA Safety Inc.			
Process Industries	4.6%	BJ's Wholesale Club							
AptarGroup Inc.									
Non-Energy Minerals	3.4%								
Louisiana-Pacific Corp.									
Distribution Services	2.8%								
Core & Main Inc.									
Commercial Services	1.2%								
Robert Half Inc.									
		2026 New Purchases: FTI Consulting, Alliance Laundry							
		2026 Complete Sales: Plexus Corp, Applied Industrial, CTS, Arrow Electronics							

* The information presented is shown as supplemental information to the FMI Small Cap Equity compliant presentation

Portfolio Total	32.4%	21.7%	20.9%	16.7%	3.7%
iShares Russell 2000 ETF	26.0%	10.7%	24.1%	19.8%	19.1%
iShares Russell 2000 Value	26.0%	11.7%	38.2%	13.4%	10.4%



SECTION FOUR

FMI Small Cap Equity Performance

FMI Small Cap Equity Composite

Performance: As of June 30, 2026

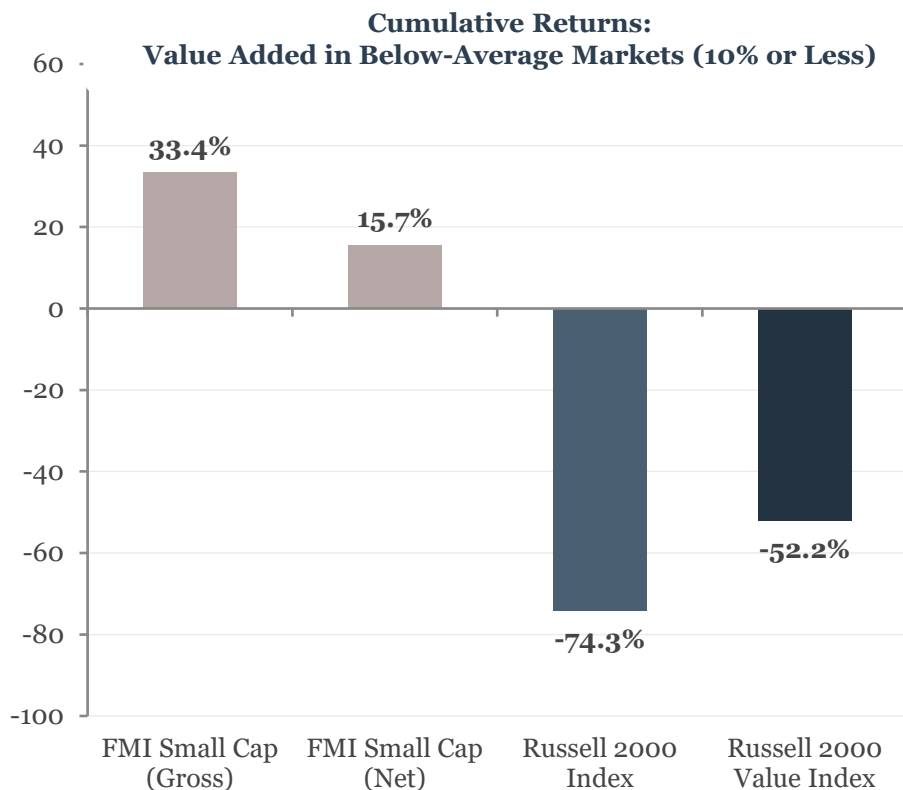
	Quarter	YTD	1 Year	3 Year	5 Year	10 Year	20 Year	30 Year	Since Inception 01/01/80
FMI Small Cap Equity (Gross)	15.31%	16.33%	16.45%	13.90%	11.91%	12.98%	11.35%	11.90%	13.92%
FMI Small Cap Equity (Net)	15.10%	15.90%	15.58%	13.06%	11.08%	12.12%	10.47%	11.03%	13.05%
Russell 2000 Index	21.49%	22.57%	40.78%	18.60%	6.98%	11.62%	8.88%	8.93%	10.78%
Russell 2000 Value Index	17.19%	22.99%	43.01%	18.73%	8.23%	10.89%	7.98%	9.72%	11.97%

Risk (Standard Deviation): As of June 30, 2026

	3 Year	5 Year	10 Year	20 Year	30 Year	Since Inception 01/01/80
FMI Small Cap Equity (Gross)	12.2%	13.2%	17.4%	17.4%	17.3%	16.9%
FMI Small Cap Equity (Net)	12.2%	13.2%	17.4%	17.4%	17.3%	17.0%
Russell 2000 Index	17.0%	17.3%	22.2%	21.2%	21.5%	21.5%
Russell 2000 Value Index	15.1%	15.5%	22.5%	21.4%	20.6%	20.2%
% Russell 2000 (Gross)	72%	76%	78%	82%	80%	79%
% Russell 2000 (Net)	72%	76%	78%	82%	80%	79%
% Russell 2000V (Gross)	81%	85%	77%	81%	84%	84%
% Russell 2000V (Net)	81%	85%	77%	81%	84%	84%

Performance as of June 30th is preliminary and subject to final reconciliation. Standard Deviation Calculation is based on quarterly performance. Please refer to the attached GIPS composite report for a detailed explanation of the FMI Small Capitalization Equity Composite.

Fiduciary Small Cap Equity Composite



Bottom-Up Risk Management

Advantaged Businesses

Disciplined Valuation Framework

Durable Balance Sheets

Please refer to the attached GIPS composite report for a detailed explanation of the FMI Small Capitalization Equity Composite.

Timeframe for chart is the inception of the FMI Small Cap Strategy (1/1/1980) to last fully completed calendar year on record. Chart contains cumulative returns (chain linked together): 1981, 1984, 1986, 1987, 1990, 1994, 1998, 2000, 2001, 2002, 2005, 2007, 2008, 2011, 2014, 2015, 2018, and 2022.

FMI Small Cap Equity Composite

Calendar Year Performance - As of June 30, 2026

Year	FMI Small Cap (Gross)	FMI Small Cap (Net)	Russell 2000	Russell 2000 Value	Year	FMI Small Cap (Gross)	FMI Small Cap (Net)	Russell 2000	Russell 2000 Value	Year	FMI Small Cap (Gross)	FMI Small Cap (Net)	Russell 2000	Russell 2000 Value
1980	+37.3%	+36.4%	+38.6%	+25.4%	1996	+18.0%	+17.1%	+16.5%	+21.4%	2012	+11.3%	+10.4%	+16.4%	+18.1%
1981	+21.6%	+20.5%	+2.0%	+14.9%	1997	+29.3%	+28.4%	+22.4%	+31.8%	2013	+33.4%	+32.3%	+38.8%	+34.5%
1982	+34.3%	+33.3%	+25.0%	+28.5%	1998	-4.6%	-5.4%	-2.6%	-6.5%	2014	+8.0%	+7.1%	+4.9%	+4.2%
1983	+23.3%	+22.3%	+29.1%	+38.6%	1999	+4.7%	+3.9%	+21.3%	-1.5%	2015	-5.7%	-6.5%	-4.4%	-7.5%
1984	+7.5%	+6.7%	-7.3%	+2.3%	2000	+15.9%	+15.0%	-3.0%	+22.8%	2016	+21.7%	+20.7%	+21.3%	+31.7%
1985	+29.9%	+28.9%	+31.1%	+31.0%	2001	+20.4%	+19.6%	+2.5%	+14.0%	2017	+15.4%	+14.5%	+14.7%	+7.8%
1986	+3.1%	+2.3%	+5.7%	+7.4%	2002	-4.8%	-5.5%	-20.5%	-11.4%	2018	-8.1%	-8.8%	-11.0%	-12.9%
1987	+3.1%	+2.2%	-8.8%	-7.1%	2003	+27.2%	+26.2%	+47.3%	+46.0%	2019	+27.1%	+26.2%	+25.5%	+22.4%
1988	+23.1%	+22.0%	+25.0%	+29.5%	2004	+20.9%	+20.0%	+18.3%	+22.3%	2020	+4.4%	+3.6%	+20.0%	+4.6%
1989	+24.4%	+23.4%	+16.3%	+12.4%	2005	+11.1%	+10.3%	+4.6%	+4.7%	2021	+31.8%	+30.8%	+14.8%	+28.3%
1990	-7.9%	-8.7%	-19.5%	-21.8%	2006	+18.5%	+17.6%	+18.4%	+23.5%	2022	-5.0%	-5.7%	-20.4%	-14.5%
1991	+39.2%	+38.2%	+46.0%	+41.7%	2007	-0.9%	-1.7%	-1.6%	-9.8%	2023	+26.3%	+25.4%	+16.9%	+14.7%
1992	+14.5%	+14.1%	+18.4%	+29.1%	2008	-21.1%	-21.7%	-33.8%	-28.9%	2024	+11.5%	+10.7%	+11.5%	+8.1%
1993	+16.0%	+15.2%	+18.9%	+23.8%	2009	+35.7%	+34.6%	+27.2%	+20.6%	2025	+3.1%	+2.3%	+12.8%	+12.6%
1994	+0.9%	+0.1%	-1.8%	-1.5%	2010	+23.5%	+22.4%	+26.9%	+24.5%	YTD 2026	+16.3%	+15.9%	+22.6%	+23.0%
1995	+27.8%	+26.9%	+28.5%	+25.8%	2011	+5.6%	+4.8%	-4.2%	-5.5%	SI-Cum. Return	+42,775%	+29,849%	+11,555%	+19,110%

Performance as of June 30th is preliminary and subject to final reconciliation. Please refer to the attached GIPS composite report for a detailed explanation of the FMI Small Capitalization Equity Composite.

Why Fiduciary Management?

01

Continuity of the Team and Process

Unwavering investment philosophy provides investors with consistency and predictability in executing the same proven process.

02

Differentiated Organizational Structure

One rigorous organizational structure and operating process that allows FMI to think and act differently.

03

Long-Term Orientation

A 3–5 year time horizon. Low turnover. 45+ years of consistency — we don't change our stripes.

04

"We Eat Our Own Cooking"

FMI employees are heavily invested alongside our clients. This alignment ensures our interests are inseparable from those of our investors.



SECTION FIVE

Macro/Market Summary – “The View from Milwaukee”

Current Market Observations – July 2026

Equity Valuations

Valuations on most measures remain near all-time highs. Year-to-date, markets have been led by info tech, industrials and energy sectors. AI-spending related industries have captured outsized performance (50-250% returns). Areas such as semiconductors, memory, computer hardware, storage, power and cooling have benefited from unprecedented capex spending and elevated expectations, exhibiting signs of a potential bubble. Semiconductors currently account for 18% of the S&P 500, which more than doubles the dotcom peak, and trade at 15x EV/sales (median). PHLX SOX has doubled through six months. Conversely, businesses perceived to be AI losers (including enterprise software, consulting and IT services, among others) have underperformed significantly. Energy sector performance has recently reversed course as oil prices have declined on decreasing geopolitical tensions. Quality compounders lagged meaningfully in 2025 (both in the U.S. and Europe), which has continued in 2026. Small cap stocks have fared better to start the year, after a speculative low-quality (money-losers, lowest ROE, no sales) rally in 2025. Energy volatility has led to higher inflation and short-term rates during the first half, but some indicators suggest CPI has peaked.

Corporate Earnings

The quality of earnings remains poor, due to one-time and non-GAAP adjustments. Significant stock compensation expense means GAAP EPS differs significantly from Adjusted EPS. Overall, a majority of Q1 earnings were ahead of estimates with the technology sector and AI capex-related companies leading the growth. More challenging conditions exist in housing, autos, industrials, and construction, among other industries.

Interest Rates

The Effective Federal Funds Rate sits at 3.62% (3.5%-3.75% target range). As of mid June, the market now expects a Federal Reserve rate hike in the summer or fall, which is a reversal from 9 months ago when rate cuts were expected. Officials are in a difficult position with higher energy prices reigniting inflation while consumer confidence and spending point to a slower, non-recessionary economy. Shorter-term U.S. Treasury yields have edged upward recently driven by stronger-than-expected labor data and inflation concerns. However, longer-term yields have modestly pulled back and the flatter yield curve indicates the market is concerned about intermediate economic prospects.

Inflation

The latest CPI figure is 4.2% (LTM ending May). This is a three-year high and up from 2.4% in January. Rising inflation is resulting in higher yields, which is having an impact on many asset classes. Cumulative inflation of over 25% since 2020 is taking its toll on consumer spending and sentiment. The low-end consumer remains under pressure. By a 6-3 vote in February, the Supreme Court struck down Trump's sweeping IEEPA tariffs. The situation remains unsettled as Trump subsequently increased baseline tariffs. Short-term energy volatility has been correlated with the opening (or closing) of the Strait of Hormuz. The price of crude oil (low \$70s) is down almost 20% in the past month after reaching \$100+ earlier in the year. Persistent rising input costs, including petroleum products and computing components, have handcuffed the fed.

Economic

The U.S. economy as measured by real GDP appears to be improving from a soft 4Q25 (.5% growth). Real GDP grew 2.1% in the first quarter, driven by AI capex spending (business investment +10%), which accounted for as much as 75% of the incremental growth. Personal consumption spending growth was revised downward. Atlanta Fed GDPNow is tracking GDP of 1.2%, which suggests some recent slowing. Many sectors remain muted, including housing. Mortgage rates have increased to around 6.5%. Non-farm payroll employment increased slightly in June (+57,000) with strength in professional and health care while leisure and hospitality declined. ISM manufacturing continued in expansion mode at 53.3 in June, down from a strong 54 in May. Until recently, this figure had consistently been below 50 (contraction) since November of 2022.

Risks

- 1) Geopolitical risks, particularly Iran, China, and Russia (Ukraine).
- 2) Stock market valuations remain high.
- 3) Political/tariff risks.
- 4) Recession/stagflation.
- 5) High government debt level.

U.S. Market Value to GDP At All-Time High

Buffett Indicator: Value vs. Historical Trend

www.currentmarketvaluation.com



Source: CurrentMarketValuation.com

Equity Valuations are Expensive

1st Decile = Cheap / 10th Decile = Expensive

Quarterly Summary - Leuthold Valuation Deciles (ex-Duplicative)	Q1 2000	Q1 2026
Average Decile	9.41	9.72
Median Decile	10	10
	Peak	Today
Individual Valuation Metrics		
S&P 500: P/E Ratios...Normalized (5 Year Average Earnings) 1926-Date	10	10
S&P 500: P/E Ratios...Normalized (10 Year Average Earnings) 1935-Date	10	10
S&P Industrials: P/E Ratios...Normalized (5 Year Average) 1926-Date	10	10
DJIA: P/E Ratios...Normalized (5 Year Average) 1926-Date	10	10
S&P 500: Operating Earnings P/E Ratios Trailing 12 Month Operating Earnings 1926-Date	10	10
S&P 500: P/E Ratios Trailing 12 Month Reported Earnings 1926-Date	10	10
S&P Industrials Normalized P/E (5 Year Average Return on Sales) 1956-Date	10	10
S&P Industrials: P/E Ratios Normalized (5 Year Return on Equity) 1930-Date	10	10
Median Normalized P/E Ratios (Monthly) For Largest 3000 Stocks 1986-Date	7	9
Median P/E Ratios (Monthly) 12 Month Trailing Earnings For Largest 3000 Stocks 1986-Date	7	9
S&P 500 P/E Ratio: National Income & Products Account Earnings (NIPA) 1957-Date	10	10
S&P 500: Yields 1926-Date	10	10
S&P Industrials: Yields 1926-Date	10	10
DJIA: Yields 1926-Date	10	10
"Real" Dividend Yield S&P 500 1957-Date	7	9
S&P 500: Dividend Payout Ratio (Based on Reported Earnings) 1946-Date	9	10
S&P Industrials: Book Value Ratio 1926-Date	10	10
DJIA: Book Value Ratio 1926-Date	10	10
S&P Industrials Book Payout Ratio 1926-Date	3	8
S&P Industrials: Cash Flow Ratio 1946-Date	10	10
S&P Industrials: Price/Sales Ratio 1956-Date	10	10
Total US Equity Capitalization as a Percentage of GDP 1926-Date	10	10
Total US Equity Capitalization as a Percentage of GAG (GDP after Government) 1957-Date	10	10
S&P 500 Index as a Percentage of GDP 1957-Date	10	10
S&P 500 Index as a Percentage of GAG (GDP after Government) 1957-Date	10	10
Median Existing Home Prices Divided by S&P 500 1968-Date	10	10
Ratio of S&P 500/Gold Prices 1926-Date	10	7
Number of Hours of Work Required to Purchase One S&P 500 Unit 1947-Date	10	10
S&P 500 Divided by the Price of Oil 1945-Date	10	10

Source: The Leuthold Group. Data is as of 4/17/2026. Decile rankings reflect up to 95 years of history. Data prior to 4/9/21 is calculated by Leuthold Group using Compustat data and market aggregates with S&P weights. Data after 4/9/21 is calculated by Leuthold Group using FactSet Fundamentals data with S&P weights.

2024 - 2026: Speculative Growth & Lower Quality (U.S.)

2024

2025

YTD 2026

Goldman Sachs - Top Performing Themes

Macro/Thematic	2024
Megacap Tech	50.9%
Bitcoin Sensitive	41.9%
High Beta 12 M Winners	38.2%
Natural Gas	31.2%
Infrastructure	29.3%
GS VIP	27.9%
Defense	27.6%
Liquid Most Short	25.3%
Onshoring	24.3%
Capex Beneficiaries	23.0%
U.S. Quality Compounds	+7.4%

Goldman Sachs - Top Performing Themes

Macro/Thematic	2025
Global Rare Earths	136.8%
US Metals	85.0%
US Data Centers	67.6%
Quantum Computing	64.9%
Bitcoin Sensitive	60.5%
AI Leaders	56.8%
High Beta 12M Winners	51.7%
US Meme Stocks	50.6%
Nuclear	46.3%
Infrastructure	38.5%
U.S. Quality Compounds	+8.8%

Goldman Sachs - Top Performing Themes

Macro/Thematic	2026
Sensors	82.0%
High Beta 12M Winners	68.6%
Robotics & Automation	67.8%
60% AI + 40% Energy Bottleneck	55.6%
Domestic Solar	53.3%
Rolling Most Short	44.1%
Onshoring	41.5%
Accelerated Bonus Depreciation	40.9%
Space & Satellites	40.6%
Bitcoin Sensitive	39.2%
U.S. Quality Compounds	-1.4%

*Goldman Sachs Macro/Thematic baskets. Stocks are selected by Goldman Sachs specialists. Baskets are rebalanced on a quarterly basis.

AI-Related Stocks Have Gone Vertical

Semiconductors have gone from a cyclical sector to the single biggest bet in the US equity market — and the move just went vertical.



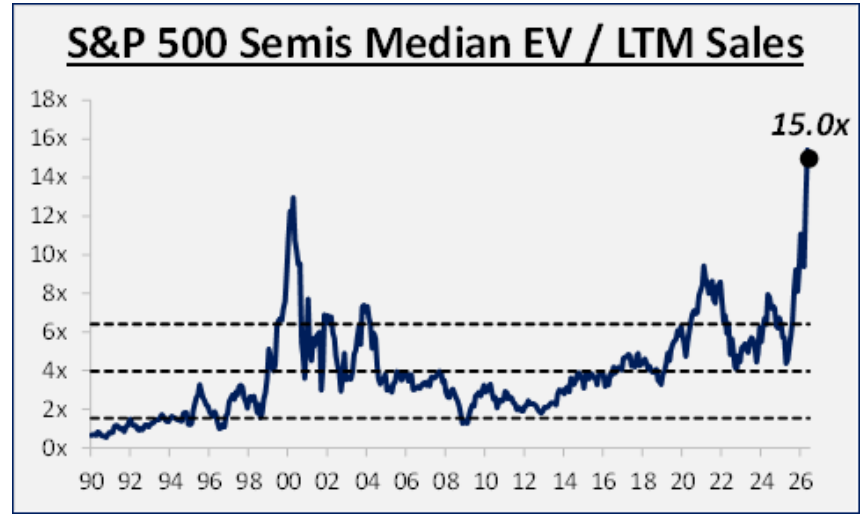
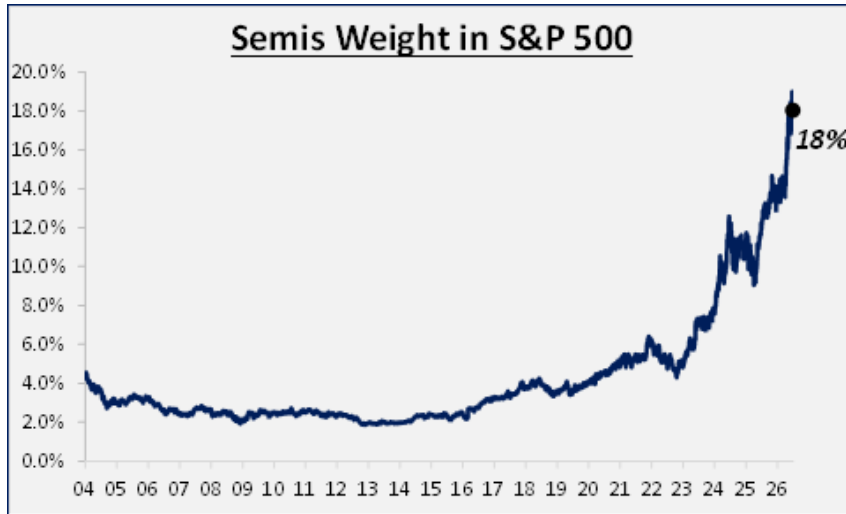
GS TMT Momentum Long Basket



Semiconductors (SOX) vs. S&P 500

Source: Bloomberg

Semiconductors: Record Weight, Valuations Near All-Time High



Semis have climbed to 18% of the S&P 500 — the index's largest group — while median EV/LTM Sales has reached 15.0x, over 4 standard deviations above historical averages.

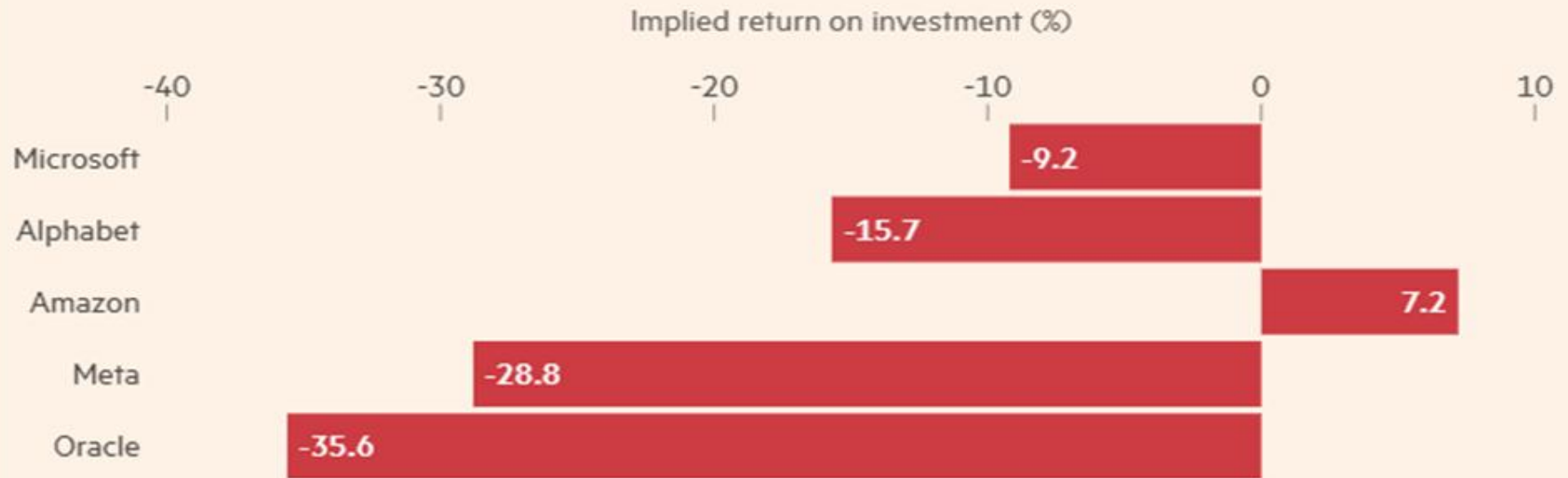
Source: Wolfe Research - 20260513

The Math of the AI Boom Becomes Challenging

Even assuming zero operating costs, the implied return on AI data center investment is highly negative for all hyperscalers — except Amazon.

Only Amazon clears a positive return under the most generous assumptions

Implied return on hyperscaler AI investment, 2025–30, assuming zero costs



FINANCIAL TIMES

Source: Panmure Liberum

Source: FT.com - The impossible maths of the AI boom by: Joachim Klement

We Spent Like There Was No Tomorrow. Tomorrow Arrived.

13×

The average business is spending 13× more on AI tokens than in January 2025 — often more than the engineering team it was supposed to replace.

\$500M

One company reportedly spent half a billion dollars in a single month on Claude — roughly what the entire US population spends on shampoo.

800%

“Code churn” — lines deleted vs. added — rose over 800% under high AI adoption. More AI. More rework. More burnout.

Cost Cutting

Uber and Microsoft have reportedly discontinued some Claude Code licenses, as costs became unmanageable and productivity proved elusive.

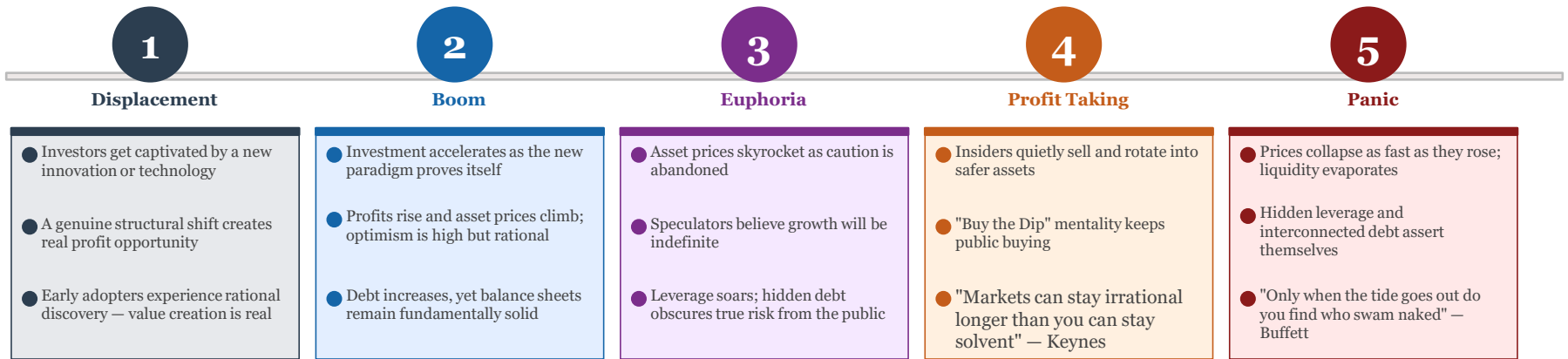
“Is the bill worth it?” — the one question nobody, as of today, can definitively answer.

Source: <https://www.derekthompson.org/p/the-great-ai-cost-panic-of-2026>

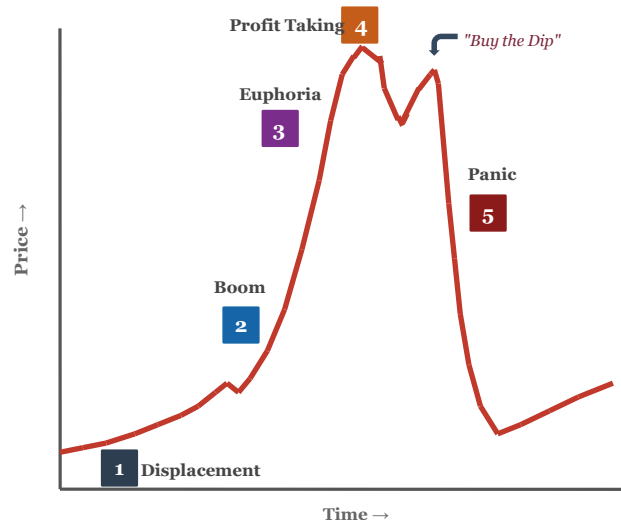
Only in the aftermath is an investment cycle formally labeled a "bubble."

THE FIVE STAGES AT A GLANCE

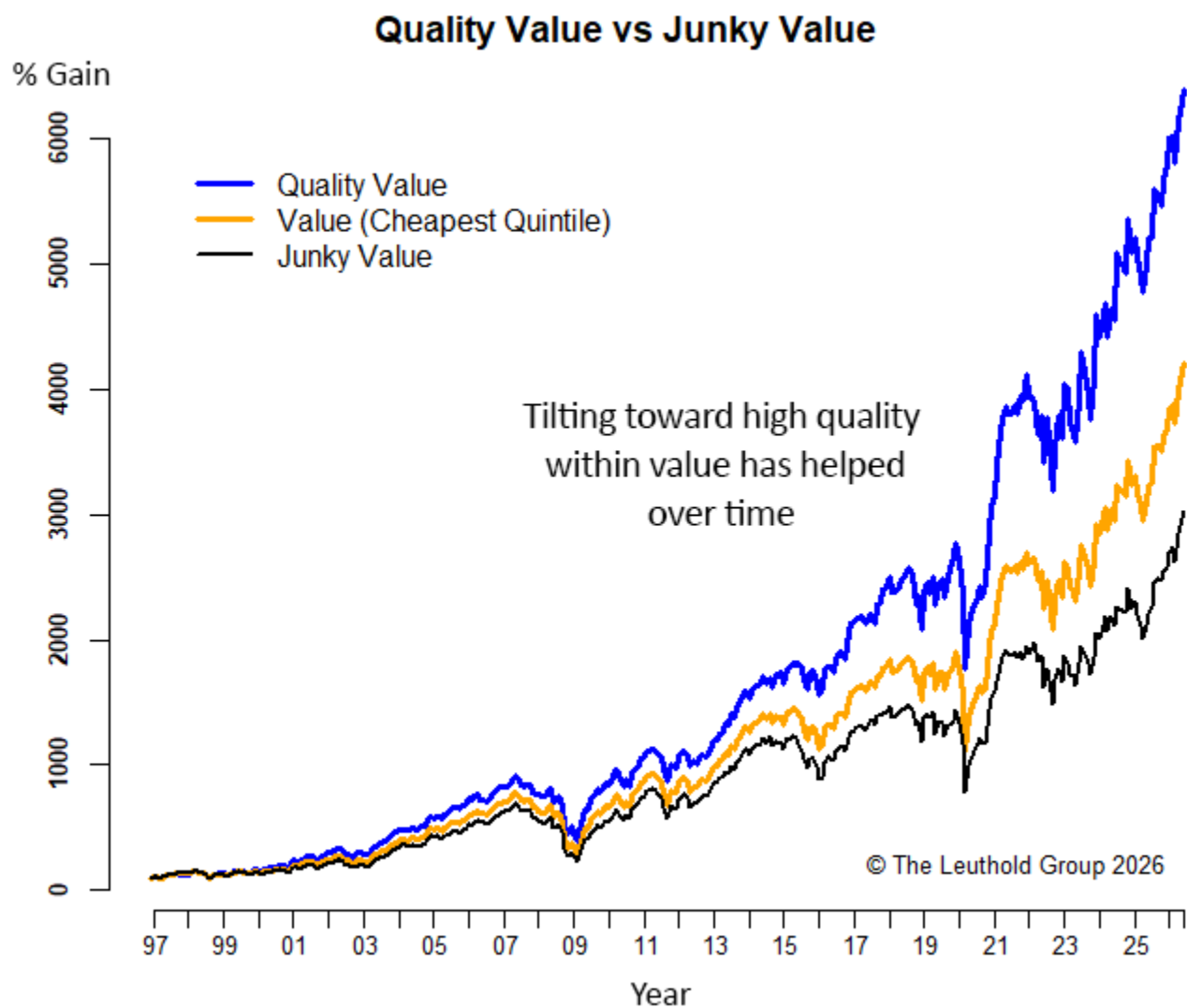
Minsky's Model of Asset Price Bubbles



The 5 Stages of an Asset Bubble



Quality Value Wins Over the Long-Term



High Quality is Due for a Comeback!





Small Cap

What helped vs hurt in 2nd Quarter 2026 – FMI Small Cap

Positive Contributors:

- Insight Enterprises (+258 bps)
 - Value added re-seller and implementor of IT Solutions.
 - Was deemed an AI loser until posting strong 1st quarter results.
 - Valuation of 10x EPS still attractive.
- Arrow Electronics Inc. (+129 bps)
 - Distributes semiconductors and connectors, resistors, switches.
 - Growth in technology without the inventor's risk.
 - Caught in the AI Spending wave and now is fully valued. Sold our position during the quarter.
- Good stock selection in Consumer Services and Consumer Durables (Aramark and Hayward, +130 bps).

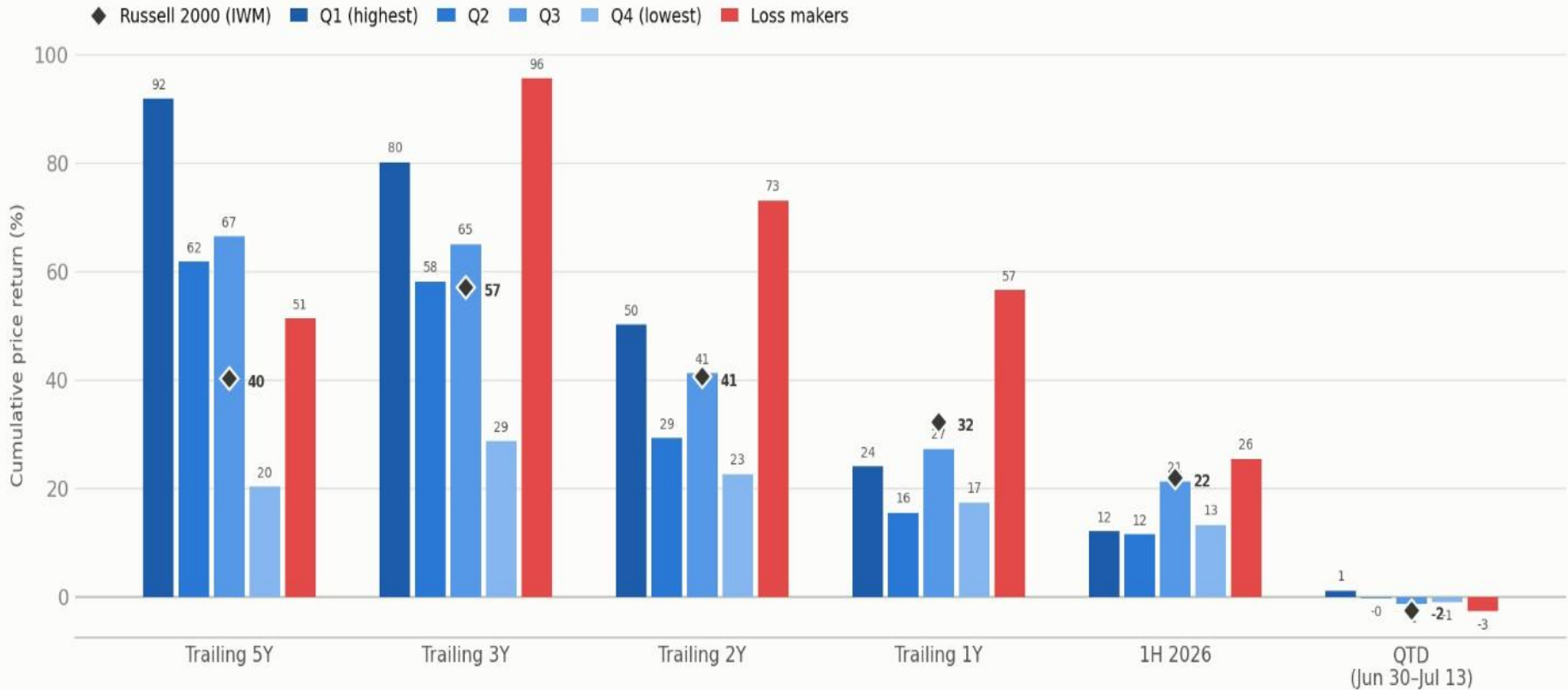
Negative Detractors:

- Companies with a P/E > 25x accounted for 83% of the Russell 2000 Index's return in 2Q. This was a headwind.
- Our lack of companies in the Electronic Technology sector accounted for half of our underperformance (-328 bps).
- Huron Consulting (-192 bps) and FTI Consulting (-158 bps).
 - Both companies have been deemed AI Losers which we believe is misplaced.
 - Huron is an IT Consultant focused on hospitals, health systems and higher education. Sales were up +12%, yet stock was down -29% during the quarter.
 - FTI specializes in crisis management and business transformation (e.g. bankruptcy, litigation, regulatory issues, cyber breaches). This is an all-weather business that should hold up well in challenging times.

Small Cap Stocks have been dominated by Loss Makers

Nominal price return by ROIC bucket

US stocks, \$2-15B market cap · profitable names quartiled by ROIC LTM, loss makers = negative LTM EPS · returns winsorized 6%/94% · equal-weight mean · as of Jul 13, 2026



Source: Furey Research

Low Quality Cycles: 1990-2025

Low Quality Cycles			High vs.
Start	End	Length (M)	Low ROE
Dec-90	Mar-92	15	-11.9
Aug-98	Feb-00	18	-44.8
Sep-01	Dec-01	3	-22.1
Sep-02	Jan-04	16	-42.0
Feb-09	Apr-10	14	-38.7
Oct-13	Feb-14	4	-11.6
Feb-16	May-18	27	-14.6
Sep-19	Jan-21	16	-46.5
4/9/25	12/31/25	9	-42.0
Average		14	-29.0
Median		15	-30.4

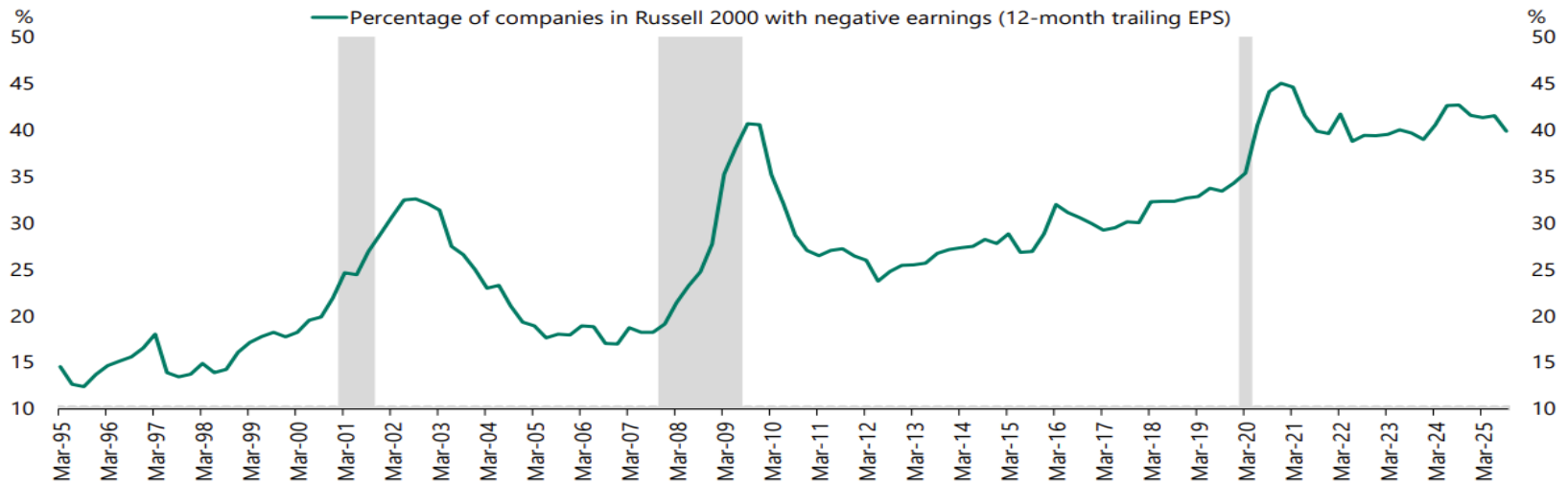
Source: FactSet; FTSE Russell; Jefferies

The lowest ROE companies have returned +80% since the April 8, 2025 low. That is a staggering move usually more typical coming out of a recession.

Need for Discernment

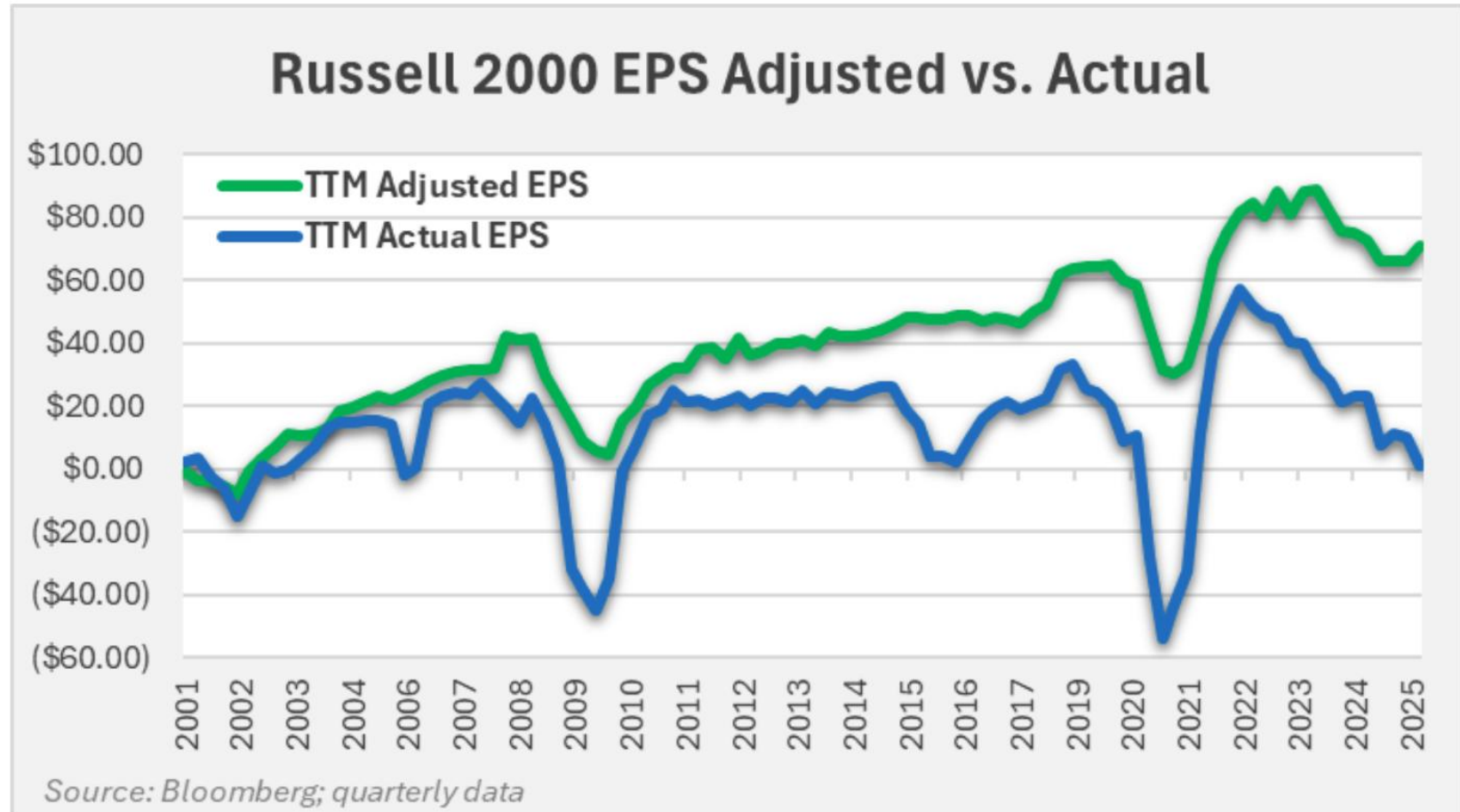
As of 6/30/26

- **40% of the iShares Russell 2000 companies lose money**
- **43% of the iShares Russell 2000 Value companies lose money**
- **38% of the iShares Russell 2500 Companies lose money**
- **19% of the S&P SmallCap 600 Companies lose money**



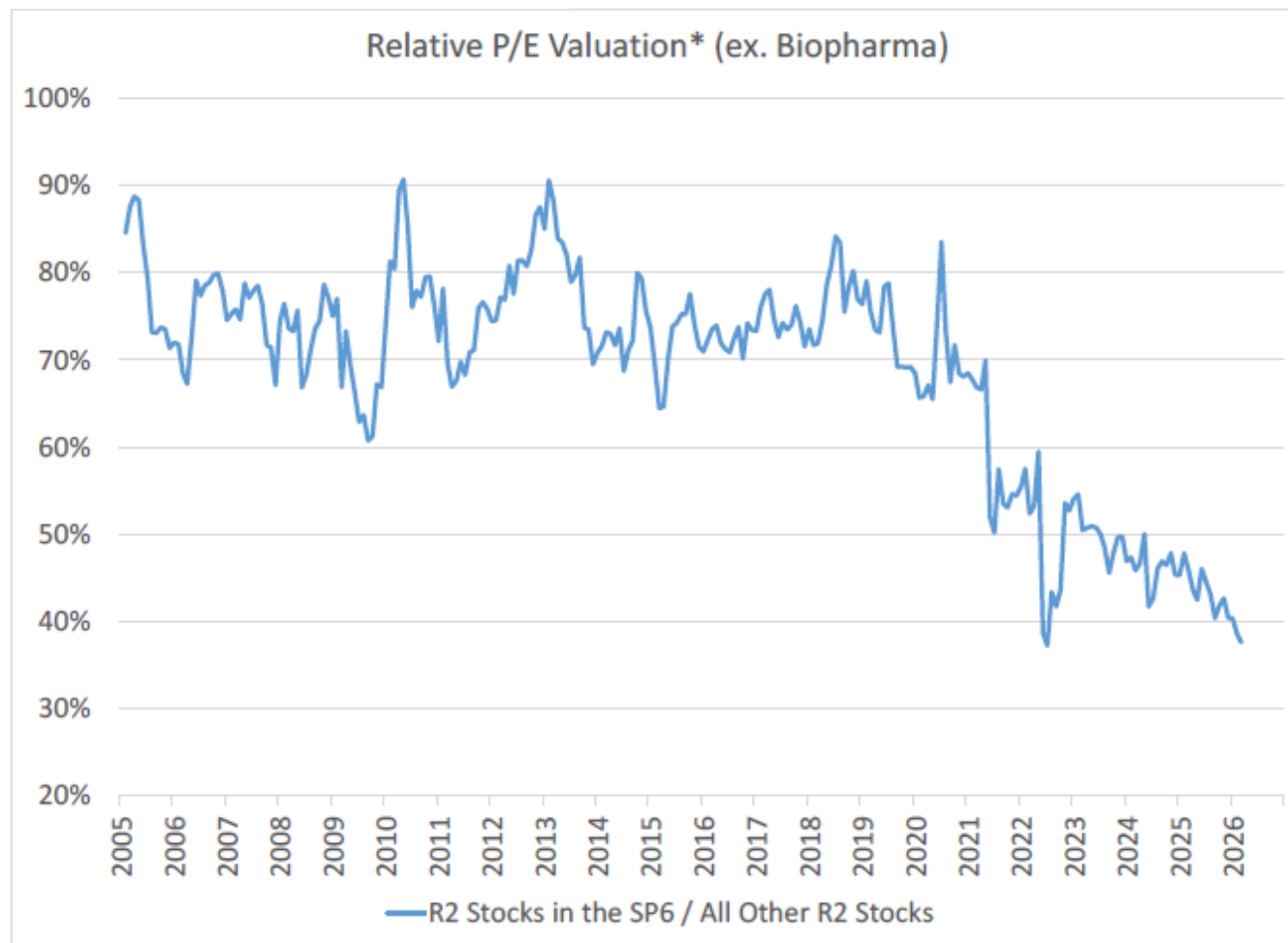
Sources: Bloomberg, Apollo Chief Economist

Actual Earnings are Near Zero



Source: Palm Valley Capital

Quality is Trading at a Discount



Source: FRP, FactSet; as of 3/31/26; *Valuation is based on Non-GAAP earnings

Relative Valuations of “Profitable” U.S. Small Caps

Small Cap to Large Cap Historical P/E Ratio (x100)

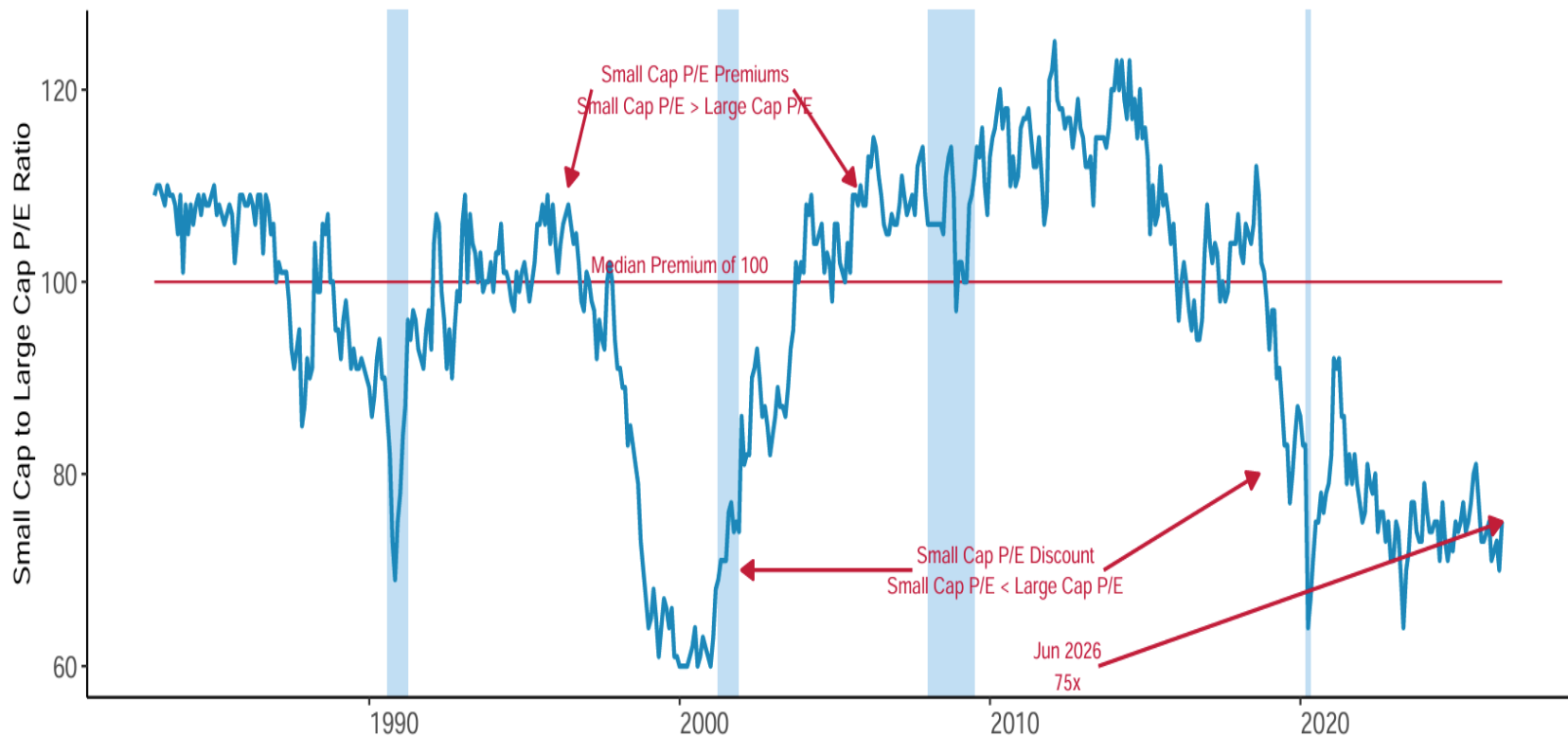
Based on Non-normalized trailing operating earnings

Small Cap: Leuthold 3000 Small Cap: 20.24x

Large Cap: Leuthold 3000 Large Cap: 26.88x

Vertical bars represent recessions.

Firms with no earnings are excluded in this study.



© 2026 The Leuthold Group

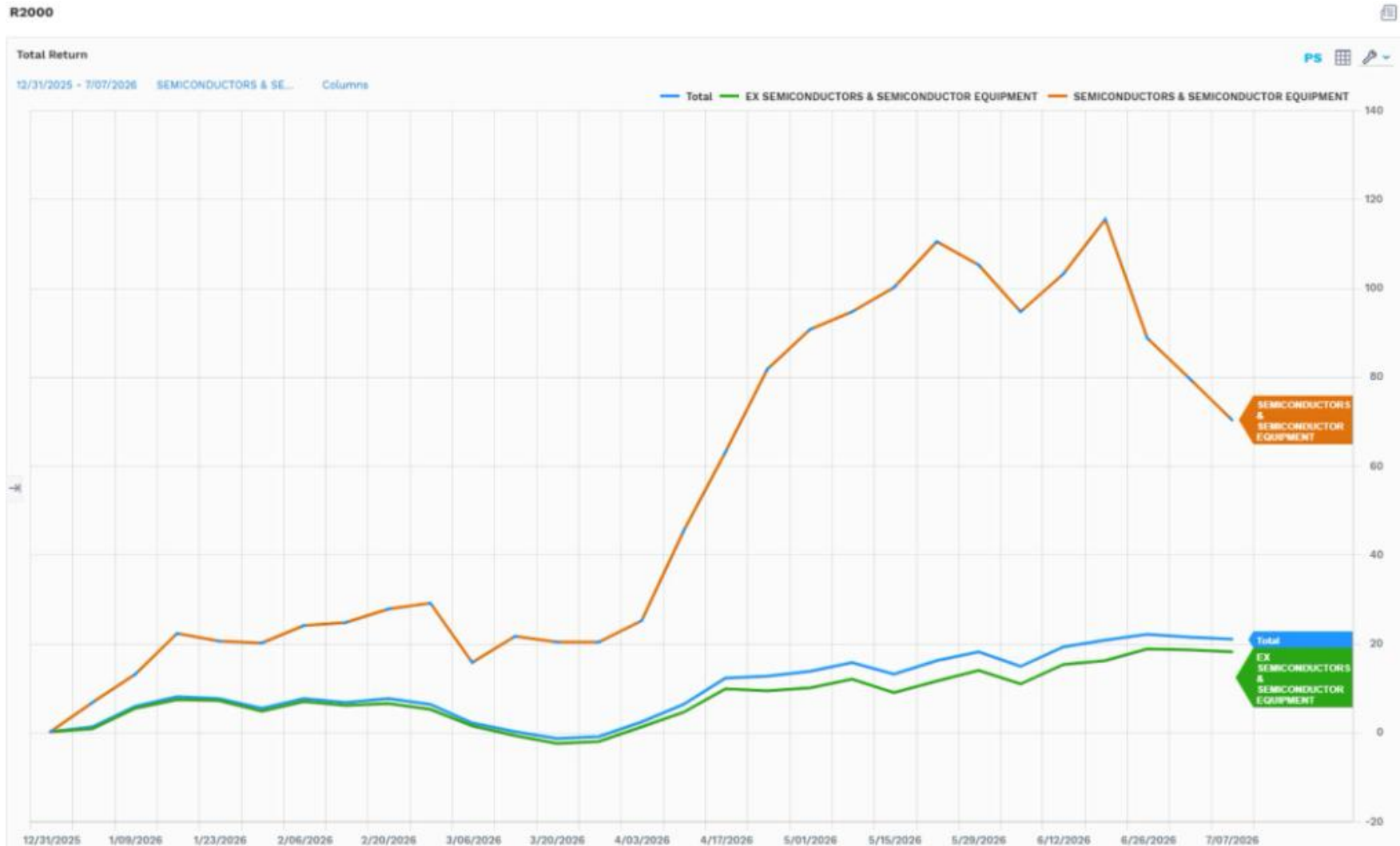
FMI Small Cap Valuation Metrics vs. R2000 and S&P 500

June 30, 2026	FMI Small Cap	iShares Russell 2000	Discount to Russell 2000
FY1 Price/Earnings (Wtd. Avg.)	17.6x	30.6x	-42%
FY2 Price/Earnings (Wtd. Avg.)	15.0x	27.3x	-45%
P/S (Wtd. Avg.)	1.9x	7.1x	-73%
EV/EBITDA (Wtd. Avg.)	13.1x	19.6x	-33%
Average Discount			-48%

June 30, 2026	FMI Small Cap	iShares S&P 500	Discount to S&P 500
FY1 Price/Earnings (Wtd. Avg.)	17.6x	30.4x	-42%
FY2 Price/Earnings (Wtd. Avg.)	15.0x	25.6x	-41%
P/S (Wtd. Avg.)	1.9x	9.5x	-80%
EV/EBITDA (Wtd. Avg.)	13.1x	25.5x	-49%
Average Discount			-53%

Estimated valuations are based on a representative account from the FMI Small Cap Equity composite. Estimated valuations for FMI and the iShares are weighted average calculations, not reweighted to exclude cash, and financial companies are excluded from the EV/EBITDA calculation. Valuations for both the portfolio and the ETF are modified based on criteria identified by FMI. For more detailed information regarding these valuations, please contact FMI. Valuations presented above are shown as supplemental information to the Small Cap Equity compliant presentation.

Chips are on a Tear — Semis rewired the market



Source: FactSet

FMI Small Cap: Quality Businesses / Attractively Valued – 6/30/26

Company	Value
Aramark	Aramark is one the largest participants in the food and facilities outsourcing industry. The size and strategy allow for numerous advantages over in-house or smaller participants. \$500 bn mkt with smaller players > 50% share. Trades at 22x NTM EPS.
AptarGroup	Aptar is a leading global supplier of dispensing, sealing and active packaging solutions. An intentional mix shift over the past decade has resulted in 80% of profits coming from the attractive Pharma segment (high barriers, high switching and solid growth prospects). Shares trade at 22x forward EPS, which is attractive vs. history and the overall market.
Core & Main	Leading domestic distributor (along with FERG) of water, wastewater and storm drainage products. CNM is leveraging advantages such as purchasing, fulfillment and contractor relationships to grow faster than the market. Shares trade at 16x forward EPS.
Hayward Holdings	Hayward is a pure-play pool equipment manufacturer, serving the U.S. residential pool market. Repair/ replace business accounts for 50% of sales and the installed base of pools grows consistently. Three players have 90% of the market. 16x depressed EPS.
Huron Consulting	Huron is a leading consulting firm that serves hospitals, health systems, and higher education- industries that are constantly under pressure with limited resources. The company has been labeled as an AI loser and we disagree. The shares trade significantly below our estimate of intrinsic value at 12x EPS.
Louisiana-Pacific	Leading provider of engineered wood siding (Smartside) and oriented strand board (OSB) for new homes, repair/ remodeling and sheds. Mix is moving quickly toward advantaged Smartside business (over 50%). The opportunity in LPX is for a richer mix of business and a higher multiple.
Insight Enterprises	Insight is a reseller of IT solutions, positioned between a systems integrator and VAR. After a period of end market softness, the company expects better growth going forward. Shares are attractive at 10x EPS for expected double-digit EPS growth.
FTI Consulting	FTI is a leading global consulting firm specializing in crisis management and business transformation (re-org's, bankruptcies, regulatory issues, etc.). Highly specialized niche with excellent reputation. The company has been labeled as an AI loser and we do not believe that will be the case. The shares trade at 16x NTM EPS- well below intrinsic value.
OneMain Hldgs	The largest participant in the subprime personal lending industry with 20% market share. Scale brings advantages including technology spending, overhead absorption and capital costs. Strength in underwriting comes from data and consumer analytics. Barriers to success are high. Shares trade at 8x EPS with a 7% dividend yield.
Valvoline, Inc.	Valvoline operates 2100+ Instant Oil Change locations in the U.S. and Canada. Store convenience allows the company to price product and service relative to value, not costs. The growing, yet defensive business trades at 20x NTM EPS.

Sustainability

FMI Common Stock Investor FMIMX

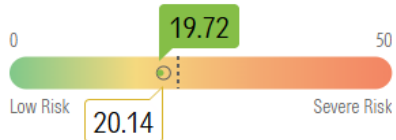
ESG Risk Rating ⓘ



Low Carbon Designation ⓘ



Corporate Sustainability Score



● Historical ○ Current
⋮ Global Category Average (Historical)

Sovereign Sustainability Score



● Historical ○ Current
⋮ Global Category Average (Historical)

Carbon Risk Score



○ 12-Month Average ⋮ Category Average
| Category Best/Worst

FMI Large Cap Investor FMIHX

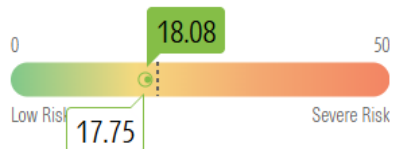
ESG Risk Rating ⓘ



Low Carbon Designation ⓘ



Corporate Sustainability Score



● Historical ○ Current
⋮ Global Category Average (Historical)

Sovereign Sustainability Score



● Historical ○ Current
⋮ Global Category Average (Historical)

Carbon Risk Score



○ 12-Month Average ⋮ Category Average
| Category Best/Worst

Sources as of 4.22.26:
<https://www.morningstar.com/funds/xnas/fmimx/sustainability>
<https://www.morningstar.com/funds/xnas/fmihx/sustainability>



One Team One Process One Philosophy

Fiduciary Management, Inc.

790 N Water Street Suite 2100 Milwaukee, WI 53202

Fiduciary Management, Inc.
Small Cap Equity Composite
12/31/2015 – 12/31/2025

Year	Total Return Gross of Fees %	Total Return Net of Fees %	*Benchmark Return %	Number of Portfolios	Dispersion %	Three Year Ex-Post Standard Deviation		Total Composite Assets End of Period (\$ millions)	Total Firm Assets End of Period (\$ millions)	Percentage of Firm Assets %
						Composite	*Benchmark			
2016	21.65	20.65	21.31	171	0.46	12.02%	15.77%	\$ 2,596.0	\$ 22,626.7	11.47%
2017	15.42	14.49	14.65	171	0.84	11.12%	13.91%	\$ 2,774.0	\$ 25,322.0	10.96%
2018	-8.10	-8.83	-11.01	160	0.74	11.73%	15.79%	\$ 2,220.4	\$ 19,833.6	11.20%
2019	27.14	26.17	25.53	119	1.83	12.44%	15.71%	\$ 2,415.0	\$ 22,609.9	10.68%
2020	4.40	3.60	19.96	104	1.49	21.15%	25.27%	\$ 2,079.2	\$ 16,284.2	12.77%
2021	31.74	30.77	14.82	102	0.60	21.11%	23.35%	\$ 2,294.9	\$ 17,068.4	13.45%
2022	-4.98	-5.70	-20.40	96	0.29	22.76%	26.02%	\$ 2,173.9	\$ 13,021.5	16.69%
2023	26.34	25.41	16.93	92	0.38	18.02%	21.11%	\$ 3,050.0	\$ 14,729.1	20.71%
2024	11.46	10.65	11.54	93	0.23	18.11%	23.30%	\$ 3,616.0	\$ 14,761.5	24.50%
2025	3.11	2.34	12.81	91	0.25	10.44%	16.60%	\$ 3,100.6	\$ 11,174.1	27.75%

*Benchmark: Russell 2000 Index®

Returns reflect the reinvestment of dividends and other earnings.

The above table reflects past performance. Past performance does not guarantee future results. A client's investment return may be lower or higher than the performance shown above. Clients may suffer an investment loss.

Fiduciary Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Fiduciary Management, Inc. has been independently verified for the periods 12/31/1993 - 12/31/2025. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Small Cap Equity Composite has had a performance examination for the periods 12/31/1993 - 12/31/2025. The verification and performance examination reports are available upon request.

FMI was founded in 1980 and is an independent investment counseling firm registered with the SEC and the State of Wisconsin. The firm manages over \$11.1 billion in assets of pension and profit-sharing trusts, mutual funds, Taft-Hartley funds, insurance company portfolios, endowments and personal trusts. The firm includes both institutional and mutual fund business. Although the firm has participated in wrap programs, it is a separate and distinct business and is excluded from firm-wide assets.

The FMI Small Cap Equity Composite was created and inceptioned in January 1980. These accounts primarily invest in small to medium capitalization US equities.

The FMI Small Cap Equity Composite reflects time-weighted and asset-weighted returns for all discretionary accounts, with a market value greater than \$500,000 as of month end. A small percentage of composite assets (typically ranging from 0-5%) historically has been invested in unmanaged fixed income securities at the direction of account holders. From December 31, 1993, thru September 30, 2002, all accounts included were managed for at least one quarter, from October 1, 2002, to present all accounts were managed for at least one month. All returns are calculated using United States Dollars and are based on monthly valuations using trade date accounting. All accounts in this composite are fee paying. Gross of fees returns are calculated gross of management fees, gross of custodial fees, gross of withholding taxes and net of transaction costs. Net of fees returns are calculated net of actual management fees and transaction costs and gross of custodial fees and withholding taxes. Dispersion is calculated using the equal weighted standard deviation of all accounts in the composite for the entire period. As of 12/31/2011, the trailing three year annualized ex-post standard deviation for the Composite and Benchmark are required to be stated per GIPS®. FMI uses gross returns to calculate these.

Currently, the advisory fee structure for the FMI Small Cap Equity Composite portfolios is as follows:

Up to \$25,000,000	0.85%
\$25,000,001-\$50,000,000	0.80%
\$50,000,001-\$100,000,000	0.70%
\$100,000,001 and above	0.60%

The firm generally requires a minimum of \$3 million in assets to establish a discretionary account. High Net Worth individuals may establish an account with a minimum of \$1,000,000, however, the firm reserves the right to charge a minimum dollar fee for High Net Worth individuals depending on the client servicing involved. The minimum account sizes do not apply to new accounts for which there is a corporate, family, or other substantial relationship to existing accounts. In addition, the firm reserves the right to waive the minimum account size and minimum annual fee under certain circumstances. A complete list and description of all firm composites and FMI distributed mutual funds are available upon request.

The Russell 2000 Index® measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000® Index representing approximately 8% of the total market capitalization of that index. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. The Small Cap Equity composite uses the Russell 2000 Index® as its primary index comparison.

GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

Index and Benchmark Definitions

Reference definitions found at [iShares.com](https://www.ishares.com) and [Investopedia.com](https://www.investopedia.com)

Russell 2000 Index

Measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which comprises the 3,000 largest U.S. companies based on total market capitalization.

Russell 2000 Value Index

Measures the performance of companies within the Russell 2000 Index with lower price-to-book ratios and lower forecasted growth values.

iShares Russell 2000 ETF

Seeks to track the investment results of an index composed of small-capitalization U.S. equities.

iShares Russell 2000 Value ETF

Seeks to track the investment results of an index composed of small-capitalization U.S. equities that exhibit value characteristics.