

Strategy Facts

Portfolio Manager: Ajoy Reddi

Inception: December 31, 2015

Benchmark: MSCI All Country World ex USA Small Cap

Available Vehicles: Separate Account, Collective Trust

Strategy AUM: \$85MM

Firm AUM: \$2.7B

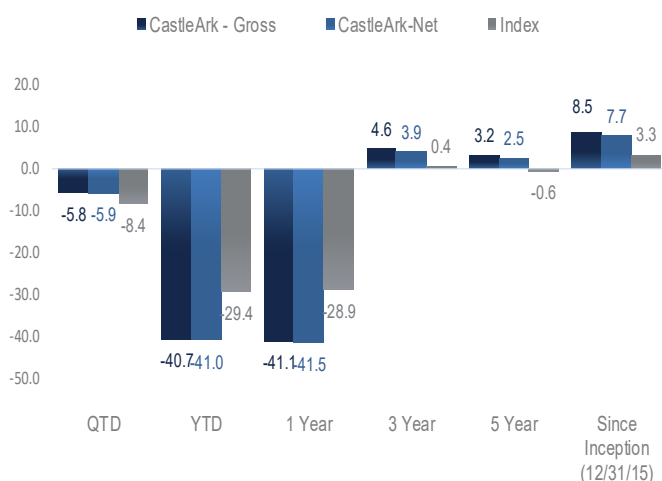
Website: www.castleark.com/international-small-cap/

Portfolio Characteristics

	CastleArk	Index
# of Securities	72	4,386
Weighted Avg Market Cap (\$MM)	\$2,973	\$2,017
Median Market Cap (\$MM)	\$1,850	\$861
Historical Sales Growth	19.5%	8.6%
Historical EPS Growth	31.5%	16.1%
EPS Growth - Long Term Forward	19.8%	13.7%
Return on Equity	17.3%	12.5%
Price to Earnings (Trailing 12M)	15.7	9.4
Price to Earnings (Forward 12M)	12.1	10.6
Price to Book	2.9	1.2
Net Debt to EBITDA	-6.5	0.3
Dividend Yield	1.3%	3.3%
Active Share	97.2%	--

Composite Performance*

(Periods greater than 1-year are annualized)



Investment Philosophy

We believe that **accelerating growth in revenue and earnings** are the primary drivers of stock price appreciation over the long term, and that **opportunities in inefficient markets** can be realized by identifying and exploiting **key inflection points** in a company's fundamentals.

Investment Strategy



An investment process that emphasizes a company's **long-term growth potential** over the market's demand for short term results.



A **holistic approach** to growth investing that seeks to identify attractive opportunities, using **both traditional and non-traditional** sources of information



A proven **institutional** money manager with a long-term record of **growth** investing in capacity constrained asset classes.

Top 10 Positions

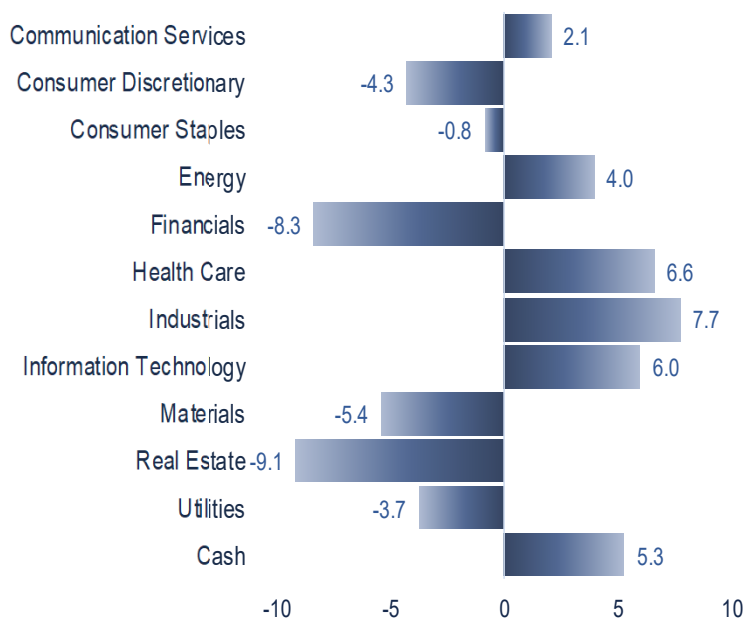
Security	Weight
OCI NV	2.5%
CVS Group plc	2.0%
BayCurrent Consulting, Inc.	2.0%
ATS Automation Tooling Systems Inc.	2.0%
Allkem Limited	1.9%
Varun Beverages Ltd.	1.9%
Whitehaven Coal Limited	1.9%
Vermilion Energy Inc.	1.8%
PT Bank BTPN Syariah Tbk	1.8%
Network International Holdings Plc	1.8%

Portfolio Exposure by Sector

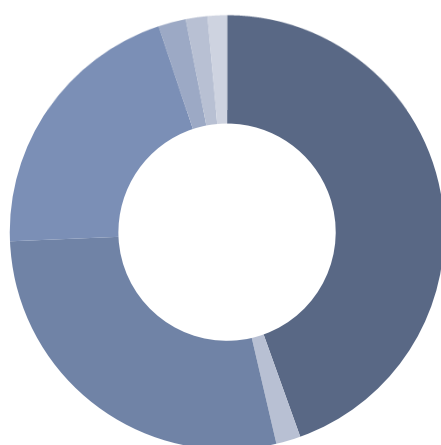


■ 2.8% - Financials	■ 7.4% - Consumer Discretionary
■ 5.5% - Consumer Staples	■ 8.2% - Energy
■ 13.5% - Health Care	■ 27.4% - Industrials
■ 16.8% - Information Technology	■ 6.4% - Materials
■ 1.1% - Real Estate	■ 5.7% - Communication Services
■ 5.3% - Cash	

Sector Allocation vs. Index

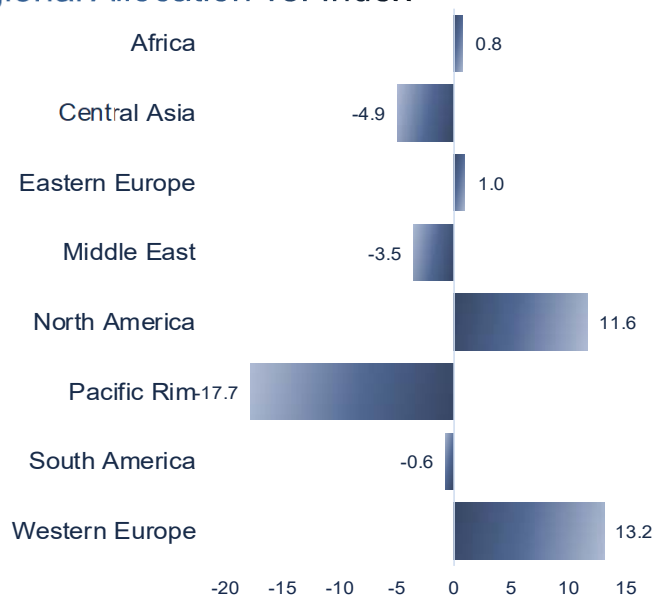


Portfolio Exposure by Region



■ 44.5% - Western Europe	■ 1.8% - Africa
■ 28.0% - Pacific Rim	■ 20.6% - North America
■ 2.0% - Central Asia	■ 1.6% - Eastern Europe

Regional Allocation vs. Index



Portfolio Exposure by Country

	CastleArk	Index		CastleArk	Index		CastleArk	Index
Canada	20.58%	7.65%	Denmark	2.21%	1.19%	Spain	1.06%	1.17%
Japan	18.75%	21.18%	India	2.05%	6.92%	Germany	0.72%	2.73%
United Kingdom	18.18%	9.69%	Indonesia	1.92%	0.75%	Finland	0.54%	0.96%
Sweden	11.90%	3.37%	South Africa	1.82%	1.03%	British Virgin	0.00%	0.01%
Australia	7.31%	7.03%	Turkey	1.61%	0.37%	British Virgin	0.00%	0.01%
Netherlands	5.41%	1.28%	Brazil	1.45%	1.86%	British Virgin	0.00%	0.01%
Belgium	3.44%	.92%	Austria	1.08%	0.65%	Other	0.00%	31.21%

Commentary

Performance Update

The CastleArk International Small Cap Equity strategy outperformed the MSCI ACWI ex USA Small Cap Index during the second quarter of 2022, with returns of -5.76% (gross of fees) and -5.91% (net) versus -8.37% for the index.

Market and Portfolio Review

The MSCI ACWI ex USA Small Cap Index's -8.4% Q3 decline reflected outperformance in Energy (-2.2%), Materials (-4.6%) and Financials (-6.8%), while Communication Services (-12.8%), Health Care (-11.1%) and Real Estate (-12.8%) were the largest detractors of performance. The S&P 500 Index declined -5.89% during the second quarter, outperforming the broader MSCI AC World ex USA index which declined -9.15%, and the MSCI Emerging Markets Index, which declined -10.77%.

The biggest regional detractors in Q3 within the MSCI ACWI ex USA Small Cap Index was Western Europe which declined an aggregate of -14.8% with notable underperformers Germany, Sweden, and the United Kingdom. In contrast, Emerging Markets performed much better on a relative basis, with an aggregate decline of -0.4%. Within Emerging Markets, South America was a notable outperformer and had a positive return of +5.8% in aggregate with Brazil and Chile being the biggest drivers of positive returns. On the other end of the spectrum, Hong Kong and South Korea were notable underperformers at -23.3% and -17.5%, respectively.

Similar to Q2, the global macroeconomic environment remained uncertain and volatile during the quarter, creating downward pressure on asset prices.

Rates of inflation in the US and the Eurozone continued to run ahead of policy-maker targets of 2% annualized. Headline CPI figures in both

August and September remained at multi-decade highs above 8% on an annualized basis in both geographies, though equivalent figures in Asia were more subdued, at 3% in Japan in August and 2.6% in July. Notably, inflation moderated in China from 2.7% in July to 2.5% in August. The US and Eurozone central banks have continued to raise rates with an eye on slowing economic activity in order to lower inflation. The US Federal Reserve raised the Federal Funds Rate once in Q3 with another 75-bps hike in September. The US central bank also released median projections anticipating the target rate to be 4.4% by the end of 2022. The European Central Bank (ECB) raised rates by 125 bps during Q3 in response to higher energy costs resulting from the Ukraine War. We expect that the overhang of energy inflation will tip the Eurozone economies into a recession that could last for at least the next few quarters before inflation starts to moderate.

Higher inflation alongside rising interest rates challenges asset prices in two ways – first, higher inflation reflects growth in wages, material costs and other inputs, resulting in higher costs and ultimately lower profitability for businesses, and second, a rising interest rate environment devalues future earnings, which must be discounted at higher rates, with both factors tending to weigh on equity values. Given inflation is expected to remain high for at least the next few quarters, policymakers are positioned to continue raising interest rates, resulting in a sustained source of pressure on asset prices.

Again, consistent with the trend seen in Q2, international asset prices have continued to be pressured by sustained US dollar (USD) appreciation driven by Fed rate increases, resulting in a devaluation of non-USD denominated assets. With the continued appreciation of the USD during Q3, many key global currencies have

Commentary

Market and Portfolio Review (continued)

declined in value versus the dollar. Most notable is the weakness of the British pound which approached parity with the USD as a consequence of the sell-off in long-term UK gilts in response to the proposed budget by the new Chancellor of the Exchequer. The subsequent intervention carried out by the Bank of England and the withdrawal of its tax cut proposal has stabilized the pound; however, we expect the strength in the US dollar to persist, likely creating a tailwind for exporters in Japan and Western Europe as well as in Emerging Markets, but also cost pressure given many inputs are imported from the US and/or valued in US dollars.

We expect the factors outlined above will continue weighing on asset prices for several quarters, though we believe they will be at least partially offset by emerging economic green shoots, including improved supply chain dynamics which should help to ease rates of inflation, and labor market easing as companies slow hiring or engage in layoffs in response to slowing economic trends. Furthermore, the high inventories that have been reported by retailers across the globe could be a tailwind for consumers as we go into the pivotal Black Friday sales period in the US and Europe.

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Supplemental Disclosures

Composite Performance reflects reinvestment of all income and capital gains and is shown in US dollars and after the deduction of transaction costs. Composite Performance is shown gross and net of actual management fees charged. Actual investment advisory fees incurred by clients may vary. Additional information on the calculation methodologies used herein is available upon request. Indexes are unmanaged, do not incur management fees and cannot be invested in directly. The Composite and index returns are net of any foreign withholding taxes on dividends, interest, and capital gains. The MSCI ACWI ex US Small Cap Index captures small cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 23 Emerging Markets (EM) countries*. With 4,273 constituents, the index covers approximately 14% of the global equity opportunity set outside the US.

Past performance is not indicative of future results. Performance during certain periods reflect strong stock market performance that is not typical and may not be repeated.

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Portfolio holdings and sector weightings of individual client accounts may differ from those shown above. This information does not constitute, and should not be construed as investment advice or recommendations with respect to securities or sectors listed. It should not be assumed that investments in these securities or sectors were or will be profitable.

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