Performance Comparison[1]

Periods Ended 12/31/23 (%)	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	S. I.[1]
DCM Equity Income (gross)	7.88	3.29	3.29	9.54	10.48	9.29	10.99
DCM Equity Income (net)	7.72	2.67	2.67	8.88	9.82	8.60	10.27
Russell 1000 Value[2]	9.50	11.46	11.46	8.86	10.91	8.31	10.02

Periods greater than 1 year are annualized
[1]DCM Equity Income inception was January 1, 2011
[2]Effective 1/1/19, the benchmark was changed from Russell 3000 Value to Russell 1000 Value. Benchmark returns presented reflect Russell 3000 Value for time periods prior to January 1, 2019.

Performance Summary

The DCM Equity Income composite gross total return was 7.87% in the fourth quarter of 2023, compared with the Russell 1000 Value Index 9.50%.

Broad market factors were a headwind once again in the fourth quarter of 2023. Portfolio positioning with lower than the benchmark Beta, Volatility, and Earnings Variability were strong headwinds during the quarter. Portfolio positioning with higher than market average Profitability was one of the few positive factors in the quarter.

Sector Drivers

GICS Sectors	Average Weight			Stock Level Returns		Portfolio Impact	
	Port	Bench	Active	Port	Bench	Contribution	Attribution
Real Estate	9.3%	4.8%	4.5%	24.6%	17.2%	218 bps	92 bps
Energy	7.2%	8.5%	-1.3%	-3.0%	-6.9%	-27 bps	56 bps
Communication Services	6.3%	4.8%	1.5%	12.9%	10.8%	81 bps	13 bps
Consumer Discretionary	2.6%	5.0%	-2.3%	15.5%	13.7%	40 bps	-6 bps
Utilities	12.5%	5.0%	7.6%	7.1%	8.6%	91 bps	-26 bps
Materials	4.4%	4.9%	-0.5%	3.0%	9.1%	14 bps	-27 bps
Health Care	10.4%	14.9%	-4.5%	-0.3%	4.5%	-8 bps	-28 bps
Financials	14.1%	21.2%	-7.1%	16.2%	15.7%	225 bps	-31 bps
Industrials	9.8%	13.5%	-3.7%	12.2%	13.8%	115 bps	-32 bps
Consumer Staples	12.7%	8.2%	4.5%	1.5%	2.7%	21 bps	-51 bps
Information Technology	5.9%	9.2%	-3.3%	3.4%	14.1%	16 bps	-76 bps

(see disclosures)

In the fourth quarter the best performing sector relative to the Russell 1000 Value index was Real Estate. The Equity Income portfolio was overweight this outperforming sector. In addition to this positive allocation effect, stock selection was positive with each Real Estate holding outperforming the benchmark Russell 1000 Value Index, with Public Storage (PSA) outperforming during the holding period as the security was a portfolio addition in early November.

Energy was the second best performing sector in the quarter. The portfolio was underweight Energy while it was the worst performing sector in the benchmark. The primary driver of weakness in the Energy sector was lower commodity prices with crude oil down -21% and natural gas -32% in the fourth quarter. Additionally, energy pipeline and storage leader Kinder Morgan (KMI) was up 8.3% in the quarter as much of their business is more driven by commodity volume than prices, and the resilient macro economy continues to support consumer demand. The portfolio continues to hold KMI.

Information Technology was the most detracting sector due to both allocation and stock selection. The portfolio was underweight this outperforming sector, and poor performance from Cisco Systems (CSCO) added to the weakness. Cisco was down -5.3% in the quarter after providing a disappointing forecast adding to wider concerns that companies are pulling back on technology hardware spending. Cisco is heavily exposed to falling corporate tech budgets while it is trying to expand in software and services to reduce dependence on hardware sales.

Consumer Staples was the second most detracting sector with allocation as the primary driver of weakness with the portfolio overweight this underperforming group. The market price strength in more volatile securities in the fourth quarter, and most of 2023, contributed to the weakness in the Equity Income consumer staples portfolio securities.

Top 10 Contributors/Detractors

	Top 10 Contributors	Average % Weight	Contribution
1	LAMAR ADVERTISING CO A	2.28	61 bps
2	AMERICAN TOWER CORP	1.87	57 bps
3	PNC FINANCIAL SERVICES GROUP	1.87	50 bps
4	FASTENAL CO	2.45	46 bps
5	VERIZON COMMUNICATIONS INC	2.56	46 bps
6	BLACKROCK INC	1.69	43 bps
7	UNION PACIFIC CORP	2.12	43 bps
8	CANADIAN IMPERIAL BANK OF COMMERCE	1.63	42 bps
9	HOME DEPOT INC	2.63	40 bps
10	JPMORGAN CHASE & CO	2.26	40 bps

	Top 10 Detractors	Average % Weight	Contribution
1	CHEVRON CORP	3.03	-40 bps
2	PFIZER INC	1.66	-22 bps
3	BRISTOL-MYERS SQUIBB CO	1.42	-18 bps
4	CISCO SYSTEMS INC	2.77	-17 bps
5	ALTRIA GROUP INC	2.94	-6 bps
6	EOG RESOURCES INC	1.85	-6 bps
7	EVERSOURCE ENERGY	0.81	-6 bps
8	AIR PRODUCTS & CHEMICALS INC	1.74	-5 bps
9	THE HERSHEY CO	0.88	0 bps
10	CASH	4.71	0 bps

Selected Contributor(s) to Performance

The highest contributing holding in the fourth quarter was Lamar Advertising (LAMR). Lamar is an outdoor advertising company organized as a real estate investment trust (REIT) and was up 28.8% in the fourth quarter holding period. Lamar's core business is leasing space for advertising on billboards, buses, shelters, and in airport terminals. The company benefitted from strong cost management controls in what was an otherwise in-line quarter on revenues. However, management did highlight that their normal year-end conversations with big agencies are not signaling any pullback in spending and that they were seeing positive momentum heading into the holiday season. With diverse operations across mediums (billboards, transit, programmatic) and geographies (more local exposure versus large MSA's), a healthy balance sheet, and a dividend yield around 5%, the portfolio continues to hold the position in LAMR.

The second highest contributing holding was American Tower Corporation (AMT). AMT is another REIT that owns, operates, and manages wireless communications and broadcast towers in the US. The company returned 33.7% in the quarter. The outperformance was due to a strong earnings report with management raising both its 2023 outlook for domestic organic growth to above five percent, as well as reiterating its longer-term organic growth outlook averaging at least five percent through 2027. This outlook is 1-2% ahead of peers owing to its strong contractual arrangements and pricing power. Management also highlighted moderating capital expenditures, pivoting the use of cash flows to deleveraging, which should aid in AFFO/share growth and more capital flexibility. The portfolio continues to hold AMT.

Selected Detractor(s) from Performance

The lowest contributing security in the fourth quarter was Chevron Inc (CVX). CVX is a globally integrated producer, refiner, and distributor of oil and gas products that was down -10.6% during the quarter on the heels of an EPS miss due to a production shortfall in the Permian basin. Adding onto this, management announced an all-stock acquisition of Hess Corp (HES), an independent energy producer largely focused in the Bakken and Gulf of Mexico, with a >50% oil mix. While HES's production mix and geographic reach are attractive, the all-share transaction led to some shareholder turnover as investors took it as a sign the stock was overvalued. Towards the end of the quarter, Venezuela engaged in a territorial dispute with neighboring Guyana, a key asset partnership through the HES acquisition, decreasing visibility on future revenues. With rising geopolitical tensions across the world, and especially in the Middle East, and the US consumer remaining resilient, the portfolio continues to hold one of the strongest free cash flow generators in the energy space.

The second biggest detractor in the quarter was Pfizer Inc (PFE). Pfizer is a global pharmaceutical company focusing on oncology, vaccines, immunology, and rare diseases, amongst other specializations. PFE was down -12.0% in the fourth quarter as management revised fiscal year 2024 guidance downward, including its now completed acquisition of Seagen. The company then announced that its obesity drug that was undergoing Phase II trials would not be moving into Phase III, further clouding the revenue growth outlook that had been muddied by revised Paxlovid sales. Management also announced that share repurchases were the lowest priority for free cash flow, signaling to investors that the stock was not undervalued. However, with its strongest capital position in years, plenty of acquisition targets, and a yield near 6%, the portfolio maintains a position in PFE.

Current Positioning

The Equity Income portfolio continues to be overweight dividend yield and profitability broad factors while remaining underweight beta and volatility. Utility and Real Estate sectors are the largest overweight sectors with the portfolio adding to these sectors during the fourth quarter. Financials and Health Care sectors are the most underweight relative to the benchmark Russell 1000 Value.

Macroeconomic data remains a mixed bag. There are some worrisome changes at the margin. For example, headline employment data is extremely strong with the unemployment rate at 3.7% and Initial Jobless Claims running about 200,000 per month, both near 50-year lows. However, looking closer at employment data we see that people voluntarily leaving their jobs is falling fast, an indicator that folks feel less comfortable in their ability to find a different job. Also, the employment rate for 25- to 54-year-olds, a broader employment statistic that does not account for job searching status, has fallen over the last six months suggesting some have stopped looking for work – another negative indication. Additionally, most business surveys remain pessimistic about future business conditions and risk a self-fulfilling prophecy. While hiring and capital expenditures remain robust, it won't take much to draw them back significantly, especially in light of rapidly risen interest rates.

Much of the talk in financial market circles recently has been about the timing of expected interest rate cuts by the Federal Reserve. Sometimes it seems that this is all that matters to markets. However, we want to point out that 1. such interest rate cut forecasting is guess work at best, and 2. any cuts that may arise are inevitably tied to weakness in broad economic conditions. I think we should be careful what we wish for. Lower inflation could augur a broader economic slowdown. Multiple interest rate cuts by the Fed are negative indicators for equity markets despite the joy recent market reactions to the improving inflation picture might suggest.

The bottom line is that we feel recent high returns of the broad market, mostly the "magnificent seven" technology related stocks, do not account for increasing risks. In fact, the strong 2023 performance of growth and economically sensitive stocks may simply be creating a higher perch from which to fall. Time will tell, but we remain focused on high quality, high dividend paying securities that should weather economic storms better than most.

Disclosures

Dean Capital Management, LLC (DCM) is an independent investment management firm owned by LLC members and entities affiliated with C.H. Dean, LLC. The firm manages a variety of equity and fixed income assets for institutional and individual investors. DCM claims compliance with the Global Investment Performance Standards (GIPS®). 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. Past performance does not guarantee future results.

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The Equity Income style is a fully invested style of primarily large cap stocks which ranges from 90%-100% equity, and the number of holdings typically ranges between 40 and 60. The remainder of the portfolios is typically invested in short term U.S. Treasury Bills or other cash equivalents.

Effective 1/1/19, the benchmark was changed from Russell 3000 Value to Russell 1000 Value to provide a better represenation of the investment strategy. The Russell 1000 Index measures the performance of the large-cap segment and includes approximately 1000 securities based on a combination of their market cap and current index membership. The Russell 1000 represents approximately 93% of the Russell 3000 Index. The Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. These stock indexes assume reinvestment of dividends and capital gains and assume no management, custody, transaction or other expenses. Russell statistics used in this presentation were obtained from Russell Investments (www.russell.com).

Performance represents all fully discretionary commission accounts for the respective strategy. A complete list and description of DCM's composites and additional information regarding the calculation and reporting of returns is available upon request. To obtain a GIPS report and/or the firm's list of composite descriptions, please contact us at 1.913.944.4452.

The securities discussed do not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any of the securities' transactions or holdings discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein. The contributors/detractors listed do not represent all securities purchased or sold for our clients. To obtain a list showing the contribution of each holding that contributed to overall performance during the period and the calculation methodology, please call 1.913.944.4452. The detailed sector attribution table is specific to the policy portfolio for the strategy. Individual account results may vary.

Gross performance figures do not reflect payment of investment advisory fees, but do reflect deduction of brokerage commissions and trading expenses. Net of fee performance reflects the deduction of advisory fees, brokerage commissions, and trading and other expenses. Net results reflect the deduction of a model fee equivalent to the highest applicable advisory fee 0.60%. The net compounded effect of the deduction of fees over time will be affected by the amount of the fee, the time period, and investment performance. Management fee schedules are available on Form ADV Part 2A.

Performance presents results with all dividend and interest income reinvested and is stated in U.S. Dollar terms. Leverage is not used in any portfolio in these composites.

A performance examination has been performed on performance results from 1/1/11 through 12/31/22. A firm-wide verification was performed for the periods 7/1/08 through 12/31/22.

FOR MORE INFORMATION

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ABOUT DEAN CAPITAL MANAGEMENT, LLC

Dean Capital Management, LLC ("DCM") is an employee-owned registered investment advisor founded in March 2008. Located in Overland Park, Kansas, DCM is a long-only, fundamental U.S. Value equity manager. DCM manages portfolios across the capitalization spectrum for institutional clients, financial intermediaries and advisors.

DCM is majority-owned by the founding principals, who also comprise the investment team. Additionally, all investment professionals maintain significant personal investments in DCM managed products, further aligning the investment team with our clients.