Performance Comparison[1]

Periods Ended 3/31/24 (%)	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	S. I.[1]
DCM Equity Income (gross)	4.97	4.97	9.30	7.32	9.03	9.55	11.18
DCM Equity Income (net)	4.81	4.81	8.65	6.68	8.38	8.86	10.46
Russell 1000 Value[2]	8.99	8.99	20.27	8.11	10.32	8.93	10.54

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 4.97% in the first quarter of 2024, compared with the Russell 1000 Value Index 8.99%.

Broad market factors were a headwind once again in the first quarter of 2024. Portfolio positioning with higher Dividend Yield and Profitability along with lower Momentum and Volatility were strong headwinds during the quarter. The Momentum factor speaks well to the current environment where investors flocked to stocks that have worked in this recent market upswing while disposing of anything that lagged. It has been an extremely difficult market environment for a traditional value investor looking for high quality bargains, especially those with higher dividend yields. The upside is that the longer this goes on both the probability and magnitude of reversal continue to grow.

Sector Drivers

GICS Sectors	Average Weight			Stock Level Returns		Portfolio Impact	
	Port	Bench	Active	Port	Bench	Contribution	Attribution
Consumer Discretionary	2.8%	5.0%	-2.3%	11.4%	6.9%	31 bps	17 bps
Health Care	10.1%	14.7%	-4.6%	5.2%	6.3%	52 bps	1 bps
Materials	4.4%	4.7%	-0.4%	3.8%	7.5%	18 bps	-15 bps
Real Estate	10.1%	4.8%	5.3%	2.4%	-0.9%	23 bps	-19 bps
Consumer Staples	13.2%	7.9%	5.4%	6.0%	6.7%	81 bps	-21 bps
Information Technology	5.2%	9.5%	-4.3%	1.3%	6.9%	6 bps	-22 bps
Communication Services	6.4%	4.7%	1.7%	3.8%	8.1%	24 bps	-30 bps
Energy	7.2%	7.8%	-0.6%	7.1%	13.8%	54 bps	-48 bps
Financials	15.3%	22.2%	-6.9%	11.0%	13.2%	168 bps	-56 bps
Industrials	9.8%	14.0%	-4.2%	5.5%	11.8%	54 bps	-73 bps
Utilities	12.3%	4.7%	7.6%	-1.7%	5.2%	-21 bps	-115 bps

(see disclosures)

In the first quarter the best performing sector relative to the Russell 1000 Value index was Consumer Discretionary. The Equity Income portfolio was underweight this underperforming sector. Additionally, the portfolio's lone Consumer Discretionary position, leading home improvement retailer Home Depot (HD), was up 11.35% in the quarter above both the sector and the broad Russell 1000 Value benchmark. Despite struggling with same store sales, consumer traffic, and large ticket sales, HD stock performance was strong due to investor enthusiasm for the potential cyclical tailwinds that lower interest rates may provide. The portfolio continues to hold HD.

Health Care was the second best performing sector in the quarter. The portfolio was underweight Health Care while the sector underperformed the benchmark. Additionally, stock selection was strong with pharmaceutical giant Merck & Co (MRK) up 21.8% in the first quarter. Merck is a global health care company focused on prescription medicines, vaccines, biologic therapies, animal health, and consumer care products. Management announced a sizable earnings beat as Keytruda sales proved more resilient than first thought as the drug, accounting for roughly a third of MRK's sales, continues to grow. This sales beat led to higher profitability than expected and an upbeat fiscal year outlook. In the closing days of the quarter, the FDA announced MRK's high blood pressure drug, Winrevair, was approved, demonstrating the strength of the Company's pipeline and adding another potential blockbuster drug to its sales lineup. The portfolio continues to hold MRK.

The Utility sector was the most detracting sector due to both allocation and stock selection. The portfolio was overweight this underperforming sector, and poor performance from several positions contributed to the weakness. Electric utility Xcel Energy (XEL) was the leading detractor in Utilities and is discussed in detail below. Additionally, stock price weakness in WEC Energy Group (WEC, -1.4% in the first quarter), Alliant Energy Corp (LNT, -0.8%), and Duke Energy (DUK, +0.8%) contributed to negative attribution within Utilities. Those three stocks represent well the underperformance of the Dean Equity Income strategy over the last year or so. All three have seen fairly good fundamental earnings, growth, and estimate revisions, while their price/earnings multiples continue to fall, and their dividend yield continues to rise. The discount in the Utilities sector relative to the broad market has reached historic levels. We do not feel this is either justified by fundamental facts nor sustainable in the long run. Thus, we continue to hold our large overweight in the sector and our positions in the aforementioned names, adding to both XEL and WEC in the first quarter.

The Industrial sector was the second most detracting sector. The portfolio was underweight this outperforming sector, and stock selection added to that allocation weakness. United Parcel Service (UPS) was down -4.4% in the quarter due to broad volume weakness in the shipping industry as well as a continued poor recovery from customers lost in the run up to a potential labor strike last summer. We feel the current earnings weakness at UPS is transitory and provides an opportunity for future investment returns. The portfolio continues to hold the position.

Top 10 Contributors/Detractors

	Top 10 Contributors	Average % Weight	Contribution
1	FASTENAL CO	2.54	48 bps
2	JPMORGAN CHASE & CO	2.55	45 bps
3	MERCK & CO INC	2.19	43 bps
4	T ROWE PRICE GROUP INC	2.71	39 bps
5	LAMAR ADVERTISING CO	2.52	34 bps
6	VERIZON COMMUNICATIONS INC	2.76	34 bps
7	PACKAGING CORP OF AMERICA	2.24	33 bps
8	PRUDENTIAL FINANCIAL INC	2.30	33 bps
9	THE HOME DEPOT INC	2.76	31 bps
10	ALTRIA GROUP INC	2.77	29 bps

	Top 10 Detractors	Average % Weight	Contribution
1	XCEL ENERGY INC	2.05	-30 bps
2	BCE INC	2.26	-28 bps
3	AMERICAN TOWER CORP	1.88	-18 bps
4	AIR PRODUCTS AND CHEMICALS INC	1.62	-16 bps
5	UNITED PARCEL SERVICE INC	2.16	-10 bps
6	PUBLIC STORAGE	1.63	-7 bps
7	PFIZER INC	1.66	-4 bps
8	ALLIANT ENERGY CORP	2.71	-3 bps
9	PHILIP MORRIS INTERNATIONAL INC	1.95	-3 bps
10	WEC ENERGY GROUP INC	2.82	-3 bps

Selected Contributor(s) to Performance

The highest contributing holding in the first quarter was Fastenal Co (FAST). Fastenal is a distributor of industrial and construction supplies with over 1.4mm products, 34% of which are threaded fasteners. FAST returned 19.8% in the quarter on a solid earnings beat driven by strong volumes along with healthy signing targets for its onsite managed inventory solutions business. Its non-warehousing end markets continue to be soft but stable, providing a reasonable basis for operating margin expansion as demand returns with management targeting mid-single digit growth in the medium term. With healthy inventory channels, store consolidations nearing an end, and easier comps in 2024, management remains confident in their outlook. The portfolio continues to hold FAST.

The second highest contributing holding was JPMorgan Chase & Co (JPM) which returned 18.5% for the first quarter. JPM is a global financial services business offering retail banking, investment banking, asset management, card member services, and commercial banking, amongst other services. With its earnings release, JPM showed it had earned record net interest income across all U.S. banks and built its common equity tier one ratio to 15%, 260 basis points above regulatory minimums, providing a robust cushion for its balance sheet should the macro environment take a turn for the worse. Later in the quarter, management announced it expected investment banking fees to grow double digits on a rebound in transaction activity. The stock performed in line with this positive sentiment, and the portfolio continues to hold the position.

Selected Detractor(s) from Performance

The lowest contributing security in the quarter was Xcel Energy Inc (XEL). Xcel is an electric and gas utility principally serving MN, ND, SD, CO, and NM with some smaller exposures to WI, MI, and TX. Xcel was down -12.3% in the quarter due to a litany of factors – some idiosyncratic and some more macro in focus. For the first quarter overall, the utilities sector of the benchmark RLV Index was the second worst performer as the market continues to reward higher-growth, AI-tangential companies while ignoring steady growers. On top of this market distaste for the sector in general, XEL also posted weaker earnings and forward guidance than expected. Furthermore, XEL was found to have an electric pole marked by inspectors near the scene of the deadliest fire in Texas history, causing the stock to sell off on risks of potential litigation for a fire that caused $3B in damage and took numerous lives. While XEL has admitted its equipment was likely involved in the TX fire, management denies negligence. This discovery and litigation process will take many years to unfold with cost estimates varying and assessment around the level of fault yet to be determined. The portfolio added to its position in XEL after the earnings report, and the investment team is weighing the risks of the fire litigation overhang on the stock's quality and valuation but continues to hold a position.

The second biggest detractor in the quarter was BCE Inc (BCE). BCE is a provider of communication services, including wireless phone, IP-broadband, and wireless internet services, to residential and business customers across Canada. BCE returned -11.8% for the quarter. The company reported a profitability beat on its earnings call but forward guidance was light, especially on free cash flow, and management announced a 9% headcount reduction to take place in 2024. In light of slowing revenue, management expects this action to save CAD150-200mm annually going forward. Management continues to focus on its 5G buildout and signing up premium customers which typically utilize more services and are higher margin. The portfolio continues to hold BCE.

Current Positioning

The Equity Income portfolio continues to be overweight dividend yield and profitability broad factors while remaining underweight momentum, beta, and volatility. Utility, Consumer Staples, and Real Estate are the largest overweight sectors. Financials, Industrials, and Health Care are the most underweight sectors relative to the benchmark Russell 1000 Value.

Investors' disdain for quality high dividend stocks continued in the first quarter, and as such we continue to find tremendous value in our core universe. In one sense it is quite disheartening to experience poor relative performance. But, on the other hand, it is such an environment that provides the springboard for future outperformance, and we are optimistic – not despite recent performance, but because of it.

The economy remains in a middle ground. If anything, there has been marginal improvement in several measures over the last few months. It is potentially a goldilocks scenario where the economy is not too hot to drive excessive inflation (and rising interest rates), but not to cool to risk recession in the near future. This viewpoint adds to our optimism for the Equity Income strategy. It is our opinion that growth will likely not be enough to justify some current unusually high valuations in the broad market, while many of our investments continue to perform well fundamentally, improving the portfolio risk/reward.

Disclosures

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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. Data subsequent to 2/29/24 represents preliminary performance results.

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.