Performance Comparison[1]

Periods Ended 12/31/24 (%)	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	S. I.[1]
DCM Mid Cap Value (gross)	-0.18	17.47	17.47	8.82	10.53	10.22	11.86
DCM Mid Cap Value (net)	-0.39	16.50	16.50	7.92	9.61	9.28	10.86
Russell Midcap Value	-1.75	13.07	13.07	3.88	8.59	8.10	9.39

Periods greater than 1 year are annualized
[1]DCM inception was June 30, 2008

Performance Summary

The DCM Mid Cap Value composite was down -0.18% (gross of fees) for the quarter ended December 31, 2024, compared with the Russell Midcap Value Index, down -1.75%.

Relative to the Russell Midcap Value index, the macro backdrop was a headwind to the portfolio this quarter. Growth stocks significantly outperformed value stocks in the quarter, with the Russell Midcap Growth index returning 8.14% while the Russell Midcap Value index returned -1.75%. The underperformance of the value factor was a detractor to returns as the portfolio is positioned with deeper value exposure than the overall benchmark. Somewhat counterintuitive in a down market, stocks with higher volatility and beta outperformed in the quarter. The portfolio has a sizeable underweight relative to the benchmark in high volatility and high beta stocks.

Sector Drivers

GICS Sectors	Average Weight			Stock Level Returns		Portfolio Impact	
	Port	Bench	Active	Port	Bench	Contribution	Attribution
Utilities	11.6%	6.9%	4.7%	5.8%	-3.2%	67 bps	94 bps
Health Care	8.7%	8.4%	0.3%	-2.9%	-10.4%	-26 bps	70 bps
Real Estate	8.3%	9.9%	-1.7%	-1.3%	-6.8%	-14 bps	58 bps
Consumer Staples	10.6%	5.7%	4.9%	1.9%	-3.8%	32 bps	50 bps
Industrials	16.2%	17.3%	-1.1%	-0.1%	-2.3%	-3 bps	38 bps
Financials	18.7%	17.6%	1.1%	6.6%	6.3%	114 bps	13 bps
Materials	3.5%	7.1%	-3.6%	-17.1%	-10.4%	-65 bps	5 bps
Communication Services	3.2%	3.3%	-0.1%	-0.5%	5.0%	-1 bps	-17 bps
Energy	3.6%	5.6%	-2.0%	13.1%	9.7%	34 bps	-18 bps
Consumer Discretionary	9.6%	9.3%	0.4%	-8.4%	-3.5%	-90 bps	-53 bps
Information Technology	3.7%	8.9%	-5.2%	-16.1%	1.6%	-63 bps	-80 bps

(see disclosures)

The best performing sector relative to the Russell Midcap Value index was Utilities. The outperformance was driven by stock selection as all six of the portfolio's holdings had a positive return relative to the overall Utilities sector return of -3.2%. The top two Utilities performers were Entergy (ETR), up 16.2%, which is discussed in the top contributing stocks section, and CenterPoint Energy (CNP), up 8.6%. CenterPoint was one of the three top detracting stocks in the third quarter due to the impacts of Hurricane Beryl on its service territory around Houston. The stock rebounded this quarter as investors realized the issues were manageable and the political firestorm subsided. The portfolio's positive stock selection was modestly offset by being overweight a sector which underperformed the benchmark.

Health Care was the second best performing sector relative to the benchmark. The outperformance was driven by better than benchmark stock selection with four out of the five holdings outperforming the sector return of -10.4%. Jazz Pharmaceuticals (JAZZ) provided the best performance, up 10.5%, on better sales across its franchise. Investor focus has shifted to the late-stage pipeline, where opportunities are improving to provide a longer term, sustainable growth profile. Holdings Encompass Health (EHC), Quest Diagnostics (DGX), and Zimmer Biomet (ZBH), were down -4.3%, -2.3%, and -1.9%, respectively. In general, the stocks turned in solid quarters and are anticipated to be less impacted by potential cuts to government healthcare programs with the new administration.

The worst performing sector relative to the benchmark was Information Technology (IT). IT is the portfolio's largest underweight, which negatively impacted performance as the benchmark's Information Technology sector outperformed the overall benchmark. Stock selection was negative as the portfolio's three technology holdings all underperformed in the quarter. The portfolio's holdings are generally focused on general consumer electronic end markets and technology distribution, both areas that have seen weaker sales and significant inventory destocking. The portfolio has remained underweight the Information Technology sector due to high valuations and quality concerns, as many companies do not generate positive earnings, especially in computer software.

Consumer Discretionary was the second worst performing sector in the quarter. Sector allocation was negative as the portfolio was overweight a sector that underperformed. In addition, stock selection was negative with four of the eight holdings in the sector declining by more than -10%. In general, the stocks that underperformed were negatively impacted by higher interest rates and weaker consumer end markets.

Top 10 Contributors/Detractors

	Top 10 Contributors	Average % Weight	Contribution
1	RAYMOND JAMES FINANCIAL INC	2.11	0.47
2	ENTERGY CORP	2.18	0.36
3	TAKE-TWO INTERACTIVE SOFTWARE	1.50	0.26
4	PILGRIM'S PRIDE CORP	1.51	0.23
5	BAKER HUGHES CO	1.53	0.22
6	AMERIPRISE FINANCIAL INC	1.75	0.21
7	GATES INDUSTRIAL CORP PLC	1.34	0.20
8	CURTISS-WRIGHT CORP	0.89	0.18
9	US FOODS HOLDING CORP	1.69	0.18
10	BANK OF NEW YORK MELLON CORP	2.34	0.17

	Top 10 Detractors	Average % Weight	Contribution
1	INTERNATIONAL FLAVORS & FRAGRANCES	1.93	-0.40
2	PULTEGROUP INC	1.52	-0.39
3	OMNICOM GROUP	1.66	-0.27
4	ARROW ELECTRONICS INC	1.60	-0.26
5	MOLINA HEALTHCARE INC	1.53	-0.26
6	AVERY DENNISON CORP	1.56	-0.25
7	CONAGRA BRANDS INC	1.76	-0.25
8	GENUINE PARTS CO	0.44	-0.24
9	HASBRO INC	0.95	-0.23
10	BORGWARNER INC	1.71	-0.23

Selected Contributor(s) to Performance

Raymond James Financial (RJF), up 27.3%, was the largest contributor to performance in the quarter. The company operates as an investment holding company operating through the following segments: Private Client Group, which deals with financial planning and securities transactions, Capital Markets, which involves equity research and investment banking, Asset Management, which manages client portfolios, and RJ Bank, which includes corporate loans, mortgages, and loan syndications. The company benefitted from higher securities commissions on increased market activity due to the Fed interest rate cuts, as well as anticipated benefits from the prospect of lower regulation under the new presidential administration. The supportive market also led to increased investment banking activity as mergers and acquisitions activity increased. The portfolio continues to hold Raymond James Financial.

The second largest contributing stock was Entergy (ETR), up 16.2%. Entergy operates regulated electric utilities serving customers in Louisiana, Arkansas, Texas, and Mississippi. The company has seen load growth above the national average spurred by industrial expansion. In the quarter, the company surprised markets with an updated financial outlook due to a new 2.2 gigawatt customer in Louisiana. The change raises the capital expenditure outlook by just over 20% through 2028, increases retail electricity sales to approximately 6% compounded annual growth rate (CAGR), and increases the 2024-2028 earnings per share CAGR to approximately 9%, up from the 6-8% prior guidance. The company continues to be well positioned for growth related to industrial activity including AI data center driven power demand. The portfolio reduced its position in Entergy on the outperformance but continues to hold the stock.

Selected Detractor(s) from Performance

The largest detracting stock for the quarter was International Flavors & Fragrances (IFF), down -19.1%. The company produces artificial and natural flavors and fragrances used in consumer products within the food, beverage, health, and pharma solutions end markets. International Flavors & Fragrances has been plagued by many issues over the past few years after making a series of large acquisitions. In addition to issues integrating and leveraging the acquisitions, the company has faced significant turnover in the executive suite, including the CEO, and has been pressured recently by inventory destocking. The company has hired a new CEO who has outlined a strategy of streamlining the business through divestitures, using funds to de-lever the balance sheet, and shifting empowerment of decision making to the segments to increase customer centricity. The company reported third quarter earnings that were slightly below expectations and provided guidance that was lighter than expected for the fourth quarter. The company tamed fourth quarter expectations on concerns of weakening spending and possible customer destocking. As we said in prior reports, the company's turnaround will not be linear, but we believe the company is in early stages of a prolonged improvement in operations, which should translate into higher earnings power and valuation. The portfolio continues to hold the stock.

PulteGroup (PHM) was the second largest detracting stock, down -24.0%. PulteGroup is a national homebuilder with the primary business being single-family detached homes with an average selling price of $571,000. The company reported third quarter earnings that were largely in line with expectations. While orders were modestly softer than expected, the movement in interest rates is what materially impacted the stock's performance. The market expected inflation to continue its downward trajectory toward the Fed's 2% mandate and employment to continue softening modestly, both of which would support the continued cutting of interest rates. However, economic data showed sticky inflation and surprising strength in the labor market. These economic data points, coupled with the potential for inflationary tariffs from the incoming administration, led 10 Year U.S. Treasury bond yields to rise from 3.73% at the start of the quarter to 4.57% at the end of the quarter. With mortgage rates generally driven by 10-year yields, mortgage rates increased during the period. Higher rates are detrimental to homebuilders as they negatively impact affordability. The portfolio continues to hold PulteGroup.

Current Positioning

At the end of the quarter, the portfolio's largest overweight sectors relative to the benchmark are the Utilities and Consumer Staples sectors. The largest underweight sectors relative to the benchmark are the Information Technology and Materials sectors. Throughout the quarter, the relative weight increased the most in the Energy and Financials sectors while decreasing the most in the Consumer Staples and Real Estate sectors.

In the short time period of only one quarter, market sentiment has gyrated significantly. The quarter began with pundits excited about the path of inflation data and the Fed's quest to lower interest rates, only to be quickly hit with data showing inflation remaining sticky and elevated, thus lowering the prospect of accelerated rate cuts. As the election results became clear, markets were once again excited over the prospect of the new administration's desire for lower taxes and less regulation. In December, excitement waned as inflation, once again, remained sticky while unemployment remained low, the Fed lowered expectations for rate reductions in 2025, and the reality became clear that some of the incoming administration's potential policies could be inflationary and raise the deficit; thus, making interest rate cuts even more unlikely.

While we do not have a crystal ball to project what will occur in 2025, we do believe the higher volatility and uncertainty demonstrated in the fourth quarter of 2024 are likely to persist. Political policies impacting immigration, tariffs, taxes, etc. are highly uncertain, as are their impacts on inflation, which remains stubbornly above the Fed's target. Combine this with geopolitical tensions that are at their highest levels in decades, and markets find themselves in rather uncertain territory. In addition, valuations continue to rise despite earnings growth that has not kept pace with the market's advance, with this discrepancy being particularly acute in the market's current darling investment theme – large cap growth stocks. Thus, many of the recent opportunities have been found at the lower end of our market capitalization range as these stocks have not seen the valuation expansion of their larger capitalization counterparts.

We continue focusing on finding high quality stocks at reasonable valuations that provide a compelling risk-reward over time.

Disclosures

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The Mid Cap Value style uses value oriented equities, the majority of which have a market capitalization between $3.5 billion and $40 billion at purchase. These are fully invested equity styles which range 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.

Future performance based on prior results should not be assumed. The Russell Midcap Index is a subset of the Russell 1000 Index and includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap represents approximately 27% of the total market capitalization of the Russell 1000 companies.

The Russell Midcap Value Index measures the performance of those Russell Midcap Index companies with lower price-to-book ratios and lower forecasted growth values. Members of the Russell Midcap Value Index are also members of the Russell 1000 Value Index. 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, trading and other expenses. Net results reflect the deduction of a model fee equivalent to the highest applicable advisory fee 0.80%. 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 7/1/08 through 12/31/23. A firm-wide verification was performed for the periods 7/1/08 through 12/31/23. Data subsequent to 11/30/24 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.