

Performance Comparison¹

Periods Ended 12/31/25 (%)	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	S. I. ¹
DCM Equity Income (gross)	-1.19	6.89	6.89	7.35	9.50	10.00	10.78
DCM Equity Income (net)	-1.33	6.26	6.26	6.71	8.85	9.33	10.07
Russell 1000 Value ²	3.81	15.91	15.91	13.90	11.33	10.55	10.69

Periods greater than 1 year are annualized

¹DCM Equity Income inception was January 1, 2011

²Effective 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 -1.19% in the fourth quarter of 2025, compared with the Russell 1000 Value Index up 3.81%.

The fourth quarter of 2025 presented mixed factor influences for the DCM Equity Income portfolio. The market continued a strong “risk-on” rally, heavily favoring high-growth, speculative stocks, particularly in the technology sector and related to AI (artificial intelligence) investment. This environment meant that the portfolio’s positioning in lower beta, lower growth, and higher profitability negatively impacted performance. Positioning in lower volatility, valuation, and momentum relative to the Russell 1000 Value Index benchmark were positive factors, but not enough to overcome the lack of beta and growth exposure.

Sector Drivers

GICS Sectors	Average Weight			Stock Level Returns		Portfolio Impact	
	Port	Bench	Active	Port	Bench	Contribution	Attribution
Financials	16.3%	22.1%	-5.8%	5.1%	2.5%	82 bps	51 bps
Health Care	9.7%	12.1%	-2.4%	14.2%	8.2%	130 bps	45 bps
Consumer Discretionary	3.2%	7.6%	-4.3%	-9.9%	-0.1%	-34 bps	-17 bps
Materials	4.3%	4.0%	0.3%	-3.5%	2.4%	-16 bps	-26 bps
Energy	6.8%	5.8%	1.0%	-2.7%	1.2%	-19 bps	-30 bps
Real Estate	9.8%	4.1%	5.7%	-3.9%	-2.5%	-39 bps	-52 bps
Utilities	12.9%	4.6%	8.3%	-3.1%	-0.7%	-39 bps	-69 bps
Communication Services	5.5%	8.2%	-2.7%	-3.4%	8.5%	-20 bps	-77 bps
Information Technology	5.9%	11.1%	-5.2%	2.5%	11.0%	14 bps	-82 bps
Industrials	9.6%	13.1%	-3.4%	-7.1%	3.1%	-72 bps	-100 bps
Consumer Staples	13.7%	7.4%	6.3%	-7.6%	0.3%	-109 bps	-136 bps

(see disclosures)

The Equity Income portfolio’s strongest sector in the fourth quarter was Financials. Both stock selection and allocation contributed to the performance. A couple of leading positions were Canadian Imperial Bank of Commerce (CM) and Prudential Financial (PRU), up 14.4% and 10.2%, respectively. CM performed well primarily due to a “beat-and-raise” fiscal Q4 earnings report released in early December, confirming the bank was successfully navigating the high-interest-rate environment better than Wall Street feared. Additionally, signaling confidence in its cash flow, the board announced a 10% increase to its quarterly dividend. Finally, The Bank of Canada cut interest rates multiple times in late 2025. This alleviated pressure on Canadian borrowers (reducing the risk of mortgage defaults) and fueled a rotation back into high-yield bank stocks. Prudential Financial also had a beat and raise quarter. They provided positive data on their commercial real estate portfolio that was worrying investors and PGIM, their asset management arm, saw assets under management climb 5% year-over-year driven by market appreciation and net inflows. The portfolio continues to hold PRU and sold the position in CM after quarter end due to the strong performance and the consequential reduced risk/reward.

Health Care was the second best sector in the quarter. Stock selection was the driver of performance with a modest detractor due to allocation. The portfolio's overweight positioning and stock selection in pharmaceuticals were positive in the quarter with Merck (MRK), Bristol Meyers Squibb (BMY), Amgen (AMGN), and Johnson & Johnson (JNJ) all strong in the quarter up 26.5%, 21.2%, 16.8%, and 12.3%, respectively. The pharmaceutical industry's strong performance in the fourth quarter was largely driven by a relief rally regarding government policy, alongside renewed M&A activity and strong clinical data. After spending much of 2025 weighed down by fears of aggressive tariffs and price controls, the sector surged when those worst-case scenarios failed to materialize, replaced instead by workable compromises. The biggest catalyst for the sector in late 2025 was the resolution of the "Most Favored Nation" (MFN) drug pricing scare. Throughout 2025, investors feared a blanket executive order that would cap U.S. drug prices at the lowest international rates, which would have devastated margins. In Q4, the administration pivoted to a deal-making approach rather than strict price caps. Major players like Pfizer and Merck struck agreements to lower prices for specific government programs (like Medicaid) in exchange for exemptions from new tariffs. This removed the existential threat hanging over the sector, causing a massive repricing of stocks that had been trading at worst-case scenario valuations. We trimmed the JNJ weight early in quarter and added to AMGN, but otherwise we continue to hold these pharmaceutical names in the portfolio.

The worst sector for Equity Income in the third quarter was Consumer Staples. Both stock selection and allocation drove the weakness. After a short respite from underperformance earlier in the year, Consumer Staples resumed their underperformance due to inflationary and price competition pressures as well as general risk on sentiment working against the defensive nature of the sector. Altria (MO) was down -11.1% on disappointing 3Q earnings and revenue miss. We trimmed MO near the stocks all time high earlier in the year and started a new position in Clorox (CLX). Unfortunately, Clorox was down -17% since purchase on weakening consumer demand, tariff impacts, and retail inventory destocking. Kimberly-Clark (KMB) was down -17.9% in the fourth quarter. The biggest catalyst for the stock's decline in Q4 was the announcement on November 3, 2025, that Kimberly-Clark would acquire Kenvue (the maker of Tylenol and Band-Aid) in a cash-and-stock deal. Investors reacted negatively to the roughly 46% premium Kimberly-Clark agreed to pay, causing the stock to tumble -12.5% in a single morning. The deal represents a massive pivot into the health and wellness sector, creating a combined entity with \$32 billion in annual sales. However, shareholders worried about the debt load and the complexity of integrating such a large competitor. The portfolio continues to hold the reduced position in MO as well as CLX and KMB. However, as always, we continue to review holdings' risk/rewards in light of the ongoing evolution of the economic environment and company specific moves.

The second worst sector for the Equity Income portfolio was Industrials. Stock selection drove the underperformance with several holdings down in the quarter. Fastenal (FAST) was the worst performer in the group, down -17.7% in the quarter. Fastenal is a leading distributor of industrial and construction supplies, specializing in fasteners, tools, and inventory management solutions. During the fourth quarter of 2025, the stock faced downward pressure as investors reacted to management's warnings regarding a margin squeeze driven by rising operating costs and lower-than-expected pricing impact. Additionally, Fastenal underperformed due to sluggish industrial production and concerns about valuation. Illinois Tool Works (ITW), a global diversified manufacturer of engineered fasteners, equipment, and consumable systems, was down -4.9% in the fourth quarter. The stock underperformed as weakening topline results and moderating demand in the automotive and construction markets weighed on investor sentiment. Despite these headwinds, the stock's performance was supported by record operating margins driven by the company's proprietary "80/20" enterprise initiatives and resilient pricing power. Additionally, Paychex (PAYX) was down -10.7% in the quarter. Paychex is a leading provider of payroll processing, human resources, insurance, and benefits administration services primarily for small and medium-sized businesses. During the fourth quarter, investors reacted to a margin squeeze caused by increased expenses from the Paycor acquisition and the expiration of the Employee Retention Tax Credit (ERTC) program. This cautious sentiment was further compounded by macroeconomic uncertainty and softer revenue per client, which weighed on the stock compared to more stable value and industrial sector peers. The portfolio added to the PAYX position in the fourth quarter and continues to hold FAST and ITW.

Top 10 Contributors/Detractors

Top 10 Contributors		Average % Weight	Contribution
1	AMGEN INC	3.24	45 bps
2	MERCK & CO. INC.	1.42	34 bps
3	JOHNSON & JOHNSON	2.73	32 bps
4	CISCO SYSTEMS INC	2.12	25 bps
5	CANADIAN IMPERIAL BANK OF COMMERCE	1.70	23 bps
6	BRISTOL-MYERS SQUIBB CO	1.04	20 bps
7	PRUDENTIAL FINANCIAL INC	1.93	19 bps
8	PRINCIPAL FINANCIAL GROUP	2.49	18 bps
9	TRUIST FINANCIAL CORP	1.61	14 bps
10	LAMAR ADVERTISING CO A	2.44	12 bps

Top 10 Detractors		Average % Weight	Contribution
1	HOME DEPOT INC	2.13	-34 bps
2	ALTRIA GROUP INC	2.35	-28 bps
3	FASTENAL CO	1.34	-28 bps
4	KIMBERLY-CLARK CORP	1.26	-25 bps
5	PAYCHEX INC	2.16	-24 bps
6	MONDELEZ INTERNATIONAL INC A	1.65	-23 bps
7	XCEL ENERGY INC	2.80	-22 bps
8	CLOROX COMPANY	1.11	-21 bps
9	DIGITAL REALTY TRUST INC	2.02	-21 bps
10	SYSCO CORP	1.73	-18 bps

Selected Contributor(s) to Performance

The highest contributing holding in the fourth quarter was Amgen (AMGN). Amgen is a leading biotechnology company focused on human therapeutics, with major franchises in inflammation, oncology, bone health, cardiovascular disease, and a growing rare-disease and biosimilar portfolio and was up 16.8% in the quarter. Amgen's Q4 gains were driven by a combination of financial strength and pipeline breakthroughs, specifically in the hot obesity market. Recent outperformance has been supported by strong volume-driven revenue growth across key products such as Repatha, Prolia, Evenity, and Blynicyto, with earnings results beating expectations and showing broad demand strength despite pricing pressure. Additional momentum has come from positive Phase III readouts, new product launches, and investor confidence in the company's ability to refresh its pipeline and sustain dividend growth, helping AMGN outperform the pharmaceutical industry and the Russell 1000 Value Index. We added to the AMGN position early in the quarter and continue to hold the position.

Merck & Co (MRK) was the portfolio's second highest contributing security in the fourth quarter. Merck is a premier research-intensive biopharmaceutical company that develops and manufactures prescription medicines, vaccines, and animal health products, with a heavy focus on oncology and immunology. MRK was up 26.5% in the quarter. The stock benefited from a good earnings report and strengthening sentiment following late-quarter upgrades citing its attractive valuation and growth profile. Additionally, performance was supported by continued sales momentum for Keytruda and positive pipeline updates for newer products like Winrevair, which offset broader industry pricing pressures. The portfolio continues to hold MRK.

Selected Detractor(s) from Performance

The largest detractor in the fourth quarter was Home Depot (HD). HD underperformed in the quarter primarily due to missing third quarter earnings expectations and lowering guidance for the fourth quarter, signaling a structural demand reset in the home improvement market. Other factors driving underperformance included a lack of storm-related demand and the higher-for-longer interest rate environment that finally began to show structural damage to home improvement demand. Much of this fundamental weakness is transitory in nature, and we expect HD to recover in time. We see a positive risk/reward opportunity and continue to hold the position.

The second largest detractor was Altria Group (MO). Altria primarily manufactures and sells combustible cigarettes, including the Marlboro brand, alongside a growing portfolio of smoke-free alternatives like oral nicotine pouches and e-vapor products. During the fourth quarter of 2025, the stock faced relative underperformance as management warned that earnings growth would moderate due to the lapping of significant prior-year benefits from an accelerated share repurchase program and legal fund expirations. Furthermore, persistent structural declines in cigarette volumes and intense competition from illicit e-vapor products weighed on investor sentiment. We reduced our weight in MO earlier in 2025 but continue to hold the position.

Current Positioning

The Equity Income portfolio continues to be overweight dividend yield and profitability broad style factors while being most underweight beta, market capitalization (size), stock price volatility, and momentum factors. Utilities, Consumer Staples, and Real Estate are the largest overweight sectors. Information Technology, Financials, and Consumer Discretionary are the most underweight sectors relative to the benchmark Russell 1000 Value Index.

As of early 2026, the U.S. economy is characterized by a multidimensional polarization, where a massive AI supercycle is masking underlying softness in traditional sectors and the labor market. While AI infrastructure spending from tech giants is projected to exceed \$500 billion this year, providing a significant floor for GDP growth, broader economic indicators like private sector labor income and consumer spending are showing signs of strain.

Market valuation risks are particularly high as tech valuations tower over historical averages, suggesting that a waning of AI enthusiasm is a significant threat to stability in 2026. If productivity gains fail to materialize at the scale required to justify this historic capex, the “AI bubble” could burst, potentially triggering a broader market correction. Consequently, we suggest low-beta and high-dividend stocks may provide a defensive buffer against heightened volatility and potential shifts in interest rate policy. Recent lagging relative performance by DCM Equity Income may be a better indicator of investment opportunity than risk given the current environment.

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 representation of the investment strategy. The Russell 1000® Index measures the performance of the large-cap segment of the US equity universe. The Russell 1000 Index is a subset of the Russell 3000® Index which is designed to represent approximately 98% of the investable US equity market. It includes approximately 1,000 of the largest securities based on a combination of their market cap and current index membership. The Russell 1000 is constructed to provide a comprehensive and unbiased barometer for the large-cap segment and is completely reconstituted annually to ensure new and growing equities are included. The Russell 1000® Value Index measures the performance of the largecap value segment of the US equity universe. It includes those Russell 1000 companies with relatively lower price-to-book ratios, lower I/B/E/S forecast medium term (2 year) growth, and lower sales per share historical growth (5 years). The Russell 1000® Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics. The indices are representative of a broader market and range of securities than are found in the portfolio. Index returns assume reinvestment of all distributions and do not reflect the deduction of taxes and fees. An individual cannot invest directly in an index; however, an individual can invest in exchange-traded funds or other investment vehicles that attempt to track the performance of a benchmark index. 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 12/31/24. A firm-wide verification was performed for the periods 7/1/08 through 12/31/24.

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.