



**Integrity Micro Cap Value Equity Strategy
First Quarter 2025 Performance Summary**

Commentary Highlights:

- Health care was the most significant contributor to performance. Stock selection in industrials was a major positive. Selection in materials, consumer discretionary, and technology also contributed.
- Consumer staples and communication services were modest drags.
- A lower beta was a positive style attribute.
- Radius Recycling, Inc. Class A (RDUS), Brookdale Senior Living Inc (BKD), and not owning Rigetti Computing, Inc (RGTI) were the three largest contributors.
- Columbus McKinnon Corp (CMCO), Cohu, Inc (COHU), and not owning fuboTV Inc (FUBOI) were the three largest detractors.

Top 5 Holdings – Representative Account

12/31/2024			3/31/2025		
Ticker	Name	Weight	Ticker	Name	Weight
MCS	Marcus Corporation	1.37	NTST	NETSTREIT Corp.	1.38
AORT	Artivion, Inc.	1.24	BKD	Brookdale Senior Living Inc.	1.37
CMCO	Columbus McKinnon Corporation	1.22	OBK	Origin Bancorp, Inc.	1.33
TILE	Interface, Inc.	1.18	DX	Dynex Capital, Inc.	1.28
RBBN	Ribbon Communications, Inc.	1.17	RBBN	Ribbon Communications, Inc.	1.25

Comments

Marcus Corporation (MCS), Artivion, Inc. (AORT), and Interface, Inc. (TILE) underperformed. We exited Columbus McKinnon Corporation (CMCO) as they announced a large acquisition that takes leverage to five times and dilutes shareholders' ownership, while greatly increasing risk to the company. NETSTREIT Corp. (NTST), Brookdale Senior Living Inc. (BKD), Origin Bancorp, Inc. (OBK), and Dynex Capital, Inc. (DX) outperformed to become top five holdings.

Sector Weights – Representative Account

	12/31/2024	O/U	3/31/2025	O/U
Communication Services	4.96	2.47	3.44	0.97
Consumer Discretionary	11.91	3.30	12.03	3.94
Consumer Staples	0.76	-0.74	0.66	-1.03
Energy	4.57	-0.30	3.55	-1.67
Financials	28.94	-3.74	29.91	-5.02
Health Care	5.95	-10.35	6.40	-8.36
Industrials	18.84	5.90	18.75	6.26
Information Technology	12.26	0.79	12.47	1.88
Materials	5.36	1.97	5.11	1.75
Real Estate	4.58	-0.18	5.40	0.13
Utilities	0.78	-0.19	0.87	-0.27



Comments

The weight in communication services and energy declined, while the weight in financials and real estate increased.

Within communication services, we moved on from the EW Scripps Company (SSP), as their turnaround has taken longer than expected. We are concerned about its ability to execute an upcoming refinancing at non-dilutive interest rates. Magnite, Inc. (MGNI) was sold to take profits.

Weak absolute and relative performance along with the sale of Solaris Energy Infrastructure, Inc. Class A (SEI) led to a lower energy weight. We took our gains in Solaris Energy Infrastructure, Inc. Class A (SEI) after a short report detailed high customer concentration and a questionable management team at the newly acquired Mobile Energy Rentals business. Infinity Natural Resources, Inc. Class A (INR) is a new holding. It is a recent IPO and Appalachian Basin pure-play E&P trading at a 30% discount to the natural gas peer group. It has an unlevered balance sheet and a seasoned management team focused on margin expansion and is benefiting from lower well costs and an improving natural gas pricing environment.

We exited Premier Financial Corp. (PFC) and First Bancshares, Inc. (FBMS) as they are being acquired by larger banks. We replaced the weight with adds to existing bank holdings and the purchase of Horizon Bancorp, Inc. (HBNC). A newer management team is deemphasizing less-profitable business lines and has restructured the balance sheet for better future profitability. Horizon Bancorp, Inc. (HBNC) also trades at a discount to historical valuations.

Solid absolute and relative performance, along with some additions to existing holdings, led to a higher real estate weight.

In consumer discretionary, we did purchase Sally Beauty Holdings, Inc. (SBH). It trades at an attractive valuation with a management team focused on improving operations and profitable growth.

Within industrials, we exited Columbus McKinnon Corporation (CMCO) as they announced a large acquisition that takes leverage to five times and dilutes shareholders' ownership, while greatly increasing risk to the company.

In technology, we sold one position and purchased two holdings. TTM Technologies, Inc. (TTMI) was sold to take profits and adhere to market capitalization guidelines. The proceeds were used to fund a new position in Veeco Instruments Inc. (VECO). Veeco Instruments Inc. (VECO) trades at a discount to semicap peers with a management team focused on profitable growth. MaxLinear, Inc. (MXL) trades at a discount to semi peers, is cutting costs, has a new PAM4 DSP offering, and should benefit from improved demand for networking and broadband products.

**Top Contributors/Detractors (Quarter ended 3/31/2025) – Representative Account
Contribution to Return Relative to Benchmark**

Best			Worst		
Ticker	Name	Total Effect	Ticker	Name	Total Effect
RDUS	Radius Recycling, Inc. Class A	+0.68	CMCO	Columbus McKinnon Corporation	-0.31
BKD	Brookdale Senior Living Inc.	+0.38	COHU	Cohu, Inc.	-0.21
RGTI	Righetti Computing Inc.*	+0.34	FUBO	fuboTV Inc.*	-0.20
AAOI	Applied Optoelectronics, Inc.*	+0.28	UEIC	Universal Electronics Inc.	-0.18
PTLO	Portillo's, Inc. Class A	+0.27	EWCZ	European Wax Center, Inc. Class A	-0.18

*Not Owned

Comments

Columbus McKinnon Corporation (CMCO) announced a large acquisition that takes leverage to five times and dilutes shareholders' ownership, while greatly increasing risk to the company. Soft end-market demand led to disappointing results and outlook at Cohu, Inc. (COHU). An order pull forward resulted in weaker-than-expected guidance at Universal Electronics Inc. (UEIC). Disappointing guidance and a slowing of new unit growth sent shares of European Wax Center, Inc. Class A (EWCZ) lower.



Attribution – Representative Account Q1 2025

Health care was the most significant contributor to performance. Stock selection in industrials was a major positive. Selection in materials, consumer discretionary, and technology also contributed. Sector allocations were positive due to an underweight in health care (mostly biotech, which underperformed). Consumer staples and communication services were modest drags. A lower beta was a positive style attribute.

A large underweight to biotechs, which underperformed, was the largest positive in health care. It added 121 basis points. Brookdale Senior Living Inc. (BKD) advanced 24%. It reported strong quarterly results and 2025 guidance ahead of consensus combined with favorable occupancy trends.

Strong selection in industrials was due to IBEX Ltd. (IBEX), Titan Machinery Inc. (TITN), and Willdan Group, Inc. (WLDN). IBEX Ltd. (IBEX) produced a beat-and-raise quarter, driven by new client wins and increased market share within existing customers. Titan Machinery Inc. (TITN) rebounded as it cleared out significant inventory. Willdan Group, Inc. (WLDN) reported a beat-and-raise quarter as growth benefited from rising electricity demand and costs. Columbus McKinnon Corporation (CMCO) was a notable detractor. They announced a large acquisition that takes leverage to five times and dilutes shareholders' ownership, while greatly increasing risk to the company.

Robust performance in materials was entirely due to Radius Recycling Inc. Class A (RDUS). It accepted a significant premium to be acquired.

Positive performance in consumer discretionary was led by Portillo's, Inc. Class A (PTLO) and Motorcar Parts of America (MPAA). Early in the quarter, Portillo's, Inc. Class A (PTLO) preannounced Q4 results and 2025 guidance that exceeded expectations, boosting shares. Strong results, a positive outlook, and reduced debt led to the advance at Motorcar Parts of America (MPAA). National Vision Holdings, Inc. helped as it rebounded after a better-than-feared quarter. The largest detractors were Universal Electronics Inc. (UEIC), European Wax Center, Inc. Class A (EWCZ), and Wolverine World Wide, Inc. (WWW). An order pull forward resulted in weaker-than-expected guidance at Universal Electronics Inc. (UEIC). Disappointing guidance and a slowing of new unit growth sent shares of European Wax Center, Inc. Class A (EWCZ) lower. Retail shares, such as Wolverine World Wide, Inc. (WWW), lagged on concerns about the strength of the consumer, tariff impact, and conservative/cautious company guidance.

Overall performance in technology was positive as we avoided some of the worst performing stocks. However, Cohu, Inc. (COHU) and SkyWater Technology Inc. (SKYT) were disappointments. Soft end-market demand led to disappointing results and outlook at Cohu, Inc. (COHU). SkyWater Technology Inc. (SKYT) sold off on conservative guidance.

Stock selection in real estate helped as our average holding outperformed (+3.5% vs. -2.7%). Increased macro uncertainty and lower interest rates helped REITs such as Global Medical REIT, Inc. (GMRE) and NETSTREIT Corp. to advance 16% and 14%, respectively.

Financials were a minor positive. Strength in our insurance holdings offset some minor weakness in banks and mortgage REITs. HCI Group (HCI), up 28%, and Heritage Insurance Holdings, Inc. (HRTG), up 19%, reported stronger profitability despite catastrophe losses. EZCORP, Inc. Class A (EZPW) rose 20% as strong pawn demand and a bond offering to repay a convertible note were well received by investors.

We missed owning some of the better-performing consumer staples. Honest Company, Inc. (HNST) posted solid earnings, but conservative guidance and tariff concerns pressured shares.

We had weak selection in energy, with Vital Energy, Inc. (VTLE) the biggest negative. It declined due to softer 2025 oil production guidance and underperforming well results which could negatively impact inventory levels.

PubMatic, Inc. Class A (PUBM) was a headwind in communication services. The company posted mixed results and soft guidance as a customer transition continues to impact near-term results.



Outlook

To everything (turn, turn, turn)

There is a season (turn, turn, turn)

And a time to every purpose under heaven

– Written by Pete Seeger, performed by The Byrds

We are strong believers in reversion to the mean. Small-cap value stocks have looked “cheap” relative to large-caps and, in particular, growth. Relative to the Russell 1000[®] Index, the Russell 2000[®] Value Index has been cheaper only 10% of the time. In past analyses, we had discussed the significant boost to large-cap companies’ bottom lines from falling interest rates and falling tax rates. Perhaps this recent era of higher rates and no new tax cuts is winnowing the large-cap field. 2024 was a momentum-driven market. Earnings momentum seems to be slowing, and earnings growth is concentrated in fewer companies. At the same time, small cap stocks are generally expected to provide earnings growth at a historic discount.



INTEGRITY MICRO CAP VALUE EQUITY – REPRESENTATIVE ACCOUNT

TOP 10 ACTIVE OVERWEIGHTS

Ticker	Company Name	Active Weight
BKD	Brookdale Senior Living Inc.	1.37
AORT	Artivion, Inc.	1.10
RBBN	Ribbon Communications, Inc.	1.09
IMAX	IMAX Corporation	1.02
HRTG	Heritage Insurance Holdings, Inc.	1.01
MCS	Marcus Corporation	0.99
EZPW	EZCORP, Inc. Class A	0.99
DHIL	Diamond Hill Investment Group, Inc.	0.96
IBEX	IBEX Ltd.	0.94
NTST	NETSTREIT Corp.	0.92

TOP 10 ACTIVE UNDERWEIGHTS

Ticker	Company Name	Active Weight
PRDO	Perdoceo Education Corporation	-0.74
RGTI	Rigetti Computing, Inc.	-0.67
STEL	Stellar Bancorp, Inc.	-0.61
EFC	Ellington Financial Inc.	-0.52
UMH	UMH Properties, Inc.	-0.51
NIC	Nicolet Bankshares, Inc.	-0.51
COMM	CommScope Holding Co., Inc.	-0.51
FBRT	Franklin BSP Realty Trust, Inc.	-0.47
FBMS	First Bancshares, Inc.	-0.46
PFBC	Preferred Bank	-0.46

INTEGRITY MICRO CAP VALUE EQUITY – REPRESENTATIVE ACCOUNT

NEW POSITIONS

Ticker	Company Name
HBNC	Horizon Bancorp, Inc.
INR	Infinity Natural Resources, Inc. Class A
MXL	MaxLinear, Inc.
SBH	Sally Beauty Holdings, Inc.
VECO	Veeco Instruments Inc.

CLOSED POSITIONS

Ticker	Company Name
CMCO	Columbus McKinnon Corporation
FBMS	First Bancshares, Inc.
MGNI	Magnite, Inc.
PFC	Premier Financial Corp.
SEI	Solaris Energy Infrastructure, Inc. Class A
SSP	E. W. Scripps Company Class A
TTMI	TTM Technologies, Inc.



Composite Performance (%)

As of December 31, 2024

	Quarter	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception (02/01/11)
Integrity Micro Cap Value Equity (Gross)	3.56	13.05	13.05	5.44	10.12	9.70	12.04
Integrity Micro Cap Value Equity (Net)	3.31	11.92	11.92	4.38	9.03	8.61	10.93
Russell Microcap [®] Value Index	2.67	9.16	9.16	-0.34	7.25	7.48	9.01

Past performance cannot guarantee future results. Returns for periods greater than one year are annualized. Returns are expressed in U.S. dollars and reflect the reinvestment of dividends and other earnings. Performance prior to November 1, 2014, occurred while the team was affiliated with a prior firm. The investment management team has managed the composite strategy since inception and the investment process has not changed. Composite and benchmark returns are presented net of non-reclaimable withholding taxes, if any. Gross-of-fees returns are presented before management and custodial fees but after all trading expenses. Net-of-fees returns reflect gross performance less investment management fees. Net-of-fees returns are calculated by deducting 1/12 of the highest tier of the standard fee schedule in effect for the period noted (the model fee). The composite model fee for each period is either the highest tier of the current fee schedule or a higher value, whichever is required to ensure the model composite net-of-fee return is lower than or equal to the composite net-of-fee return calculated using actual fees. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. The firm's fees are available on request and may be found on Part 2A of its Form ADV.

A GIPS[®] Report is provided at the end of this document.

Integrity Micro Cap Value strategy focuses on micro-cap companies that are currently trading below our estimate of intrinsic value and are characterized by improving investor sentiment.

Index returns are provided to represent the investment environment during the periods shown. Index returns include the reinvestment of dividends and capital gains but do not include transaction costs, management fees or other costs. One cannot invest directly in an index.

Information relating to portfolio holdings is based on the representative account in the composite and may vary for other accounts in the strategy due to asset size, client guidelines and other factors. The representative account is believed to most closely reflect the current portfolio management style.

The information in this article is based on data obtained from recognized services and sources and is believed to be reliable. Any opinions, projections or recommendations in this report are subject to change without notice and are not intended as individual investment advice. The securities highlighted, if any, were not intended as individual investment advice. A complete list of all holdings for the previous 12 months, each holding's contribution to the strategy's performance, and the calculation methodology used to determine the holdings' contribution to performance is available on request. Victory Capital Management Inc., and its affiliates, as agents for their clients, and any of its officers or employees, may have a beneficial interest or position in any of the securities mentioned, which may be contrary to any opinion or projection expressed in this report.

Contributors and Detractors Source: FactSet. The top contributors and detractors are presented to illustrate examples of the portfolio's investments and may not be representative of the portfolio's current or future investments. The percent displayed is contribution to return. Holdings are as of quarter end and may change at any time.

Integrity Asset Management is a Victory Capital Franchise. Advisory services offered by Victory Capital Management Inc., an SEC-registered investment adviser.

V17.049 // 1Q 2025 INTGY Micro Cap Val Strategy COM

FOR INSTITUTIONAL INVESTOR USE ONLY/NOT FOR USE WITH THE GENERAL PUBLIC

6

Victory Composite Performance
Integrity Micro Cap Value Equity Strategy

Year Ending	Gross Return	Net Return	Benchmark	3yr Annualized Standard Deviation (%) Composite	3yr Annualized Standard Deviation (%) Benchmark	Number of Portfolios	Internal Dispersion	Composite Assets (mm)	Total Franchise Assets (mm)	Total Firm Assets (mm)
12/31/2024	13.05%	11.92%	9.16%	24.19%	24.21%	≤5	N/M	\$119	\$5,780	\$152,502
12/31/2023	16.14%	14.99%	8.86%	22.86%	23.49%	≤5	N/M	\$113	\$5,352	\$145,153
12/31/2022	-10.73%	-11.63%	-16.70%	30.38%	27.99%	≤5	N/M	\$128	\$4,683	\$135,073
12/31/2021	38.58%	37.20%	34.84%	28.82%	26.41%	≤5	N/M	\$198	\$5,308	\$163,030
12/31/2020	-0.29%	-1.27%	6.34%	29.53%	26.39%	≤5	N/M	\$160	\$4,331	\$144,348
12/31/2019	22.93%	21.71%	21.28%	16.69%	16.07%	≤5	N/M	\$224	\$5,326	\$147,934
12/31/2018	-14.69%	-15.54%	-11.96%	16.99%	16.55%	≤5	N/M	\$137	\$4,659	\$51,500
12/31/2017	12.13%	11.02%	11.09%	15.53%	15.47%	≤5	N/M	\$182	\$6,283	\$60,297
12/31/2016	31.06%	29.75%	30.59%	16.47%	16.71%	≤5	N/M	\$198	\$6,031	\$42,934
12/31/2015	1.08%	0.07%	-5.77%	14.28%	14.67%	≤5	N/M	\$110	\$5,182	\$30,889

- Victory Capital Management Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Victory Capital Management Inc. has been independently verified for the period from January 1, 2001, through December 31, 2023. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Integrity Micro Cap Value Equity Composite has had a performance examination for the periods January 1, 2014, through December 31, 2023. The verification and performance examination reports are available upon request.
- Victory Capital Management Inc. (VCM) is a diversified global investment adviser registered under the Investment Advisers Act of 1940 and comprises multiple investment franchises: Integrity Asset Management, Munder Capital Management, New Energy Capital Partners, NewBridge Asset Management, Pioneer Investments, RS Investments, Sophus Capital, Sycamore Capital, THB Asset Management, Trivalent Investments, Victory Income Investors, and the Victory Capital Solutions Platform. RS Investments and Sophus Capital became a part of the VCM GIPS firm effective January 1, 2017; Victory Income Investors, effective July 1, 2019; THB Asset Management, effective March 1, 2021; New Energy Capital effective November 1, 2021; and Amundi Asset Management US, Inc. (renamed to "Pioneer Investments"), effective April 1, 2025.
- The Integrity Micro Cap Value Equity Composite includes all accounts, except wrap fee paying accounts, and focuses on micro-cap companies that are currently trading below our estimate of intrinsic value and are characterized by improving investor sentiment. The composite creation date is February 2011, and the composite inception date is February 2011.
- The benchmark of the composite is the Russell Microcap® Value Index. Prior to October 2015, the benchmark is the Russell Microcap® Index. The benchmark was changed prospectively as the firm believes the current benchmark provides a more representative comparison of the composite strategy. The Russell Microcap Value Index measures the performance of the micro capitalization value segment of the U.S. equity market. It includes those companies with lower price-to-book ratios and lower forecasted growth rates in the Russell Microcap® Index, which comprises the smallest 1,000 companies in the Russell 2000® Index plus 1,000 smaller U.S. equities. You cannot invest directly in an index. The Russell Microcap® Index measures the performance of the microcap segment of the U.S. equity market. Microcap stocks make up less than 3% of the U.S. equity market (by market cap) and consist of the smallest 1,000 securities in the small-cap Russell 2000® Index, plus the next 1,000 smallest eligible securities by market cap. The benchmark returns are provided to represent the investment environment existing during the time periods shown and are not covered by the report of independent verifiers. For comparison purposes, the index is fully invested, which includes the reinvestment of income. The returns have been taken from a published source and do not include any transaction fees, management fees, or other costs.
- The internal dispersion of annual returns is measured by the standard deviation of asset-weighted gross returns of accounts included in the composite for the full year. If less than six portfolios are included in the composite for the full year, no dispersion measure is presented, as it is not considered meaningful (N/M). The three-year annualized ex-post standard deviation measures the variability of the composite's gross returns, and the benchmark returns over the preceding 36-month period. It is not required to be presented for annual when a full three years of composite performance is not yet available.
- Composite and benchmark returns are presented net of non-reclaimable withholding taxes. Gross-of-fees returns are presented before management and custodial fees but after all trading expenses. Net-of-fees returns are calculated by deducting 1/12 of the highest tier of the standard fee schedule in effect for the period noted (the model fee). The composite model fee for each period is either the highest tier of the current fee schedule or a higher value, whichever is required to ensure the model composite net-of-fee return is lower than or equal to the composite net-of-fee return calculated using actual fees. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. The complete fee schedule for this product is:

Market Value	Annual Fee
First \$15,000,000	1.00% (Min. Annual Fee: \$50,000)
Next \$35,000,000	0.90%
Next \$50,000,000	0.80%
Thereafter	0.75%
- Valuations and returns are stated in U.S. dollars. Past performance should not be considered indicative of future performance. Composite returns reflect the reinvestment of dividends and other earnings. A list of broad distribution pooled funds, composite and limited distribution pooled fund descriptions and policies of valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Registration with the SEC does not imply a certain level of skill or training.
- 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.