

Small Cap Quarterly Commentary

2022: Third Quarter

Argent

Performance Summary

For the third quarter of 2022, the Argent Small Cap strategy underperformed its benchmark, returning -8.3% net of fees, compared to a return of -2.2% for the Russell 2000 Index.

Performance Summary as of September 30, 2022*								
		3Q22	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Argent Small Cap	Net (%)	-8.26	-31.21	-29.22	-3.62	-3.57	4.58	4.54
Russell 2000		-2.19	-25.10	-23.50	4.29	3.55	8.55	6.85
Excess Return		-6.07	-6.11	-5.72	-7.91	-7.12	-3.97	-2.31

*Annualized for periods longer than one (1) year. The inception date of the Argent Small Cap Equity strategy is 01/01/2008

For comparison purposes, the strategy is measured against the Russell 2000® Index. Past performance is no guarantee of future results. Data is as of 09/30/22 and is supplied as supplemental information to the composite disclosures presented later in this document. Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. This presentation was prepared by Argent and may contain confidential information. Unauthorized use, disclosure, copying, dissemination or redistribution of this presentation is strictly prohibited.

Stock selection was negative during the third quarter—a reversal from the prior quarter. Sector allocation was slightly positive. From an allocation perspective, the overweights in Health Care, Information Technology and Consumer Discretionary were additive. The lack of exposure to Energy hurt allocation the most during the third quarter, while the lack of exposure to Communication Services, Consumer Staples, Utilities and Materials all contributed to positive sector allocation.

Stock selection was most negative in Health Care, Information Technology and Consumer Discretionary. While stock selection in Health Care was clearly a drag in the quarter, mainly attributable to two companies, the portfolio saw excellent returns from significant positions in Medpace Holdings, Inc., Addus Homecare Corp. and Globus Medical, Inc. Unprofitable biotechnology and pharmaceutical companies in the Russell 2000 posted positive returns during the quarter which was as a headwind for the Argent Small Cap strategy. Omnicell, Inc. provides medication management tools and related solutions to hospital systems. It possesses a dominant and growing position within the U.S. health system and provides products that reduce hospital labor costs. Omnicell's solutions are in demand as the labor market tightens and costs increase across the healthcare industry. Omnicell has faced higher costs in 2022. Due to an implementation backlog, it has been unable to pass rising costs off to customers. That factor, and a pullback on hospital spending have hurt investor sentiment. We think its outlook is bright and margins will find footing and expand as a higher amount of recurring revenue becomes part of Omnicell's mix. Therefore, we added to our position in the third quarter. PetIQ, Inc. makes and distributes prescriptions and medications for companion animals. It has also been growing its services-based business which provides veterinarian services to clients in a small box store format. COVID-19 caused several delays to its pet wellness center roll-out. In addition, it is challenging to find veterinarians. While PetIQ caters to a growing and attractive end market, the services component of its business is likely to remain impaired. We exited our investment during the quarter.

Stock selection in Information Technology detracted as Repay Holdings Corporation, ePlus, Inc. and Fortinet, Inc. saw stock price declines. Repay is a payments technology company focused on business-to-business, personal loans, healthcare and debt collection industry verticals. The company lowered its organic growth forecast during the quarter, which was a negative surprise. A portion of Repay's volumes is exposed to cyclical parts of the economy, which can lead to more earnings volatility. We continue to believe that Repay will offset those factors by continuing to gain share. Thus, we continue to hold the investment. ePlus is an information technology product and solutions value-added reseller. The company grew at double-digit rates during the quarter but experienced margin pressure in its service-related segment. The stock has held up for most of 2022 but sold off after the third quarter earnings announcement. Cybersecurity software solutions provider, Fortinet, reported terrific operating results in the most

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recent quarter. However, the company has set such a high bar for itself by continuously besting investor expectations that slightly over-delivering was met with temporary investor chagrin.

The Consumer Discretionary attribution was similar to Health Care. Strong performance from gas station owner and operator Murphy USA Inc. and manufactured housing company Skyline Champion Corporation was offset by poor stock price reactions to operating results from America's Car-Mart Inc. and Helen of Troy Limited. America's Car-Mart sells and finances cheap used cars in small towns in the south and central parts of the United States. The company continued to gain market share in its most recent quarter, but credit deteriorated across its portfolio. In 2021, America's Car-Mart's customers benefited from the COVID-related economic stimulus. In 2022 those customers are finding it difficult to purchase cars in the current environment of inflation and rising interest rates. Helen of Troy makes and sells several well-known consumer brands including OXO kitchen tools, Osprey backpacks, Hydro Flask water bottles and Pur water filters. Like many others, the company saw a substantial growth surge during the pandemic and more recently experienced lower demand for its products. The management team at Helen of Troy has remained steadfast in acquiring niche companies to diversify its revenue stream. Company management has a long history of strong execution and allocating capital in a shareholder-friendly manner.

Quarterly Attribution Analysis, September 30, 2022
Argent Small Cap Strategy vs. Russell 2000 Index*

	Argent Small Cap			Russell 2000			Variation			Attribution Analysis		
	Average Weight	Total Return	Contribution to Return	Average Weight	Total Return	Contribution to Return	Average Weight	Total Return	Contribution to Return	Allocation Effect	Selection + Interaction	Total Effect
Comm. Services	--	--	--	2.85	-10.65	-0.27	-2.85	10.65	0.27	0.24	--	0.24
Cons. Discretionary	19.87	-7.62	-1.41	10.44	-1.63	-0.17	9.43	-5.99	-1.23	0.16	-1.18	-1.02
Consumer Staples	--	--	--	3.53	-7.71	-0.27	-3.53	7.71	0.27	0.20	--	0.20
Energy	--	--	--	5.54	5.22	0.12	-5.54	-5.22	-0.12	-0.39	--	-0.39
Financials	17.12	-6.48	-1.51	17.12	-2.15	-0.46	0.00	-4.33	-1.05	0.09	-0.75	-0.67
Health Care	20.36	-4.49	-0.72	17.79	6.54	1.08	2.56	-11.03	-1.81	0.24	-2.31	-2.07
Industrials	19.62	-6.25	-1.40	15.13	-2.83	-0.43	4.49	-3.42	-0.97	-0.04	-0.69	-0.73
Technology	14.61	-16.38	-2.23	13.13	-4.72	-0.45	1.48	-11.66	-1.78	0.02	-1.95	-1.93
Materials	--	--	--	4.16	-5.00	-0.24	-4.16	5.00	0.24	0.11	--	0.11
Real Estate	6.55	-9.66	-0.74	6.85	-12.47	-0.78	-0.30	2.81	0.04	0.04	0.18	0.22
Utilities	--	--	--	3.47	-7.60	-0.30	-3.47	7.60	0.30	0.20	--	0.20
Cash	1.89	0.64	0.01	--	--	--	1.89	0.64	0.01	0.00	--	0.00
Total	100.00	-8.00	-8.00	100.00	-2.17	-2.17	--	-5.83	-5.83	0.87	-6.71	-5.83

* This analysis is based on the holdings history of a representative portfolio of the Argent Small Cap Strategy. The information provided in this report should not be considered a recommendation to purchase or sell any particular security. You should not assume that investments in any securities within these sectors were or will be profitable. A list of stocks recommended by Argent in the past year is available upon request. Past performance is no guarantee of future results.

Market Commentary

It was a busy quarter as inflation approached double digits and clocked in at multi-decade highs. In response, the Federal Reserve increased its benchmark rate a staggering 150 basis points in a two-month span. The stock market initially rallied furiously in the first half of the third quarter but retreated to second quarter levels by the end of September as Federal Reserve Chairman Powell repeated his hawkish message. The economy is cooling. Investor sentiment is in the doldrums. Everything is more expensive than it was a year ago. While it is difficult to find anything positive, the markets are cyclical and we must unwind excess to rebuild.

The Russell 2000 Index has experienced its worst three quarters of the year in history. The index has declined by over 25%. Energy is the only sector that has produced a positive return in 2022. In fact, the Energy sector is up a whopping 30% for the first nine months of the year. The Russell 2000 return was slightly negative in the third quarter compared to its double-digit tumble in the prior quarter. During the third quarter, the Russell 2000 Growth® Index (+0.2%) outperformed the Russell 2000 Value® Index (-4.6%) for the first time in seven quarters. Speculative sectors such as Biotechnology and Pharmaceuticals produced double-digit returns and accounted for a significant chunk of the indices' overall returns. Profitable companies underperformed loss-making companies by 450 basis points in the third quarter, a reversal of what occurred in the first half of 2022. The outperformance of non-earners created a challenging environment for active managers focused on investing in better and enduring businesses.

Top Contributors

Addus Homecare Corp. provides home health, personal care and hospice services. The company provides services to the elderly, chronically ill and disabled at risk of hospitalization or institutionalization. Over the past several years, the trend has shifted to serving these consumers in a home-based setting instead of a nursing home or hospital, which are radically more expensive. Addus has demographics in its favor as well. The population of individuals over the age of 65 years old is growing at a mid-single-digit rate. The home healthcare market is highly fragmented and ripe for further consolidation. Addus is well positioned to pursue acquisitions moving forward. The company has reported a handful of quarters in a row where operating results have come in as anticipated.

Murphy USA Inc. operates gas stations almost entirely in Wal-Mart parking lots. It is a low-price, high-volume retailer with low-cost store formats. Murphy acquired QuickCheck in early 2021 and the transaction has gone well. QuickCheck helped Murphy increase its exposure to higher-margin food and beverage offerings without diluting its advantaged fuel strategy. The company has reported several quarters in a row of impressive fuel and merchandise margins. Murphy's capital allocation remains shareholder-friendly, particularly on the share repurchase front.

Skyline Champion Corporation produces manufactured housing and mobile homes in the United States and Canada. The company provides lower-cost, affordable options for potential homeowners. As a manufactured home builder, Skyline enjoys the standardization of processes, an effective centrally managed rural-based labor force, bulk buying and shipping advantages. The company's most recent quarterly earnings were much better than anticipated. Skyline experienced above-market growth in volumes and average sales prices. The company has a very healthy balance sheet that boasts a positive net cash position.

Medpace Holdings, Inc. is a contract research organization, or CRO, that caters to smaller biotechnology and pharmaceutical companies. CRO relationships allow biotechnology and pharmaceutical companies to focus their research efforts on developing innovative therapies to combat harmful diseases and viruses. CROs conduct feasibility studies, manage regulatory affairs, patient recruitment and clinical trials on behalf of their clients. Medpace reported terrific operating results in its most recent quarter, and insider buying of the stock has accelerated over the past several months.

Green Brick Partners Inc. is a land developer and home builder focusing on the Dallas, Atlanta, Colorado Springs/Fort Collins and Vero Beach markets. The housing market is in short supply as there is a secular shift toward home ownership underway and housing starts have been below trend for years. COVID-19 has accelerated some of these trends and we believe that the population will continue to migrate toward the Sun Belt and spots such as Colorado, Utah and Montana driven by relative affordability and career flexibility. Green Brick produced higher home closings and gross margins in the third quarter, combining its land development expertise with its homebuilding business.

Top Detractors

ePlus, Inc. is an information technology value-added reseller that also offers consulting services to its clients. It focuses on emerging technologies such as security, artificial intelligence and the cloud. ePlus is a bit different than most value-added resellers as it leads with a consultative sales approach, whereby the sales team gets to know customers and understands their needs. ePlus can then design and deploy managed solutions that meet the customers' objectives. This lifecycle approach tends to ingrain ePlus into the fabric of its end users' networks and sets them up to be recurring partners. The company reported just an in-line quarter and the sock meaningfully sold off.

America's Car-Mart Inc. is an integrated automotive sales and finance company with almost 150 stores in small cities across the south-central United States. The company serves subprime consumers and competes with mom-and-pop businesses as well as the used car portion of franchised car dealers. The addressable market of subprime consumers is large and underserved, providing excellent long-term growth prospects for America's Car-Mart from both an organic and consolidation perspective. The company saw credit deterioration hasten during its most recent quarter leading to some investor skittishness.

Repay Holdings Corporation is a debit-focused merchant acquirer specializing in consumer finance, auto, retail and business-to-business payment verticals. The company has been pursuing less competitive niches with good growth prospects from inception. This has established a first-mover advantage with many software platform integrations, a full-service payments system supporting debit across all payment formats, and a processing infrastructure that supports all tender types, resulting in an unheard of 98% volume retention rate. Payment companies continue to see their multiples compress and Repay has felt that pain, too. Compounding that was a softer-than-anticipated quarter that saw management reel in guidance for the remainder of the year.

PetIQ, Inc. provides services and products to the companion animal market. The company manufactures and distributes pet health and wellness products through an omnichannel approach, and also offers veterinary services via a clinic offering that partners with mass retailers. PetIQ's services segment has never fully recovered from the COVID-19 malaise, as veterinarians are in short supply and competition for them is high. As a result, the capital required to drive the success of PetIQ's services segment has increased and returns on that capital have shrunk. We exited our PetIQ position during the quarter.

Willdan Group, Inc. provides professional, technical and consulting services to utilities, private industry and public agencies at all levels of government. It mainly operates in the energy efficiency services market, engineering and consulting market. During the quarter, Willdan signed a significant dollar amount of California utility contracts over the past year that will increase its revenue run rate for years to come. The company has run into delays with COVID-19 and is now sifting through highly restrictive processes and policies that the utilities have in place which caused the programs to ramp very slowly. Willdan and the utilities have come together and made changes program by program to speed up the process.

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Argent Small Cap Strategy Top Contributors and Detractors for Quarter Ending September 30, 2022*

Top Contributors	Avg. Weight	Total Effect	Top Detractors	Avg. Weight	Total Effect
Addus HomeCare Corporation	3.87	0.59	ePlus inc.	3.61	-0.78
Murphy USA, Inc.	2.55	0.42	America's Car-Mart, Inc.	2.00	-0.81
Skyline Champion Corp.	3.96	0.38	Repay Holdings Corp.	1.68	-0.86
Medpace Holdings, Inc.	4.64	0.31	PetIQ, Inc. Class A	1.21	-0.93
Green Brick Partners, Inc.	2.91	0.27	Willdan Group, Inc.	2.12	-1.09

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Portfolio Positioning

Turnover was just under 9% in the third quarter and 22% over the trailing twelve months. We added new investments to the portfolio during the third quarter including CBIZ, Inc. CBIZ is a consulting conglomerate with core businesses tied to accounting, tax, employee benefits, retirement services and insurance brokerage. The business generates consistent cash flow, has high client retention and a margin profile that should slowly increase over time. CBIZ has a well-established acquisition program with a history of adding to top-line growth each year. The industry is highly fragmented, and we expect consolidation to continue. CBZ is a strong acquirer and is poised for future growth.

As of the end of quarter, the portfolio was most overweight Consumer Discretionary and Industrials followed by Health Care and Information Technology. The Small Cap strategy was equal weight Financials and Real Estate. There is no sector exposure to Energy, Materials, Communication Services, Consumer Staples and Utilities. As an investment team, we continue to seek good businesses that are priced at attractive valuations for the portfolio. Recall, to us a good business is one that generates substantial cash flow, requires opportunistic capital investment and has a conservatively financed balance sheet. We also prefer management teams with a track record of producing returns above their cost of capital and that have proven their wherewithal over an economic cycle.

Sincerely,

Argent Small Cap Team

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Argent Capital Management, LLC ARGENT SMALL CAP EQUITY COMPOSITE January 1, 2008 through September 30, 2022

For the period ending December 31,	Composite Return % Gross-of-Fees	Composite Return % Net-of-Fees	Russell 2000 Return (%)	Composite 3-Yr St. Dev (%)	Russell 2000 3-Yr St. Dev (%)	Number of Composite Accounts	Composite Assets (\$ millions)	Principal Business Assets (\$ millions)	Internal Dispersion (%)
2021	16.76	16.03	14.82	24.75	23.35	2	26	3,517	0.10
2020	2.65	1.91	19.96	26.13	25.27	1	30	2,874	0.00
2019	24.27	23.40	25.53	16.35	15.71	7	199	3,019	1.84
2018	-19.43	-20.19	-11.01	16.45	15.79	7	184	2,542	0.38
2017	18.39	17.24	14.65	14.51	13.91	7	227	2,898	0.47
2016	25.73	24.48	21.31	16.19	15.76	7	207	2,604	0.09
2015	-5.48	-6.42	-4.41	13.50	13.96	6	169	2,357	0.04
2014	7.44	6.37	4.89	12.17	13.12	7	186	2,817	0.11
2013	28.74	27.48	38.82	17.04	16.45	6	178	2,478	0.18
2012	19.68	18.49	16.35	19.84	20.20	7	139	1,782	0.22
Three-Year Annualized	14.20	13.42	20.02						
Five-Year Annualized	7.28	6.43	12.02						
Ten-Year Annualized	10.82	9.84	13.23						
Information for period(s) September 30, 2022									
3rd Quarter 2022	-8.12	-8.26	-2.19	26.23	25.11	2	15	2,624	
Rolling 1 - Year	-28.78	-29.22	-23.50						
Rolling 3 - Year	-2.99	-3.62	4.29						
Rolling 5 - Year	-2.85	-3.57	3.55						
Rolling 10 - Year	5.49	4.58	8.55						
Since Inception Annualized	5.49	4.54	6.85						

Disclosures:

1. Argent Capital Management, LLC ("Argent") is an independent investment management firm comprised of two distinct business entities: the Non-Wrap Fee/SMA Business of Argent Capital Management, LLC ("Principal Business"), which does not include wrap fee/SMA clients; and the Wrap Fee/SMA Business of Argent Capital Management, LLC ("Wrap Business"), which includes only wrap fee/SMA clients. The Principal Business claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. The Principal Business has been independently verified for the periods January 1, 2003 through December 31, 2021. 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 Argent Small Cap Equity Composite has had a performance examination for the periods January 1, 2008 through December 31, 2021. The verification and performance examination reports are available upon request. 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.

2. This composite represents investment performance for portfolios invested in equities with small capitalization containing both growth and value characteristics for which Argent has sole investment discretion. Portfolios will include small cap equity holdings, with zero fixed investments and cash targeted to be less than 10% of total portfolio value. The composite inception and creation date is January 2008. The composite name changed from Argent Small Cap Core Equity Composite to Argent Small Cap Equity Composite in December 2020. A list of composite descriptions and broad distribution pooled funds are available upon request.

3. The benchmark is the Russell 2000® Index which measures the performance of the small-cap segment of the U.S. equity universe. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index. Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination, or redistribution is strictly prohibited. This is a presentation of Argent. Russell Investment Group is not responsible for the formatting or configuration of this material or for any inaccuracy in Argent's presentation thereof.

4. Valuations are computed and performance reported in U.S. currency. Performance results are total return, (i.e. include the reinvestment of all income, including but not limited to dividends received). Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Past performance is no guarantee of future results. There is no guarantee that strategies, systems, indicators, or signals will result in profits or that they will not result in a full loss or losses. All investors are advised to fully understand all risks associated with any kind of investing they choose to do.

5. Gross-of-fees performance returns are presented before management and certain custodial fees, but after all trading expenses except where commissions have been waived or for accounts with asset-based-pricing fees. Net of fee performance is calculated by reducing gross performance by actual management fees incurred and any asset-based-pricing fees for applicable portfolios as asset-based-pricing fees are considered a trading expense. The composite includes portfolios that pay a fee based on a percentage of assets under management. The composite includes accounts with asset-based-pricing fees which represent less than 1% of composite assets during the years 2016 and 2017. The composite included portfolios where commissions were waived representing less than 1% in (2018 – 2020) and 6% (2021) of composite assets.

6. Standard annual advisory fees for the Small Cap Equity product are calculated as a percentage of assets under management according to the following schedule; 0.80% on the first \$25M, 0.75% on the next \$25M, 0.70% on the next \$50M, 0.65% on the balance thereafter, although fees may be negotiated or waived in certain circumstances. Non-fee paying accounts represent 6% of the composite during 2021.

7. Internal dispersion is calculated using the asset-weighted standard deviation of all portfolios that were included in the composite for an entire year, net of fees. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The external deviation is based on the 36-month gross-of-fees returns of the composite and the benchmark.