

Performance Summary

In the second quarter of 2025, the Argent Focused Small Cap strategy returned 1.66% versus 8.50% for the Russell 2000 Index, underperforming the benchmark by 684 basis points net of fees.

Performance Summary as of June 30, 2025*					
		2Q25	YTD	1 Year	Since Inception*
Argent Focused Small Cap	Net (%)	1.66	-5.84	2.22	9.73
Russell 2000		8.50	-1.79	7.68	7.24
Excess Return		-6.84	-4.05	-5.46	2.49

*Annualized for periods longer than one year. Strategy inception date is 11/30/2022.

For comparison purposes, the strategy is measured against the Russell 2000 Index. Past performance is no guarantee of future results. Data is as of 06/30/25 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.

The second quarter of 2025 was marked by significant macroeconomic shifts. The “Liberation Day” tariff announcement initially unsettled markets, briefly causing equities to enter correction territory. However, when the administration delayed implementing the most severe tariffs later in April, animal spirits returned quickly.

The economic outlook and inflation data showed mixed signals but were generally supportive. Job growth slowed, even as business investment and manufacturing indicators remained resilient. Importantly, corporate earnings significantly exceeded expectations, supporting a “business as usual” outlook despite ongoing trade uncertainty. This combination of factors paved the way for a substantial equity rally in May and June. Risk appetite increased, pushing stocks to new highs by the end of the quarter, led by a speculative surge in technology and AI-related stocks.

Small-cap stocks participated in the rally, with the Russell 2000 Index gaining roughly +8.5% for the quarter, its strongest quarterly performance in years. In summary, a post-election mix of expected pro-growth policies, such as tax cuts, deregulation, and onshoring, combined with better-than-expected earnings, helped drive a broad “risk-on” market, even as long-term economic uncertainties persisted.

Against this dynamic backdrop, the Argent Focused Small Cap portfolio delivered a positive return but lagged behind the Russell 2000. The shortfall is primarily due to our high-quality, fundamentals-driven investment approach being temporarily out of favor during the quarter’s speculative surge. Notably, the market’s enthusiasm disproportionately favored lower-quality, unprofitable small-cap companies, especially in high-growth segments. Bespoke Investment Group noted that within the Russell 3000 Index, the stocks with no earnings generated average gains of 36%, vastly outperforming their profitable peers.

Market trends favored many speculative stocks that we deliberately avoid. The portfolio’s relative underperformance can be attributed to adverse stock selection effects in a few sectors (notably tech, industrials, and specific consumer names) and an opportunistic rally in which we participated only selectively. Technology was the top-performing Russell 2000 sector (gaining more than 20% for the quarter), but our stock selection resulted in a relative drag on performance.

Focused Small Cap Quarterly Commentary

2025: Second Quarter

Argent

We remain confident that our disciplined approach will continue to provide value for clients as the market's focus shifts back to earnings quality and sustainable growth, which our portfolio holdings continue to demonstrate.

While we never welcome underperformance, the context is essential. The sharp second-quarter snapback was driven by areas of the market that our quality-focused approach intentionally underweights.

Quarterly Attribution Analysis, June 30, 2025 Argent Focused Small Cap Strategy vs. Russell 2000 Index*												
	Argent Focused 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	1.40	7.31	0.10	2.57	10.24	0.25	-1.17	-2.93	-0.14	-0.01	-0.04	-0.05
Cons. Discretionary	12.22	-5.78	-0.70	9.46	9.69	0.91	2.77	-15.48	-1.61	0.08	-1.99	-1.90
Consumer Staples	2.00	-22.20	-0.50	3.19	-0.98	-0.03	-1.20	-21.22	-0.47	0.14	-0.52	-0.38
Energy	2.71	-10.43	-0.36	4.63	-1.26	-0.15	-1.91	-9.17	-0.21	0.19	-0.27	-0.09
Financials	21.92	5.44	1.23	19.66	6.52	1.31	2.27	-1.08	-0.08	-0.05	-0.21	-0.26
Health Care	12.87	1.78	0.25	16.33	2.65	0.40	-3.46	-0.88	-0.16	0.23	-0.14	0.08
Industrials	20.06	4.21	0.79	17.86	15.61	2.76	2.20	-11.40	-1.97	0.15	-2.23	-2.08
Technology	13.40	4.94	0.70	13.02	21.32	2.74	0.38	-16.38	-2.03	0.07	-2.11	-2.04
Materials	2.30	-4.65	-0.12	4.01	13.37	0.56	-1.71	-18.02	-0.68	-0.08	-0.42	-0.51
Real Estate	7.39	6.61	0.49	6.14	-1.86	-0.20	1.25	8.47	0.69	-0.12	0.66	0.54
Utilities	1.99	-5.85	-0.12	3.13	-1.28	-0.05	-1.15	-4.57	-0.07	0.11	-0.09	0.02
Cash	1.72	1.03	0.02	--	--	--	1.72	1.03	0.02	-0.05	--	-0.05
Total	100.00	1.78	1.78	100.00	8.50	8.50	--	-6.72	-6.72	0.64	-7.36	-6.72

*This analysis is based on the holdings history of a representative portfolio of the Argent Focused 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.

Attribution Commentary

Argent Focused Small Cap industrials underperformed Russell 2000 Industrials, and the shortfall was entirely stock-specific. The consulting industry was widely pressured by negative sentiment surrounding exposure to government spending related to the DOGE initiatives, weighing on Exponent and CBIZ. Specifically, Exponent fell after first-half revenue stagnated and management reduced full-year margin guidance amid softer proactive consulting demand and higher operating expenses. CBIZ underperformed due to the combined impact of elevated self-insured healthcare costs and dilution and uncertainty resulting from the transformational Marcum acquisition, which led to a guidance cut. Building products supplier UFP Industries declined due to competitive price pressure and an unfavorable product mix, which squeezed its gross margins. Management acknowledged limited near-term visibility despite sequential volume growth.

Argent Focused Small Cap performance in the technology sector reflected the second quarter's changing investor preferences. Since the market lows in 2022, companies that delivered surprising fundamental results, despite low expectations, were rewarded. While recession and inflation risks remained widespread, well-managed businesses saw their stocks outperform by posting results that were much better than anticipated. This year, those same

companies faced higher challenges. Expectations were elevated, and the margin for error was narrower. Meanwhile, many of the most beaten-down, heavily shorted stocks in more aggressive industries suddenly found brighter prospects as macroeconomic pressures eased. For these companies, the conditions for positive surprises were more favorable, which contributed to the 21% rise in the benchmark technology sector. Stock selection hurt our performance. Onto Innovation dropped sharply after management guided revenue down sequentially, unlike peers guiding flat, citing share loss to KLA in advanced packaging inspection and a deeper-than-expected first-half pause in HBM demand. Negative estimate revisions followed as investors questioned the durability of Onto's Dragonfly franchise and the timing of its next-generation tool. Novanta also underperformed: although quarterly results beat expectations, guidance for organic growth and margins was trimmed as life-science capital spending remained soft, and the recent Motion Solutions acquisition proved to be near-term dilutive. This reset, along with rising financing costs, pushed the multiple back toward its pre-pandemic average.

Stock selection in the Argent Focused Small Cap consumer discretionary led to underperformance compared to the Russell 2000 consumer discretionary sector. Housing-related stocks have faced multiple headwinds over the past year. Mortgage rates have remained stubbornly near 6.5% to 7%, and home prices are close to record highs. Affordability hurdles have never been higher. Macroeconomic uncertainty has caused interested buyers to exercise more caution, further slowing activity. Despite these challenges, homebuilder management teams have done an impressive job of maintaining margins. Champion Homes expects slower sales growth and investments to support future development, which has compressed profitability. With skeptical investor sentiment as an additional hurdle, the shares have declined significantly.

On the positive side, we did see strengths that partially offset the headwinds. Our stock selection in real estate was a key contributor. Colliers International, a real estate services company, delivered strong results and benefited from continued demand for property and asset management services. Additionally, our exposure in financials (the portfolio's largest sector weighting) delivered a mid-single-digit return. It roughly tracked the benchmark's sector performance, as better-than-feared results from regional banks and capital markets firms stabilized sentiment in financials.

Market Commentary

The second quarter of 2025 saw a record rebound in equity markets, despite investors navigating a complex macroeconomic landscape. The geopolitical environment remains volatile and characterized by shifting alliances. The U.S.–China relationship remains uncertain as negotiations continue under the shadow of high tariffs. Traditional allies in Europe, Canada, and Japan faced the possibility of new U.S. trade barriers, although temporary extensions offered some relief. Meanwhile, conflict persists in Eastern Europe, and new tensions in the Middle East, including U.S. airstrikes in Iran, underscore the unstable state of global affairs.

Still, U.S. surveys in June showed that Americans became more optimistic about their financial situation and inflation outlooks because the worst-case economic effects of tariffs had not yet materialized. It appears that households and companies are adapting to a new reality of geopolitical instability and shifting policies, even as they remain cautious about the risks ahead.

U.S. Inflation is slowly moving in the right direction. Still, it shows signs of persistence, with many forecasters, including Fed Chairman Powell, expecting price pressures to pick up again in the second half of the year as President Donald Trump's new tariffs affect supply chains. The Federal Reserve, which kept its benchmark interest rate around 4.25–4.5% during the first half, took a cautious stance amid this uncertainty.

Economic growth has slowed compared to last year, but remains positive. The job market has remained resilient so far, despite higher costs and trade tensions creating obstacles, giving Chairman Powell the cover he needs to “wait and see.”

The small-cap Russell 2000 Index rose 8.5% in the second quarter, a positive rally that recovered part of the previous quarter's losses, though the index was still down about 1.8% for the first half of 2025. Notably, the rebound's leaders leaned toward the market's more speculative areas: mega-cap technology stocks and high-growth small caps experienced outsized gains, typical of an early-cycle rally where lower-quality, high-beta stocks often surge.

As bottom-up stock pickers, we remained disciplined in adhering to our quality criteria throughout the volatility. This discipline helped the portfolio endure the worst of the first-quarter selloff, but in the second quarter, it meant we did not fully participate in the rally. Several areas and many stocks that hurt our performance were mainly those tied to cyclical or interest-rate-sensitive trends, precisely the segments that have been challenged by rising costs of capital and tariff-related uncertainty in recent months.

On the positive side, our focus on high-quality franchises did produce strong winners that support our conviction. RBC Bearings, an industrial components company with notable exposure to the aerospace industry, was a key contributor, with its shares increasing by roughly 29% in the first half of 2025. The company benefits from strong demand in aviation and defense markets, and its ability to generate solid cash flows in a challenging environment has been well-received by investors. Another major contributor was OneMain Holdings, a consumer finance lender specializing in personal loans, which gained about 19% in the second quarter. OneMain reported

better-than-expected earnings and maintained benign credit trends, easing fears that rising interest rates would significantly impair consumers' ability to repay debt. We also observed strength in technology and healthcare holdings. For instance, ePlus Inc., an IT solutions provider, experienced a sharp rise as businesses continued to invest in digital infrastructure. In healthcare, Addus HomeCare, which offers home health services, posted double-digit gains driven by steady growth and favorable demographic trends. These successes—covering industrial, financial, tech, and healthcare sectors—highlight that opportunities exist even in a volatile market. Significantly, they share common traits of our investment approach: sustainable business models, cautious management, and the ability to generate cash across various economic conditions.

Throughout the market's fluctuations this year, we have remained committed to our investment philosophy. Argent's Focused Small Cap strategy is based on identifying high-quality, durable businesses, companies with strong free cash flow, sound capital allocation, and lasting competitive advantages. We believe that such companies can generate value over time, despite short-term macroeconomic fluctuations. This long-term, bottom-up approach may cause our performance to differ from the index in the short term, especially during market mania.

However, we are reassured that historically, speculative rallies tend to be brief, while the returns of high-quality companies are ultimately linked to their fundamental earnings strength. We continue to follow our process, conducting thorough research and engaging with management teams to ensure our holdings meet our criteria and execute their strategic plans effectively.

Looking ahead to the rest of 2025, we maintain a cautiously optimistic outlook. The macroeconomic landscape is likely to stay complex in the upcoming months. Inflation, which had slowed earlier in the year, may rise again in the second half as tariffs are passed through to consumer prices. The Federal Reserve's next moves will depend on a careful balance of data; policymakers might start cutting rates later this year if inflation shows signs of easing and growth softens, but any significant spike in prices could delay those efforts. We recognize that tariffs intended to protect domestic industries can also act as a tax on consumers, potentially leading to stagflation if higher prices coincide with slower economic growth. Economists have warned that the tariff strategy could slow business investment and hiring, potentially dragging on the economy as we approach 2026.

Geopolitical wildcard factors will also persist. Trade negotiations remain fluid, and any escalation or resolution could have a significant impact on market sentiment. We must also not ignore the ongoing geopolitical conflicts, the adverse turn in the Ukraine situation, or the developments in the Middle East, which could spark volatility in energy markets or broader risk aversion. In our view, it's precisely in times like these that a focus on company fundamentals is paramount. Many of the macro risks are well recognized at this point, and asset prices have adjusted to reflect a more cautious outlook.

Notably, small-cap equities as a class now trade at a significant valuation discount to their larger peers, with a forward earnings multiple of roughly 16x for small caps versus 22x for large caps, representing about a 30% relative discount. This is one of the widest gaps in decades, and we believe it is an encouraging sign for future small-cap returns, if and when the economic clouds begin to part.

In summary, we are confident in our portfolio positioning and process as we enter the second half of the year. We have assembled a collection of what we consider high-quality, resilient businesses that we expect to withstand the current inflationary and higher-rate environment. These companies have pricing power, manageable debt, and loyal customers, which should enable them to defend margins and market share. We have also been careful to avoid or limit exposure to areas we see as most vulnerable, such as highly leveraged firms or those dependent on a resurgence of ultra-high growth speculation.

Our bottom-up, long-term approach enables us to maintain patience and flexibility, allowing us to look beyond short-term noise and capitalize on dislocations. We are encouraged by the historical pattern that substantial recoveries often follow periods of underperformance in small-cap stocks. With valuations attractive and many investors underinvested in small caps over recent years, the potential for a positive shift is significant. We remain committed to executing our investment process diligently on your behalf, and we are optimistic about the potential for our holdings to generate value as the year progresses and beyond. The path may be unpredictable in the near term. Still, with a portfolio of high-quality, enduring businesses, we believe Argent's Focused Small Cap strategy is well-positioned to navigate challenges and capitalize on opportunities ahead.

Focused Small Cap Quarterly Commentary

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Argent Focused Small Cap Strategy Top Contributors and Detractors for Quarter Ending June 30, 2025*

Top Contributors	Avg. Weight	Total Effect	Top Detractors	Avg. Weight	Total Effect
OneMain Holdings, Inc.	3.54	0.36	Magnolia Oil & Gas Corp. Class A	2.71	-0.54
RBC Bearings Incorporated	3.24	0.33	Murphy USA, Inc.	2.96	-0.66
ePlus inc.	3.20	0.28	BellRing Brands, Inc.	2.00	-0.68
Alamo Group Inc.	1.94	0.25	RLI Corp.	3.53	-0.69
Addus HomeCare Corporation	3.39	0.24	Champion Homes, Inc.	2.50	-1.19

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Top Contributors

OneMain Holdings, Inc. (OMF) outperformance was driven by strong earnings, improving credit trends, and accelerating loan growth. The company delivered solid year-over-year earnings growth and exceeded consensus expectations, supported by an increase in origination volume, improved net interest income, and continued improvement in delinquency metrics. Notably, 87% of loans are now post-credit tightening and are performing in line with expectations, while the older, higher-risk “back book” continues to shrink as a share of total receivables. Credit losses are stabilizing, and recoveries have improved. Capital generation rose, supporting shareholder returns that included a dividend yielding over 8% and continued share repurchases. The company's disciplined underwriting, conservative provisioning, and prudent capital deployment reassured markets that OneMain is well-positioned. With valuation still reasonable and 2025 EPS growth expected to accelerate, investors responded favorably to the company's improving fundamentals and clear path forward.

RBC Bearings Inc. (RBC) was recognized for its strong execution across both the Aerospace & Defense (A&D) and Industrial segments, ongoing margin expansion, and robust free cash flow generation. A&D continued to lead, driven by rising build rates from Boeing and Airbus, as well as sustained strength in defense platforms, including submarines and missiles. The Industrial segment also returned to growth, helped by strength in mining and general industrial markets. Gross margin expanded, supported by manufacturing efficiencies, continued Dodge synergies, and favorable product mix. Free cash flow for the fiscal year increased despite elevated capital expenditures, and the company reduced net leverage to its lowest level since the Dodge acquisition. With a record backlog and management projecting continued double-digit growth in A&D and stability in Industrial, investor confidence in RBC's long-term growth trajectory and operational discipline helped drive the stock's outperformance during the quarter.

ePlus Inc. (PLUS), a broad IT solutions provider, was rewarded for better-than-feared results. Core product shipments normalized after last year's backlog purge, while high-margin services and annuity-type managed contracts accelerated. Management's disciplined cost control increased operating leverage, despite ongoing hiring for growth businesses. Investors also welcomed a record federal and SLED pipeline, an expanded Cisco financing program, and a strengthened buyback, all of which underscored the company's ability to grow free cash flow through cycles. This distinguishes it from more hardware-centric peers and drives relative outperformance within the portfolio.

Alamo Group (ALG), a niche manufacturer of infrastructure maintenance and vegetation management equipment, converted an unusually large, price-reset backlog into double-digit growth in the industrial segment. Supply chain

bottlenecks, especially for chassis, eased, boosting volumes and operating leverage. Management's earlier price actions and ongoing lean manufacturing initiatives raised both gross and operating margins, offsetting the softer agriculture cycle, resulting in an earnings beat. Strong free cash flow enabled quick debt repayment, positioning Alamo to resume accretive acquisitions and reinforcing confidence in the company's growth potential.

Addus HomeCare Corp. (ADUS), a provider of personal care, hospice, and home health services to seniors and medically fragile patients, rose as the company reported accelerating organic growth in its core personal care and hospice segments. Despite a challenging prior-year comparison and ongoing policy uncertainty, Addus performed well. It improved margins through operating leverage and effective cost management, drove strong billable-hour growth in personal care, and benefited from improved reimbursement trends in key markets, such as Illinois. While cash flow was temporarily affected by delayed state payments, management indicated that this issue normalized after the quarter, and the balance sheet remains solid, with net leverage at multi-year lows, positioning the company well for continued consolidation in a fragmented industry. The quarter confirmed Addus's resilient business model and long-term potential for acquisition-led growth, helping the stock recover from policy-related weakness earlier in the year.

Top Detractors

Magnolia Oil & Gas Corp. (MGY), an independent E&P company focused on oil-weighted development in the Eagle Ford and Austin Chalk formations of South Texas, underperformed as investors digested softer production guidance and ongoing cost pressures. While the company maintained strong capital discipline and shareholder returns, including robust buybacks and a growing dividend, weaker well productivity and modestly higher operating costs raised questions about the sustainability of its margin profile. Management's updated outlook indicated flattish volumes in the near term, and investors appeared disappointed by the lack of visible catalysts or growth acceleration, despite a healthy balance sheet. Oil prices did not respond to Middle East volatility in the expected manner, remaining near the lower end of the trading range over the last several years.

Murphy USA, Inc. (MUSA) was a good example of an expensive, high-quality defensive that experienced investor rotation away in the second quarter. In addition, soft results and muted guidance for near-term growth affirmed the negative investor sentiment. Same-store fuel volumes declined in the quarter, pressured by several temporal and cyclical headwinds, including unfavorable calendar effects (leap year and Easter timing), severe weather-related store closures, and weaker consumer traffic in a low fuel price environment. Meanwhile, non-fuel performance was mixed, with inside-store growth offset by lighter tobacco promotions and softer traffic conversion. Margins remained compressed in an oversupplied fuel environment, and merchandise margins faced headwinds from unfavorable comparisons and increased selling, general, and administrative (SG&A) expenses associated with new store openings. While management reaffirmed long-term structural advantages, including differentiated loyalty programs and new store productivity, investors focused on decelerating top-line trends and near-term cost pressures. Despite aggressive share repurchases and stable retail fuel margins, the lack of near-term catalysts and softer traffic trends contributed to underperformance in the quarter.

BellRing Brands, Inc. (BRBR), a packaged food company best known for its Premier Protein shakes and other convenient nutrition products, underperformed despite reporting solid top-line growth and reaffirming its full-year

guidance. The decline occurred as management highlighted short-term shipment disruptions caused by a packaging line transition and higher slotting fees related to retail resets, both of which pressured margins and masked underlying consumer demand. Although household penetration and velocity remained healthy, investor sentiment grew cautious amid broader worries about high inventory levels at retail and increased promotional activity in the category. These temporary issues, along with a premium valuation, led to a decline in shares over the quarter, despite ongoing category leadership and a promising long-term growth outlook.

RLI Corp. (RLI) lagged over rising loss severity in auto-related insurance lines and elevated catastrophe losses. Despite strong long-term underwriting discipline, the company reported a weaker combined ratio, driven by reserve additions in its casualty segment, particularly in personal umbrella and transportation, reflecting rising severity trends across the industry. The casualty segment's combined ratio was impacted by higher-than-expected current year losses and cautious reserve adjustments that pressured margins. In addition to casualty headwinds, growth in the property segment slowed. While RLI remains a highly respected underwriter and continues to grow selectively, investors reacted to the margin compression and slower premium momentum.

Champion Homes, Inc. (SKY), a manufactured homebuilder, faced several headwinds percolating throughout the industry. While sales grew double digits year-over-year, the growth lagged behind industry shipment increases and was accompanied by margin contraction and weaker forward guidance. Gross margins fell below expectations due to rising material costs and a decline in capacity utilization. Additionally, SG&A expenses rose sharply, squeezing EBITDA margins and underscoring the burden of ongoing investments in marketing, IT, and product development. Management noted demand softness in key markets, such as Florida and the Northeast, where consumers are opting for smaller, lower-margin homes. These trends reduce pricing power and utilization leverage. The forecast of low single-digit sales growth, along with more volatile gross margins and mixed activity among builders and developers, weighed on investor sentiment.

Portfolio Positioning

Near the end of the second quarter, we made several adjustments to the Argent Focused Small Cap portfolio in line with our Enduring Business philosophy. We elected to sell our position in Exponent (EXPO) and initiated new investments in Casella Waste Systems (CWST) and Hawkins, Inc. (HWKN). These decisions reflect our commitment to owning durable, high-quality businesses with competitive advantages, pricing power, robust free cash flow, disciplined capital allocation, and resilient operations that can weather varied economic climates.

We decided to exit our position in Exponent after carefully reassessing its growth prospects and valuation. Although Exponent has long been a standout in our portfolio, admired for its unique business model, steady cash flow, and demand that resists economic downturns, the company's trajectory has shifted. It provides engineering and scientific consulting, often addressing mission-critical issues like product failures, regulatory compliance, and safety investigations. This work serves a diverse range of clients across industries and is inherently resilient, as clients depend on Exponent's independent expertise even during economic downturns. Its asset-light model delivers strong returns on capital and healthy free cash flow, and its reputation as a trusted partner has earned it premium valuation multiples over time.

However, despite these lasting strengths, evidence grew that Exponent's growth was slowing. Recent results indicated that revenue growth is leveling off, while rising costs have placed mild pressure on margins. The business remains highly profitable, but the shift toward more modest growth suggests that its years of rapid expansion may be coming to an end. At the same time, Exponent's stock kept trading at a high valuation that, in our view, fully reflected its past consistency but didn't adequately account for the possibility of slower growth. When a strong business begins to seem less attractive on a forward-looking basis, either due to changing fundamentals or high valuation, we believe it's essential to act with discipline. Our capital allocation framework involves regularly comparing each holding against new opportunities. In this case, we saw greater long-term potential elsewhere and decided to exit the position.

We redeployed the proceeds into two new holdings: Casella Waste Systems and Hawkins, Inc. Both companies operate in essential industries, waste management and water treatment chemicals, respectively, and display the lasting business qualities we seek: pricing power, steady demand, attractive unit economics, strong management, and promising reinvestment opportunities. Importantly, we were able to establish both positions at reasonable valuations, setting us up for long-term value creation.

Casella Waste Systems is a regional leader in waste collection and landfill services, holding a dominant position in the Northeastern U.S. The waste industry is known for its stability; people and businesses produce trash regardless of the economic cycle, but Casella has a particularly advantageous footprint. In its core markets, landfill capacity is limited due to regulatory barriers and closures that have occurred over the years. Casella owns and operates many of the remaining active landfills in New England and upstate New York, giving it rare control over a vital infrastructure asset. This scarcity has enabled the company to maintain sustained pricing power. In recent years, Casella has consistently raised disposal prices above the industry's long-term averages. This trend directly increases margins due to the high fixed-cost structure of landfill operations.

Beyond pricing, Casella has enhanced profitability through strategic operational investments. It has introduced fuel surcharges and recycling fees, as well as upgraded routing and automation systems, all of which increase efficiency. Since shifting its strategic focus in 2017, Casella has achieved double-digit annual growth in free cash flow, a notable accomplishment in an industry often considered mature. Looking ahead, the company has additional pricing opportunities and is well-positioned to withstand volume fluctuations tied to macroeconomic factors, such as construction activity. Even during downturns, demand for waste services remains resilient, and Casella's local dominance helps it maintain margins through scale and pricing discipline.

Growth will also come from acquisitions. Casella's management team has been cautious in expanding its footprint through tuck-in deals, buying smaller operators or assets near its core geography. This strategy increases regional density, boosts route efficiency, and enhances returns on capital. Management has a pipeline of potential deals, many of which could be funded with free cash flow or selectively through equity without over-leveraging the business. Casella's approach to capital allocation has been prudent and disciplined, consistently reducing debt while expanding return-generating assets. Earlier this year, the stock traded below its peers due to short-term concerns, including higher interest rates and modest volume softness. We saw this as a rare opportunity to acquire a high-quality business with durable advantages at a discounted price.

Our second new holding, Hawkins, Inc., is a specialty chemical distributor with a strong and expanding presence in the water treatment sector. While not widely recognized, Hawkins has operated since the 1930s and remains family-owned, a structure that often encourages long-term strategic thinking and financial conservatism. The

company supplies essential chemicals to municipalities and industrial clients for use in drinking water, wastewater treatment, and other mission-critical processes. These products are non-discretionary; clients cannot delay or skip purchases without risking compliance, safety, or operations. That dependability provides Hawkins with a stable and recurring revenue base.

What makes Hawkins unique is its customer-focused approach. Besides selling chemicals, it offers services such as custom blending, specialized packaging, and 24/7 delivery. This hands-on service model fosters customer loyalty, as customers are hesitant to switch suppliers due to the high costs associated with disruption. Over time, Hawkins has developed a logistics and distribution network, including rail, trucks, and warehouses, that gives it scale advantages over smaller competitors. It also owns production capabilities for certain chemicals, further improving margins and flexibility. These operational strengths support its strong regional competitive moat.

While Hawkins serves multiple end markets, management has prioritized growth in water treatment, the highest-margin and most stable segment. Since 2020, Hawkins has acquired nine companies to broaden its geographic presence in this area. These acquisitions were made at attractive valuations, are immediately earnings-accretive, and are funded mainly with cash flow. This disciplined strategy has maintained a strong balance sheet while increasing earnings potential. Hawkins also continues returning capital to shareholders through steady dividends and opportunistic buybacks.

The Water Treatment segment now accounts for approximately half of Hawkins' profits and is growing faster than the rest of the business. As this shift in mix continues, the company's overall profile will become more resilient and less cyclical. This change could eventually lead to a revaluation of the stock, as pure-play water infrastructure companies often have higher valuations. However, Hawkins still trades at a modest multiple, partly because the market has not fully recognized this transition. We took advantage of that disconnect to establish a position at a valuation we find attractive, especially given the long potential for both organic and acquisition-driven growth. Hawkins benefits from secular trends that support long-term demand. As aging U.S. water systems require upgrades and stricter water quality standards are implemented, municipalities and industrial users will increasingly need reliable partners like Hawkins. Management expects consistent mid-single-digit organic growth in the Water Treatment segment, driven by population growth, infrastructure investment, and environmental regulations. Adding bolt-on acquisitions in underserved regions, we believe Hawkins can maintain a strong growth trajectory for years to come.

In summary, selling Exponent and buying Casella Waste Systems and Hawkins, Inc., demonstrates our active yet patient strategy for managing a concentrated, high-conviction portfolio. All three companies have qualities of resilient businesses that we value: long-lasting competitive advantages, the ability to raise prices or keep strong margins, healthy free cash flow, strategic capital allocation by management, and business models that can withstand various economic conditions. Our decision to shift from Exponent to Casella and Hawkins was based on a forward-looking view of where we see the most significant long-term reward relative to the risk.

Argent Focused Small Cap turnover was 2% in the second quarter and 11% in the trailing twelve months.

Sincerely,
Argent Focused Small Cap Team

Focused Small Cap Quarterly Commentary

2025: Second Quarter

Argent

Argent Capital Management, LLC

ARGENT FOCUSED SMALL CAP COMPOSITE

November 30, 2022 through June 30, 2025

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)	Firm Assets (\$ millions)	Internal Dispersion (%)
2024	14.69	13.91	11.54	NA	NA	112.00	44	3,710	0.40
2023	25.16	24.96	16.93	NA	NA	38.00	13	3,269	0.26
2022 (11-30-22 to 12-31-22)	-4.63	-4.66	-6.49	NA	NA	4.00	1	2828	0.02
Information for period(s) June 30, 2025									
2nd Quarter 2025	1.75	1.66	8.50	NA	NA	121	56	3,715	
Rolling 1 - Year	2.83	2.22	7.68						
Since Inception Annualized	10.44	9.73	7.24						

Disclosures:

1. Argent Capital Management, LLC ("Argent") is a registered investment adviser with United States Securities and Exchange Commission in accordance with the Investment Advisers Act of 1940. As of October 2022, Argent was redefined to exclude the wrap division. Argent claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Argent has been independently verified for the periods January 1, 2003 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 Argent Focused Small Cap Composite has had a performance examination for the period November 30, 2022 to December 31, 2023. 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 within the Russell 2000® index for which Argent has sole investment discretion. Portfolios will include approximately 35 – 45 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 November 2022. 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-fee returns are presented before deduction of management and certain custodial fees, but after all trading expenses, except where commissions have been waived or for accounts with asset-based-pricing fees. Effective April 1, 2025, net-of-fee performance is calculated by reducing gross performance by actual management fees incurred. Prior to April 1, 2025, net-of-fee performance was calculated by applying a model fee of 0.175% on a quarterly basis (0.70% annually), consistent with the then-standard fee schedule for this strategy. The composite included portfolios where commissions were waived representing approx. 100% (2022), 94% (2023), and 75% (2024) of composite assets.

6. Standard annual advisory fees are calculated as a percentage of assets under management according to the following schedule: 1% on the first \$1M, .80% on the next \$2M, .65% on the balance thereafter, although fees may be negotiated or waived in certain circumstances. Non-fee-paying accounts are reduced by a model fee derived by applying this standard fee schedule in effect for the respective period. Performance-based-fee accounts include a blended Hurdle Rate of 10%, Carried Interest of 10.0%, with an annual Fee Cap of 0.70%. Additional performance fee schedule information is located in our Form ADV Disclosure Brochure. Effective April 1, 2025, performance-based-fee arrangements are no longer offered to new clients.

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. The standard deviation is not presented since the composite inception date of November 30, 2022 does not provide historical data to calculate a 3-year formula.