APPLIED FINANCE

Explorer Fund – 2026 Q3

Key Takeaways

- **Q3:** The fund returned -6.64% vs -4.91% for the Russell 2000 Value and -7.23% for the Russell 2000. Across small caps, the most undervalued quintile beat the universe by 5.1%, the most overvalued fell 6.0% behind, and our Company Grade top quintile beat its bottom quintile by 8.2%, reversing Q2 when overvalued stocks led (see page 3).
- **Relative performance vs Russell 2000 Value:** Sector allocation added 47 bps, led by our Energy overweight, while weakness in some Industrials, Materials and IT holdings more than offset those gains.
- **Positioning:** Intrinsic Value upside remains compelling. The Explorer strategy's holdings carry 100.3% upside vs 17.6% for the Russell 2000 Value (see page 2), and the fund trades below both Morningstar indices on every multiple shown.
- **Long term:** Since inception in June 2015, the fund has returned +10.77% a year vs +8.68% for the Russell 2000 Value, and it is also ahead over 5 and 10 years.

	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Applied Finance Explorer (AFDZX)	9.56%	9.23%	14.47%	9.11%	12.81%	10.77%
Russell 2000 Value	16.96%	20.77%	17.93%	7.80%	9.40%	8.68%
Russell 2000	13.71%	16.20%	17.72%	6.34%	9.84%	8.71%
Russell 2000 Growth	10.71%	12.05%	17.55%	4.72%	9.90%	8.41%
Morningstar US Market	12.56%	15.29%	22.47%	12.82%	14.86%	13.50%
Morningstar US Small	7.62%	10.98%	15.15%	6.42%	9.26%	8.29%

	July	August	September	Q3
Applied Finance Explorer (AFDZX)	1.06%	-2.14%	-5.60%	-6.64%
Russell 2000 Value	0.01%	0.30%	-5.20%	-4.91%
Russell 2000	-3.03%	0.98%	-5.25%	-7.23%
Russell 2000 Growth	-5.86%	1.64%	-5.31%	-9.39%
Morningstar US Market	-0.37%	2.72%	-0.64%	1.69%
Morningstar US Small	-1.49%	1.17%	-5.28%	-5.60%

The Fund's past performance does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance period. Performance data current to the most recent month end may be obtained by calling 1-800-673-0550. Returns over one year are annualized. End date 9/30/2026 for all returns. Since Inception data from 6/11/2015.

Q3 Performance Highlights

- Industrials, Materials, and IT were the largest drags on relative performance, mainly from a small number of holdings that fell sharply in the quarter.
- Energy added the most (+65 bps) through both an overweight and stock selection with our Energy holdings up 18.66% vs 14.94% for the benchmark's Energy stocks.
- Communication Services, Health Care, and Utilities also added to relative performance.
- Small-cap value beat the broader small-cap market by about 230 bps, led by IT, as the Russell 2000 carries nearly twice the IT weight of the Russell 2000 Value, and IT fell sharply in the quarter.

Valuation Multiples

	P/B	P/E	P/EBITDA	P/S
Applied Finance Explorer (AFDZX)	1.85	12.28	5.63	0.88
Morningstar US Market	4.40	21.98	14.97	3.27
Morningstar US Small	2.39	13.70	8.20	1.37

Sector and accounting multiple factor (using weighted harmonic averages) data sourced from Morningstar Direct Attribution Analysis. Data from 7/1/2026 - 9/30/2026. Applied Finance factor data sourced from Applied Finance database.

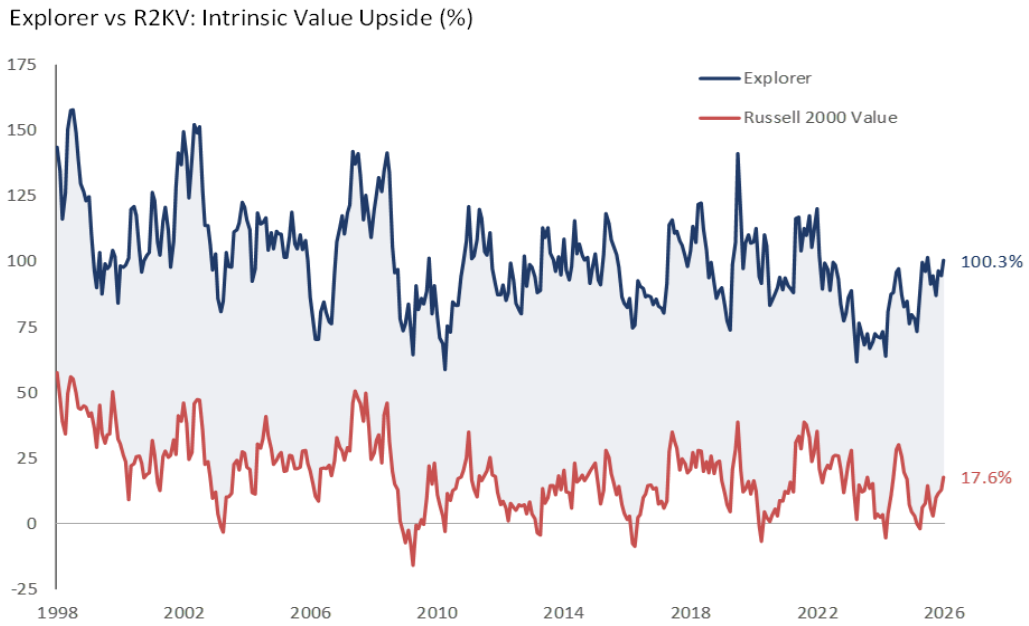
Positioning: Intrinsic Value Upside

Applied Finance estimates the Intrinsic Value of more than 3,000 US stocks every week. Intrinsic Value upside measures how far a stock's price sits below that value. The chart below compares the upside of the Explorer strategy's holdings with Russell 2000 Value, Explorer's benchmark, every month since 1998.

Explorer's holdings have carried far more upside than the benchmark throughout the past 28 years.

As of 9/30/2026, the strategy's holdings showed 100.3% upside vs 17.6% for Russell 2000 Value. Upside rose over the quarter, from 87% at the end of June.

Today's gap is close to its long-term average. Explorer's stock-level Intrinsic Value discipline remains central to finding opportunity in small caps.



Source: Applied Finance Database, monthly 9/30/1998 - 9/30/2026.

AFCM Portfolio	Equity Positions	Relative Valuation Upside vs Russell 3000	EM+1
AFCM Explorer (Exp)	141	60.1%	8.5%
Benchmark	**Equity Positions**	**Relative Valuation Upside vs Russell 3000**	**EM+1**
Russell 2000 Growth (IWO)	1123	-45.3%	1.4%
Russell 2000 (IWM)	1980	-33.6%	0.2%
Russell 2000 Value (IWN)	1409	-22.5%	-0.9%
Russell 3000 (IWV)	2595	0.0%	12.5%
Morningstar Small Growth (ISCG)	920	-41.6%	2.5%
Morningstar Small (ISCB)	1560	-26.0%	2.3%
Morningstar Small Value (ISCV)	1041	-10.1%	2.1%

The same holds against popular small cap ETFs. The table compares the fund with these ETFs on two measures: Intrinsic Value upside relative to the Russell 3000, and forecast Economic Margin (EM+1), both investment weighted. The fund's 141 holdings carry 60.1% more upside than the Russell 3000, vs -22.5% for the Russell 2000 Value, while also earning a higher forecast Economic Margin (8.5% vs -0.9%). Across passive indices, value tends to offer more upside than growth.

Applied Finance Database, Top Chart: Explorer strategy (model portfolio) vs Russell 2000 Value, 9/30/1998 - 9/30/2026. Bottom Table: data as of 9/30/2026 and based on ETF holdings.

Factor Performance

- Applied Finance's factors rebounded in Q3. The top quintile of our Company Grade outperformed the small-cap universe by 4.3%, while the bottom quintile underperformed by 3.9%, a reversal from Q2.
- Valuation led the way as the most undervalued quintile beat the universe by 5.1%, while the most overvalued fell 6.0% behind. Price Momentum moved the other way, as stocks that had risen the most recently fell the hardest, especially in Industrials and Technology.
- By sector, the Company Grade top quintile beat the bottom quintile in 9 of 11 sectors, led by Energy, Materials, and Consumer Discretionary.

Q3 Return vs Small-Cap Universe by Factor, All Sectors (%)

Company Grade	Uni	Bottom Quintile	Top Quintile	Bottom vs Uni	Top vs Uni
All Sectors	**-4.8**	**-8.7**	**-0.5**	**-3.9**	**4.3**
Comm Services	-7.5	-18.2	-10.1	-10.7	-2.5
Cons Discr	-10.6	-18.3	-1.0	-7.7	9.6
Cons Stpls	-6.0	-6.9	-8.1	-1.0	-2.1
Energy	6.4	-11.0	26.3	-17.4	19.9
Financials	-5.4	-5.4	-6.1	0.1	-0.7
Health Care	4.2	3.7	9.0	-0.4	4.9
Industrials	-9.9	-15.4	-1.9	-5.5	8.0
Technology	-7.1	-10.9	-10.0	-3.8	-2.9
Materials	-8.9	-16.2	5.6	-7.3	14.5
Real Estate	-9.6	-13.2	-9.1	-3.6	0.4
Utilities	-2.9	-3.4	4.9	-0.5	7.8

Applied Finance Database, 6/30/2026 - 9/30/2026. Universe (UNI) and grade returns are all Total Returns and equal weighted. Spreads represent +/- vs Uni. Grade performance determined using monthly rebalancing and geometrically linking returns.

Disclosures

Investors should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. This and other information is contained in the Fund's prospectus and summary prospectus, which may be obtained online or by calling 1-800-673-0550. Please read and carefully consider the prospectus before investing. The Applied Finance Explorer Fund is distributed by Foreside Fund Services, LLC.

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Information About Risk:
Equity Securities Risk: *Since the Explorer Fund invests in equity securities, it is subject to the risk that stock prices will fall over short or extended periods of time. Historically, the equity markets have moved in cycles, and the value of the Explorer Fund's equity securities may fluctuate from day to day. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response. These factors contribute to price volatility, which is a principal risk of investing in the Explorer Fund.*
Market Risk*: The value of securities in the Explorer Fund's portfolio will fluctuate and, as a result, the Explorer Fund's share price may decline suddenly or over a sustained period. The equity securities purchased by the Explorer Fund may involve large price swings and potential for loss.*
Management Risk: *The strategies used by the Adviser may fail to produce the intended result.*
Small Cap Risk: *Smaller, less established companies may be unable to attain the high growth rates of successful, larger companies during periods of economic expansion.*
Risks of Investment Selection and Asset Allocation: *The Explorer Fund's investment success depends on the skill of the Adviser in evaluating, selecting and monitoring the portfolio assets. If the Adviser's conclusions about growth rates or securities values are incorrect, the Explorer Fund may not perform as anticipated.*

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Key Definitions:
Total Returns: *returns of stocks including Dividends and gross of fees and transaction costs.*
Net Returns: *returns of stocks including Dividends and net of fees and transaction costs.*
Relative Valuation Upside vs Russell 3000: *The aggregate investment-weight Intrinsic Value upside (including three years of analyst forecast data) of a portfolio/benchmark relative to the Intrinsic Value upside of the Russell 3000 Index as a baseline, using Applied Finance's proprietary calculations for Intrinsic Value.*
EM +1: *The forecasted Economic Margin for the current year using Applied Finance's proprietary calculation, for the portfolio. Economic Margin is the combination estimated cash flow, capital, and capital charges of a company into a single measure of corporate performance based on firm-specific capital and risk characteristics. Economic Profit refers to the absolute spread a company generates between operating cash flow in excess of its capital charge, while Economic Margin refers to the Economic Profit level as a percentage of each firm's productive capital base.*
Company Grade: *an overall score that combines Valuation, Wealth Creation, Earnings Quality, Economic Momentum and Price Momentum quintiles into one measure.*
Valuation Grade: *Applied Finance's proprietary measure of intrinsic value scored on a relative basis to other companies.*
Wealth Creation Grade: *Applied Finance's proprietary measure of management quality scored on a pass/fail basis.*
Earnings Quality Grade: *a measure of accounting accruals using balance sheet assets, scored relative to other companies.*
Economic Momentum Grade: *a measure of forecasted economic margin improvements or declines.*
Price Momentum Grade: *a measure of total return relative to other stocks.*

Information provided with respect to the Fund's Portfolio Holdings, Sector Weightings, and Number of Holdings are as of September 30, 2026 and are subject to change at any time.