

Q2 2025

QUARTERLY UPDATE

Small Cap Value Strategy

Investing in companies we believe to be attractively valued, under scrutinized, and irrationally mispriced.

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Bailard

Market Commentary

Q2 2025 UPDATE

The prospect of trade wars rapidly drove U.S. equity markets down to at, or near, bear market levels in early April, only to see an equally rapid reversal as peak tariff fears failed to materialize. This risk-on reversal was accompanied by—as is often the case after a market scare—lower quality “junk” stocks experiencing a relief rally as perception of an improving trade situation gave them a new lease on life.

In a risk-on environment, growth equities typically outperform value, as elevated risk tolerance reduces investor scrutiny of long-duration earnings potential. The market becomes more willing to underwrite optimistic growth narratives, even in the absence of near-term profitability.

Conversely, a relief rally—while also indicative of rising risk appetite—tends to be more indiscriminate, favoring distressed or lower-quality assets. In such scenarios, capital often flows into companies with weak balance sheets, limited earnings power, and elevated bankruptcy risk, driven more by short-covering and liquidity dynamics than by fundamental conviction.

These shifts in risk tolerance reversed Q1 trends, with both large and small cap growth indices outperformed their value counterparts for the quarter. Micro cap value underperformed in Q1 as well, and enjoyed a similar reversal in Q2.

MARKET INDICES TOTAL RETURN as of June 30, 2025				
	QTR	YTD	1 Year	Comments
S&P 500 Index	10.9%	6.2%	15.1%	The S&P 500 split the performance difference between large growth and large value yet again.
Russell 1000 Growth Index	17.8%	6.1%	17.2%	Risk-on sentiment favored growth over value.
Russell 1000 Value Index	3.8%	6.0%	13.7%	
Russell 2000 Growth Index	12.0%	-0.5%	9.7%	Risk-on sentiment favored growth over value in small caps as well.
Russell 2000 Value Index	5.0%	-3.2%	5.5%	
Russell Micro Cap Value Index	12.3%	-1.5%	9.3%	Micro cap value got lumped in with low quality, and enjoyed a relief rally tailwind as a result.

Performance Commentary as of June 30, 2025

Q2 2025 PERFORMANCE¹

The strategy beat the benchmark Russell 2000 Value Index in Q2.

It will come as no surprise that for an active small cap value manager with an emphasis on quality and risk control, a risk-on, relief rally environment is not exactly a dream come true. Fortunately, our permanent allocation to “Thriving on the Edge” stocks helped to minimize the relief rally damage, and our greater exposure to micro cap stocks gave us additional help.

We regularly lament that all micro cap stocks, even the high-quality ones we favor, tend to get painted with the same stereotypical “high risk” brush. However, this (in our opinion) unfair generalization actually worked in our favor in Q2. Micro cap value stocks, regardless of quality, soared in the quarter as tiny stocks were lumped-in with junk stocks by investors.

In a difficult period for value and quality, our historically successful alpha characteristics were largely ineffective in Q2.

TOTAL RETURN^{1,2}

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Bailard Composite (Gross of fee)	5.80%	-1.49%	9.78%	11.20%	16.61%	8.55%
Bailard Composite (Net of fee)	5.70%	-1.68%	9.36%	10.77%	16.18%	8.14%
Russell 2000 Value Index	4.96%	-3.16%	5.52%	7.44%	12.45%	6.70%
Russell Micro Cap Value Index	12.25%	-1.53%	9.32%	6.68%	12.21%	7.08%

ACTIVE RETURN, NET OF FEE^{1,2}

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Vs. Russell 2000 Value Index	0.74%	1.49%	3.84%	3.33%	3.73%	1.44%
Vs. Russell Micro Cap Value Index	-6.55%	-0.15%	0.04%	4.10%	3.97%	1.06%

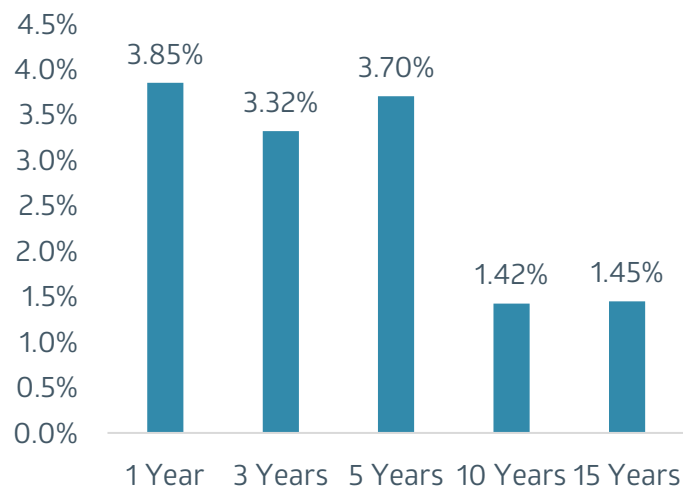
¹ The “Bailard Composite” is the Bailard, Inc. Small Cap Value Composite. The Bailard Small Cap Value Composite includes a Bailard portfolio invested solely in small and micro capitalization U.S. equities that exhibit value characteristics. The benchmark is the Russell 2000 Value Index. The indices presented do not have fees. **Past performance is no indication of future results.** Please see additional performance on page 4-6. See back of this presentation for important disclosures and market definitions. Source: FactSet, Morningstar, Bailard.

² Active return is the difference between the return of the strategy and the return of the index. Performance statistics are annualized for periods greater than one year.

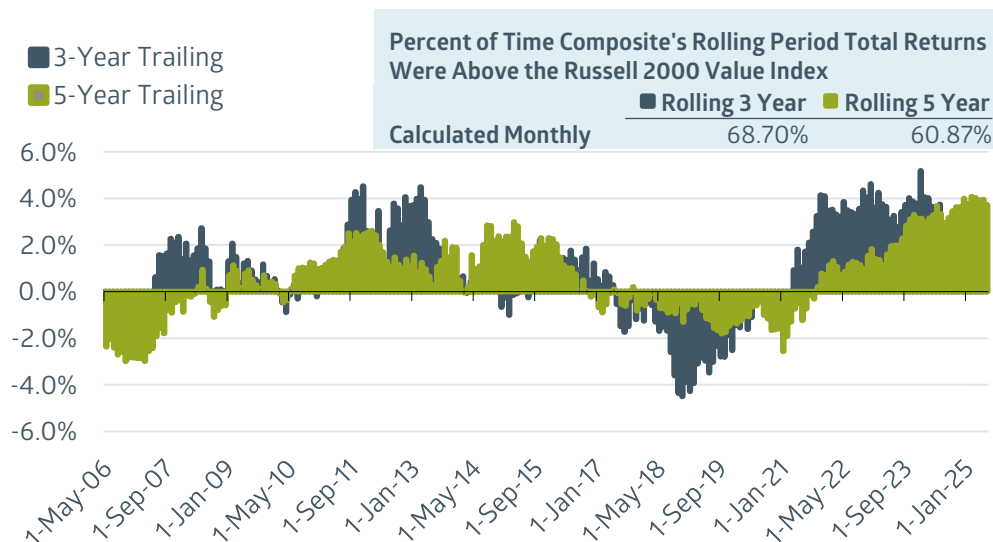
Performance: Portfolio Risk and Returns

ANNUALIZED ACTIVE RETURNS (NET) VS RUSSELL 2000 VALUE INDEX^{1,2,3}

As of 6/30/25



Rolling Periods, 5/31/2006 – 6/30/2025



PERFORMANCE SUMMARY* as of 6/30/2025

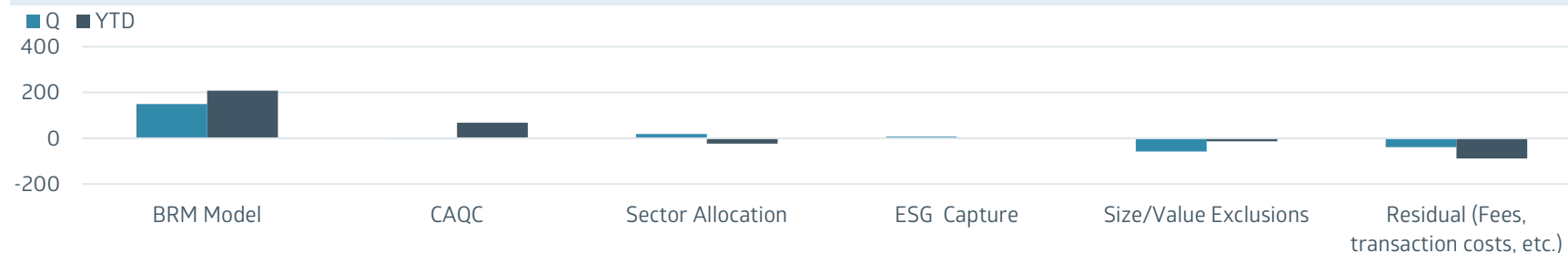
	TOTAL RETURN					ANNUALIZED STD. DEV.				SHARPE RATIO			
	1 Year	3 Years	5 Years	10 Years	15 Years	3 Years	5 Years	10 Years	15 Years	3 Years	5 Years	10 Years	15 Years
Composite (Gross of Fee)	9.78%	11.20%	16.61%	8.55%	11.21%	21.32%	21.14%	20.72%	19.33%	0.31	0.65	0.32	0.51
Composite (Net of Fee)	9.39%	10.77%	16.17%	8.14%	10.79%	21.31%	21.13%	20.71%	19.33%	0.29	0.63	0.30	0.49
Russell 2000 Value Index	5.54%	7.45%	12.47%	6.72%	9.35%	22.66%	21.95%	21.33%	19.75%	0.13	0.44	0.22	0.41

¹ Please see additional performance on pages 3, 5, and 6, and the back of this presentation for important disclosures. **Past performance is no indication of future results.**

Sources: FactSet, Morningstar, Baird. ² Trailing returns calculated monthly. ³ Performance statistics are annualized for periods greater than one year.

Attribution Commentary as of June 30, 2025

ATTRIBUTION: NET ACTIVE RETURN VS INDEX*



Q2 2025 ATTRIBUTION*

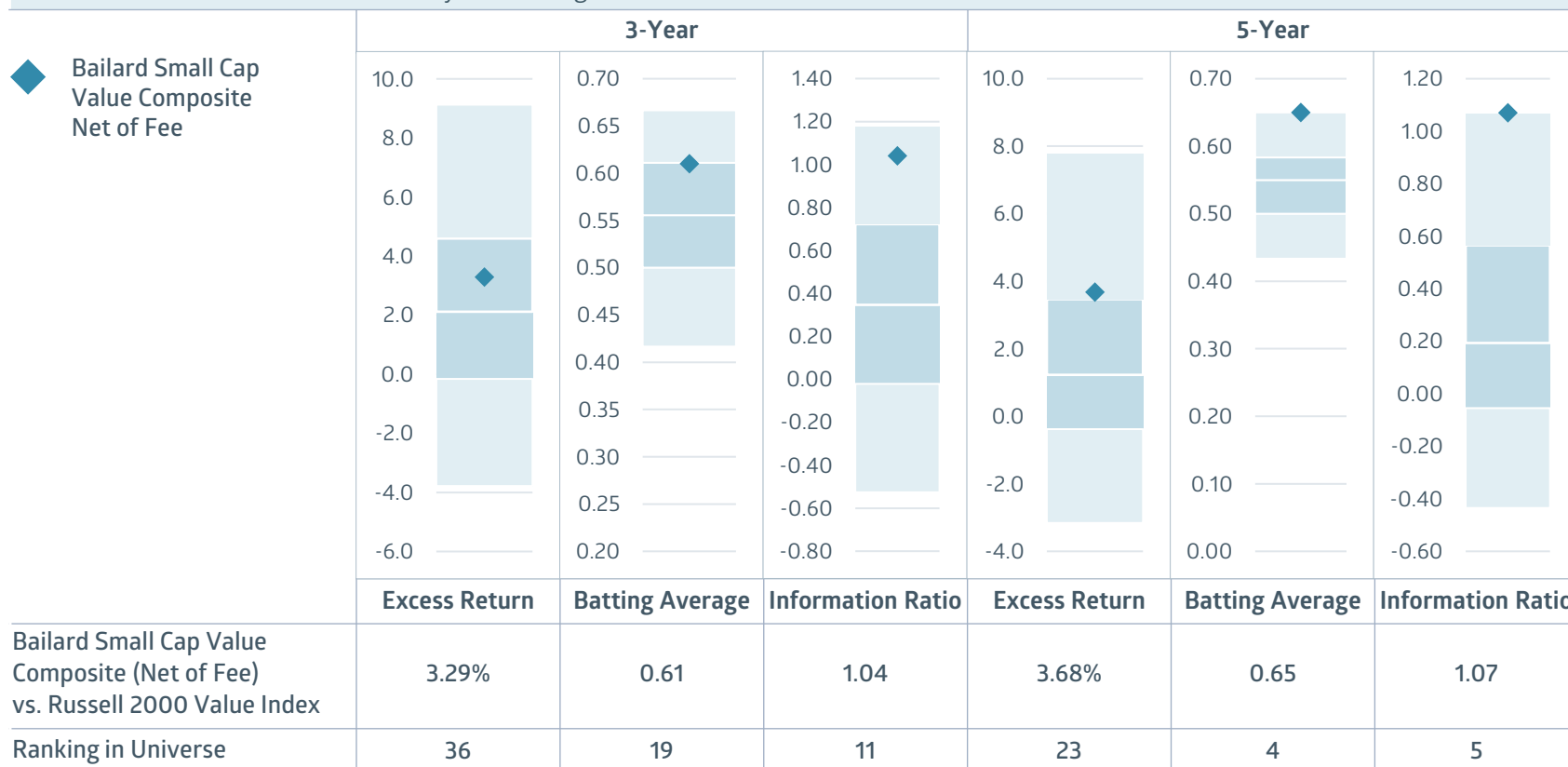
- Our primary stock selection tool, our multi-factor Bailard Ranking Model (BRM), delivered slightly positive results for the quarter. Our Earnings Quality factor was barely positive. Relative Expectations Bias and Analyst Expectations' Bias, our value factors, were both strongly negative in the risk-on environment. Hype, or proprietary measure of excessive investor attention was also negative for the period. Our Revisions Reveal factor returned to its winning ways in Q2, helping to offset weakness elsewhere. Our improved, Path-Dependent Anchoring Bias factor delivered negative performance, but that was partially offset by positive results in our Text Sentiment factor.
- Our success was greater and more widespread in our economic subsector-specific models in contrast to our overall BRM. Our bank, utilities, pharmaceutical & biotech, and insurance models produced nicely positive results, while our REIT model was slightly positive as well. These models rely in part on subsector-specific inputs that proved generally less sensitive to value and quality weakness experienced in the general BRM this quarter.
- CAQC (Curated Assessment of Qualitative Conviction, our proprietary measure of sophisticated investor interest in stocks that lack quantifiable appeal) slightly underperformed for the quarter.
- Sector allocation was slightly additive for the quarter.
- Non-Financial Information (NFI) Capture, formerly known as ESG Capture, was very slightly additive for the quarter.
- Stocks that would otherwise have been excluded from the portfolio because of their size or lacking value characteristics were held in the portfolio for risk control, thematic tilts, etc. and detracted from performance for the period.
- As is generally the case, residuals (fees, transaction costs, etc.) detracted from performance.

*The benchmark is the Russell 2000 Value Index. Please see the back of this presentation for important disclosures. Our Behavioral Ranking Model (BRM) is a proprietary, multi-factor, quantitative tool for determining relative stock attractiveness within each of the 24 economic sub sectors. CAQC (Curated Assessment of Qualitative Conviction is our proprietary measure of sophisticated investor interest in stocks that lack quantifiable appeal). **Past performance is no indication of future results.** Sources: Russell, Bailard.

Small Cap Value Performance & Efficiency Rankings*

eVestment U.S. Small Cap Value Equity Universe, Net of Fee

PERFORMANCE for the three and five years ending 6/30/2025



Source: eVestment U.S. Small Cap Value Equity Universe peer group rankings and quarterly observations compared to the Russell 2000 Value Index. Rankings are from 1 to 100, with 1 being the best and 100 being the worst. There were 179 constituents in the Universe over the 3 years ending June 30, 2025, and 178 constituents for the 5 years ending June 30, 2025. **Past performance is no indication of future results. All investments involve the risk of loss.** Performance statistics are annualized for periods greater than one year. Please see the back of this presentation in the Appendix for important disclosures. Like other investments, an investment in this strategy may lose money.

Small Cap Value Strategy Outlook

OUTLOOK SUMMARY

On balance, historically significant return drivers for small cap value stocks are currently neutral toward small cap value outperformance. The relative valuation differential between small value and large growth remains at a high level.

CURRENT P/E TO 20-YEAR AVERAGE*

As of 6/30/2025	Value	Growth
Small	92.7%	93.7%
Large	111.4%	141.7%

Value vs. Growth

While small cap value stocks have historically outperformed in most portions of the economic cycle, they typically do best in the early stages of economic recovery, and when economic growth is strong. Trade policy uncertainty, Federal Reserve Board mixed interest rate signals, and the administration's potential deregulatory benefits, particularly for smaller companies, do not point to a clear economic path

Value stocks of all sizes can benefit from investors shortening their investment time horizons, as value stock typically deliver higher current earnings and dividend yields versus the more distant potential payoffs from growth stocks. Lower interest rates decrease the discount rate applied to future earnings, making them more valuable today and thus, favor growth stocks. 10-year Treasury yields though volatile, were basically flat in Q2.

(continued on next page)

*We begin by creating an investable universe at the end of June of every year. Prior to June 2015, investable universe includes largest 3000 stocks trading in New York, American and Nasdaq Stocks Exchanges. We only select ordinary common shares of US companies (excluding ADRS, SBIs and Units). After June 2015, investable universe is the same as the Russell 3000 Index. We then split the universe as the top 3rd with respect to ranked Market Cap being large cap and the rest being small cap. Within each size bucket, we split the stocks into two groups using median P/B ratio of that respective category. Each stock is then kept in that same category until the June of next year. After June 2015, P/B value used for classification uses the most recently reported book value. Prior to June 2015, we don't have access to report dates, hence P/B value used for classification uses the book value from Q1 of each year. **Past performance is no indication of future results.** All investments involve the risk of loss. Please see important disclosures at the back of this presentation.

Small Cap Value Strategy Outlook

Falling uncertainty increases confidence that distant prospective returns will materialize, increasing the appeal of growth stocks and decreasing the attractiveness of value stocks. Investor uncertainty can be approximated and quantified using expected measures of future market volatility. Derived from the price inputs of S&P 500 Index options, the CBOE VIX Index represents the market's expectation of 30-day forward-looking volatility.

The put/call ratio measures the relative volume of put options versus call options currently traded in the market. A low ratio has historically tended to favor value stocks performance over growth stocks, while a high ratio has corresponded with growth stocks marginally outperforming or performing as well as value stocks.

VIX fell throughout the quarter and ended at low levels, favoring growth. The put call ratio ended the quarter slightly lower, very slightly favoring value. On balance, these sentiment indicators favor growth.

Small Cap vs. Large Cap

Large cap companies derive more of their revenues and profits internationally than do small cap companies. A strong dollar makes U.S. goods and services relatively more expensive to foreign

purchasers and also lowers the profits of U.S.-based companies' overseas operations when those profits are repatriated into U.S. dollars. The dollar fell through Q2, and ended the quarter at multi-year lows, which should normally favor large cap companies. However, the continuing threat of an extended trade war dwarfs any potential currency benefits large companies might enjoy.

Small cap stocks are generally more highly leveraged than large cap stocks, so lower interest rates tend to relatively benefit them. In addition, recent narrow credit spreads suggest that current access to capital is good. Q2's flat rates favor neither large cap nor small cap.

Non-Financial Information (NFI) Investing

Our strategy uses non-financial information for risk control purposes that should be appreciated by goals focused investors and values focused investors alike. Measures such as employee turnover and accounting disclosure adequacy give valuable insights into a company's operations that may not immediately be reflected in traditional financial statements.

Small Cap Value Strategy Outlook

SMALL CAP VALUE RETURN DRIVERS

	Positive	Neutral	Negative	Comments
Absolute Valuations	●			Undervalued versus history.
Relative Valuations	●			Small value relatively very cheap versus large cap growth.
Economic Cycle		● →		Trade policy uncertainly remains. Fed easing on the horizon?
Interest Rates		●		Rates were volatile, but ended the quarter very near the level where they began. Given recent market behavior, should rates fall, small caps may relatively benefit more than growth stocks would be rewarded.
Volatility/Sentiment			●	After spiking higher in early April, VIX fell through the quarter and ended at low levels, favoring growth stocks. The Put/Call Ratio fell slightly favoring value. On balance, favoring growth.
Earnings Revisions			● →	Relative earnings revisions in Q2 strongly favored large caps.
Dollar		●		The dollar again fell throughout the quarter, and is at multi-year lows, which would should favor large cap stocks. Unresolved tariff issues, make normal analysis pointless for now.

Source: Bailard as of 6/30/2025. All investments involve the risk of loss.

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Bailard Small Cap Value Strategy | page 9

Why We Do What We Do: The Measures We Take to Help Produce Consistent Outperformance



- ✓ We have **outperformed our benchmark index for six consecutive years** (2019 - 2024).
- ✓ We had a very high batting average over the past five trailing years as well, **beating the Index in 39 out of the last 60 months.**^{1, 2}
- ✓ Versus our small value competitors, we were in the **4th percentile for batting average over the past five trailing years** (1st percentile is best.)^{1, 2}
- ✓ We also were in the **5th percentile for information ratio over the five trailing years**, indicating we had a lot of return for the smaller amount of risk we took.¹

Past performance is no indication of future results. All investments involve the risk of loss. There is no guarantee this strategy will achieve its performance or investment objectives.

¹Source: eVestment U.S. Small Cap Value Equity Universe peer group rankings and quarterly observations compared to the Russell 2000 Value Index. Rankings are from 1 to 100, with 1 being the best and 100 being the worst. There were 174 constituents reporting as of 7/15/2025 in the Universe over the 5 years ending June 30, 2025. ² Batting average measures a manager's ability to meet or beat an index, with higher being the most desirable. Information ratio is defined as excess return over the benchmark divided by tracking error.

Using the Gini Coefficient: Help Determine if An Asset Manager will Continue to Outperform

Most commonly used in macroeconomics to gauge income inequality within a nation, the Gini coefficient may also be used to measure the inequality of values in any frequency distribution.

Experienced investors know that individual stock returns often vary widely from the average return of the entire market. These positive and negative return outliers are historically much more common than would be found in a normal distribution of returns.

With so many individual stocks producing outlier returns, it is likely that asset managers will hold some of these stocks in their portfolios, and their performance will be enhanced or degraded as a result.

Why is this important? Among other attributes, investors typically screen for past performance and hire managers based upon their superior performance track records—most commonly based on a three-year period.

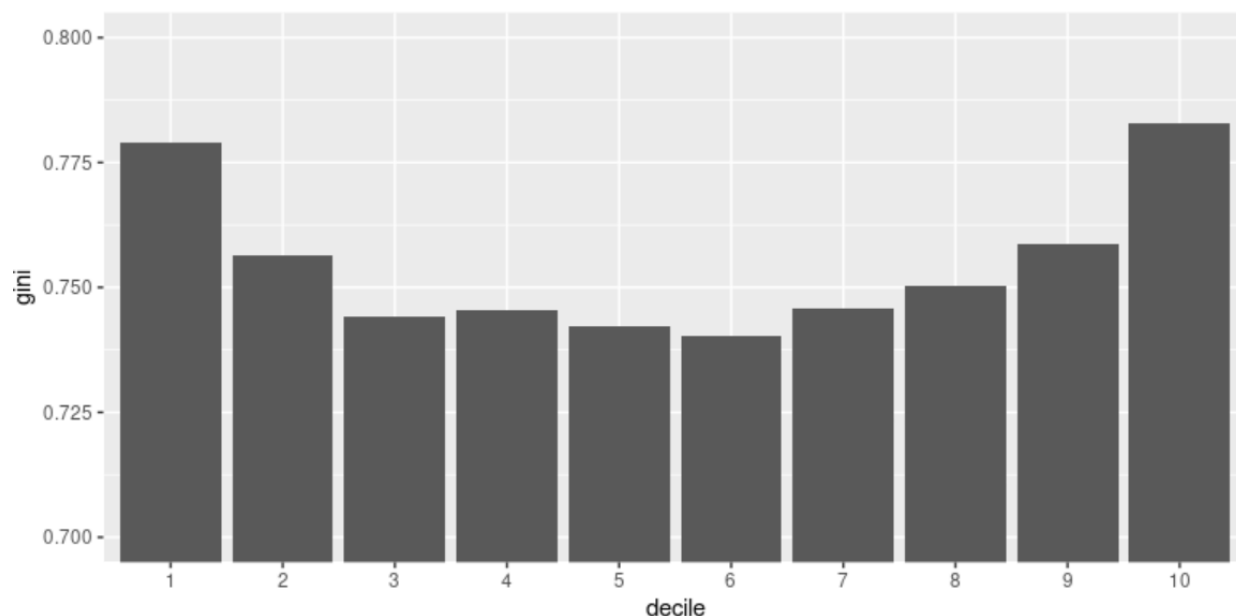
For some managers, past portfolio outperformance may have been mainly driven by significant exposure to outperforming individual stock outliers. A way to determine this is to use a statistical measure of inequality called the Gini coefficient. Some readers may be familiar with this measure as it is most commonly used in macroeconomics to gauge income inequality within a nation, but it may also be used to measure the inequality of values in any frequency distribution.

A Gini coefficient score ranges between 1 and 0. For our purposes, 1 indicates that a single stock contributed the entirety of a portfolio's outperformance and 0 shows that all portfolio constituents contributed equally to the outperformance.

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Using the Gini Coefficient: Help Determine if An Asset Manager will Continue to Outperform

Below, on a rolling monthly basis, we examine the holdings of each small cap value fund in the Morningstar mutual fund universe over the past three years and calculate the contributions of their holdings to overall portfolio performance. We then calculate the Gini coefficient of contributions for each of these funds. Next, we assign each fund a decile rank based upon trailing three-year performance (10: best performing funds, 1: worst performing funds). The chart below shows the average Gini coefficient of the funds in each decile.



The Gini coefficient differences among deciles are statistically insignificant except for the top and bottom performing deciles, where the Gini coefficients are significantly higher. Perhaps unsurprisingly, the most extreme outperforming and underperforming funds also had the greatest exposure to individual stock performance outliers.

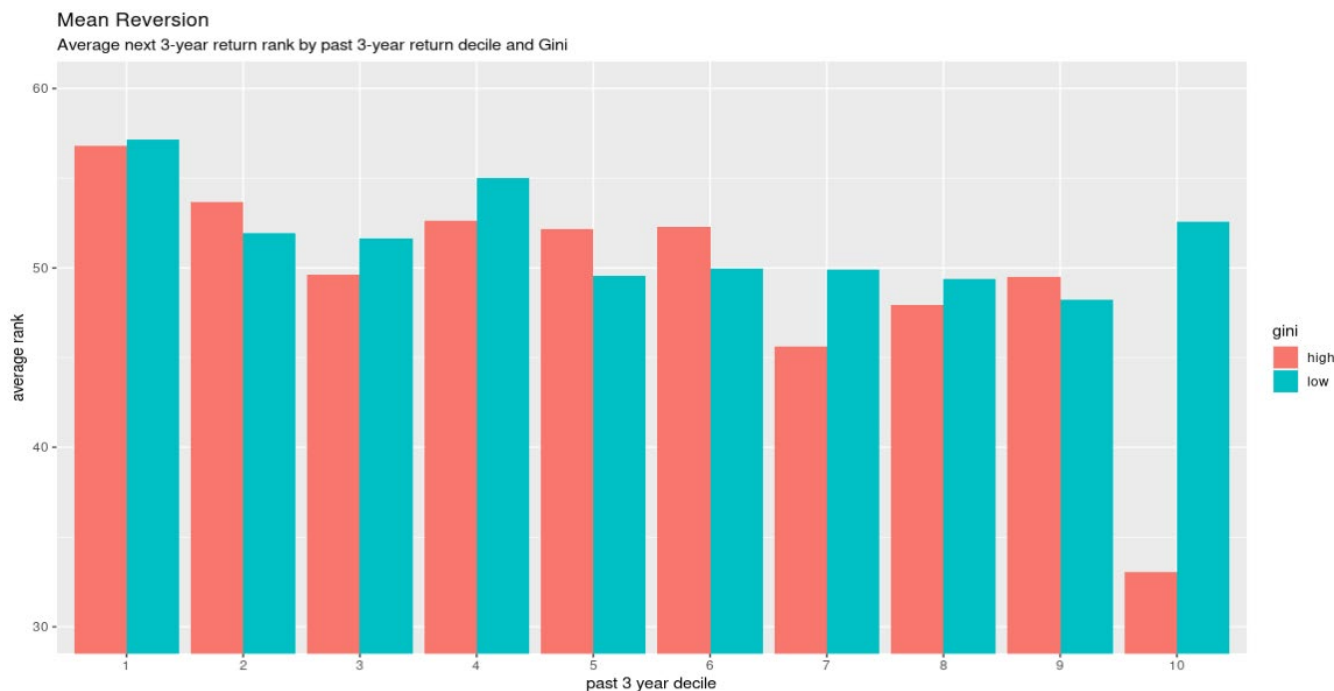
What is surprising is what happens to the subsequent performance of previously top performing funds with the highest Gini coefficients. While for most funds, subsequent three-year performance is not meaningfully different regardless of the Gini coefficient, for the top decile of past outperformers, a high Gini score has historically resulted

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Using the Gini Coefficient: Help Determine if An Asset Manager will Continue to Outperform

in very poor subsequent performance, as the manager making it to the top based on just a few significantly outperforming stocks was unable to reproduce that success in the future.

Any investor screening for managers with past outperformance owes it to themselves to also calculate the Gini coefficient of those portfolios to help avoid performance overconcentration and the historically significant future underperformance that has accompanied it.



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Portfolio Characteristic Comparison¹

As of 6/30/2025

	Bailard, Inc. Small Cap Value Composite ²	Russell 2000 Value Index
BRM Score	80.4	53.9
NFI Capture	66.4	53.6
Price/Book Value	2.0x	1.1x
Price/Earnings (trailing 12 mo.)	19.2x	13.7x
Price/Cash Flow	11.3x	6.5x
Return on Equity	12.7%	4.4%
Debt to Capital	22.7%	33.9%
Number of Holdings	287	1,442
Avg. Market Cap \$MM	\$3,995	\$2667
% Micro Cap Stocks	37.1%	17.8%

Sources: FactSet, Bailard. Our Bailard Ranking Model (BRM) is a proprietary, multi-factor, quantitative tool for determining relative stock attractiveness within each of the 24 economic sub sectors.¹The information presented on this page, while representative of the Bailard Asset Management Small Cap Value Strategy, should not be solely relied on as it can differ from client to client and could vary over time. ²The Bailard Small Cap Value Composite (the "Composite") consists of a Bailard Asset Management portfolio that is invested solely in small and micro capitalization U.S. equities which exhibit value characteristics. Data regarding the portfolio characteristics of the Composite reflect ownership information as of the date shown and are not intended to represent any past, present or future specific investment recommendations. Portfolio characteristics are subject to change without notice.

Small Cap Value Strategy Team



THOMAS J. MUDGE III, CFA

Portfolio Manager | SVP | Director, Equity Research

Investment experience: 38 years; 38 years with firm

Tom leads Bailard's equity research and serves as portfolio manager of the Small Cap Value Strategy. As a Behavioral Finance enthusiast, he leveraged his extensive knowledge of the small and micro-cap value universe to create the original small cap value strategy in 2001. Tom earned his BA at Northern Michigan University in 1985 and the Chartered Financial Analyst® designation in 1994, and is a member of the CFA Institute and the CFA Society of San Francisco. He completed the certificate program in Investment Decisions and Behavioral Finance at Harvard University's John F. Kennedy School of Government.

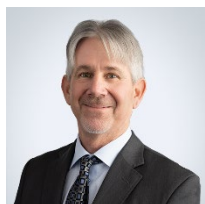


OSMAN AKGUN, PH.D., CFA

Portfolio Manager | SVP, Domestic Equities

Investment experience: 14 years; 13 years with firm

Osman serves as Senior Vice President of Domestic Equities and as a portfolio manager for Bailard's Small Cap Value Strategy. He uses his passion for finding creative and sensible solutions to complex investment problems and focuses on quantitative research, model building, and portfolio optimization. Osman joined Bailard in 2012 after receiving his Ph.D. in Industrial Engineering and Operations Research at the University of California, Berkeley. Prior to his Ph.D. program, Osman received Masters' Degrees in Statistics as well as in Industrial Engineering and Operations Research, both from the University of California, Berkeley. During this time, Osman worked as a Research Assistant focusing on stochastic modeling and optimization, with applications to finance, service operations and computer communications. Prior to his graduate work, he received a B.S. in Industrial Engineering from Bogazici University, Turkey. Osman received his Chartered Financial Analyst® designation in 2017 and is a member of the CFA Institute and the CFA Society of San Francisco.



BLAINE TOWNSEND, CIMC®, CIMA®

Portfolio Manager | EVP | Director, Sustainable, Responsible and Impact Investing

Investment experience: 31 years; 9 years with firm

Blaine leads Bailard's Sustainable, Responsible and Impact Investing (SRII) team, and is a portfolio manager of Bailard's Small Cap Value Strategy. As a pioneer and thought leader in the field of sustainable investing, Blaine was the original architect of the proprietary NFI Capture framework first applied to the strategy in 2019. Blaine began his career in SRI/ESG in 1991 at the Muir Investment Trust, the nation's first environmentally screened bond fund. From 1996 through 2009, he led the California office for Trillium Asset Management, where he managed socially responsible and sustainably focused portfolios, served on the firm's investment committee and worked on corporate engagement efforts. After Trillium, Blaine spent 8 years at Wells Fargo's ESG firm Nelson Capital Management as a partner and senior portfolio manager, and on the firm's leadership team and investment committee. Blaine currently serves as an Advisory Board member for *The Journal of Impact and ESG Investing*. He holds a BA from the University of California, Berkeley and CIMC® and CIMA® credentials.

Small Cap Value Strategy Team



ANNALISE DURANTE

VP | Senior SRII Research Analyst

Investment experience: 10 years; 7 years with firm

Annalise serves as a VP and Senior SRII Research Analyst, having joined Bailard in 2017. As a Senior SRII Research Analyst, Annalise contributes to SRI research, thought leadership, and corporate engagement. As an Investment Counselor, Annalise is responsible for managing client relationships and implementing investment strategies. Prior to originally joining Bailard in 2017, Annalise spent two years at Citi Private Bank working with ultra-high-net-worth clients. She also spent time volunteering for a microfinance organization in Cambodia. Annalise earned a Bachelor's degree in Finance from the University of Miami.



GLENN A. DAVIS, CFA

SVP | Head Trader

Investment experience: 34 years; 34 years with firm

Glenn joined the firm in 1991. As head trader, Glenn's responsibilities include execution of all purchases and sales of domestic securities. With more than 25 years of trading experience, he excels in trading small and micro-cap stocks while working diligently to minimize market impact. Glenn received his BS from Santa Clara University in 1988 and his Chartered Financial Analyst® designation in 1995, and is a member of the CFA Institute and the CFA Society of San Francisco.

Investment Philosophy

- **Behavioral anomalies can provide an enduring source of alpha.**
 - Market participant irrationality is recurring, predictable, and therefore exploitable.
- **Less scrutiny can mean greater opportunity in our Bailard Ranking Model.**
 - Bargains or advantages are rare where everyone else is looking.
 - Small and micro cap stocks can be fertile ground for behavioral biases and unidentified opportunities. These can be effectively exploited through a disciplined and systematic approach.
- **Avoid unnecessary risk.**
 - Control for economic sector exposure, bankruptcy risk, idiosyncratic risk, non-financial risk, alpha instability, beta deviation and false precision in stock selection.

Our Bailard Ranking Model (BRM) is a proprietary, multi-factor, quantitative tool for determining relative stock attractiveness within each of the 24 economic sub sectors.

Sustainable and Responsible Investing Framework

Product & Industry Screens

No companies deriving more than 25% of revenues* from the following high risk, controversial sources:







- × Firearms
- × Controversial weapons (landmines, cluster munitions)
- × Alcohol
- × Tobacco
- × Gambling
- × Adult Entertainment
- × Predatory Lending (payday loans, rent-to-own)
- × Private Prisons

* This revenue threshold removes clear offenders while not excluding grocery stores, hotels, airlines, restaurants, cable television, cell phone service providers, etc.

Non-Financial Risk Mitigation

- ✓ Exclude the bottom scoring 20% of Bailard's NFI Capture rankings.
- ✓ Portfolio's average NFI Capture (Non-Financial Information) score will always exceed the benchmark's score.
- ✓ Additionally, we use qualitative measures to screen out companies that have egregious patterns of behavior that may not be fully reflected in NFI Capture rankings.

Why the Bailard Small Cap Value Strategy?

SMALL CAP INVESTING CHALLENGES	BAILARD'S APPROACH	
Thousands of Stocks With No Top-heavy Concentration		Systematic methods helps allow for broader analysis of thousands of companies, identifying potential winners easily missed by more narrowly focused competitors. The nature of the small value investable universe requires a larger portfolio to adequately cover risk exposures.
Higher Volatility		We hold 250-300 stocks, limiting individual stock risk. We are consistently invested in all 11 economic sectors and all 24 economic subsectors, reducing economic cycle risk. Our NFI Capture methodology also helps to limit volatility by avoiding companies with significant potential negative externalities.
Limited Information		In addition to sometimes-limited financial statement data and analysis, we identify more universal behavioral finance anomalies to broaden our alpha opportunities, and employ advanced valuation techniques.
Higher Bankruptcy Risk		Our earnings quality focus, accounting and auditor red flag screening, credit risk measurement, and factor beta “value trap” identification all help weed out companies with going concern issues.
Liquidity Constraints		We employ proprietary and often contrarian stock selection factors to avoid crowding. We emphasize characteristics more than individual stocks, allowing for patient, flexible trading. We broadly diversify, limiting maximum position sizes, and have deep trading experience and expertise.
Limited Non-Financial Data Available		We seek, extract, and thoughtfully combine alternative data sources to help quantify and mitigate non-financial risks.

About Bailard, Inc.

1969

Founded in 1969

- An independent firm, committed to serving asset management and wealth management clients

73%

Current and former employee owned

- Current and former employees own 56% and 17%, respectively; No institutional ownership
- Broad employee ownership: 64% of current employees own stock

52%

Women and minority owned

85

85 employees

- Average investment professional tenure of 14 years
- 47% of employees are women
- Led by a female CEO

\$7.1B

Assets Under Management

- Institutional strategies include international equities, technology, small cap value, private real estate, and sustainable and responsible investments

Disclosures and Key Risks

This presentation is confidential and can only be used by investment professionals. It cannot be reproduced in whole or in part or distributed to anyone else without the permission of Bailard. It is not for retail use. It does not constitute a recommendation of, or an offer to sell or a solicitation of an offer to buy any particular security or investment product. It does not take into consideration the particular investment objectives, financial situations, or needs of individual clients.

The information is current as of the date indicated and Bailard undertakes no duty to update any of the information contained in this presentation. The presentation contains some forward-looking statements, which involve a number of risks and uncertainties, and actual results may differ materially from these forward-looking statements.

Any references to specific securities are included solely as general market commentary and were selected on criteria unrelated to Bailard's portfolio recommendations or the past performance of any security held in any Bailard account or fund. There is no guarantee Bailard, or this strategy will achieve their performance or investment objectives. **Unless otherwise indicated, the performance data in this presentation does not reflect the performance of any Bailard product, strategy or account.**

Past performance is no indication of future results. All investments have the risk of loss.

Key Risks

The Bailard Small Cap Value Strategy is not by itself a complete investment program and is best suited for investors who can accept the above average risk generally associated with small cap and micro cap stocks. These companies may face greater economic cycle risk, credit risk, geographic risk, product, and customer concentration risk than that faced by larger companies. Small cap and—to a greater extent—micro cap stocks are more volatile and less liquid than larger cap stocks and may be more difficult to trade. There are times when the small cap value equity style underperforms other equity investment styles.

The use of environmental, social, and governance (ESG) screens may exclude certain investments and result in performance that differs from strategies not using such screens. ESG assessments are inherently subjective, and investors may disagree on what constitutes favorable ESG characteristics. We rely on third-party ESG data, which may be incomplete or inconsistent, and our application of ESG criteria may not always align with an investor's values. Our evaluation of ESG criteria may change over time.

The market value of an investment will fluctuate as the securities markets fluctuate. There can be no assurance that this or any investment strategy will achieve its investment objectives. All investments have the risk of loss.

Performance Disclosures

Other Disclosures

The information in this presentation is for informational purposes only and is not an offer to provide investment advice, an offer to sell securities or the solicitation of any offer to buy securities. Before making any investment decision, you should review Bailard, Inc.'s Form ADV Part 1A and Bailard's Form ADV Part 2A (available on the SEC's website at <https://adviserinfo.sec.gov/firm/summary/110550>), as well as Part 2B of Bailard's Form ADV (available from Bailard) and all other information that Bailard provides to you. You should also discuss all matters concerning any prospective investment that you desire with Bailard. The information provided herein is meant to demonstrate Bailard's general investment process. The outline of processes and steps taken is general in nature, and Bailard from time to time will deviate from the specific investment steps, limitations, screens, controls and overall process described. The description of the Bailard Ranking Model provided in this presentation is for conceptual illustration purposes only and is not meant to represent a complete example of the use of the model with respect to the Bailard Institutional Small Cap Value Strategy.

Small Cap Value Composite Performance Disclosures

The Bailard Small Cap Value Composite (the "Composite") includes a Bailard portfolio invested solely in small and micro capitalization U.S. equities that exhibit value characteristics. The Small Cap Value Strategy is implemented within the Bailard Small Cap Value Composite. As of June 30, 2025, the Composite consisted of a single mutual fund which Bailard has been managing in an advisory or sub-advisory capacity since 2001 with a market value of \$101.4 million, which represented 1.4% of the total assets under Bailard's management. The NFI Capture component was explicitly introduced to the portfolio in December 2019. Prior to 2006, the Composite had less consistent and lower overall exposure to micro cap stocks. The Composite's returns are total returns presented as labeled, either net of, or both gross and net of management fees ("net of fees") payable to Bailard and assume reinvestment of dividends and other earnings. The returns do not reflect a fiduciary fulfilment fee payable to Bailard (where applicable), or custody and other account expenses not payable to Bailard. The return of this Composite is not the NAV return of the mutual fund.

Both gross of fee and net of fee returns are taken directly from Bailard's portfolio accounting system, and net of fee performance was calculated by netting down the gross return by actual management fee paid by the mutual fund client to Bailard as of the date paid. Composite returns do not reflect a fiduciary fulfilment fee payable to Bailard (where applicable), or custody and other expenses not payable to Bailard which the composite account incurred.

The Firm's annual fee schedule for new accounts is: 0.90% of the first \$25 million, 0.70% of the next \$25 million, 0.60% on the next \$50 million, and 0.50% on assets over \$100 million. The Composite's complete return history and a list of Bailard's composites are available upon request.

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Performance Disclosures (Continued)

Market Indices Definitions

The S&P 500 Index, the Russell 1000 Growth Index, the Russell 1000 Value Index, the Russell 2000 Growth Index, the Russell 2000 Index, the MSCI USA Small Cap ESG Leaders Index, the Russell 2000 Value Index, and the Russell Micro Cap Value Index shown in this presentation are different from a managed account in that they are unmanaged, uninvestable and do not reflect any transaction costs.

The Russell 2000 Value Index is a commonly used index that measures the performance of the small-cap value segment of the U.S. equity universe. It includes those Russell 2000 Index companies with lower price-to-book ratios and lower forecasted growth values. The Russell Microcap Value Index measures the performance of the microcap value segment of the U.S. equity market. It includes Russell Microcap companies that are considered more value oriented relative to the overall market as defined by Russell's leading style methodology. Unlike the Russell 2000 Value Index and the Russell Microcap Value Index, the Composite account can acquire stocks in initial public offerings and can hold cash equivalents and exchange-traded funds. The Composite account's stock holdings may differ materially from those of the Russell 2000 Value Index and the Russell Microcap Value Index, as the Composite: 1) can invest in stocks that are not in the indices; and 2) may omit securities that may otherwise merit investment due to the application of various environmental, social and governance screens. The Composite can hold microcap stocks and will tend to hold a higher percentage of microcap stocks (defined as stocks in the bottom 1% of major U.S. exchange-traded securities when measured by market capitalization) than the Russell 2000 Value Index. The Composite can hold small cap value stocks and will tend to hold a higher percentage of small cap value stocks (defined as stocks with lower price-to-book ratios and lower expected growth values and between 1% and 11% of major U.S. exchange-traded securities when measured by market capitalization) than the Russell Micro Cap Value Index. The Small Cap Value Strategy's model portfolio holdings will differ materially from the index due to the model portfolios' selection of only a portion each of these indices' securities. The Small Cap Value Strategy's hypothetical returns differ materially from that of the indices. As a result, the indices are not indicative of the past or future performance of the model portfolios.

S&P 500: The S&P 500 Index is a commonly used U.S. stock index of 500 large capitalization stocks.

Russell 1000 Growth: The Russell 1000 Growth Index measures the performance of the large cap growth segment of the US equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 1000 Value: The Russell 1000® Value Index measures the performance of the large cap value segment of the US equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values

Russell 2000 Growth: The Russell 2000 Growth Index measures the performance of the small cap growth segment of the US equity universe. It includes those Russell 2000 companies with higher price-to-value ratios and higher forecasted growth values.

Russell 2000 Index: The Russell 2000 Index measures the performance of the small-cap segment of the US equity universe. The Russell 2000 Index is a subset of the Russell 3000 Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership.

MSCI USA Small Cap ESG Leaders Index: The MSCI USA Small Cap ESG Leaders Index is a capitalization weighted index that provides exposure to companies with high Environmental, Social and Governance (ESG) performance relative to their sector peers. MSCI USA Small Cap ESG Leaders Index consists of small cap companies in the US market. The Index is designed for investors seeking a broad, diversified sustainability benchmark with relatively low tracking error to the underlying equity market. The index is a member of the MSCI ESG Leaders Index series. Constituent selection is based on data from MSCI ESG Research.

Other Performance Definitions

Standard deviation is the annualized standard deviation of monthly returns. "Information ratio" is the ratio of added value to tracking error. "Tracking error" is the annualized standard deviation of monthly added value, where added value is [Composite return – benchmark return].

Past performance is no indication of future results. All investments have the risk of loss.

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