

**LUTHER KING CAPITAL MANAGEMENT**  
**LKCM SMALL CAP CORE COMPOSITE**  
**First Quarter, 2026 Update**



<b>Performance **</b>	<b>1<sup>st</sup> QTR 2026</b>	<b>YTD 2026</b>	<b>One Year</b>	<b>3 Years Annualized</b>	<b>5 Years Annualized</b>	<b>10 Years Annualized</b>	<b>Since Inception Annualized*</b>
LKCM Small Cap Core Composite (gross)	-1.7%	-1.7%	21.5%	14.4%	5.9%	12.2%	11.2%
LKCM Small Cap Core Composite (net)	-2.0%	-2.0%	20.3%	13.3%	4.9%	11.0%	10.1%
Russell 2000 <sup>®</sup> Index	0.9%	0.9%	25.7%	13.1%	3.8%	9.9%	9.0%

The Russell 2000<sup>®</sup> Index, an index composed of small cap, public companies, returned 0.9% during 1Q 2026. Value was the best performing cohort, as the Russell 2000 Value Index returned 5.0% while Russell 2000 Growth Index returned -2.8%. Russell 2000 Quality Price Index slightly outperformed the broad index. Energy provided outsized returns during the quarter, as the conflict in Iran raised geopolitical risk premiums and supply risks on global crude oil prices. The Materials sector was the second-best performing sector for the quarter, while Information Technology and Consumer Discretionary were the two worst performing sectors during the quarter.

During the past quarter, economic conditions and markets reflected a clear shift in regime. Early in the quarter, easing yields and improving leading indicators (including PMIs and housing) supported risk appetite and a broadening rally, as investors leaned into the idea that growth would inflect for more rate sensitive constituents. Labor and consumer data generally held up, but the “last mile” on inflation stayed sticky enough to keep policy sensitivity elevated. That backdrop changed materially in March as geopolitical stress pushed energy prices higher, rekindled inflation concerns, and tightened financial conditions – leaving equities increasingly driven by oil, rates, and inflation concerns. Under the surface, market breadth deteriorated, dispersion widened, and credit conditions became a more visible constraint even when headline indices appeared resilient.

Looking ahead to the rest of 2026, the outlook will likely hinge on whether inflation risks from energy recedes and allows rates to fall; the persistence of a commodity-driven inflation risk would keep policy expectations more restrictive. Our base case is a choppy but fundamentally constructive backdrop where growth inflects for small caps, earnings remain broadly resilient, and the market gradually re-anchors to fundamentals once oil volatility cools. In that scenario, returns should be more idiosyncratic – driven by cash flow durability, pricing power, and balance sheet quality. Elevated dispersion argues for selectivity rather than owning broad beta. The downside risk is an oil driven inflation impulse that keeps rates rising and financial conditions tightening enough to pressure multiples and capex. The upside case calls for disinflation, which reopens space for further monetary accommodation. The favorable backdrop would support more equity risk capital in long duration growth, rate sensitive subsectors, and small cap equity securities. Key swing factors include the path of oil and direction of real yields, determining whether leadership remains inflation/commodity sensitive versus rotating back toward growth as uncertainty clears.

The LKCM Small Cap Core composite returned -2.0% net of fees for the quarter-ended March 31, 2026, as compared to an increase of 0.9% for the Russell 2000<sup>®</sup> Index. Our overweight in Industrials and underweight in Health Care were the largest allocation contributions to portfolio relative performance. The two weakest contributions to relative performance from allocation resulted from a slight underweight in Energy and overweight in Consumer Discretionary. Overall, our sector exposures contributed to portfolio performance relative to the Russell 2000<sup>®</sup> Index during the quarter, largely driven by selection effect in Information Technology. Securities selection contributed to attribution with greatest security selection benefit from the Information Technology and Materials sectors, while the weakest attributions from security selection for the quarter were in the Health Care and Industrials sectors.

Our investment strategy is to maximize our internal, research-intensive process and to identify competitively advantaged companies that generate strong financial returns with attractive reinvestment opportunities. We strive to purchase these stocks at attractive prices. We believe these companies increase the value of their enterprise which will lead to long-term equity returns for our investors. Our goal is to generate superior returns through market cycles relative to our benchmark by consistently executing our investment strategy and minimizing the risk (volatility) of the portfolio in pursuit of long-term, capital appreciation.

\* 10/1/94 – 3/31/26

\*\* This presentation is supplemental to the attached GIPS Report. Past performance is not indicative of future results.

# LKCM SMALL CAP CORE COMPOSITE

March 31, 2026

**CO-MANAGERS:** MASON D. KING, CFA  
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MARK L. JOHNSON, CFA

**INCEPTION:** October 1, 1994

**INVESTMENT STRATEGY:** Provide superior performance with lower volatility relative to our benchmark with a focus on achieving long-term capital appreciation through long-term investment in competitively-advantaged small-cap companies.

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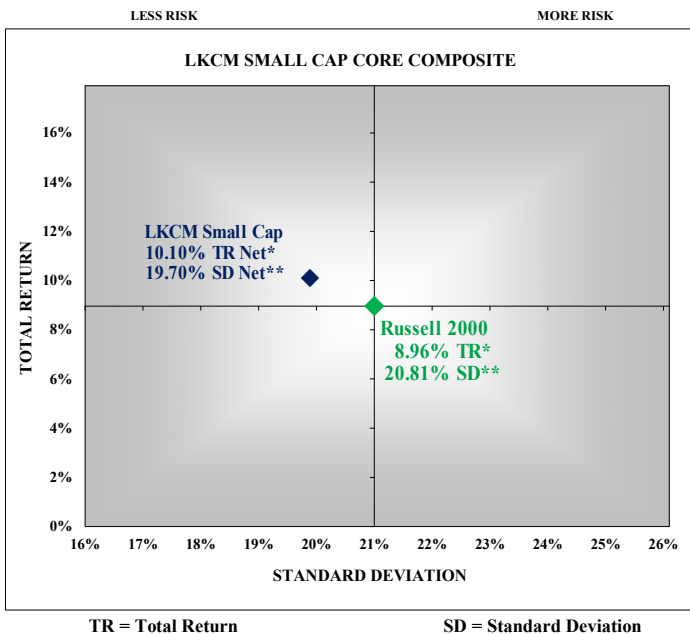
TEN LARGEST HOLDINGS 03/31/26*	
LUMENTUM HOLDINGS	3.2 %
CIENA CORP	2.6 %
TOWER SEMICONDUCTOR LTD	2.6 %
PLANET LABS PBC	2.2 %
ROGERS CORP	2.0 %
CECO ENVIRONMENTAL CORP	2.0 %
MATERION CORP	1.9 %
ARCHROCK INC	1.8 %
ENSIGN GROUP INC	1.8 %
ITT CORPORATION	1.8 %
	22.0 %

PORTFOLIO RESULTS	
(Benchmark - Russell 2000) (Since Inception)	
	<u>Net</u>
ALPHA	2.01%
BETA	0.89
R <sup>2</sup>	89%
-----	
UP CAPTURE	96%
DOWN CAPTURE	88%

PORTFOLIO CHARACTERISTICS	
RETURN ON EQUITY (Median)	13.9%
LONG TERM DEBT TO TOTAL CAPITAL	30%
P/E FWD 4 Quarters (ex Neg-earnings)	18x
-----	
WTD AVG. MARKET CAPITALIZATION	\$5,167 Million
TOTAL SMALL-CAP EQUITY COMPOSITE ASSETS	\$ 371 Million
#HOLDINGS	77
PORTFOLIO TURNOVER*	35%
ACTIVE SHARE	94%

\*The largest ten holdings are at 03/31/26 and may not reflect current holdings.

\*Turnover rate is based on a representative portfolio for a rolling one year period ending 03/31/26



ATTRIBUTION (1Q 2026)				
	Avg. Portfolio Weight	Portfolio Contribution	Avg. Benchmark Weight	Benchmark Contribution
INDUSTRIALS	21.5%	0.0	18.7%	0.8
HEALTH CARE	15.9%	-3.8	17.5%	-0.8
FINANCIALS	15.2%	-0.5	17.2%	-0.1
INFORMATION TECHNOLOGY	14.6%	2.8	14.4%	-0.7
CONSUMER DISCRETIONARY	9.2%	-0.7	8.8%	-0.4
ENERGY	5.5%	1.4	5.7%	1.8
REAL ESTATE	1.9%	-0.4	5.5%	0.0
MATERIALS	4.0%	0.3	4.7%	0.3
UTILITIES	0.0%	0.0	3.0%	0.1
COMMUNICATION SERVICES	2.7%	-0.6	2.6%	0.0
CONSUMER STAPLES	5.5%	-0.4	1.8%	0.0
CASH & EQUIVALENTS	4.0%	0.0	0.0%	0.0
<b>TOTAL PORTFOLIO</b>	<b>100.0%</b>	<b>-1.7%</b>	<b>100.0%</b>	<b>0.9%</b>

\*Total Net Return Since Inception (10/01/94 to 03/31/26) Annualized  
\*\*Standard deviation and performance characteristics reporting period (10/01/94 to 03/31/26)

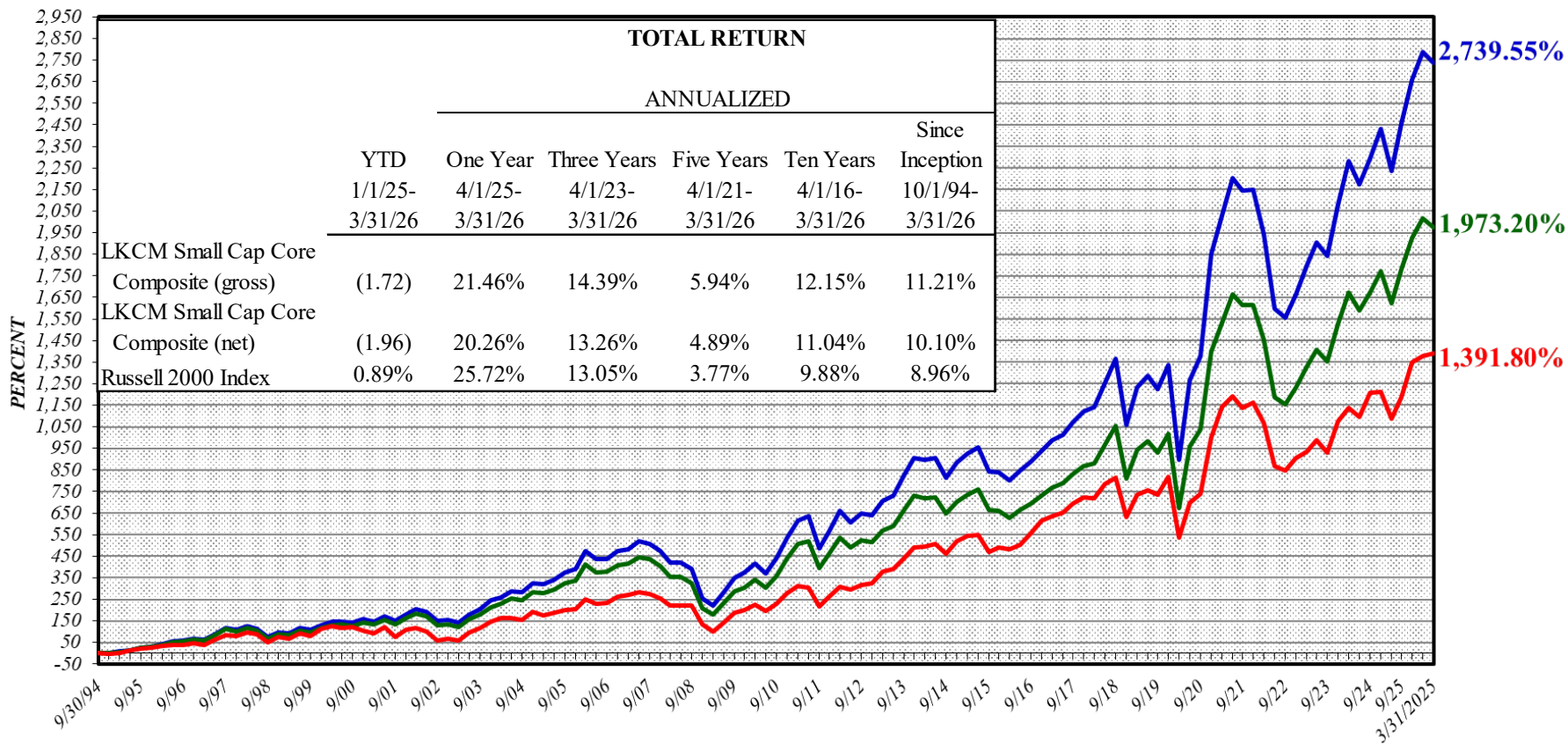
Source: LSEG Data and Analytics. Performance results calculated by Refinitiv may differ significantly from those calculated by LKCM due to differences in methodology for transaction pricing and accounting for capital transactions.

*This presentation is supplemental to the attached GIPS Report. Past performance is not indicative of future results.*

Sources: LKCM Small Cap Core Composite, Zephyr Informa Financial Intelligence, and LSEG Data and Analytics.

# ***LKCM Small Cap Core Composite***

## ***Cumulative Returns Since Inception (10/1/94 – 3/31/26)***



- **LKCM Small Cap Core Composite (gross)**
- **LKCM Small Cap Core Composite (net)**
- **Russell 2000 Index**

*The performance results should be reviewed along with the attached GIPS Report.  
Past performance is not indicative of future results. Time periods over one year are annualized.*

**LUTHER KING CAPITAL MANAGEMENT**  
**SMALL CAP CORE COMPOSITE**  
**GIPS Report as of March 31, 2026**

Year	Total Return		Russell 2000 Index	Small Cap Core Comp	3-Year Annualized Gross Standard Deviation		Number of Accounts	Small Cap Core Composite	Total Firm Assets (billions)
	Gross of Fees	Net of Fees		Annual Standard Deviation	Small Cap Core Comp	Russell 2000 Index		Assets (millions)	
2026 (1/1 - 3/31)	-1.72 %	-1.96 %	0.89 %	NA %	NA %	NA %	7	371	29.1
2025	14.07	12.94	12.81	0.4	17.56	19.63	5	366	30.4
2024	16.28	15.13	11.54	0.1	21.46	23.30	6	322	28.8
2023	23.42	22.19	16.93	0.2	20.36	21.11	6	266	26.3
2022	-21.55	-22.32	-20.44	0.2	27.43	26.02	5	201	23.6
2021	15.36	14.21	14.82	0.1	25.15	23.35	5	264	27.0
2020	35.85	34.50	19.96	0.3	27.11	25.27	6	244	21.6
2019	23.81	22.58	25.52	0.7	16.64	15.71	8	220	18.2
2018	-5.05	-6.00	-11.01	NA	16.01	15.79	7	193	14.5
2017	17.83	16.66	14.65	0.3	13.45	13.91	5	259	15.3
2016	10.32	9.22	21.31	0.2	15.20	15.76	10	421	13.1

	Annualized Returns		
	Total Return		Russell
	Gross of Fees	Net of Fees	2000 Index
1 year ending 3/31/26	21.46 %	20.26 %	25.72 %
5 years ending 3/31/26	5.94	4.89	3.77
10 years ending 3/31/26	12.15	11.04	9.88

NA – Information is not statistically meaningful due to insufficient number of portfolios in the composite for the entire year and/or the period is a partial year and/or the information is not required.

- 1) **Compliance Statement, Verification, and Trademark Information:** Luther King Capital Management (LKCM) is an independent registered investment adviser under the Investment Advisers Act of 1940 and is defined as an independent investment management firm. Luther King Capital Management (LKCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. LKCM has been independently verified for the periods January 1, 1992 through December 31, 2024. 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 Small Cap Core Composite has had a performance examination for the periods October 1, 1994 to December 31, 2024. 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) **Composite Description, Benchmark(s), and Risk:** January 1, 2003 is the effective creation date of the Small Cap Core Composite and October 1, 1994 is the inception date of the Small Cap Composite. The Small Cap Core Composite contains all fully discretionary taxable and non-taxable, fee-paying small cap accounts under management, including applicable registered investment companies for which LKCM serves as investment adviser or subadviser. Our small-cap strategy seeks to achieve long-term capital appreciation and investment returns that exceed the applicable benchmark while attempting to manage portfolio risk and volatility. Our small-cap strategy seeks to achieve its investment objective through fundamental analysis of individual companies and seeks high quality companies based on various criteria, such as profitability levels, balance sheet quality, competitive advantages, market share positions, ability to generate excess cash flows, meaningful management ownership stakes, reinvestment opportunities, and relative valuation. The strategy typically purchases securities of companies with market capitalizations between \$0.8 billion and \$7 billion at the initial time of purchase. For comparison purposes, the composite is measured against the Russell 2000 Index, which is a market capitalization weighted index that tracks the performance of 2000 small U.S. traded stocks. Material risks related to the investment strategy include, without

LKCM SMALL CAP CORE COMPOSITE  
GIPS REPORT AS OF MARCH 31, 2026

limitation, those associated with cybersecurity, equity securities, foreign securities, general market and economic conditions and factors, inflation, investment selection, liquidity, investment management, sector weightings, and small cap companies. For detail on each risk, please see our Form ADV, Part 2A.

- 3) **Dispersion and Fees:** The gross annual standard deviation presented is an asset-weighted calculation of performance dispersion for accounts in the composite for the entire year. In accordance with the SEC Marketing Rule that went into effect November 4, 2022, net of fee returns are calculated by reducing the gross returns by the maximum fee charged to any account in the composite for the respective period. The percent of composite assets that paid zero commissions was 0.88% as of 12/31/25. The current management fee schedule for this composite is as follows: 1.00% on the first \$5,000,000; 0.75% on the next \$5,000,000; 0.50% over \$10,000,000; minimum annual fee \$30,000. Management fees for registered investment companies for which LKCM serves as adviser or subadviser are calculated and paid quarterly in arrears, at annualized rates up to 0.75% of such fund's average daily net assets. The LKCM Small Cap Equity Fund included in this composite has a current management fee schedule of 0.75% and a net expense ratio of 1.00%. In some instances, LKCM voluntarily waives these fees and/or reimburses the applicable fund in order to maintain a designated expense ratio. LKCM may adjust or otherwise negotiate management fees in its discretion and, therefore, clients may have a different fee schedule. For a complete list of our management fees, please see our Form ADV, Part 2A.
- 4) **Additional Information and Availability of Information:** Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Effective January 2010, the portfolios in this composite stay at or over 80% invested in stocks at all times. Effective January 1, 2005, new accounts are added quarterly when the account is at least 75% invested and fully representative of investment style. Prior to January 1, 2005, accounts were added soon after inception on a quarterly basis and/or when considered fully representative of investment style. A list of all composite and limited distribution pooled fund descriptions and/or a list of broad distribution pooled funds is available upon request. Results are presented before taxes, both gross of management fees (which is net of commissions and other transaction costs) and net of model management fees and includes the reinvestment of all income. The U.S. dollar is the currency used to express performance. Past performance is not indicative of future results.

**LUTHER KING CAPITAL MANAGEMENT**  
**SMALL CAP CORE COMPOSITE**  
**PERFORMANCE RESULTS\***  
**OCTOBER 1, 1994 – MARCH 31, 2026**

	Total Return		Equity Return		Russell 2000 Index
	Gross of Fees	Net of Fees	Gross of Fees	Net of Fees	
Annualized Returns Ending 3/31/26					
<b>1 Year</b>	<b>21.46</b> %	<b>20.26</b> %	<b>22.45</b> %	<b>21.23</b> %	<b>25.72</b> %
2 Years	9.20	8.11	9.46	8.37	9.86
3 Years	14.39	13.26	15.08	13.94	13.05
4 Years	8.59	7.51	9.10	8.02	6.30
<b>5 Years</b>	<b>5.94</b>	<b>4.89</b>	<b>6.29</b>	<b>5.24</b>	<b>3.77</b>
6 Years	19.05	17.86	19.75	18.56	15.26
7 Years	11.40	10.29	11.95	10.84	8.60
8 Years	10.90	9.80	11.45	10.35	7.76
9 Years	11.26	10.15	11.79	10.68	8.20
<b>10 Years</b>	<b>12.15</b>	<b>11.04</b>	<b>12.74</b>	<b>11.62</b>	<b>9.88</b>
11 Years	9.69	8.60	10.21	9.11	7.93
12 Years	9.13	8.05	9.64	8.55	7.95
13 Years	10.16	9.06	10.69	9.59	9.17
14 Years	9.87	8.78	10.40	9.30	9.67
<b>15 Years</b>	<b>9.62</b>	<b>8.53</b>	<b>10.13</b>	<b>9.03</b>	<b>8.98</b>
16 Years	11.24	10.14	11.82	10.71	9.96
17 Years	13.65	12.52	14.34	13.21	12.53
18 Years	9.90	8.81	10.35	9.25	8.91
19 Years	8.70	7.61	9.08	7.99	7.63
<b>20 Years</b>	<b>8.33</b>	<b>7.25</b>	<b>8.69</b>	<b>7.61</b>	<b>7.54</b>
21 Years	9.52	8.43	9.93	8.84	8.35
22 Years	9.84	8.74	10.28	9.18	8.22
23 Years	11.33	10.22	11.89	10.78	10.19
24 Years	9.76	8.66	10.17	9.08	8.31
<b>25 Years</b>	<b>10.25</b>	<b>9.15</b>	<b>10.75</b>	<b>9.65</b>	<b>8.54</b>
26 Years	9.88	8.79	10.30	9.21	7.50
27 Years	10.50	9.40	11.07	9.97	8.48
28 Years	9.44	8.35	9.79	8.70	7.48
29 Years	10.33	9.23	10.75	9.65	8.52
<b>30 Years</b>	<b>10.48</b>	<b>9.38</b>	<b>10.92</b>	<b>9.82</b>	<b>8.41</b>
31 Years	11.14	10.03	11.70	10.59	9.02
31 1/2 Years	11.21	10.10	11.79	10.67	8.96

\*The results shown above should be reviewed along with LKCM Small Cap Core Composite GIPS Report. If you have not received a copy of the GIPS Report, please contact Luther King Capital Management for a copy. Equity returns are supplemental information to this composite. In accordance with the SEC Marketing Rule that went into effect November 4, 2022, net of fee are calculated by reducing the gross returns by the maximum fee charged to any account in the composite for the respective period. Past performance is not indicative of future results.

## **GLOSSARY OF TERMS**

**Alpha** represents the excess return of the composite over the expected market return.

**Beta** measures the risk or volatility of the composite relative to the market as a whole.

**R<sup>2</sup>** measures the correlation of composite returns to the benchmark.

**Up Capture** measures the percentage of benchmark performance captured by the composite during up quarters.

**Down Capture** measures the percentage of benchmark performance captured by the composite during down quarters.

**Growth** investing is an investment style and investment strategy that is focused on the growth of an investor's capital. Those who follow the growth investing style - growth investors - typically invest in growth stocks or companies whose earnings are expected to grow at an above-average rate compared to its industry or the overall market.

**Value** investing is an investment strategy where stocks are selected that trade for less than their intrinsic values. Value investors actively seek stocks they believe the market has undervalued. Investors who use this strategy believe the market overreacts to good and bad news, resulting in stock price movements that do not correspond with a company's long-term fundamentals, giving an opportunity to profit when the price is deflated.