

Friess Small Cap Growth Fund

2Q21 Commentary

Tickers

Institutional Investor
SCGFX **SCGNX**

Fund Facts

of Holdings **51**
Benchmark **Russell 2000 Growth**
Active Share **97.31%**
Inception Date **5/31/2017**

Portfolio Management



Scott Gates
*Portfolio Manager
and CIO*

Scott Gates is the lead portfolio manager. The investment team includes Scott Gates and 3 research analysts who have average tenure of 15 years at Friess and average investment industry experience of 24 years.

About Friess Associates

Friess Associates is an independently owned boutique investment management firm with an institutional focus founded by Foster Friess more than 46 years ago. Friess' sole focus is growth equity investing with a research-driven investment approach.

Portfolio Manager Scott Gates discusses the Fund's performance, portfolio changes in the second quarter and opportunities regardless of stock classification.

Q1. In general, large growth stocks rebounded in Q2 2021 and outperformed smaller growth companies. How did the portfolio perform in comparison?

In the second quarter, large-cap stocks significantly outperformed their small-cap peers. The Russell 1000[®] Growth Index rose nearly 13% while the Russell 2000[®] Growth Index increased less than 4% for the quarter ended June 2021.

We are pleased the Friess Small Cap Growth Fund (SCGFX) outperformed its benchmark index, the Russell 2000[®] Growth Index, with a second quarter return of 4.79%. Importantly, the Fund has outperformed the Index over the longer-term periods as of June 30, 2021.

Performance (%)	2Q21	1 Year	3 Year*	5 Year*	10 Year*
Institutional Class (SCGFX)	4.79	73.27	20.77	23.91	15.50
Russell 2000 [®] Growth Index	3.92	51.36	15.94	18.76	13.52

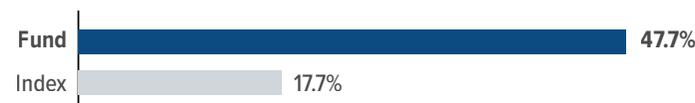
Performance data quoted represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, so that your shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than performance data quoted. The Fund's Adviser has contractually agreed, through at least April 30, 2022, to waive its management fees and/or pay Fund expenses. Otherwise, returns would be lower. Per the Fund's prospectus dated April 30, 2021, actual gross/net operating expense ratios are 1.64%/1.20% (Institutional shares) and 2.13%/1.45% (Investor shares), respectively. Current month-end data available at friessfunds.com.

At Friess, we do not select our portfolio holdings based on macro drivers such as the actions of the Federal Reserve or the direction of long-term interest rates. Rather, we remain focused on our time-tested, bottom-up fundamental research to identify rapidly growing micro- and small-cap companies with strong secular drivers and high-quality management that can execute their business plan.

As a result, the Fund's 2021 earnings per share growth estimate of 47.7% was more than 2x the Russell benchmark's estimate of 17.7%.

Nearly 2x the Earnings Growth Estimate

2021 vs. 2020 EPS Growth Estimate as of 6/30/21



Source: FactSet Research Systems Inc.

Q2. What changes were made to the portfolio over the second quarter of 2021?

As a result of the Fund's significant 21.46% return in the first quarter of 2021, our price targets were met for many holdings. When constructing the portfolio, an important part of our process is that we only hold our "best ideas" and, as such, holdings compete for inclusion and weighting by demonstrating the best fundamentals and growth prospects. Therefore, we aim to continually refresh the portfolio, replacing good ideas with great ones.

As a result, on a sector level basis, we sold several consumer discretionary companies and added several health care, industrials and information technology stocks to the portfolio in the second quarter.

The Fund continues to hold an overweight position in consumer discretionary as we find fast-growing companies in this area of the market, including home decor specialty retailer Kirkland's (KIRK) and Bellring Brands (BRBR), maker of nutrition-related ready-to-drink protein shakes, powders and nutrition bars.

Q3. With your investment process of identifying rapidly growing companies, is your search focused solely on growth stocks?

We prefer faster growing companies at reasonable valuations, and therefore, we are less concerned whether the stock is classified as growth, value or blend. As such, many holdings may not be categorized in Morningstar's growth category, including the aforementioned Kirkland's and Bellring Brands positions.

Sometimes our research points us to a rapidly growing company priced at what we believe to be a significant discount. For example, Titan Machinery (TITN) sells and services agriculture and construction equipment. The company has executed well while selling at a discount to the overall market. In fiscal 2020, the company earned 78 cents per share. In fiscal 2021, earnings grew to \$1.26 per share and Wall Street currently expects \$1.85 per share for fiscal 2022. In addition, the company has beat or raised its guidance six quarters in a row. Regardless of this significant growth, which we believe may continue through 2023 based on favorable farm economics, Titan is currently priced at a low 13 times next year's earnings.

Investors should carefully consider the Fund's investment objectives, risks, charges and expenses before investing. For this and other information, please call (855) 656-3017 or visit friessfunds.com. Read the prospectus carefully before investing.

*Performance shown prior to May 31, 2017 is for Series B Units of the Friess Small Cap Trust (the "Predecessor Fund"), an unregistered Delaware Business Trust that commenced operations on August 6, 2002. The Predecessor Fund offered Series A and Series B Units. Performance is shown for Series B Units because Series B Units have been outstanding since inception of the Predecessor Fund. Returns for Series A Units, for the periods they were outstanding, would generally have been higher than returns for Series B Units. The Predecessor Fund was reorganized into the Fund by transferring all of the Predecessor Fund's assets to the Fund in exchange for Institutional Class shares of the Fund on May 31, 2017, the date that the Fund commenced operations (the "Reorganization"). The Predecessor Fund has been managed in the same style as the Fund will utilize and by the same Investment Adviser and Sub-Adviser. The Fund's investment objective, policies, guidelines and restrictions are, in all material respects the same as those of the Predecessor Fund. At the time of the Reorganization the Predecessor Fund's investment portfolio was managed by the same portfolio manager and team of investment professionals who will manage the Fund's investment portfolio. The Investor Class commenced operations on May 31, 2017. Performance shown prior to inception of the Investor Class is based on the performance of the Predecessor Fund, adjusted for the higher expenses applicable to Investor Class shares. The Predecessor Fund was not subject to certain investment restrictions, diversification requirements and other restrictions of the Investment Company Act of 1940, as amended (the "1940 Act") or Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"), which, if they had been applicable, might have adversely affected the Predecessor Fund's performance.

The determination of "best ideas" is solely the opinion of the Fund's portfolio management team, and such opinion is subject to change. Small-cap companies that are fundamentally sound, experiencing positive change, such as new products, new management teams or members, acquisitions or divestitures, or legislative changes, and have accelerating earnings growth and reasonable valuations are generally considered "best ideas."

Earnings growth is not a forecast of the Fund's future performance. Earnings growth for a Fund holding does not guarantee a corresponding increase in the market value of the holding or the Fund.

Active Share is the percentage of stock holdings in a manager's portfolio that differs from the benchmark index.

Mutual fund investing involves risk. Friess Small Cap Growth Fund invests in small-cap companies, which involve additional risks such as limited liquidity and greater volatility. The Fund may also invest in depositary receipts, which are generally subject to the same risks as the foreign securities because their values depend on the performance of the underlying foreign securities.

As of 6/30/21, the Fund held 1.6%, 3.0% and 2.2% in net assets of Bellring Brands, Kirkland's and Titan Machinery, respectively. Fund holdings are subject to change. Mention of a specific security should not be considered a recommendation to buy or solicitation to sell that security.

The Russell 2000® Growth Index is a market-cap-weighted index that measures the performance of Russell 2000® companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000® Growth Index is a market-cap-weighted index that measures the performance of Russell 1000® companies with higher price-to-book ratios and higher forecasted growth values. One cannot invest in an index. A basis point is equal to 1/100th of 1%. Earnings per share (EPS) is a company's profit divided by the outstanding share of its common stock.

Fund is distributed by Foreside Fund Services, LLC.