Westwood®

Westwood **Global Real Estate Fund**

Commentary

1Q **2024**

Investment Overview

Westwood Global Real Estate Fund seeks total return from both capital appreciation and current income by investing in a portfolio of diversified real estate companies in developed economies. We seek global investment opportunities in locations that we believe to have clear, enduring investment value in both international and U.S. markets — places that are centers of global trade, learning and innovation, and magnets for commerce and population growth.

The fund employs a bottom-up approach to stock selection with an emphasis on superior property location and quality, strong prospects for appreciation in property rents and values, and management's track record for adding value. The fund invests primarily in high-quality commercial and residential real estate companies located in both U.S. and non-U.S. countries.

- The rigorous, repeatable, bottom-up investment approach incorporates quantitative and qualitative analyses of companies' cash flow, assets and management.
- The team identifies securities with the most risk-adjusted appreciation potential using proprietary Discounted Cash Flow and Relative Ranking models.
- The fund adjusts to changing market fundamentals through sector and geographic rotation, employs active stock selection and leverages the team's long-term experience in real estate security portfolio management.

Performance (as of 03/31/24)

Westwood Global Real Estate Fund's Institutional Class shares produced a total return of -0.79% in the first quarter of 2024. The fund outperformed its benchmark, the FTSE EPRA/NAREIT Developed Index, which returned -1.30% for the same period.

	Q1 2024	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception (04/28/06)
Fund (KIRYX)	-0.79%	-0.79%	10.23%	-0.58%	0.19%	2.52%	2.28%
FTSE EPRA/ NAREIT Developed Index	-1.30%	-1.30%	7.41%	-1.13%	-0.21%	3.05%	3.05%

Returns for periods greater than one year are annualized.

Total Annual Fund Operating Expenses by Share Class: Institutional Class: 1.64%; Class A: 1.80%; Class C: 2.52%. The advisor has contractually agreed to reduce fees and reimburse expenses until March 1, 2025. In the absence of current fee waivers, total return and yield would be reduced.

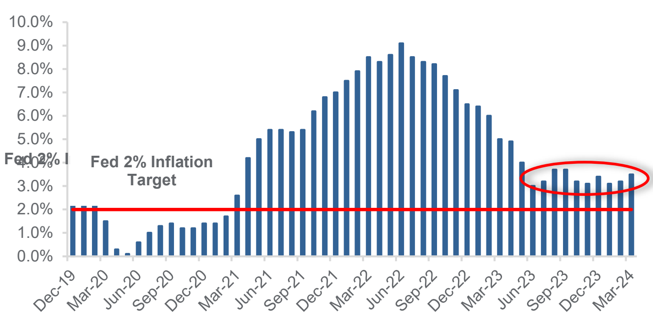
The performance quoted represents past performance, does not guarantee future results and current performance may be lower or higher than the data quoted. The investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Performance data current to the most recent month-end may be obtained at westwoodfunds.com. Investment performance may reflect fee waivers in effect. In the absence of fee waivers, total return would be lower. Total return is based on NAV, assuming reinvestment of all distributions. Performance does not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

First Quarter Macro Review

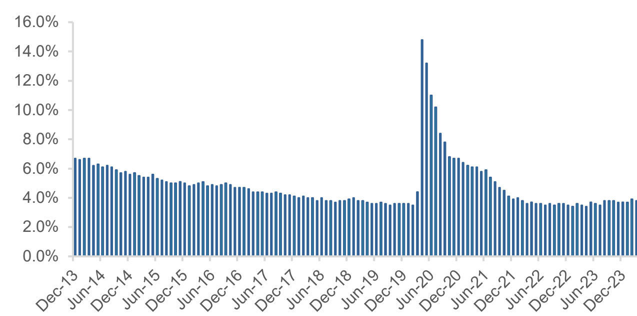
Given the Federal Reserve's (Fed's) telegraphed monetary "pivot" toward the end of last year and the resulting stock market rallies around the globe that closed out 2023, investors entered the new year with ebullient spirits and high expectations. While we never really believed the initial consensus forecasting of significant synchronized global loosening in 2024, we still considered ourselves a few of the hopeful majority who foresaw continued strength across the capital markets. Specifically concerning global real estate, we undergirded our optimistic view with the compelling valuations and attractive operating fundamentals that publicly traded real estate investment trusts (REITs) offered those looking to allocate capital. Alas, three months into the calendar, global REITs remain stuck in neutral (at least from a performance standpoint) as most global equity markets continue their upward trajectory. While it's clear those eagerly awaited interest rate cuts have yet to materialize, the domestic economy remains steadily supportive of economic growth, even if the explanatory narrative seems to change by the week. The Fed's ongoing battle with inflation remains top of mind for most allocators of capital, and as the chart below illustrates, the home stretch to get this figure down to the Fed's target of 2% appears a lot more difficult than prognosticators initially underwrote. Hence the delay in rate cuts and the resulting tepid performance during the first quarter for rate-sensitive sectors of the capital markets like REITs. Nevertheless, three months does not make a year, and we remain unswayed in our confidence that patience will be rewarded as the year unfolds.

With the notable exception of Japan, most overseas economies do not appear to be registering the same level of macro strength as the United States, and as a result, we have recently begun increasing the fund's exposure to U.S.-based REITs. Our positioning recognizes that the combination of 1) a strong U.S. labor market, which as of March registered an unemployment rate of 3.8% and 2) resilient economic growth — the most recent gross domestic product (GDP) print estimated that the U.S. economy grew at an annualized rate of 3.4% in the fourth quarter — has provided a constructive backdrop to lift equity markets. Further, while U.S. corporate earnings have slowed recently, we anticipate a reacceleration toward the second half of the year, which could provide a helpful tailwind in the coming quarters.

U.S. CPI Urban Consumers Y-O-Y Change

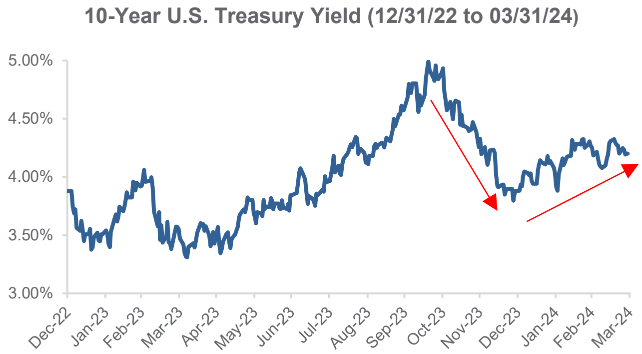


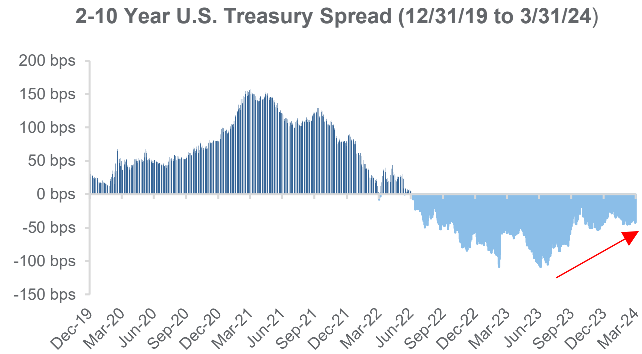
U.S. Unemployment Rate Since 12/31/13



Source: Bloomberg, as of 03/31/24. For illustrative purposes only.

If the case above for stronger equity markets seems somewhat apparent, the forward path for interest rates — a key variable to real estate — is much harder to predict. As we write, the 10-year U.S. Treasury yield stands at 4.42%, 54 basis points (bps) higher than where it stood just 99 days ago. As noted above, the Fed resisted the urge to lower interest rates at its January and March Federal Open Market Committee meetings, and all eyes are now focused on its upcoming assembly in early May. Given the stubborn nature of domestic inflation and strong wage growth (4.2% year-over-year as of December), the table does not yet feel set for dovish actions by the Fed. It may be the case that the Fed decides to maintain the target federal funds rate at 5.25%–5.50% far longer than investors once thought possible, despite Chair Jerome Powell's hint last week that three rate cuts in 2024 remained in the cards. Regardless of how the timing ultimately lands, this yield curve dynamic (rate cuts at the short end and higher rates at the longer end) may finally reverse the inverted yield curve investors have faced for the better part of two years, which in some ways would be a welcome normalization. We anticipate a similar wait-and-see approach to play out with the other key central banks around the globe. Only time will tell.





Source: Bloomberg, as of 3/31/24. For illustrative purposes only.

As we have mentioned in previous commentaries, geopolitical instability continues to weigh on global investors as the brutal wars in Ukraine and the Middle East show little sign of ending in the near term. While the human tragedy of these events is nearly impossible to reconcile, it remains especially hard to underwrite the various knock-on effects these conflicts may have on the global economy. The election calendar further complicates the geopolitical equation as dozens of major elections will occur throughout the rest of 2024 (the U.S., U.K. and India among them). Many races look to be toss-ups, and therefore we anticipate that a higher level of volatility will accompany these events.

When facing environments where macro forecasts and forward curves seemingly change by the day, we urge investors to resist the myopic nature of most market commentators and remember that real estate represents a ***long-term investment opportunity***. REITs own tangible properties that, by definition, are long-lived assets. Their tenants, in most cases, are high-credit-quality occupants with strong balance sheets. These tenants often sign long-term leases with strong cash-flow coverage and landlord protections. Despite instability observed around the globe, we continue to find areas of real estate investment offering investors attractive operating fundamentals (high occupancy levels and healthy rental spreads) in many property sectors and most geographies in which we invest. Further, we acknowledge that many REIT management teams have provided upbeat assessments of their businesses, most notably for the industrial, data centers, net lease and grocery-anchored retail property sectors. Crucially, REITs have maintained their access to investor capital, which is one of the key ingredients for generating external growth through acquisition and development. While we may be in a “higher for longer” environment, we continue to believe that REITs will be a substantial outperformer in the quarters ahead.

First Quarter Performance Review

Most equity asset classes delivered positive returns in the first quarter, whereas fixed-income markets were more mixed. As a proxy for the broader domestic equity markets, the S&P 500 Index gained 10.56% during the first quarter and the tech-heavy Nasdaq Composite Index finished up 9.32% during the quarter. Against this backdrop, the fund’s Institutional Class shares ended the first quarter down -0.79%. While the result was disappointing on an absolute basis, the fund outperformed its benchmark, the FTSE EPRA/NAREIT Developed Index, which closed the first quarter down -1.30%. As points of geographic comparison, U.S. REITs, as represented by the FTSE NAREIT Equity REITs Total Return Index, were down -1.30% during the quarter, compared to real estate companies in developed markets outside the U.S., as represented by the FTSE EPRA/NAREIT Developed ex-U.S. Index, which posted a negative return of -1.87% during the same period. Switching to fixed income, investment-grade credit, as measured by the Bloomberg US Aggregate Bond Index, ended the first quarter down -0.78%, whereas high-yield credit gained 1.49%, as measured by the ICE BofA US High Yield Index.

Dividend Income[1]

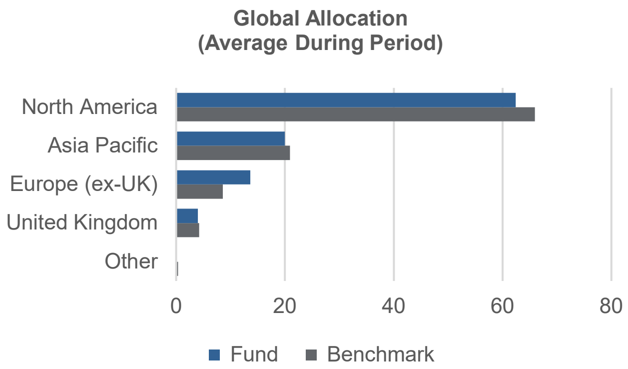
During the first quarter, the fund paid a $0.0594 per share dividend on the Institutional Class shares, amounting to an annualized dividend yield of 1.90% at quarter-end net asset value. While there can be no assurance of the fund’s

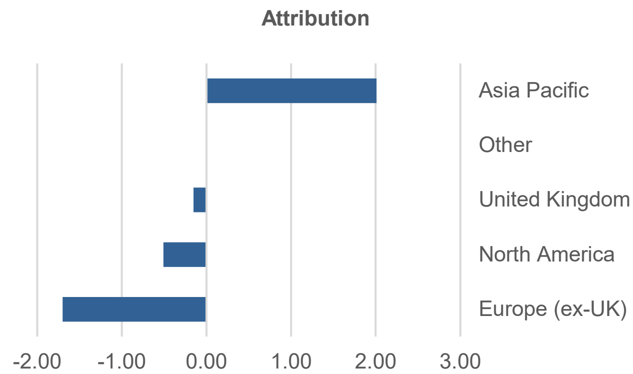
[1] Dividends are not guaranteed, and a company’s future abilities to pay dividends may be limited. A company currently paying dividends may cease paying dividends at any time.

actual future dividend payments to its shareholders, we are pleased with the opportunity for recurring cash dividend income in the context of our total return goals.

Attribution (as of 03/31/24)

The charts below show the fund's global allocation during the first quarter and how various regions affected portfolio performance. The fund's holdings in Asia, predominantly Japan, were the largest positive contributors to performance during the quarter. Europe (ex-U.K.), North America and the U.K. were overall negative contributors to performance during the quarter.





Source: FactSet, as of 03/31/24. These holdings may not reflect the current or future positions in the portfolio. Current or future portfolio holdings are subject to risk. Portfolio holdings are subject to change. For illustrative purposes only.

Investment Outlook: 2024 Returns Looking More Back-Weighted

As noted earlier, the fund's first quarter return did not quite match the enthusiasm with which investors entered the year. Nonetheless, we believe that global REITs offer investors an attractive value proposition, both on an absolute and relative basis. The underlying strength in real estate fundamentals for most property sectors outside of office provides a measure of confidence in our forward projections and informs our tailored sector approach to REIT portfolio construction. In addition to strong fundamentals, sector valuations continue to reflect wide cap rates, discounted cash flow multiples compared to historical averages and outsized yield opportunities.

As readers of these commentaries know, the majority of the fund's assets are invested in U.S.-based REITs, which is consistent with the fund's benchmark. These domestic investments are well-diversified across the property sector and geography and are generating robust free cash flow. As ever, we rigorously monitor REIT balance sheets and have biased our investments toward companies with lower overall leverage profiles and limited near-term debt maturities. We complement our domestic exposure with foreign REITs possessing similar attributes. Across geographies, we continue to observe a disconnect between private and publicly traded real estate valuations as well as with other sectors of the market. While it may take some time, we continue to believe global REITs will produce positive returns when the year's final results are tallied.

Overall, we feel the fund remains an attractive investment opportunity for investors. Especially in times of heightened uncertainty and volatility, it's important to remember that our portfolio comprises a diversified portfolio of high-quality real estate companies that generally utilize far less leverage than private peers, have very limited floating rate debt exposure, and continue to maintain access to equity and debt capital markets. As a result, we believe our companies are positioned to exploit opportunities that may become available. Lastly, using the fund's resources and the fund's footprint in the business, we believe we can deliver attractive income and total returns. We remain confident of the fund's future and welcome any questions or comments. As always, we value your confidence and trust.

Performance (%) as of 03/31/24

	Q1	YTD	1 YR	3 YR	5 YR	10 YR	Since Inception
Institutional	-0.79	-0.79	10.23	-0.58	0.19	2.52	2.28
Class A @NAV*	-0.85	-0.85	9.95	-0.92	-0.18	2.14	1.94
Class A @MOP**	-3.80	-3.80	6.67	-2.87	-1.36	1.53	1.60
Class C @NAV†	-1.02	-1.02	9.16	-1.53	-0.76	1.54	1.29
Class C @MOP‡	-2.01	-2.01	8.16	-1.53	-0.76	1.54	1.29
FTSE EPRA/NAREIT Developed Index	-1.30	-1.30	7.41	-1.13	-0.21	3.05	3.05

Returns for periods greater than one year are annualized.
* Excludes sales charge. ** Reflects effects of the fund's maximum sales charge of 3.00%.
† Excludes the effects of the 1% contingent deferred sales charge. ‡ Includes the effects of the 1% contingent deferred sales charge.

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Total Annual Fund Operating Expenses by Share Class: Institutional Class: 1.64%; Class A: 1.82%; Class C: 2.52%. The advisor has contractually agreed to reduce fees and reimburse expenses until March 1, 2025. In the absence of current fee waivers, total return and yield would be reduced.

Top 10 Contributors and Detractors by Holding (as of 03/31/24)

Top Contributors	Contribution
Mitsubishi Estate Company, Limited	1.45%
Sumitomo Realty & Development Co., Ltd.	0.98%
Tokyo Tatemono Co., Ltd.	0.53%
Digital Realty Trust, Inc.	0.36%
Host Hotels & Resorts, Inc.	0.29%
Welltower, Inc.	0.18%
Equity Residential	0.15%
Scentre Group	0.15%
Equinix, Inc.	0.13%
Alexandria Real Estate Equities, Inc.	0.12%

Top Detractors	Contribution
Americold Realty Trust, Inc.	-0.65%
Gecina SA	-0.52%
Swiss Prime Site AG	-0.46%
CapitaLand Investment Limited	-0.42%
Link Real Estate Investment Trust	-0.41%
Granite Real Estate Investment Trust	-0.24%
Great Portland Estates plc	-0.23%
Hufvudstaden AB Class A	-0.23%
Crown Castle Inc.	-0.22%
MERLIN Properties SOCIMI, S.A.	-0.22%

Source: FactSet. Past performance does not guarantee future results. These holdings may not reflect the current or future positions in the portfolio.

Top Five Contributors and Detractors by Country (as of 03/31/24)

Top Contributors	Contribution
Japan	2.96%
-	-
-	-
-	-
-	-

Top Detractors	Contribution
France	-0.52%
Hong Kong	-0.48%
Switzerland	-0.46%
Singapore	-0.42%
Spain	-0.40%

Source: FactSet. Past performance does not guarantee future results. These holdings may not reflect the current or future positions in the portfolio.

To determine if this Fund is an appropriate investment for you, carefully consider the Fund's investment objectives, risk factors and charges and expenses before investing. This and other information can be found in the Fund's prospectus, which may be obtained by downloading at westwoodfunds.com or calling 877.FUND.WHG (877.386.3944). Please read the prospectus carefully before investing.

Westwood Funds are distributed by Ultimus Fund Distributors, LLC. (Member FINRA) Ultimus Fund Distributors and Westwood Funds (or Westwood Holdings Group, Inc.) are separate and unaffiliated.

Westwood Global Real Estate Fund seeks total return from both capital appreciation and current income.

RISKS

There are risks involved with investing, including loss of principal. Past performance does not guarantee future results, share prices will fluctuate and you may have a gain or loss when you redeem shares.

Borrowing for investment purposes creates leverage, which can increase the risk and volatility of a fund.

Concentration in a particular industry will involve a greater degree of risk than a more diversified portfolio.

Debt securities are subject to interest rate risk. If interest rates increase, the value of debt securities generally declines. Debt securities with longer durations tend to be more sensitive to changes in interest rates and more volatile than securities with shorter durations.

Derivative instruments involve risks different from those associated with investing directly in securities and may cause, among other things, increased volatility and transaction costs or a fund to lose more than the amount invested.

Investing in exchange-traded funds (ETFs) will subject a fund to substantially the same risks as those associated with the direct ownership of the securities or other property held by the ETFs.

Foreign securities, especially emerging or frontier markets, will involve additional risks including exchange rate fluctuations, social and political instability, less liquidity, greater volatility and less regulation.

Mortgage and asset-backed securities are debt instruments that are secured by interests in pools of mortgage loans or other financial instruments. Mortgage-backed securities are subject to, among other things, prepayment and extension risks.

Investing in the real estate industry or in real estate-related securities involves the risks associated with direct ownership of real estate, which include, among other things, changes in economic conditions (e.g., interest rates), the macro real estate development market, government intervention (e.g., property taxes) or environmental disasters. These risks may also affect the value of equities that service the real estate sector.

Investing in smaller companies generally will present greater investment risks, including greater price volatility, greater sensitivity to changing economic conditions and less liquidity than investing in larger, more mature companies.

There is no guarantee the companies in our portfolio will continue to pay dividends.

Definition of Terms

2/10 Treasury yield spread is the difference between the 10-year U.S. Treasury yield and the 2-year U.S. Treasury yield. It is the main indicator of the steepness of the yield curve.

2-year U.S. Treasury is a debt obligation issued by the U.S. Treasury that has a term of two years.

10-year U.S. Treasury is a debt obligation issued by the U.S. Treasury that has a term of more than one year but not more than 10 years.

Basis points (bps) are a unit of measure that is equal to 1/100th of 1% and used to denote a change in the value or rate of a financial instrument.

Bloomberg US Aggregate Bond Index represents securities that are U.S. domestic, taxable and dollar denominated. The index covers the U.S. investment-grade, fixed-rate bond market, with index components for government and corporate securities, mortgage pass-through securities and asset-backed securities.

Cash flow is a revenue or expense stream that changes a cash account over a given period.

Consumer Price Index (CPI) is an index number measuring the average price of consumer goods and services purchased by households. The percentage change in the CPI is a measure of inflation.

Discounted cash flow (DCF) is a valuation method used to estimate the attractiveness of an investment opportunity.

Dividend is a distribution of a portion of a company's earnings issued to shareholders in the form of cash payments, shares of stock or other property.

Dividend yield is a financial ratio that shows how much a company pays out in dividends each year relative to its share price.

Federal funds rate is the interest rate at which a depository institution lends immediately available funds to another depository institution overnight.

Federal Reserve is the central bank of the United States that is responsible for regulating the U.S. monetary and financial systems.

FTSE EPRA/NAREIT Developed Index is designed to track the performance of listed real estate companies and REITs worldwide.

FTSE EPRA/NAREIT Developed ex-US Index is designed to track the performance of listed real estate companies and REITs worldwide, excluding U.S. companies.

FTSE NAREIT Equity REITs Index is representative of the tax-qualified REITs listed on the New York Stock Exchange, the American Stock Exchange and the NASDAQ National Market, excluding timber and infrastructure REITs.

Gross domestic product (GDP) is the monetary value of all the finished goods and services produced in a country in a given year. GDP is one way of measuring the size of a country's economy.

ICE BofA US High Yield Index tracks the performance of U.S.-dollar-denominated, below-investment-grade-rated corporate debt publicly issued in the U.S. domestic market.

Inflation is the rate at which the general level of prices for goods and services is rising, and, subsequently, purchasing power is falling.

Leverage is the use of various financial instruments or borrowed capital, such as margin, to increase the potential return of an investment.

Nasdaq Composite Index is a capitalization-weighted index designed to measure the performance of 3,000 stocks listed on the Nasdaq exchange, which includes large technology and biotech companies.

Real estate investment trust (REIT) is a security that sells like a stock on the major exchanges and invests in real estate directly, either through properties or mortgages.

S&P 500 Index is an unmanaged index of 500 common stocks chosen to reflect the industries in the U.S. economy.

Valuation is the process of determining the value of an asset or company based on earnings and the market value of assets.

Volatility is a statistical measure of the dispersion of returns for a given security or market index.

Yield is the interest or dividends received from a security and is usually expressed annually as a percentage based on the investment's cost or on the U.S. government's debt obligations.

Yield curve is a line that plots the interest rates, at a set point in time, of bonds having equal credit quality but differing maturity dates.

One cannot invest directly in an index.

Not FDIC Insured | No Bank Guarantee | May Lose Value

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