

# Our Portfolio Characteristics

Ariel Small Cap Value Concentrated

As of December 31, 2025

	Ariel Small Cap Value Concentrated	Russell 2000® Value Index	Russell 2000® Index	S&P 500® Index
<b>Market Cap Exposure (% of investments)</b>				
Large (\$203.11B & Above)	0.00	0.00	0.00	62.66
Medium/Large (\$54.98B - \$203.11B)	0.00	0.00	0.00	24.21
Medium (\$16.69B - \$54.98B)	0.00	1.06	1.92	11.64
Medium/Small (\$5.24B - \$16.69B)	53.04	17.63	26.31	1.49
Small (\$5.24B & Below)	46.96	81.31	71.77	0.00
<i>Dollar Weighted Average</i>	<b>6.44</b>	<b>3.55</b>	<b>4.59</b>	<b>1,430.64</b>
<b>Valuation Metrics</b>				
Forward Price/Earnings	13.34	12.41	15.33	22.17
Trailing price/earning <sup>1</sup>	21.31	13.98	17.57	28.32
Discount to Private Market Value (%)	-25.76	--	--	--
<b>Fundamentals</b>				
Long-Term Earnings Growth (%)	15.87	11.92	15.08	17.29
Debt Rating	BBB-	B+	B	A
Interest Coverage Ratio	6.39	1.67	1.71	7.17
Return on Equity (%)	19.79	8.84	13.98	29.33
<b>Portfolio Construction</b>				
Number of Holdings	20	1,426	1,956	503
Turnover (%)	12.63	--	--	--
<b>Benchmark Relative Statistics</b>				
Active Share (%)	99.44	--	--	--
Beta vs. S&P 500 (5-year)	1.21	1.03	1.08	1.00
Current beta	1.21	1.05	1.17	1.00

Portfolio Characteristics are sourced from FactSet, except Turnover, which is sourced from Ariel's portfolio accounting system Eagle. Portfolio characteristics are for a representative portfolio. The representative account was selected because it has no client-imposed restrictions and it has minimal planned contributions and withdrawals. Client restrictions will cause variances. Please see disclosures page for definitions of the quantitative measures listed above.

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For the Quarter Ended December 31, 2025

## Industry Weightings<sup>1</sup> (%)

	Ending Weight	Russell 2000® Value Index	Russell 2000® Index	S&P 500® Index
Consumer Discretionary	33.61	12.60	10.88	14.03
Industrials	25.83	12.11	18.08	11.20
Financials	17.54	26.15	17.23	10.61
Health Care	11.42	11.01	18.75	9.08
Real Estate	6.90	9.99	5.90	1.83
Energy	3.65	7.33	5.27	2.86
Cash	1.06	0.00	0.00	0.00
Basic Materials	0.00	4.78	4.03	1.21
Consumer Staples	0.00	1.51	1.65	3.55
Technology	0.00	6.02	12.34	41.31
Telecommunications	0.00	2.53	2.46	1.84
Utilities	0.00	5.99	3.41	2.46

## Top 10 Positions<sup>2</sup> (%)

	Ending Weight
1 OneSpaWorld Holdings, Ltd.	9.96
2 Brink's Company	8.82
3 Norwegian Cruise Line Holdings, Ltd.	7.76
4 Affiliated Managers Group, Inc.	7.20
5 Jones Lang LaSalle, Inc.	6.90
6 First American Financial Corporation	5.84
7 Madison Square Garden Entertainment Corporation	5.77
8 Resideo Technologies, Inc.	4.60
9 Lazard, Inc., Class A	4.50
10 Prestige Consumer Healthcare, Inc.	4.25
<b>Total</b>	<b>65.60</b>

## Contributors and Detractors<sup>3</sup> (%)

	Average Weight	Total Return	Contribution to Return
<b>Top Five Contributors</b>			
Affiliated Managers Group, Inc.	6.81	20.91	1.33
Madison Square Garden Entertainment Corporation	5.28	19.12	1.04
Jones Lang LaSalle, Inc.	6.81	12.80	0.93
Charles River Laboratories International, Inc.	3.76	27.50	0.91
Core Laboratories NV	3.47	29.77	0.84
<b>Bottom Five Detractors</b>			
Resideo Technologies, Inc.	5.32	-18.67	-1.23
Gentex Corporation	3.98	-17.40	-0.81
Norwegian Cruise Line Holdings Ltd.	7.26	-9.38	-0.81
Generac Holdings Inc.	4.30	-18.54	-0.79
Mohawk Industries, Inc.	3.52	-15.22	-0.57

Source: FactSet. Data shown above is for a representative portfolio. The representative account was selected because it has no client-imposed restrictions and it has minimal planned contributions and withdrawals. Client restrictions will cause variances.  
<sup>1</sup>Holdings are categorized according to the Russell Industry Classification Benchmark (ICB). Holdings not classified by ICB are categorized according to FactSet.<sup>2</sup>The Top 10 Positions are ranked by issuer Ending Weight (% of total market value of the representative portfolio).<sup>3</sup>Contributors and Detractors are ranked by issuer Contribution to Return (%). Contribution to Return (%) is the Ending Weight (%) times the Total Return (%) linked daily for the period. Average Weight is the average value of the holding relative to the portfolio's total assets over the period. The holdings shown do not represent all of the securities purchased, sold or recommended for investors.

# Definitions

**Forward Price/Earnings Ratio** is a valuation measure that represents the price divided by the mean earnings per share (EPS) consensus estimate for the next twelve months as of the run date. Holdings are summarized at the portfolio level using weighted harmonic average and exclude negative earnings.

**Trailing Price/Earnings Ratio** is a valuation measure that represents the price divided by the earnings per share (EPS) for the trailing twelve months as of the run date. Holdings are summarized at the portfolio level using weighted harmonic average and exclude negative earnings.

**Discount to Private Market Value** is the percentage discount the portfolio trades at relative to Ariel Investments' internal estimate of the portfolio's private market value (PMV). There is no guarantee that companies we invest in will achieve our PMV or projected future earnings.

**Long Term Estimated Earnings Growth**, an income statement measure, is the percent growth rate of the median earnings per share (EPS) consensus estimate for the unreported current year, current year+1, current year+2, and current year+3 as of the run date. Holdings are summarized at the portfolio level using weighted average.

**Debt Rating** is sourced from S&P Global Ratings' long-term issuer credit ratings for common stocks.

**Interest Coverage Ratio** is a liquidity measure that represents the ratio of earnings before interest and taxes (EBIT) relative to the interest expense for the period. Holdings categorized as Financials by the Russell Industry Classification Benchmark (ICB) are excluded from the portfolio summary statistic. The holdings are summarized at the portfolio level using median.

**Return on Equity** is a profitability measure that represents the consensus estimate for the next fiscal year net income divided by total equity over the period. Holdings are summarized at the portfolio level using weighted average.

**Turnover**, a measure of portfolio change, is the lesser of purchases or sales divided by the average market value of the portfolio over the trailing one-year period and is sourced from Ariel's portfolio accounting system Eagle.

**Active Share** measures the degree the portfolio deviates from the benchmark.

**5-Year Beta** is the measure of volatility of the portfolio over a 5-year period compared to the market as a whole during the same period (benchmarked against the S&P 500).

**Current Beta** is the current measure of volatility of the portfolio compared to the market as a whole (usually the S&P 500). Stocks with beta higher than 1.0 can be more volatile than the S&P 500. Current beta (1-year trailing) is based on daily security returns from FactSet.

