Value Equity Fund

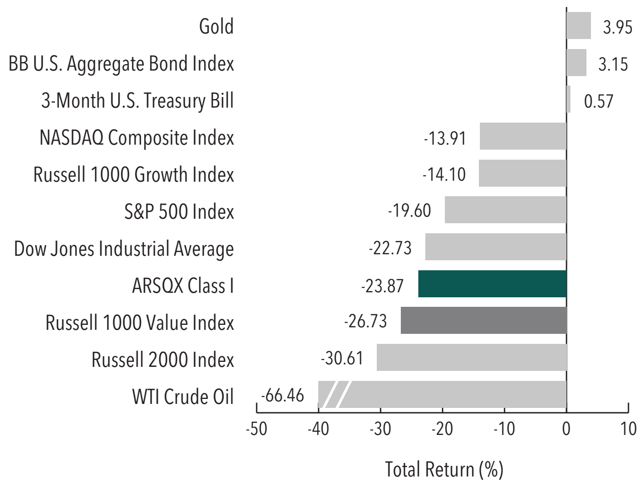
1Q 2020 Commentary

Dear Readers: We hope you and your loved ones are safe and healthy. Our daily lives have been disrupted in ways that would have been hard to imagine just a few weeks ago. We hope you are adjusting to this new reality, keeping in mind that this too shall pass.

Markets Review

Markets (total return) performed as follows:

Year to Date Returns



Sources: UMB Fund Services, Bloomberg
Past performance is not indicative of future results. Please see important disclosures at the end of this document.

For the first time in over a decade, U.S. equities entered a bear market, with the S&P 500 Index declining more than 20% from its February 19 peak and delivering its worst quarterly performance since the fourth quarter of 2008. The Bloomberg Barclays U.S. Aggregate Bond Index also experienced a steep decline during the quarter yet finished with a 3.15% gain. In terms of style, the Russell 3000 Growth Index outperformed its value counterpart by 12.47% over the period.

On a sector basis, all eleven sectors of the Russell 1000 Value Index finished lower for the quarter. Energy, Financials and Consumer Discretionary were the biggest losers, while Consumer Staples, Health Care and Utilities declined the least.

The new decade started with the world declaring war on COVID-19, the pandemic that so far has infected over one million globally. Around the world, governments, central banks and corporations have responded with a litany of actions aimed at containing the deadly virus and limiting its economic damage. Governments have issued state-of-emergency declarations, announced shelter-in-place orders and passed trillions of dollars in relief packages for businesses and citizens. Central banks have cut interest rates (to near zero in the U.S.), restarted quantitative easing programs and reintroduced an "alphabet soup" of crisis-era programs last seen in the Great Financial Crisis. Some corporations have even shifted their focus toward producing medical equipment.

The market decline was exacerbated by an oil-price war between Saudi Arabia and Russia. Oil prices fell by more than 65% after an output agreement could not be reached by major producers, in addition to a demand shock from the global COVID-19 pandemic.

Lastly, in U.S. politics, former Vice President Joe Biden made significant strides toward securing the Democratic nomination by winning several primary races in key states.

There is no question that the current market feels different. The most obvious difference between today's environment and previous down markets is the pace of the decline. Without the benefit of hindsight, it is impossible to know when the market has bottomed. However, we strongly believe that the market will eventually normalize. As such, we encourage our clients to continue focusing on the long-term.

Performance and Attribution Summary

For the first quarter of 2020, Aristotle Value Equity Fund (ARSQX) posted a total return of -23.87% at NAV, outperforming the -26.73% return of the Russell 1000 Value Index and underperforming the -19.60% return of the S&P 500 Index.

Performance data quoted here represents past performance. Past performance is no guarantee of future results. Investment return and principal value will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information quoted. To obtain current performance information to the most recent month-end, please call (844) 274-7868.

The Fund's outperformance relative to the Russell 1000 Value Index this quarter can be attributed to both security selection and allocation effects. Security selection was positive overall, with Information Technology and Consumer Discretionary being top contributors. Additionally, an overweight in Information Technology positively contributed to relative performance. Conversely, security selection in Consumer Staples and Financials, and an underweight in Utilities, detracted from relative return. (Relative weights are the result of bottom-up security selection.)

Microsoft, the Redmond, Washington-based global software and services company, was the top contributor this quarter. Microsoft shares continued to produce strong relative performance this quarter, as the company's transition to a "productivity" and "platform" business marches on. CEO Satya Nadella's transformation (which started in

2014) has, in our opinion, positioned Microsoft to benefit from a mobile-first, cloud-first world. Additionally, Microsoft has replaced its old Windows-centric model with one centered around the cloud and experiences. Microsoft Azure's cloud-computing service offers existing (and new) clients the ability to remain in the Microsoft environment and experiment by moving only select workloads to the cloud. We believe Azure represents one of the largest total available market expansion opportunities in the company's history. Lastly, the company's Productivity and Business Processes segment, which offers business solutions such as Office, Office 365, Exchange, Microsoft Teams and other tools, has proven particularly useful during the current economic disconnect. In fact, Teams celebrated its three-year anniversary in March with 44 million daily active users, more than doubling from November 2019.

Cabot Oil & Gas, a natural gas producer in the Marcellus region of the Appalachian Basin, was one of the strongest performers this quarter. Shares of the company were largely unchanged, as the supply dynamics of natural gas in North America improved. The Saudi-Russia oil-price war and a global demand shock resulting from governments' efforts to contain COVID-19 caused the price of oil to plummet to under $25 a barrel. As a result, many North American oil producers scaled back operations, which in turn caused a decrease in the production of "associated gas." In our view, the decline in supply of natural gas should benefit Cabot. While this may be a temporary (or more sustainable) tailwind, our investment in Cabot is not predicated on changes in commodity prices. We view Cabot as a unique, competitively advantaged owner-operator of geologically advantaged assets, with low operating costs and a disciplined management team that is focused on return on invested capital (ROIC) and free cash flow (FCF) generation.

Phillips 66, a diversified refiner, chemicals and midstream energy company, was the largest detractor for the quarter. Similar to Cabot, Phillips 66's stock price was impacted by the macro events mentioned above. In a clear example of the demand shock, the company has observed significant declines in gasoline consumption, including a ~20% decline in the U.S. and a 70% drop in some parts of Europe. In response to the market environment, the company has reduced capex, operating costs and administrative expenses and paused its share repurchase program. Although the current conditions have significant impact, we believe the economy is currently far from "normal" and that Phillips 66's normalized earnings power has not been affected.

Virginia-based credit card issuer and lender Capital One Financial was a primary detractor. Shares of most financial institutions came under pressure in the quarter, with the average bank (in the Russell 1000 Value Index) down over 40%. Shares of Capital One were hit particularly hard, as the market appeared to express concern over the company's large consumer credit card and auto loan businesses. While Capital One's business is sensitive to consumer credit, we believe the company's track record (remained profitable during the Great Financial Crisis), combined with its technology leadership and strong balance sheet, positions Capital One quite well to weather the current macroeconomic storm.

Contributors and Detractors for 1Q 2020

Relative Contributors	Relative Detractors
Microsoft	Phillips 66
Adobe	Capital One Financial
Cabot Oil & Gas	Halliburton
ANSYS	Pioneer Natural Resources
Danaher	BOK Financial

Recent Fund Activity

Buys	Sells
Corteva Agriscience	PPG Industries
Xylem	

During the quarter, we sold our investment in PPG Industries, and we invested in Xylem and Corteva Agriscience.

Our investment in PPG dates back to the third quarter of 2016. During our more than three years of ownership, PPG completed its transition to a pure-play coatings company and continues its role as an acquiror within the consolidating coatings industry. Despite meaningful consolidation, we have yet to observe significant pricing power benefits for PPG. The lack of pricing power has led us to question if perhaps some areas of the coatings industry are more fragmented than perceived. And while we believe PPG still possesses other catalysts, we decided to exit our investment in favor of what we view as a more optimal investment (Xylem) discussed below. As always, we will continue to monitor this business post-sale.

Xylem, Inc.

Spun off from ITT in 2011, Xylem is a pure-play water equipment and services supplier with a presence in approximately 150 countries and over $5 billion of revenue in 2019. With one of the broadest product offerings in the industry, Xylem addresses the transport, treatment, testing, assessment and metering of water through its full life cycle. The company focuses on utility (~50% of sales) and industrial (~35%) end markets.

High-Quality Business

Some of the quality characteristics we have identified for Xylem include:

- Strong customer and distribution relationships plus large scale that can serve as high barriers to entry;
- Diverse product offering with strong market positions and leading brands (e.g., Flygt, Godwin and Bell & Gossett); and
- Ability to serve as a "one-stop shop" for utilities by leveraging its leading technology platform.

Attractive Valuation

Given our estimates of higher normalized earnings from the company's commitment to transforming its business, we believe Xylem's current stock price is offered at a discount to our estimate of the company's intrinsic value. More specifically, we believe normalized operating margins are higher relative to current levels, with particular room for improvement in the Measurement & Control Solutions segment.

Compelling Catalysts

Catalysts we have identified for Xylem, which we believe can cause its stock price to appreciate over our three- to five-year investment horizon, include:

- Margin improvement from efficiency initiatives and business mix shift toward higher margin software and services;
- "Professionalization" of the water utility business as regional municipalities seek to sell their capital-intensive companies to larger private companies; and
- Technology that now allows for more efficient metering, monitoring and leak detection of water.

Corteva Agriscience

Corteva Agriscience was spun off from DowDuPont (a former Value Equity holding) in June 2019, creating one of the world's largest seed and crop protection companies with roughly $14 billion in annual revenue. The company primarily operates in North America and has a presence in Latin America and the EMEA and Asia-Pacific regions. Present day Corteva is a cohesive combination of the former DuPont Pioneer business, DuPont Crop Protection business and Dow AgroSciences business.

Corteva generates roughly 55% of sales from its Seeds segment and the balance from its Crop Protection segment. Seeds develops and supplies commercial seed, combining germplasm ("hardware" of seeds) with advanced traits ("software") to produce high yield potential for farmers. Crop Protection supplies products to protect crop yields against weeds, insects and disease, enabling farmers to achieve optimal results. The combination of these platforms creates one of the broadest portfolios of agricultural solutions in the industry.

Following years of consolidation within the seed and crop protection industries, we believe Corteva is uniquely positioned to create and benefit from increases in global farm productivity.

High-Quality Business

Some of the quality characteristics we have identified for Corteva include:

- Market leading positions (#2 in global seeds, #1 in U.S. corn) within a consolidated industry (top four companies have >50% market share);
- Meaningful barriers to entry due to intellectual property (decades of R&D, especially in germplasm, have resulted in a robust portfolio of patents) and scale (enabling R&D spending of ~10% of sales per annum, further perpetuating innovation and intellectual property advantages); and
- Leading direct-to-farm salesforce (Pioneer) and farm management software solutions (Granular and Encirca).

Attractive Valuation

Given our estimates of normalized earnings, we believe Corteva's current stock price is offered at a discount to our estimate of the company's intrinsic value. Using our estimate of normalized free cash flows results in an attractive Cash Flow Return on Economic Value (CFRoEV). More specifically, we believe normalized operating margins have the ability to exceed current operating margins by several percentage points on account of a plethora of items, including those described below.

Compelling Catalysts

Catalysts we have identified for Corteva, which we believe can cause its stock price to appreciate over our three- to five-year investment horizon, include:

- Benefits from operations as a pure-play, independent company;
- Share gains and margin expansion potential from the "Corteva Acre": the vertical integration of seed, seed treatments, crop protection and digital agricultural solutions;
- Reduction of royalty payments for the license of genetic traits as specific internal development efforts reach commercial phase; and
- Benefits from the ongoing introductions of new seed traits (e.g., Enlist) and crop protection products.

Conclusion

Aristotle Capital is financially strong and remains profitable. In fact, we are pleased to report that our firm experienced net inflows during the first quarter. In response to the current environment, we established a COVID-19 Response Team that is committed to protecting our employees while also ensuring we provide uninterrupted portfolio management and servicing to our clients.

Once again, we would like to emphasize that while the current market environment is certainly volatile, we view periods of heightened uncertainty as a time in which we ensure we remain focused on understanding businesses from a long-term perspective. While we do not wish to diminish the tragic impact of COVID-19, nor discount the economic impact it will have, we believe the competitive advantage of our investment process and our team lies in our ability to look beyond short-term events that are difficult (if not impossible) to quantify. We remain focused on what is analyzable and stay committed to our approach of buying what we believe to be quality companies whose current stock prices do not fully reflect our estimates of their intrinsic values.

We remain dedicated to helping our clients achieve their financial goals and strive to be meaningful partners with our clients, employees and the community.

Aristotle Value Equity Fund (Class I)

Performance Update March 31, 2020

Total Return	1Q20	YTD	1 Year	3 Years	Since Inception (8/31/16)	Gross/Net Expense Ratio
ARSQX Class I	-23.87%	-23.87%	-10.12%	1.38%	4.35%	0.96%/0.69%
Russell 1000 Value Index	-26.73%	-26.73%	-17.17%	-2.17%	0.81%	N/A
S&P 500 Index	-19.60%	-19.60%	-6.98%	5.10%	7.11%	N/A

Performance results for periods greater than one year have been annualized.

Performance data quoted here represents past performance. Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information quoted. To obtain current performance information to the most recent month-end, please call (844) 274-7868.

The Fund's advisor has contractually agreed to waive certain fees and/or absorb expenses, through April 30, 2021, to the extent that the total annual operating expenses do not exceed 0.69% of average daily net assets of the Fund. The Fund's advisor may seek reimbursement from the Fund for waived fees and/or expenses paid for three years from the date of the waiver or payment. Without these reductions, the Fund's performance would have been lower. A redemption fee of 1.00% will be imposed on redemptions of shares within 30 days of purchase.

Important Information:

There can be no guarantee that any strategy (risk management or otherwise) will be successful. All investing involves risk, including potential loss of principal.

The views in this letter were as of the date stated and may not necessarily reflect the same views on the date this letter is first published or any time thereafter. These views are intended to help shareholders in understanding the Fund's investment methodology and do not constitute investment advice.

Past performance is not indicative of future results. You should not assume that any of the securities transactions, sectors or holdings discussed in this report are or will be profitable, or that recommendations Aristotle Capital makes in the future will be profitable or equal the performance of the securities listed in this report. There is no assurance that any securities, sectors or industries discussed herein will be included in or excluded from the Fund. The opinions expressed are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Aristotle Capital reserves the right to modify its current investment strategies and techniques based on changing market dynamics or client needs. This is not a recommendation to buy or sell a particular security. Holdings since the Fund's inception date are available upon request.

An investment in the Fund is subject to risks, and you could lose money on your investment in the Fund. The principal risks of investing in the Fund include, but are not limited to, investing in foreign securities, ETFs, small-capitalization, mid-capitalization and large-capitalization companies and value stocks. Market Turbulence Resulting from COVID-19 – The outbreak of COVID-19 has negatively affected the worldwide economy, individual countries, individual companies and the market in general. The future impact of COVID-19 is currently unknown, and it may exacerbate other risks that apply to the Fund. To learn more about the Principal Risks of Investing in the Fund, please reference the prospectus.

Foreign securities have additional risks, including currency rate changes, political and economic instability, lack of comprehensive company information, less market liquidity, less-efficient trading markets, and differing auditing controls and legal standards. The use of ETFs may cause the Fund to have higher expenses than those of other equity funds. Investments in emerging markets involve even greater risks. The securities of small-capitalization and mid-capitalization companies may be subject to more abrupt or erratic market movements and may have lower trading volumes or more erratic trading than securities of larger, more established companies or market averages in general. On the other hand, larger, more established companies may be unable to attain the high growth rates of successful, smaller companies during periods of economic expansion. Value stocks are those that are believed to be undervalued in comparison to their peers due to adverse business developments or other factors. Value investing is subject to the risk that the market will not recognize a security's inherent value for a long time or at all, or that a stock judged to be undervalued may actually be appropriately priced or overvalued.

Definitions:

- The Russell 1000® Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 Index companies with lower price-to-book ratios and lower expected growth values.
- The S&P 500® Index is the Standard & Poor's Composite Index of 500 stocks and is a widely recognized, unmanaged index of common stock prices.

These indices have been selected as the benchmarks and are used for comparison purposes only.

- The Russell 1000® Growth Index measures the performance of the large cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.
- The Russell 2000® Index measures the performance of the small cap segment of the U.S. 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.
- The Russell 3000® Growth Index measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 3000® companies with higher price-to-book ratios and higher forecasted growth values.
- The Dow Jones Industrial Average® is a price-weighted measure of 30 U.S. blue-chip companies. The Index covers all industries except transportation and utilities.
- The NASDAQ Composite Index measures all NASDAQ domestic and international based common type stocks listed on The NASDAQ Stock Market. The NASDAQ Composite includes over 3,000 companies, more than most other stock market indexes.
- The Bloomberg Barclays U.S. Aggregate Bond Index is an unmanaged index of domestic investment grade bonds, including corporate, government and mortgage-backed securities.
- The WTI Crude Oil Index is a major trading classification of sweet light crude oil that serves as a major benchmark price for oil consumed in the United States.
- The 3-Month U.S. Treasury Bill is a short-term debt obligation backed by the U.S. Treasury Department with a maturity of three months.

The volatility (beta) of the Fund may be greater or less than that of the benchmarks. An investor cannot invest directly in these indices.

Portfolio composition will change due to ongoing management of the Fund. References to specific securities or sectors should not be construed as recommendations by the Fund, its Advisor or Distributor.

As of March 31, 2020, the 10 largest holdings in the Fund and their weights as a percent of total net assets were: Adobe Inc., 4.85%; Microsoft Corp., 4.83%; Danaher Corp., 3.97%; ANSYS, Inc., 3.88%; Amgen Inc., 3.42%; PayPal Holdings, Inc., 3.28%; Sony Corp., 2.97%; Medtronic plc, 2.88%; Coca-Cola Co., 2.81%; Bank of America Corp., 2.75%.

Please consider the Fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus or summary prospectus that contains this and other information about the Fund is available by calling (844) 274-7868, or by visiting www.aristotlefunds.com, and should be read carefully prior to investing.

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