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Grandeur Peak Global Advisors
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1Q 2022 Quarterly Letter

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April 20, 2022

Market Commentary

> *"The mood swings of the securities markets resemble the movement of a pendulum. Although the midpoint of its arc best describes the location of the pendulum 'on average,' it actually spends very little of its time there. Instead, it is almost always swinging toward or away from the extremes of its arc. But whenever the pendulum is near either extreme, it is inevitable that it will move back toward the midpoint sooner or later. In fact, it is the movement toward an extreme itself that supplies the energy for the swing back."* (Howard Marks, Memo to Clients, 4/11/1991)[1]

In the broadest sense, there really are only two major asset classes: Growth and Income. Investments that fall in the Growth category deliver a return that is derived by the compounded capital appreciation of the asset. The return is realized when the investment is sold for a higher price than what was paid for it. The unrealized return can be monitored over time by "marking the asset to market."[2] Investments that fall into this bucket are fine art, gold, diamonds, raw land, venture capital and non-dividend paying stocks, for example. Investments that fall into the Income category deliver a return that is derived by the cash that is returned to the investor over time, commonly referred to as the yield. Loans are a good example of Income investments. You collect interest payments over the life of the loan and at maturity you get your principal back. While there are investments that fall squarely in either the Growth or the Income category, most investments fall on a continuum between the two. Think of a rental property. You collect yield in the form of rent payments over time, and then (hopefully) over time the value of the property appreciates. Dividend paying stocks typically provide growth of capital, as well as a little bit of income along the way. Even bonds, which are primarily Income investments, can deliver some capital appreciation if bought at a discount.

These two asset classes correspond directly to the two main goals of any investment portfolio: Growth and Income. Whether you are managing a portfolio for a charitable foundation, an endowment, a retirement plan (either for an individual or a corporate pension), a college fund for a child, or the life savings of a retiree, every portfolio needs to do one of three things: grow bigger, provide current income, or (most likely) both. As an example, take my grandson's college fund. He'll turn 4 in July. I have about 14 more years to put some money away for him and I can invest that capital 100% in Growth Assets. My goal is to (prudently) compound the portfolio at the highest return possible in order to maximize the amount he will have available when he starts college. No current income needed. Now take my late mother's situation. Prior to her death, she had a nice little nest egg. She had enough socked away to live on and didn't need it to grow any

[1] https://www.oaktreecapital.com/docs/default-source/memos/1991-04-11-first-quarter-client-performance.pdf?sfvrsn=d7bd0f65_2
[2] Marking to market is an accounting practice that involves adjusting the value of an asset to reflect its value as determined by current market conditions.

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bigger. Theoretically she could have been 100% invested in Income Assets in order for her to generate enough income to live on.

Ah, but there's the rub. For the last 5 years of her life, the average yield on a 10-yr US Treasury Bond was about 2.4%.[3] There's not much current income generated off a modestly sized portfolio with a rate so low. And so has it been with most portfolios needing yield for the past 10 years. Think of a charitable foundation that is required to spend 5% of the value of its endowment every year. With interest rates so low for so long, achieving a 5% spending rate has required a much larger allocation to Growth Assets than may have been needed if safe, income producing assets were yielding the requisite 5% rate.

If we measure the average annual return on Growth Assets using the Total Return of the MSCI All-Country Investible Market Index (ACWI IMI)[4] as a proxy over the 10 years from December 31, 2011 through December 31, 2021 we get an annualized average return of 12.42%.[5] Compare that to the 2.04% average yield on a 10-yr US Treasury Bond over that same period.[6] Asset allocators would have been crazy not to have put 100% of their portfolios into the Growth Asset bucket. With the returns Growth Assets have delivered these past 10 years, allocators have been able to make their spending budgets, and grow their portfolio at a pretty high rate to boot. Of course, hindsight is always 20/20, and who knows looking forward how much of a portfolio it is prudent to invest in Growth Assets vs. Income Assets.

Which brings us to the Howard Marks quote above. While the average annualized return on the ACWI IMI may have been 12.42% for the 10-year reference period, the annual returns for each of those 10 years has varied from as high as 27.04% (for 2019) and as low as -9.61% (2018). So far in 2022 (through March 31), the ACWI IMI is down -5.37%. Could it be that allocators have gazed into their crystal balls and have decided that a shift from Growth to Income is the most prudent course of action after reading the economic tea leaves?

Of course most asset allocators don't actually think in terms of two broad asset classes of Growth and Income. They assign various investment options to more granular sub-classes, such as Large Cap Equity and Small Cap Equity, and Growth and Value Styles of investing, for example. And there has been a large dispersion among these sub-asset classes of late. Over the 10-year period from December 31, 2011 through December 31, 2021, the US Equity Market has outperformed the broader Global Markets: the MSCI USA Index[7] compounded at a rate of 16.64% (annualized) vs. the broader ACWI IMI mentioned above at 12.42%. Breaking down the US Markets into

[3] Source: Federal Reserve Economic Data (FRED): https://fred.stlouisfed.org
[4] The MSCI ACWI Investable Market Index (IMI) captures large, mid and small cap representation across 23 Developed Markets and 24 Emerging Markets countries. The Total Return of the index includes the reinvestment of dividends.
[5] Source: MSCI
[6] Source: Federal Reserve Economic Data (FRED): https://fred.stlouisfed.org
[7] The MSCI USA Index is designed to measure the performance of the large and mid-cap segments of the US market. The index covers approximately 85% of the free float-adjusted market capitalization in the US.

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Large Cap v. Small Cap and Growth v. Value, we can see the dispersion among these sub-classes over the past 10 years:

From 12/31/2011 – 12/31/2021

Sub-Class	Representative Index	10 yr Annualized Average Return
US Large Cap Growth	S&P 500 Growth[8]	19.23%
US Large Cap Value	S&P 500 Value[9]	13.29%
US Small Cap Growth	Russell 2000 Growth[10]	14.14%
US Small Cap Value	Russell 2000 Value[11]	12.03%

Source: FactSet

Over the past 5 months, from November 2021 through March 2022, we've seen an even greater dispersion in these sub-classes:

From 10/31/2021 – 3/31/2022

Sub-Class	Representative Index	Total Return
US Large Cap Growth	S&P 500 Growth	-5.00%
US Large Cap Value	S&P 500 Value	3.39%
US Small Cap Growth	Russell 2000 Growth	-16.53%
US Small Cap Value	Russell 2000 Value	-1.89%

Source: FactSet

What we've seen in the past 5 months is that the "growthiest" of the Growth Assets have sold off hard. And in other parts of the world, the dispersion is even starker. For example, as of 3/31/2022, the Mothers section of the Tokyo Stock exchange was down -35.75% since its month-end peak on 11/30/2020, compared to a positive return of 14.73% for the broader Japanese TOPIX index[12] over that same period. The Mothers index (which is an acronym for "Market Of The High-growth and EmeRging Stocks") is one of the Tokyo Stock Exchange's markets where the shares of startup companies are listed and traded. Meanwhile, the yield on Income Assets (as

[8] The S&P 500 Growth index is a subset of the broader S&P 500 Index, which includes 500 leading companies and covers approximately 80% of the available US market capitalization. Inclusion to the Growth index is based on three factors: sales growth, the ratio of earnings change to price, and momentum. S&P Style Indices divide the complete market capitalization of each parent index into growth and value segments.
[9] The S&P 500 Value index is a subset of the broader S&P 500 Index, which includes 500 leading companies and covers approximately 80% of the available US market capitalization. Inclusion to the Value index is based on three factors: the ratios of book value, earnings, and sales to price. S&P Style Indices divide the complete market capitalization of each parent index into growth and value segments.
[10] The Russell 2000 Growth Index is a subset of the Russell 2000 Index, which measures the performance of about 2,000 of the smallest publicly traded companies in the US. The Russell 2000 Growth Index includes companies that display signs of above-average growth.
[11] The Russell 2000 Value Index is a subset of the Russell 2000 Index, which measures the performance of about 2,000 of the smallest publicly traded companies in the US. Included in the Russell 2000 Value Index are stocks from the Russell 2000 Index with lower price-to-book ratios and lower expected growth rates.
[12] TOPIX (the Tokyo Price Index) is a metric for stock prices on the Tokyo Stock Exchange (TSE). TOPIX is a capitalization-weighted index that lists all firms in the "first section" of the TSE, a section that organizes all large firms on the exchange into one group. The second section of the TSE pools all of the smaller remaining companies.

measured by the 10-yr US Treasury) has climbed from a low of 0.50% in August 2021 to a current rate of 2.86% as of April 18, 2022.[13]

We're sure you are well aware that our portfolios have not been immune to this shift in market sentiment; we have delivered the worst relative (to our benchmarks) quarterly performance in our history. We'll address this in more detail later in this letter, but at the heart of the problem is that for the past 10 years, with the exception of a few short periods in 2015 and 2018, the market has rewarded Growth Assets with ever expanding valuations. By November 2021, valuations for Growth Assets had become extremely stretched across most markets. For most of the Grandeur Peak portfolios, this ballooning of valuation was a key driver of our strong outperformance in 2020 and 2021. But now the pendulum is swinging back the other way. While the corrections in valuations we're seeing across the portfolios isn't surprising in hindsight, unfortunately we just didn't position ourselves very well for it because the fundamentals of our underlying holdings have been so strong.

We've discussed our Quality/Valuation/Momentum (QVM) framework in past letters. This framework is a powerful tool that helps up stay vigilant in our portfolio construction. But striking the right balance between each of these three metrics is more art than science, and can be very difficult to balance in the face of the swinging pendulum.

Portfolio Commentary

It's now easy to see that we did not exhibit the proper amount of QVM discipline in 2021 to protect our portfolios from the sudden market shifts that occurred in Q1. We've talked extensively in the past about our mistakes in being too valuation sensitive. More recently, we have let our winners run and trusted that their high quality would continue to justify their high valuations. Yes, we trimmed when things felt too pricey, including meaningful trims in Q4, but we now know that we weren't aggressive enough. That being said, it is worth recognizing that taking significant profits is easier said than done. Liquidity, transaction costs, lack of rotation options, and capital gains are serious factors that we have to weigh in portfolio changes.

We feel that now is the time to double down on the Grander Peak process. Much of our team focus this quarter has been on screening, using our watch lists, revisiting the long-term models for each of our companies, and staying true to our process. One of our current challenges is properly allocating capital, as the correction has made many companies look attractive. We're seeking to focus on the companies that have pulled back due to multiple compression (having been unfairly punished) and not fundamental challenges. Our goal remains to own what we believe to be the best micro to mid-cap companies in the world.

[13] Source: CNBC (https://www.cnbc.com/quotes/US10Y)

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Specific to direct Russian and Ukrainian holdings, late last year we had exposure to a few companies in our Emerging Markets Opportunities Fund at an underweight to the benchmark, but nothing in the rest of our funds. We began trimming the largest of these holdings in December and were fully out of all Russian-related positions by February. We also held a fairly large weight in a US domiciled and listed global IT Services company with exposure to both Russia and Ukraine across several of our funds, which was also liquidated in Q1.

We continue to struggle in our **Consumer** tranche. It was a tough quarter as only eight of our 68 names eked out a positive return. After a stellar 2020 and early 2021, the last nine months have been very challenging. Our preferred company profile has clearly been out of favor. E-commerce in particular, a favorite consumer theme, has not been able to keep up with its rapid growth in the early innings of the pandemic. In hindsight, the market likely over-rewarded these companies at that time. Price multiples became very stretched. We saw the high valuations and we trimmed, but we knew these were the companies we wanted to hold long-term, so we were willing to ride out the rough year-over-year growth comparisons. We should have been more disciplined on QVM, sold more aggressively, and looked for better valuations at which to get back in.

However, we're not swayed from our preferred company profiles. These are asset-light, innovative businesses with scalable models and strong balance sheets. The stats of our e-commerce retailers imply that many of their newly acquired customers are exhibiting brand loyalty, which we view as huge positive. We think it will continue to be a challenging sector in the short term, but it now feels like the pendulum has swung too far in penalizing our companies. While multiples have fallen sharply, company fundamentals have been resilient. We believe the challenging environment will allow our holdings to improve their positioning, setting them up for long-term success.

As we trimmed Consumer exposure last year, we transferred weight to other sectors in the portfolio, particularly to Industrials and Financials. We expect to be getting some of that weight back as we are seeing opportunities to increase weight in Consumer names. Valuations are now at the point where they're too good to pass up. When the sector rebounds, it could happen quickly. We want to be ready.

For **Financials,** it was a lopsided quarter with poor performance across the board. We have been adding weight to our US banking exposure on the opinion that rates would rise faster than expected. While we are seeing that play out, recession worries have punished our Banks. Our favorite type of exposure in banking is companies with either a strong geographical advantage (meaning they don't need to chase assets by offering high of rates) or a significantly higher quality of service than peers.

Diversified financials is the sub-sector we've been most excited about, as is evidenced by our significant overweight. That optimism has not changed, at least not over the long-term. We recognize these names can be swayed by macro trends, so it's not a surprise that we underperformed the bench here. Like Banks, these names also had elevated multiples coming into

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the quarter. The world economy was humming and people were excited to get the back to some semblance of normalcy, leading to general optimism. A lesson learned from this experience is that higher multiples raise the risk profile, which we need to address through position size. We are nimble enough to trade around and should be better at doing so. We continue to have high conviction in the themes of Mergers & Acquisitions (M&A) advisory (particularly in Japan and the US), ESG (Environmental, Social & Governance) asset managers, and alternatives.

We have moved more underweight in Real Estate as we've shifted towards Diversified Financials and Banks. This looks like the right move so far as Real Estate has felt increasing pressure from rising rates. Our current exposure consists mainly of data centers and logistics, models that we believe have strong long-term structural growth trends.

The only Fund to have a good showing this quarter in the Financials tranche was Global Contrarian. Our value fund's Financials names beat their segment of the bench and the overall bench. Contrarian's preference for lower multiples certainly was a tailwind during the quarter.

We didn't have many **Healthcare** winners in Q1. The few that did ok for us had more of a value feel. We're seeing a lot more opportunity than a few quarters ago. Our top themes remain clinical research organizations, medical device, life science tools, diagnostics, and animal health.

We're using the correction to shed lower conviction tail names and lean into higher quality. We're buying Watch A companies that have been too expensive, and we're buying back names we've previously sold due to valuation. Overall, we feel comfortable with our names and believe they are well positioned to outperform in the long run.

Chinese healthcare names continue to be volatile and under pressure for the most part, due to ongoing Covid-19 flare-ups, concern around economic growth, and geopolitical risks. We have given this lots of thought and the team has had extensive discussion on China in the past few months. We have decided to continue to be overweight, but have taken the opportunity to better position our China exposure – buying high quality names that have been beaten up and swapping out borderline names.

In Japanese Healthcare, we're seeing opportunity, specifically around valuation. Japan is catching up in the digitization in healthcare, growth is accelerating nicely. These names had extreme valuations, but have become much more reasonable with no change in quality or momentum. We think the digitalization trend is here to stay in Japanese healthcare.

Within **Industrials**, it was another quarter where having little exposure to Energy and Materials went against us. It's hard for our names to keep up when commodity prices are skyrocketing. But the most disappointing thing was that we underperformed the bench within all three areas—Industrials, Energy, and Materials.

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Some of the largest winning Energy companies in the index were almost bankrupt when oil was around $30-$40/barrel in 2020. Our Energy bets won't ever be so exposed to wild swings in commodity prices, so it's no surprise we couldn't match the performance of the index. The Grandeur Peak Funds opting out of owning Energy faced an even greater headwind in Q1.

Materials were tough all around. We're very light this sector given the scarcity of quality companies we find there. Nearly all of our Materials names had negative returns, mainly driven by strong raw materials and input pricing. We don't usually invest in the raw/base materials companies who benefit directly from commodity pricing. We gravitate towards companies that buy those raw materials and turn them into more finished products. We feel most of these companies can pass on costs to their customers more easily. We think there's probably an opportunity to be had in mining. We expect significant upgrades to the energy grid will be required if we all are charging cars at home someday. Not to mention the quantity of materials that will need to be taken out of the ground for batteries and renewables. We've added recently and will look to be adding more. As always, our selected investments will almost certainly be pick-and-shovel plays rather than direct exposure to mine operators.

We've been adding to Japan in a meaningful way. We're excited about high quality growth professional service companies benefiting from a constrained labor market. Valuation levels are extremely enticing. We've lightened our positioning in the Nordics (where valuations still feel stretched) to fund Japan.

We are seeing more Industrial companies nearshoring when increasing capacity. The next generation factories are being built in Mexico instead of China, thereby avoiding regulatory risk, and improving shipping costs and timing. We believe Mexican rail and airports companies could be beneficiaries.

We feel we have a lot more buys than sells. High quality companies are now trading at more reasonable valuations. We don't think Industrials is a terrible place to be in this environment. Many of our companies can pass on raw material prices quickly and some even benefit from higher input prices. Only a handful of our companies have had real impact to their results, and most have navigated things fairly well.

Inflation remains a huge threat and we think there's a pretty decent chance that the Fed's response could trigger a recession/weakening consumer environment. We're actively going through our portfolio to make sure we'd be well positioned in that scenario. We'd like to make sure we understand each of our companies' exposure to the property market and other cycles. We think overall, we're pretty well positioned here but there's still plenty to do on that front.

What pains us the most in **Technology** is that the poor performance of Q1 was driven by some of our largest holdings. We had let many of the winners run and become bigger weights, and since a piece of their outperformance was due to multiple expansion, it left us exposed as multiples regressed. We're frustrated by the fact that we were very aware of how expensive our holdings

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had gotten, we just weren't trimming aggressively enough. It's particularly painful because this was easy to see in the QVM.

After a really tough Q4 for the Japan Tech sector, it has been interesting to see our names there held up relatively well in Q1. In many ways, Japan has felt like a safe haven from some of what is happening in the world. It's an exciting time to be global Tech investors in our opinion.

Q1 has been a struggle. A painful reset. But looking through our holdings, it is hard to not feel a sense of excitement. We're certainly more comfortable today than we were at the end of last year. Valuations make sense. Our quality scores are solid (we've trimmed out some of the lower quality in the tail). And the momentum, for the most part, remains elevated. It's an exciting time to be a Global Technology investor in our opinion.

In **China** and Hong Kong, we underperformed the bench in every sector we participated in this quarter, with the highest relative underperformance in the Industrial sector. This was mostly due to the outperformance in Energy and Materials sectors, which we had no exposure to, but also tough individual stock performance as well. It continues to be one of our goals to find quality industrials names in China. We have zero Financials exposure due to regulatory concerns, but Real Estate and Banks both had positive returns in the first quarter, which further drove our underperformance. Our overweight in China was a drag, but considering that we continue to see this geography as an interesting place to be, and given the current valuations of high quality names, we think the overweight is still justified. It's worth noting that we have dialed back our weight over time to account for the increasing geo-political risks.

This quarter incrementally reinforced **Global Contrarian's** investment thesis with significant outperformance relative to the other Grandeur Peak strategies. Though the Fund underperformed our value bench by roughly 2%, we feel good that we've kept up as well as we have given the strong rally in lower quality types of names in the index. According to the Morningstar style box, the Global Contrarian Fund is classified as more of a blend fund than a value fund. We tilt more towards names with higher growth, lower debt, and higher returns on assets. So, we've not been completely unscathed from the recent sell off in quality growth, but the portfolio feels well balanced.

Notes from the Road

This quarter our team enjoyed reconnecting with companies in various parts of the United States including Ohio, Arizona, California, New York, Pennsylvania, and Tennessee and added on a trip to Mexico as a bonus. We have plans to travel to Europe, Australia, South America and Asia during the second quarter. Here are a few thoughts from Ayden Richards, a Research Analyst covering the United States, on his recent travels in the US.

We have a goal to know our companies better than anyone else. Our senior team often tells us that visiting our companies in person is a critical step towards that goal, but I've had to wait a while to experience that *first-hand. I started on the research team in late 2019. Unfortunately, I could only join a couple of research trips before travel shut down in 2020 due to the pandemic. So like many young analysts at Grandeur Peak, I've been chomping at the bit to start traveling again. This quarter, after the Omicron variant subsided, we were able to get back on the road. I was able to see several companies on three trips in the United States. Ben Gardiner, Preston Williams, and I saw a couple of healthcare companies in Cincinnati. Brad Barth and I had a great trip to New York to see an intriguing mix of financials companies. And Amy Sunderland, Ben Gardiner, Miranda Jacobs, and I were lucky to have a full day at one of our favorite companies in Los Angeles. Here's what I've learned so far:*

First, my colleagues weren't exaggerating the value of seeing companies in person. Early this year, Grandeur Peak was fortunate to have Jeff Cardon, the former CEO of Wasatch Global Investors, visit our offices and give some advice to our team. One piece of advice that I believe turned on light bulbs for many of us young analysts was that you need to get to know the ***companies*** *you invest in, not just the* ***businesses****. High-quality management teams and strong company culture can be as important as operational efficiency or competitive positioning. Virtual calls are highly efficient at getting to know the business, in my opinion, but they clearly fall short in uncovering the intangibles of a company.*

Our trip to Los Angeles is a great example of discovering new details about a company. Our team had done great work getting to know this company before we visited. We'd read their reports, researched the industry, had several calls with the management team, and concluded that this was a great business. But as we talked to several members of their senior management team face to face, toured their design factory, touched their products, and had casual conversations over lunch, it became totally clear to us that this was a great ***company****. Their culture is sincere, and their employees genuinely believe in the business. The management team supports each other, rejoices in each other's success, holds each other accountable, and shares a hunger for improvement.*

Second, travel is fun! Robert has told me several times that when we encounter a complex market like we're in today, a great way to get out of a slump is to get out and visit companies. He's right. While it can be physically exhausting to be on the road, I also found it energizing and uplifting. You're not tempted to stress about stock charts when you're on the road. Instead, you're seeing and feeling the true drivers of a company. You're experiencing different business contexts, meeting new people, and seeing the world through a different lens. It's also so much fun to get to know my colleagues better. Long Uber rides or layovers give you time to have great conversations. I've come back from every trip feeling closer to my teammates. It feels adventurous to travel, and it has been a welcome addition to my life and career as a research analyst, especially after a couple of years of isolation during the pandemic.

Third, travel makes us better analysts. One benefit of investing in high-quality companies is that we get to interact with and learn from some of the most interesting, knowledgeable, and inspiring people in the world. Even within a single trip, I learned a lesson in one meeting and used that lesson during the next. I can only imagine how many important lessons some of our senior analysts have learned over hundreds of company meetings. By traveling, our small research team has access to not only our own experiences and viewpoints, but we can share and reflect on the thousands of viewpoints of the people we meet. I think that's part of what we mean when we talk about our global perspective and multiple minds approach.

I'm grateful I get to do this work. As a team, we're excited to really go full steam ahead with travel, and I hope that we can translate this into performance for our clients.

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Business Update

Given the recent volatility in financial markets, we are grateful to have seen minimal asset outflow over the quarter. Net Assets under Management (AUM) as of March 31, 2022 were $7.7B and our team headcount holds steady at 50.

With the upcoming college graduating class, we are pleased to announce the following interns who will be joining us full time.

Alexis Watson graduated from BYU's Marriott School of Business with a BS in Finance. While at BYU, she served as Co-President of the Private Equity & Markets Association and was active in several finance-related clubs. She maintained Dean's List status (top 5%) over all four years and received the Outstanding Student Award for the undergraduate school of Business, an award given to one student in each program. As a full-time Research Analyst, Alex will continue as a member of the team covering Europe and as part of the Sustainability team.

Jacob Grant also graduated with a BS in Finance from Brigham Young University. Originally a part of our Client Relations team, Jacob has recently transitioned to our Director of Research (DOR) group. Jacob was involved in the Student Investment Fund at BYU and maintained a 4.0 GPA throughout college. He's led out in building our Peer Group studies and other projects that have enhanced our Research process.

We will be welcoming a new class of summer interns next month, including two students from Howard University through an intern exchange hosted by the University of Utah. We are excited for the insights and energy our younger team members bring to the firm.

We are optimistic that as travel restrictions continue to ease around the world, our Research team will be able to visit and engage with management teams in person. The next few quarters are filled with planned trips to visit companies in many parts of the world. The pandemic has given us a rare opportunity to examine our current approach and make adjustments to maximize our time and enhance the return on the investment from our research process.

As always, please feel free to reach out any time with any questions, requests or comments. We appreciate the opportunity to work on your behalf.

Sincerely,

Mark Siddoway, CFA, CAIA
Todd Matheny, CAIA
Amy Johnson, MBA, CFP®
Grandeur Peak Global Advisors Client Team

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Returns as of March 31, 2022 for our Funds and their respective Benchmarks were as follows:

Total Returns (returns are annualized for periods over 1 year)

	Quarter	YTD	1 yr	3 yr	5 yr	10 yr	Since Inception*
Global Reach, Investor Class (GPROX)	-16.74%	-16.74%	-3.85%	17.26%	12.97%	n/a	12.26%
Global Reach, Institutional Class (GPRIX)	-16.67%	-16.67%	-3.59%	17.55%	13.26%	n/a	12.52%
MSCI All-Country World Small Cap Index[i]	*-6.15%*	*-6.15%*	*0.04%*	*12.22%*	*10.01%*	*n/a*	*9.70%*
MSCI All-Country World Investible Market Index[ii]	*-5.37%*	*-5.37%*	*6.75%*	*14.03%*	*11.92%*	*n/a*	*10.39%*
Global Explorer, Institutional Class (GPGEX)	-14.76%	-14.76%	n/a	n/a	n/a	n/a	-12.80%
MSCI All-Country World Small Cap Index	*-6.15%*	*-6.15%*	*n/a*	*n/a*	*n/a*	*n/a*	*-2.80%*
MSCI All-Country World Investible Market Index	*-5.37%*	*-5.37%*	*n/a*	*n/a*	*n/a*	*n/a*	*-3.34%*
Global Opportunities, Investor Class (GPGOX)	-16.73%	-16.73%	-3.67%	19.07%	14.02%	13.44%	14.38%
Global Opportunities, Institutional Class (GPGIX)	-16.73%	-16.73%	-3.38%	19.26%	14.31%	13.75%	14.68%
MSCI All-Country World Small Cap Index[i]	*-6.15%*	*-6.15%*	*0.04%*	*12.22%*	*10.01%*	*10.10%*	*11.14%*
MSCI All-Country World Investible Market Index[ii]	*-5.37%*	*-5.37%*	*6.75%*	*14.03%*	*11.92%*	*10.51%*	*11.36%*
Global Stalwarts, Investor Class (GGSOX)	-18.51%	-18.51%	-2.57%	16.31%	13.39%	n/a	13.67%
Global Stalwarts, Institutional Class (GGSYX)	-18.44%	-18.44%	-2.31%	16.63%	13.69%	n/a	13.96%
MSCI All-Country World Mid Cap Index[iii]	*-6.15%*	*-6.15%*	*0.04%*	*12.22%*	*10.01%*	*n/a*	*10.83%*
MSCI All-Country World Small Cap Index[i]	*-6.46%*	*-6.46%*	*3.64%*	*12.23%*	*10.20%*	*n/a*	*10.50%*
Global Micro Cap, Institutional Class (GPMCX)	-17.64%	-17.64%	-10.71%	19.03%	12.89%	n/a	12.85%
MSCI All-Country World Small Cap Index[i]	*-6.15%*	*-6.15%*	*0.04%*	*12.22%*	*10.01%*	*n/a*	*10.38%*
MSCI World Micro Cap Index[iv]	*-6.57%*	*-6.57%*	*-4.64%*	*13.94%*	*9.61%*	*n/a*	*10.61%*
Global Contrarian, Institutional Class (GPGCX)	-3.81%	-3.81%	5.65%	n/a	n/a	n/a	19.78%
MSCI All-Country World Small Cap Value Index[v]	*-1.82%*	*-1.82%*	*5.83%*	*n/a*	*n/a*	*n/a*	*12.47%*
MSCI All-Country World Small Cap Index[i]	*-6.15%*	*-6.15%*	*0.04%*	*n/a*	*n/a*	*n/a*	*13.58%*
Intl Opportunities, Investor Class (GPIOX)	-18.28%	-18.28%	-6.06%	14.64%	10.55%	11.54%	12.37%
Intl Opportunities, Institutional Class (GPIIX)	-18.29%	-18.29%	-5.95%	14.86%	10.74%	11.79%	12.60%
MSCI All-Country World ex-US Small Cap Index[vi]	*-6.43%*	*-6.43%*	*0.44%*	*10.66%*	*8.30%*	*7.68%*	*8.22%*
MSCI All-Country World ex-US Investible Market Index[vii]	*-5.49%*	*-5.49%*	*-0.84%*	*8.36%*	*7.40%*	*6.26%*	*6.82%*
Intl Stalwarts, Investor Class (GISOX)	-19.33%	-19.33%	-0.54%	16.68%	13.17%	n/a	13.66%
Intl Stalwarts, Institutional Class (GISYX)	-19.25%	-19.25%	-0.24%	17.00%	13.47%	n/a	13.94%
MSCI All-Country World ex-US Mid Cap Index[viii]	*-6.64%*	*-6.64%*	*-2.02%*	*7.64%*	*6.77%*	*n/a*	*7.40%*
MSCI All-Country World ex-US Small Cap Index [vi]	*-6.43%*	*-6.43%*	*0.44%*	*10.66%*	*8.30%*	*n/a*	*9.01%*
EM Opportunities, Investor Class (GPEOX)	-10.90%	-10.90%	-4.88%	11.49%	7.53%	n/a	6.88%
EM Opportunities, Institutional Class (GPEIX)	-10.80%	-10.80%	-4.65%	11.75%	7.76%	n/a	7.12%
MSCI Emerging Markets Smid Cap Index[ix]	*-4.33%*	*-4.33%*	*2.37%*	*9.12%*	*7.12%*	*n/a*	*5.07%*
MSCI Emerging Markets Investible Market Index[x]	*-6.59%*	*-6.59%*	*-9.18%*	*6.12%*	*6.57%*	*n/a*	*4.69%*
US Stalwarts, Institutional Class (GUSYX)	-16.08%	-16.08%	-2.20%	n/a	n/a	n/a	43.61%
MSCI US Mid Cap Index[xi]	*-6.15%*	*-6.15%*	*9.25%*	*n/a*	*n/a*	*n/a*	*44.07%*
MSCI US Small Cap Index[xii]	*-5.91%*	*-5.91%*	*-0.30%*	*n/a*	*n/a*	*n/a*	*45.13%*

* Inception of the Grandeur Peak Global Opportunities Fund and the Grandeur Peak International Opportunities Fund is 10/17/2011; Inception of the Grandeur Peak Global Reach Fund is 6/19/2013; Inception of the Grandeur Peak Global Stalwarts Fund and the Grandeur Peak International Stalwarts Fund is 9/1/2015; Inception of the Grandeur Peak Global Micro Cap Fund is 10/20/2015; Inception of the Grandeur Peak Global Contrarian Fund is 09/17/2019. Inception of the Grandeur Peak US Stalwarts Fund is 3/19/2020. Inception of the Grandeur Peak Global Explorer Fund is 12/16/2021. This fund is new and has limited operating history.

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Data shows past performance, which is not indicative of future performance. Current performance may be lower or higher than the data quoted. To obtain the most recent month-end performance data available, please visit www.grandeurpeakglobal.com. The Advisor may absorb certain Fund expenses, without which total return would have been lower. These expense agreements are in effect through August 31, 2022 for all funds, except Grandeur Peak Global Reach and Grandeur Peak Global Explorer Funds which have agreements in effect through August 21, 2023. Investment returns and principal value will fluctuate and shares, when redeemed, may be worth more or less than their original cost.

Total Expense Ratios: Gross 1.25% / Net 1.25% for GPRIX; Gross 1.50% / Net 1.50% for GPROX; Gross 1.81% / Net 1.35% for GPGEX; Gross 1.37% / Net 1.37% for GPGIX; Gross 1.62% / Net 1.62% for GPGOX; Gross 0.99% / Net 0.99% for GGSYX, Gross 1.24% / Net 1.24% for GGSOX; Gross 2.06% / Net 2.00% for GPMCX; Gross 1.37% / Net 1.37% for GPIIX; Gross 1.62% / Net 1.62% for GPIOX; Gross 0.92% / Net 0.92% for GISYX, Gross 1.17% / Net 1.17% for GISOX; Gross 1.53% / Net 1.53% for GPEIX, Gross 1.78% / Net 1.78% for GPEOX; Gross 4.08% / Net 1.36% for GPGCX; Gross 6.10% / Net 1.00% for GUSYX

An investor should consider investment objectives, risks, charges, and expenses carefully before investing. To obtain a Grandeur Peak Funds prospectus, containing this and other information, visit www.grandeurpeakglobal.com or call 1-855-377-PEAK (7325). Please read it carefully before investing.

See the prospectus for additional information regarding Fund expenses.
Grandeur Peak Global Advisors will deduct a 2.00% redemption proceeds fee on Fund shares held 60 days or less. Performance data does not reflect the deduction of this redemption fee or taxes, which if reflected, would reduce the performance quoted. For more complete information including charges, risks and expenses, read the prospectus carefully.

RISKS: Investing in small and micro-cap funds will be more volatile and loss of principal could be greater than investing in large cap or more diversified funds. Investing in foreign securities entails special risks, such as currency fluctuations and political uncertainties, which are described in more detail in the prospectus. Investments in emerging markets are subject to the same risks as other foreign securities and may be subject to greater risks than investments in foreign countries with more established economies and securities markets.

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[i] The MSCI All-Country World (ACWI) Small Cap Index captures small cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries.
[ii] MSCI All-Country World Investible Market Index (ACWI IMI) captures large, mid and small cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. The index is comprehensive, covering approximately 99% of the global equity investment opportunity set.
[iii] The MSCI All-Country World (ACWI) Mid Cap Index captures mid cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries.

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[iv] The MSCI World Micro Cap Index captures micro-cap representation across 23 Developed Markets (DM) countries.

[v] The MSCI ACWI Small Cap Value Index is designed to measure the equity market performance of small-cap companies exhibiting overall value-style characteristics across developed and emerging markets globally. You cannot invest directly in these or any indices.

[vi] The MSCI All-Country World ex-US (ACWIxUS) Small Cap Index captures small cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 24 Emerging Markets (EM) countries.

[vii] MSCI All-Country World ex-US Investible Market Index (ACWIxUS IMI) captures large, mid and small cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 24 Emerging Markets (EM) countries. The index is comprehensive, covering approximately 99% of the global equity investment opportunity set.

[viii] The MSCI All-Country World ex-US (ACWIxUS) Mid Cap Index captures mid cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 24 Emerging Markets (EM) countries.

[ix] The MSCI Emerging Markets (EM) SMID Cap Index captures mid and small cap representation across 24 Emerging Markets countries.

[x] The MSCI Emerging Markets Investable Market Index (IMI) captures large, mid and small cap representation across 24 Emerging Markets (EM) countries.

[xi] The MSCI US Mid Cap Index is designed to measure the performance of the mid-cap segments of the US market. With 340 constituents, the index covers approximately 15 percent of the free-float adjusted market capitalization in the US.

[xii] The MSCI US Small Cap Index is designed to measure the performance of the small-cap segment of the US equity market. With 1,781 constituents, the index represents approximately 14 percent of the free float-adjusted market capitalization in the US.

You cannot invest directly in these or any other indices.

GPG0001180 exp. 07/31/2022