2Q 2026 COMMENTARY

CROMWELL TRAN FOCUS FUND

The Portfolio Managers discuss the current equity market, portfolio positioning, and mid-cap opportunities.

Would you please discuss the key themes that influenced equity markets during the first half of 2026?

Two themes largely shaped equity markets during the second quarter of 2026.

First, the continued expansion of artificial intelligence (AI). Companies providing AI infrastructure, including semiconductor, data center, and power businesses, continued to benefit from strong investment and demand. At the same time, concerns that AI could disrupt traditional software business models weighed on many software companies, leading to meaningful valuation compression despite generally healthy fundamentals.

Second, renewed attention to energy security. Geopolitical tensions in the Middle East reinforced the strategic importance of conventional energy. Although the Energy sector remains underrepresented in the S&P 500 Index relative to historical levels, oil and natural gas continue to play essential roles in transportation, manufacturing, and electricity generation alongside the ongoing growth of renewable energy.

While market participation broadened modestly beyond the largest technology companies, performance remained concentrated among a relatively small group of semiconductor and memory companies tied to AI infrastructure. Meanwhile, weakness across much of the software sector created a meaningful headwind for many growth-oriented investors despite the broader market's advance.

How are those themes reflected in the portfolio today?

We believe AI infrastructure and energy security will remain important investment themes, and our portfolio includes several companies we believe are well positioned to benefit from both.

Within AI, our focus has been on businesses providing the infrastructure that enables continued adoption. Electrical distribution and services company, Wesco is benefiting from investment in data centers and electric grid modernization, while Vertiv supplies the cooling and power systems needed for AI computing. We also remain optimistic about ARM Holdings, whose semiconductor architecture continues to play an increasingly important role in AI applications.

Within the Energy sector, we favor companies with high-quality assets and durable cash flows. Portfolio holding Phillips 66 combines refining, midstream, and marketing operations, while Texas Pacific Land provides unique exposure to activity in the Permian Basin through its extensive land holdings. We believe both companies are well positioned to benefit from the continued need for reliable energy production and infrastructure.

CROMWELL FUNDS

CLASS	INCEPTION	TICKER
Investor	9/6/07	LIMAX
Institutional	9/6/07	LIMIX

Fund Facts

Asset Class: **Mid-Cap Growth**
Net Assets: **$23.6 million**
Benchmark: **S&P 500 Index**
Active Share: **98.3%**
Holdings: **26**

Sub-Advisor

TCM TRAN CAPITAL MANAGEMENT

Tran Capital Management is a research-driven, growth-oriented asset management firm. Founded in 1974, Lateef Investment Management, L.P., was the predecessor firm before Chief Investment Officer Quoc Tran and President Eric Winterhalter led a buyout.

PORTFOLIO MANAGERS

Quoc Tran
Chairman and Chief Investment Officer

Michael Im, CFA
Co-Portfolio Manager and Director of Research

More broadly, these investments reflect our consistent approach of identifying high-quality mid-cap businesses with durable competitive advantages, strong free cash flow, and attractive long-term growth potential.

The Fund is now classified by Morningstar as a Mid-Cap Growth strategy. What excites you about the mid-cap opportunity set?

We believe today's mid-cap market offers a compelling combination of attractive valuations and long-term growth potential. Compared with large-cap stocks, many mid-cap companies are trading at a meaningful valuation discount despite having established business models, strong competitive positions, and significant opportunities to expand market share. We believe this disconnect between valuations and business fundamentals creates an attractive environment for active stock selection.

For the Cromwell Tran Focus Fund, we seek high-quality, growth-oriented mid-cap companies with improving fundamentals, attractive valuations, and the ability to compound earnings and cash flow over the long term.

About Cromwell Funds

Headquartered in Baltimore, MD, the Cromwell Funds provide Financial Advisors with high-quality, differentiated and actively managed strategies in a mutual fund format. The Funds are sub-advised by asset managers who have built a national reputation managing their investment strategies.

Cromwell Funds' Sub-Advisors:

- CenterSquare Investment Management
- Corbyn Investment Management
- Foresight Group
- Mutual of America Capital Management
- Tran Capital Management

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Investors should carefully consider the Fund's investment objectives, risks, charges and expenses before investing. For this and other information, please call 855.625.7333 or visit thecromwellfunds.com for a summary prospectus or prospectus. Read it carefully before investing or sending money.

Mutual fund investing involves risk. Principal loss is possible. The Fund normally invests its assets in the common stocks of approximately 20 to 30 mid- and large-cap companies with a sustainable competitive advantage. In addition, the Fund may from time to time purchase a common stock that does not meet this criteria if, in the investment advisor's opinion, the stock represents a particularly attractive investment opportunity. While most assets will be invested in U.S. common stocks, other securities may also be purchased in keeping with the Fund's investment objectives. The Fund is non-diversified, which means that a significant portion of the Fund's assets may be invested in the securities of a single or small number of companies and/or in a more limited number of sectors than a diversified mutual fund. The Fund is subject to greater risk and could fluctuate in value more than other mutual funds diversified across a greater number of securities and industries. The Sub-Adviser's use of its ESG framework could cause it to perform differently compared to funds that do not have such a policy. The criteria related to this ESG framework may result in the Fund forgoing opportunities to buy certain securities when it might otherwise be advantageous to do so, or selling securities for ESG reasons when it might be otherwise disadvantageous for it to do so.

Free cash flow is the cash a company generates after taking into consideration cash outflows that support its operations and maintain its capital assets. Forward price-to-earnings values a company's current share price relative to its forecasted earnings per share. Active Share measures the percentage of stock holdings in a fund that differ from a benchmark. Return on Equity (ROE) is a profitability metric showing how much profit a company generates. The S&P 500 Index is a capitalization-weighted index of 500 stocks. An investment cannot be made directly into an index.

Holdings can be found here. Fund holdings are subject to change and should not be considered recommendations to buy or sell any security. Current and future holdings are subject to risk.

Opinions expressed are those of the author and are subject to change, are not intended to be a forecast of future events, a guarantee of future results, nor investment advice.

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