



## FIRM OVERVIEW

Riverwater Partners is an employee-owned, independent advisor based in Milwaukee, WI dedicated to small-cap responsible investing and a foundational belief that small companies can have a big impact – on portfolios and the world. We are proud to be a Certified B Corp.™

## WHY RIVERWATER

### INDEPENDENT AND ALIGNED

Small-cap focused, founder-led and employee-owned boutique investment firm. We proudly invest alongside our clients. As a Certified B- Corp, Riverwater is committed to using business as a force for good.

### FOCUSED PORTFOLIOS, CONTRARIAN MINDSET

Concentrated portfolios crafted by a team with a contrarian mindset to identify stocks with idiosyncratic drivers in pursuit of attractive risk-adjusted returns. The team seeks to achieve alpha through security selection.

### MINDFUL INVESTING: LEVERAGING THE POWER OF POSITIVE TRANSITION

Riverwater takes a mindful approach to responsible investing, seeking unique opportunities in companies committed to transitioning toward a better, more sustainable world. Our foundational belief is that employing a responsible investment lens enhances resilience, captures inefficiencies, and improves return potential.

## RESEARCH TEAM

### ADAM J. PECK, CFA

Founder & CIO, Co-PM  
25 yrs experience, 8 yrs on team

### NATHAN FREDRICK, CFA

Co-PM  
9 yrs experience, 7 yrs on team

### CINDY BOHLEN, CFA

Director of Responsible Investing  
20 yrs experience, 7 yrs on team

### KIRK FOX

Director of Research  
22 yrs experience, 4 yrs on team

### ELIZABETH GAUTHIER

Analyst  
2 yrs experience, 2 yrs on team

## OUR MISSION

To make the world a better place by growing wealth through responsible investing.

## STRATEGY OVERVIEW

<b>BENCHMARK</b>	Russell 2000
<b>NUMBER OF HOLDINGS</b>	25-40
<b>VEHICLE</b>	SMA
<b>MARKET CAP</b>	Less than \$1.5 billion at initial purchase
<b>INCEPTION DATE</b>	7.31.18

## STRATEGY RETURNS

	3 MO	YTD	1 YR	3 YR	5 YR	Since Incep.
Composite (gross)	2.48	8.03	8.03	9.19	6.06	10.26
Composite (net)	2.22	6.96	6.96	8.11	5.01	9.17
Russell 2000	2.19	12.81	12.81	13.74	6.09	6.93
iShares Microcap ETF	6.22	22.79	22.79	14.98	6.78	11.11

## CONTRIBUTORS / DETRACTORS

### Contributors

1. IRadimed Corp.	239 bps
2. Mama's Creations, Inc.	127 bps
3. Mayville Engineering Co.	119 bps

### Detractors

1. American Vanguard Corp.	-107 bps
2. Uranium Royalty Corp	-94 bps
3. Perella Weinberg Partners	-77 bps

## TOP 5 HOLDINGS

<b>8.1%</b>	IRadimed Corp.
<b>5.5%</b>	Mama's Creations, Inc.
<b>5.5%</b>	Coastal Financial Corporation
<b>5.3%</b>	NPK International Inc.
<b>4.4%</b>	Mayville Engineering Co.
<b>28.8%</b>	<b>of total net assets</b>

## STRATEGY INFORMATION

### STRATEGY STATISTICS

	Micro Opportunities Strategy	R2000 Index
Price to Earnings	23.0x	17.6x
AWMC	\$813.4M	\$4.5B
Dividend Yield	0.9%	1.2%
Return on Equity	4.9%	2.4%
LT Debt to Capital	21.8%	37.3%
Number of Holdings	30	1956
Beta*	0.88	1

\*Since Inception

### SECTOR WEIGHTINGS

	Ending Weight	R2000 Index
Consumer Disc.	4.33	9.09
Consumer Staples	12.90	1.77
Energy	0.00	3.72
Financials	23.45	16.95
Health Care	15.65	18.65
Industrials	21.96	16.79
Info Tech	6.17	16.90
Materials	5.89	4.85
Real Estate	2.59	5.85
Comm Services	2.46	2.43
Utilities	3.04	2.95

*The securities identified and described do not represent all the securities purchased, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable. The Composite performance is presented gross and net of fees and includes the reinvestment of income. Past performance is not indicative of future results. Portfolio holdings are subject to change and may have changed since the date specified.*

## Riverwater Partners Micro Opportunities Strategy 07/31/2018 to 12/31/2025

Year	Composite Gross Return %	Composite Net Return (%)	Benchmark Return (%)	Ending Portfolios	Composite Assets (\$)	Firm Assets (\$)	Internal Dispersion (%)	Composite 3-Yr Std Dev (%)	Benchmark 3-Yr Std Dev (%)
2018 <sup>1</sup>	-19.47	-19.80	-18.77	<=5	250,667.20	31,452,911.10	n/a		
2019	14.48	13.34	25.53	<=5	307,040.07	625,880,780.28	n/a		
2020	66.83	65.18	19.94	<=5	741,076.61	747,241,349.50	n/a		
2021	29.66	28.38	14.81	10	12,035,585.84	891,439,562.74	n/a	27.70	23.35
2022	-20.48	-21.26	-20.43	11	5,868,195.52	743,061,621.11	0.45	29.69	26.02
2023	8.18	7.11	16.93	13	12,027,754.92	870,548,569.03	0.09	18.35	21.11
2024	11.39	10.29	11.54	11	8,622,112.55	598,962,335.44	0.17	17.40	23.30
2025	8.10	7.03	12.81	8	3,764,358.16	633,521,799.83	0.22	15.95	19.63

### Partial Years

<sup>1</sup> Returns for 2018 are from 07/31/2018 to 12/31/2018

- Riverwater Partners, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Riverwater Partners has been independently verified for the period April 27, 2016 through December 31, 2025. A firm that claims compliance with the GIPS standards is required to establish policies and procedures designed to comply with all applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Riverwater Micro Opportunities Composite has undergone a performance examination for the period August 1, 2018 through December 31, 2025. The verification and performance examination reports are available upon request.
- Riverwater Partners, LLC is defined as a registered investment advisor and is not affiliated with any parent organization. Riverwater Partners acquired Falcons Rock Investment Counsel in 2019.
- The Riverwater Micro Opportunities Strategy seeks to provide attractive risk-adjusted returns relative to its benchmark, the Russell 2000 Index. The strategy primarily invests in U.S. micro-capitalization companies and generally holds 30–45 equity securities. Portfolio companies typically have market capitalizations below \$1.5 billion at the time of initial purchase. Material risks include equity market risk (the risk that stock prices will decline), small- and micro-capitalization risk (including greater volatility and liquidity constraints), and the risk that the composite may underperform its benchmark. There is no minimum account size required for inclusion in the composite.
- Returns are time-weighted and are presented in U.S. dollars. Returns are calculated net of transaction costs and non-reclaimable withholding taxes, if applicable, and assume the reinvestment of dividends and other income. Gross composite returns do not reflect the deduction of investment advisory fees. Net composite returns are calculated by deducting one-twelfth of the model annual management fee from the monthly gross return.
- The model fee applied is the maximum annual advisory fee in effect during the respective performance period. Any revisions to the fee schedule are reflected in net return calculations beginning in the period in which the revised schedule becomes effective. Actual client fees may vary based on, among other factors, fee schedule and account size. The current annual management fee for the Riverwater Micro Opportunities Strategy is 1.00%.
- A list of composite descriptions, as well as policies for valuing investments, calculating performance, and preparing GIPS reports, is available upon request.
- The composite inception date is July 31, 2018. The composite was created in July 2019.
- Internal dispersion is calculated using the equal-weighted standard deviation of annual gross returns of portfolios included in the composite for the full year. Internal dispersion is presented only for years in which the composite contains five or more portfolios for the entire year.
- The three-year annualized standard deviation measures the variability of the composite gross returns and the benchmark returns over the preceding 36-month period. This measure is not presented for periods with fewer than 36 consecutive months of performance.
- Portfolios are temporarily removed from the composite in the month a significant cash flow occurs. A significant cash flow is defined as a contribution or withdrawal exceeding 20% of the portfolio's beginning market value for the month.
- GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.
- Actual performance results may differ from composite returns depending on account size, investment guidelines or restrictions, inception date, and other factors. Performance for certain accounts within the composite may be calculated by third parties that utilize different security pricing sources or performance methodologies. Past performance is not indicative of future results. All investments involve risk, including the potential loss of principal.