



# IRONWOOD

INVESTMENT MANAGEMENT®, LLC

## SMALL CAP CORE STRATEGY PROFILE — As of 12/31/2025

Composite Performance	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception (1/01/1999)
Gross of Fees:	4.77%	22.50%	22.50%	24.60%	9.56%	13.83%	11.91%
Net of Fees:	4.50%	21.28%	21.28%	23.37%	8.47%	12.70%	10.80%
Russell 2000	2.19%	12.81%	12.81%	13.73%	6.09%	9.62%	8.22%

Please see footnotes to performance on the last page.

### OVERVIEW

The Ironwood Small Cap Core strategy is designed to serve a strategic, long-term role in investment portfolios. The strategy invests in listed equity securities of U.S.-based companies and is diversified across 60-80 positions with a single position limit of 10%. We hold positions to mitigate risk and portfolio volatility as well as capture positive return potential through any market environment or economic cycle. Our areas of expertise are stock-level analysis and selection, opportunistic exploitation of stock price inefficiencies and the ability to patiently compound capital over a long-term time horizon. Through fundamental research we seek to identify high-quality companies with the potential to create significant shareholder value before they are recognized by the broader market.

### INVESTMENT PHILOSOPHY

The Ironwood Small Cap Core strategy combines our passion for identifying high-quality companies with our research and investment discipline practiced over decades to capitalize on the opportunities created by behavioral-based market actions, which are particularly pronounced in the small cap market. Volatility is a phenomenon we observe and exploit, it is not our definition of risk. As long-term investors, we focus on finding what we refer to as high Ironwood-quality companies that have the attributes that will enable them to adapt to challenges and seize opportunities that will undoubtedly arise over our holding periods. We believe effective management teams proactively manage ESG issues and we integrate this into our assessment of quality companies and management teams. We believe a core strategy should be a strategic allocation of long-term investments and therefore manage a portfolio built stock-by-stock that has diversified exposure to earnings growth, is not predicated on a particular 'style' being in favor and has the latitude to let our best performing holdings drive portfolio return. We aim to 'stack the deck' of excess returns through our rigorous focus on buying at irrationally low valuations, and then preserving the full potential of our investments by remaining patient, engaged investors with a long-term mindset.

## SMALL CAP CORE STRATEGY CHARACTERISTICS

### STRATEGY HIGHLIGHTS

**Investment Universe:** Russell 2000 Small Cap Index

#### Investment Approach

- Seeks high “Ironwood-Quality” companies through bottom-up research process.
- ‘Growth’ and ‘Value’ are basic tool sets, not philosophies, used to analyze stocks.
- Diversified exposure of 60-80 positions across 8 economic sectors.
- Exploits downside share pricing overreactions to buy stocks for long-term holds.

#### Ironwood ESG Company Characteristics

**E:** Thoughtful management of resource use, waste reductions and product/service impacts.

**S:** Good HR, supply-chain and community relations practices; healthy products and services.

**G:** Alignment of management and board structure and practices with shareholders and with consideration of all stakeholders.

### TOP TEN EQUITY HOLDINGS

As of 12/31/2025

iShares Trust - iShares Russell 2000 ETF	6.80%
BridgeBio Pharma, Inc.	4.42%
MYR Group Inc.	4.35%
Dycom Industries, Inc.	4.16%
Pegasystems Inc.	3.70%
Vicor Corporation	3.15%
Cytokinetics, Incorporated	2.90%
Somnigroup International Inc.	2.83%
TTM Technologies, Inc.	2.45%
Evolv Technologies Holdings, Inc.	2.36%
<b>Total Weight in Top Ten</b>	<b>37.12%</b>

### SECTOR ALLOCATION

As of 12/31/2025

<b>MARKET CAPITALIZATION</b>			
As of 12/31/2025		Fund	Russell*
Over \$5 Billion	47.52%	Consumer Discretionary	9.32% 10.06%
\$4 Billion - \$5 Billion	6.10%	Consumer Staples	4.16% 1.62%
\$3 Billion - \$4 Billion	10.44%	Energy	0.69% 6.99%
\$1.5 Billion - \$3 Billion	15.94%	Health Care	12.72% 10.56%
\$500 Million - \$1.5 Bln	10.20%	Financial Services	14.95% 26.47%
Under \$500 Million	6.66%	Industrials	26.58% 12.61%
Cash	3.14%	Information Technology	24.87% 7.64%
		Materials	3.11% 5.41%
		Utilities	0.00% 5.77%
		Real Estate	0.00% 9.62%
		Communication Services	0.46% 3.25%
		Cash	3.14% 0.00%
<b>PORTFOLIO CHARACTERISTICS</b>			
As of 12/31/2025			
Price/Book Value	3.4x		
TEV/EBITDA	17.0x		
TEV/Total Revenues	2.7x		
Price/Normalized EPS	36.5x		

\*Russell 2000 Index iShares

## SMALL CAP CORE STRATEGY COMMENTARY

### Market Overview

U.S. equity markets delivered surprisingly strong returns in 2025, supported by a growing economy, moderating inflation, steady consumer spending, and expectations for continued monetary easing by the Federal Reserve. Corporate earnings remained resilient across many sectors, and investor sentiment improved as inflation pressures eased and economic growth proved more durable than many had anticipated.

Both the S&P 500 and the Russell 2000 posted gains in the fourth quarter and finished the year up mid- to low-double digits. While market leadership shifted throughout the year, periods of volatility created differentiation across sectors and market capitalizations, reinforcing the importance of active management and disciplined security selection.

### Strategy Performance

Small-cap stocks were up modestly in Q4 2025, with the Russell 2000 Index (R2) advancing 2.19%. The Ironwood Small Cap Core (SCC) Strategy returned 4.77% gross of fees (4.50% net) and outperforming the R2 by 258 bps gross of fees (231 bps net). The Ironwood SCC Strategy finished the year up 22.50% gross of fees (21.28% net), outperforming the R2 by 969 bps gross of fees (847 bps net). We are very pleased to report that the Ironwood Small Cap Core Strategy was recently awarded two Top Gun Awards by PSN\*. The Strategy ranked #4 for Q3 2025 total return and #2 for the three-year period ending September 30, 2025 (out of 155 managers in the SCC peer group).

### Investment Philosophy: Embracing Volatility with Discipline

The strong performance of the Ironwood Small Cap Core strategy in the fourth quarter and throughout 2025 reflects the successful execution of the Ironwood investment philosophy, which focuses on high-quality companies. The portfolio contains a diverse mix of businesses, with 77 company holdings as of year-end, and the success of the strategy reflects the achievements of these companies.

The leading contributor to portfolio return in 2025, BridgeBio Pharma, was up 157.44% as its recently approved drug, Attruby, grew revenues at an impressive rate. Dycom Industries, up 99.84%, continues to benefit from increased demand for broadband access. MYR Group, up 64.2%, is working to modernize the electrical grid and meet growing demands for power. Vicor Corp., up 178.61%, manufactures power modulation devices that enable more efficient use of electricity. TTM Technologies, up 181.96%, manufactures electronic components for the aviation, healthcare, defense, and data center industries.

## SMALL CAP CORE STRATEGY COMMENTARY

### High I-Q Companies: A Long-Term Framework

The diverse makeup of the portfolio provides a measure of safety, as no two companies are alike. However, all holdings are consistent with the Strategy's focus on investing in high-quality, fundamentally sound companies with durable business models and prudent balance sheets. The portfolio's emphasis on disciplined research, valuation awareness, and active risk management continued to guide positioning amid shifting market leadership and elevated dispersion across small-cap sectors. This approach is consistent with Ironwood Investment Management, LLC's long-standing philosophy of pursuing enduring growth through patience, prudence, and a commitment to quality.

### Outlook for 2026

Looking ahead, the broader backdrop for small-cap equities appears generally constructive, though not without uncertainty. Consensus expectations indicate that earnings for small-cap indices such as the Russell 2000 are projected to grow meaningfully through 2026, with analysts forecasting better earnings growth for smaller companies relative to large caps in the year ahead. While earnings outcomes are never assured, a forecast of this nature may provide a supportive foundation for fundamentally strong companies.

From a valuation perspective, small-cap stocks currently trade at valuations that many observers view as reasonable relative to larger counterparts and historical norms. Some investors and strategists note that small-cap valuations remain more attractive than mega-cap valuations, a dynamic that may create potential opportunities for active managers with a disciplined research process and valuation sensitivity.

The economic outlook entering 2026 is also broadly positive, with multiple sources suggesting continued expansion in the U.S. economy and a possibility of interest-rate easing. Federal Reserve officials and economic projections indicate that inflation may moderate and that rate cuts could occur if economic conditions evolve as expected, potentially easing financial conditions for businesses and consumers. For small-cap companies with strong fundamentals, adaptable business models, and prudent capital management, this combination may support potential long-term growth opportunities.

That said, Ironwood Investment Management, LLC remains mindful that market conditions can change quickly. As always, the Strategy will continue to emphasize bottom-up security selection, active risk management, and a focus on High I-Q companies that demonstrate the ability to adapt and compound value over time, rather than relying on macro forecasts alone.

## SMALL CAP CORE STRATEGY COMMENTARY

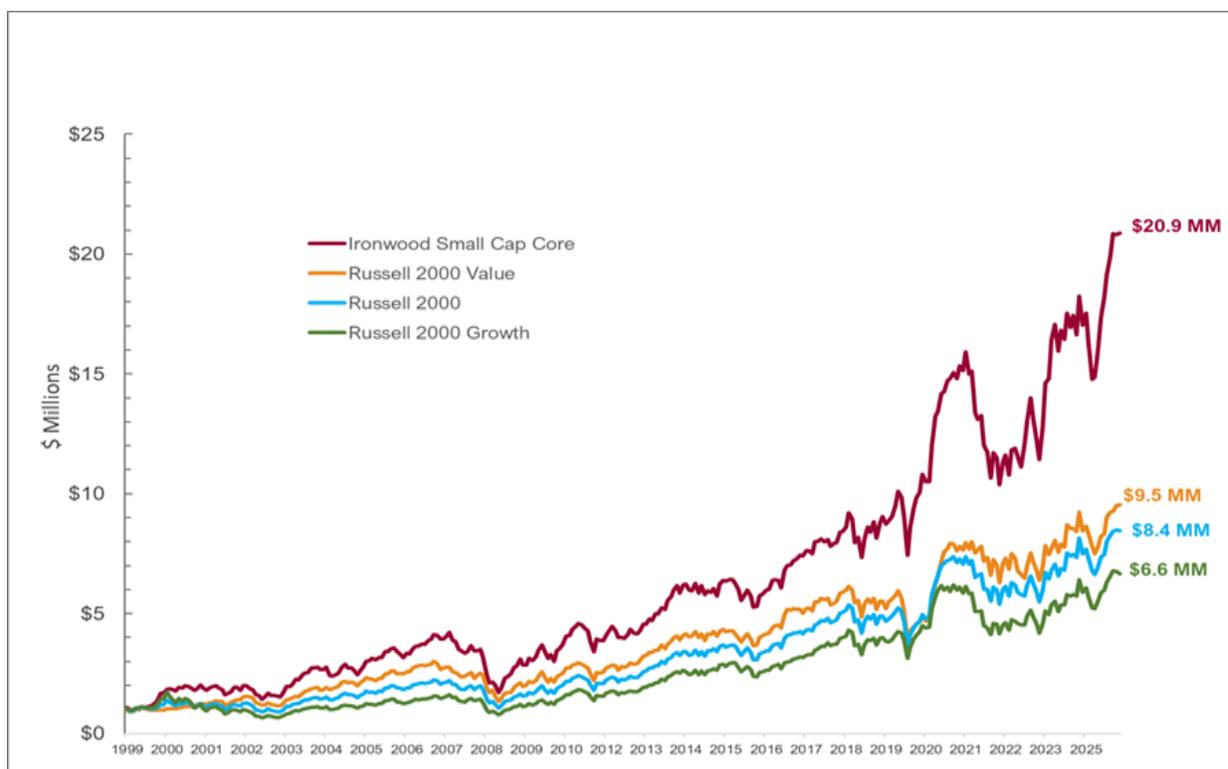
### Portfolio Activity and Positioning

We initiated two new positions during the quarter, Transcat (TRNS) and Porch Group (PRCH), and added to two existing positions, Anika Therapeutics (ANIK) and Azenta (AZTA). For a more detailed description of these companies, please see the portfolio changes section below.

We sold three positions during the quarter. Kezar Life Sciences (KZR) and iRobot (IRBT) were both the subject of acquisition activity, and we exited ACCO Brands (ACCO). M&A activity has historically driven approximately 46% of the strategy's sales, and IRBT represents the sixth portfolio company acquired in 2025.

The Ironwood Small Cap Core mountain chart below shows that the strategy reached a new all-time high in Q4 2025 and has generated a return of approximately 20 times our initial clients' capital.

**+11.91%<sup>(1)</sup> average annual return (gross) since inception**  
**vs. +8.22% for Russell 2000 Index**



(1) Source: Advent. Past performance is not indicative of future results.

## SMALL CAP CORE STRATEGY COMMENTARY

### Top Five Company Contributors - Q4 2025

- **Vicor Corporation (VICR):** +120.43%, added 184 bps gross - Strong growth in licensing revenues combined with increased capacity utilization of new plant increase the outlook for profits.
- **BridgeBio Pharma, Inc. (BBIO):** +47.27%: added 153 bps gross - Strong sales of new heart drug Attriby driving impressive revenue growth.
- **Coherent Corp. (COHR):** +71.34%, added 79 bps gross - Reported strong 3<sup>rd</sup> Quarter results.
- **Dycom Industries, Inc. (DY):** +15.81%, added 68 bps gross - Growth in Q2 revenues and earnings driven by continued strong demand for broadband.
- **Cytokinetics Inc. (CYTK):** +15.61%, added 43 bps gross - Company received FDA approval for heart drug Myqorzo.

### Bottom Five Company Detractors - Q4 2025

- **Super Micro Computer, Inc. (SMCI):** -38.94%, detracted 106 bps gross – reported Q3 earnings that were disappointing.
- **Zscaler, Inc. (ZS):** -24.94% detracted 39 bps gross - No specific reason we know of for the sell off as the company continued to report great results.
- **Pagaya Technologies Ltd. (PGY):** -29.61%, detracted 34 bps gross - Company reported strong Q3 results. We attribute the stock weakness to profit taking.
- **Extreme Networks, Inc. (EXTR):** - 19.37%, detracted 28 bps gross - We know of no reason for the weakness in the stock.
- **Evolent Health Inc. (EVH):** -52.72%, detracted 27 bps gross - Uncertainty in the profitability of the company's health care offerings continues.

## SMALL CAP CORE STRATEGY COMMENTARY

### Portfolio Changes in Q4 2025

#### New Purchases:

- **Porch Group, Inc. (PRCH)**- together with its subsidiaries, operates a vertical software and insurance platform in the United States. The company operates in home-related product and service industries, including insurance, mortgage software, title insurance software, warranty, moving services, inspection software, home repair, and marketing, financial, and other software for home services companies. It also provides insurance and warranty products to protect their homes; and property-related insurance, whole-home, 90-day, service line, and extended labor warranties under the Porch Warranty, American Home Protect, and Residential Warranty Services brands.
- **Transcat, Inc. (TRNS)**- is a leader in the test and measurement industry. They provide calibration services and equipment to highly regulated industries including life science laboratories, aerospace and defense contractors, utilities and industrial manufacturers. They have a 64 year record of growth and now serve the US, Canada and Ireland from 50 different locations. They have a strong balance sheet and cash flow to support continued accretive acquisitions.

#### Additions to Existing Positions:

- **Anika Therapeutics, Inc. (ANIK)**- is a joint preservation company that creates and delivers advancements in early intervention orthopedic care in the areas of osteoarthritis pain management, regenerative solutions, sports medicine and bone preserving joint solutions.
- **Azenta, Inc. (AZTA)**- is a leader in precision automation and cryogenics capabilities for the life science industry. The company supports its customers from research and clinical development to commercialization with its sample management and automated storage systems, as well as genomic services expertise, to help its customers bring impactful therapies to market faster.

#### Sales:

- **ACCO Brands Corp (ACCO)**- provides products to offices, schools and consumers. The company offers quality products but lacks a strategy for growth.
- **iRobot Corporation (IRBT)** - the manufacturer of home robots for floor cleaning agreed to be acquired by Chinese firm Shenzhen Pica Robotics.
- **Kezar Life Sciences, Inc. (KZR)** - an early stage biotech company retained Cowen to advise them on maximizing shareholder value.

#### Trims:

- **Impinj Inc. (PI)** - is the leading provider of RFID (radio frequency identification) tags and systems and we hold them in high regard but we thought it was an opportune time to trim the position.

### Important Disclosures & Disclaimers

\* Awarded August 19, 2025. PSN is not a client, and no compensation was paid or received in exchange for the ranking. Register for free to view the full PSN Top Guns recipient list and award methodology: PSN Top Guns: <https://psn.fi.informais.com/>.

## SMALL CAP CORE STRATEGY PROFILE

### FOOTNOTES TO PERFORMANCE

*Ironwood Investment Management®*, LLC (*Ironwood*) is an independently managed investment advisory firm providing investment advisory services to institutional clients, mutual funds and high-net-worth clients. The firm is a registered investment adviser with the Securities and Exchange Commission. SEC Registration does not imply a certain level of skill or training. Accounts in the Small Cap Core composite include separately managed, fully discretionary, fee-paying portfolios. Portfolios are invested in undervalued securities, the majority of which will have market capitalizations under \$2.5 billion at cost, including securities with growth and/or value characteristics. Securities are considered undervalued when management believes the current share price does not accurately reflect the long-term economic value of the underlying company. Ironwood Investment Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Ironwood Investment Management, LLC has been independently verified for the periods January 1, 1999 through December 31, 2021. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the 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 Small Cap Core composite has had a performance examination for the periods July 1, 2002 to December 31, 2021. The verification and performance examination reports are available upon request. 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. The creation date of the composite: July 2002. Performance inception date of the composite: January 1, 1999. Prior to July 2002, portfolios were included in the composite when at least 75% of the portfolio was invested in equity securities and when at least 75% of the portfolio was invested according to the investment style of the composite. Subsequent to July, 2002, portfolios are included in the composite after the first full month of being fully invested. Returns are presented gross and net of management fees and include the reinvestment of all income. Net returns are calculated based on the highest fee of 1.00%. Investment management fees are 1.00% on the first \$25 million, 0.90% on the next \$25 million, 0.80% on the next \$50 million, and 0.75% over \$100 million on an annual basis and a client's return will be reduced by these and other related expenses. The actual fee charged to an individual portfolio may vary by size and type of portfolio and may be negotiated. Actual investment advisory fees incurred by clients may vary. The Russell 2000 Index consists of the 2000 smallest stocks in the Russell 3000 Index that represents approximately 8% of the U.S. equity market capitalization. The indices have been reconstituted annually since 1989. Ironwood returns and Index performance reflect reinvested interest income and dividends, in U.S. dollars. A list of composite descriptions and a list of limited distribution pooled fund descriptions are available upon request. Past performance is not indicative of future results. Policies for valuing investments, calculating performance and preparing GIPS Reports are available upon request. Prior to May 2006, the Firm was known as Ironwood Capital Management, LLC.