

FOCUSED SMID CAP

Focus is a quality that is rarely adopted by managers, yet it is precisely this scarcity and neglect that we believe amplifies our process and enables us to consistently add value.

Key Investment Professionals

Anthony L. Guerrero
Founder, Chairman

David A. Rolfe, CFA
Chief Investment Officer

Michael X. Quigley, CFA
Senior Portfolio Manager

Chris Jersan, CFA
Portfolio Manager

Director of Business Development

Emily C. D'Agostino
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Wedgewood Profile

- Firm Founded in 1988
- Strategy Incepted in 2018
- Based in St. Louis, Missouri
- Single Investment Strategy
- \$0.947 million AUM
- Available in SMA

Top Ten Holdings

| | |
|---------------------------------|------|
| Maximus Inc. | 6.3% |
| Leidos Holdings Inc. | 5.9% |
| CDW Corp. | 5.6% |
| SAIA Inc. | 5.3% |
| Steven Madden Ltd. | 5.2% |
| Texas Pacific Land Corp. | 5.2% |
| Tractor Supply Co. | 4.8% |
| Acuity Brands Inc. | 4.7% |
| JB Hunt Transport Services Inc. | 4.4% |
| MSC Industrial Direct | 4.2% |

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.

Price/Earnings Ratio

| | |
|--------------|-------|
| Portfolio | 15.9x |
| Russell 2500 | 11.7x |

ROE

| | |
|--------------|-------|
| Portfolio | 33.5% |
| Russell 2500 | 11.4% |

EPS Growth Forward 3-5Y

| | |
|--------------|-------|
| Portfolio | 13.1% |
| Russell 2500 | 15.8% |

Wedgewood Investment Strategy

Wedgewood Partners' investment philosophy is the synthesis of classic tenets of both Growth and Value investing. We believe focused investing possesses inherent and repeatable competitive advantages. Focus is our edge. We expect to be rewarded by the long-term appreciation of equity relative to the underlying appreciation of business fundamentals. In other words, we endeavor to invest like a successful "business owner." Portfolio decisions that adhere to the classic tenets of Value investing enhance the potential of long-term outperformance by taking advantage of short-term price volatility. Lastly, and critically, we view risk as the permanent loss of capital and risk mitigation is evident in each step of our investment process. This philosophy enables a process that is unusually selective and yields a focused portfolio of approximately 30 stocks. We believe that this focus is what sets us apart as we endeavor to capitalize on market inefficiencies created by the institutional imperative of "wide-diversification." This inefficiency typically shows up at the company level whereby the best-in-class businesses are routinely undervalued.

Key Differentiators

- **Experience:** Over 65 years of cumulative investment experience
- **Temperament and Behavior:** Not caught up in the emotion of the market
- **Independent Thinking:** Ability to think and act differently than the crowd
- **Patience:** Wait for genuine investing opportunities
- **Discipline:** Adherence to a sound, repeatable investment process regardless of market conditions.

Benchmark

Wedgewood uses the Russell 2500 Index for Performance comparisons.

Net Performance vs. Russell 2500 Index — Growth of \$1MM Investment



Annualized Total Returns as of June 30, 2022

| | 1 year | 3 years | Since Inception* |
|---------------------------|--------|---------|------------------|
| WWP (Net of Fees) | -17.59 | 10.95 | 10.25 |
| Russell 2500 Index | -21.00 | 5.91 | 4.86 |

| Year | Total* | UMA* Assets | Firm Assets | Composite Assets | | Annual Performance Results | | | | | 3 Year Standard Deviation | | |
|------|------------|----------------|----------------|------------------|-----------|----------------------------|---------------|------------|----------|------------|---------------------------|---------|--|
| | | | | U.S. Dollars | Number of | Composite | | | Russell | Composite | Composite | Russell | |
| | | | | | | Net (Actual) | Net (Bundled) | Pure Gross | 2500 | Dispersion | Gross | 2500 | |
| End | (millions) | (millions) | (millions) | (millions) | Accounts | | | | | | | | |
| 2021 | 1,702 | 850 | 852 | \$0.818 | < 5 | 32.74% | 32.71% | 33.78% | 18.18% | N/A | 18.26% | 22.48% | |
| 2020 | 1,484 | 738 | 746 | \$0.405 | < 5 | 28.17% | 28.11% | 29.17% | 19.99% | N/A | | | |
| 2019 | 2,167 | 1,387 | 780 | \$0.316 | < 5 | 30.86% | 30.83% | 31.88% | 27.77% | N/A | | | |
| 2H18 | 3,029 | 1,433 | 1,596 | \$0.242 | < 5 | (11.01%) | (11.05%) | (10.64%) | (14.66%) | N/A | | | |

*For GIPS purposes, UMA assets are not part of Firm Assets and are not considered "under management" since Wedgewood has either no or only partial trading discretion and on occasion may be shown as supplemental information.

** Internal dispersion is not applicable because there are 5 or fewer portfolios in the composite for the time period. The 3-year standard deviation is not shown as there are fewer than 36 months of available returns.

Focused SMID Composite contains fully discretionary small / mid-cap equity accounts. For comparison purposes, the composite is measured against the Russell 2500 Index. The minimum account size for this composite is \$75 thousand.

Wedgewood Partners, Inc. is an independent registered investment adviser. The firm maintains a complete list of composite descriptions and a list of broad distribution pooled funds, which are available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance.

Returns are presented gross and net of fees and include the reinvestment of all income. "Net (Actual)" returns are calculated using actual management fees and are reduced by all fees and transaction costs incurred. "Net (Bundled)" returns are calculated by reducing the gross returns by the highest total wrap fee of 0.86%, applied quarterly. Pure Gross returns are shown as supplemental information because wrap accounts are calculated gross of all fees and transaction costs. Gross returns of non-wrap accounts are reduced by transactions costs.

Some accounts in the composite may pay an all-inclusive wrap/bundled fee based on a percentage of assets under management; net returns for these accounts are reduced by all actual fees and transaction costs incurred. Wrap/bundled fee schedules are provided by independent wrap/bundled sponsors and are available upon request from the respective wrap/bundled sponsor. Total wrap/bundled fees may range up to 0.86% per year. Actual investment advisory fees incurred by clients may vary. Other than brokerage commissions, this fee includes investment management, portfolio monitoring, consulting services, and in some cases, custodial services. Wrap/bundled accounts represent 100% of the composite's assets as of December 31, 2020, 100% of the composite's assets as of December 31, 2019, and 100% of the composite's assets as of December 31, 2018. The annual composite dispersion presented is an asset-weighted gross standard deviation calculated for the accounts in the composite the entire year. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. The management fee schedule is as follows: 0.90% under \$5 million and 0.75% over \$5 million. Actual investment advisory fees incurred by clients may vary.

The SMID Composite was created September 8, 2020 and its inception date is June 30, 2018. Wedgewood Partners, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Wedgewood Partners, Inc. has been independently verified for the periods October 1, 1992 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 SMID Composite has had a performance examination for the periods July 1, 2018 through December 31, 2021. The verification and performance examination reports are available upon request.

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