

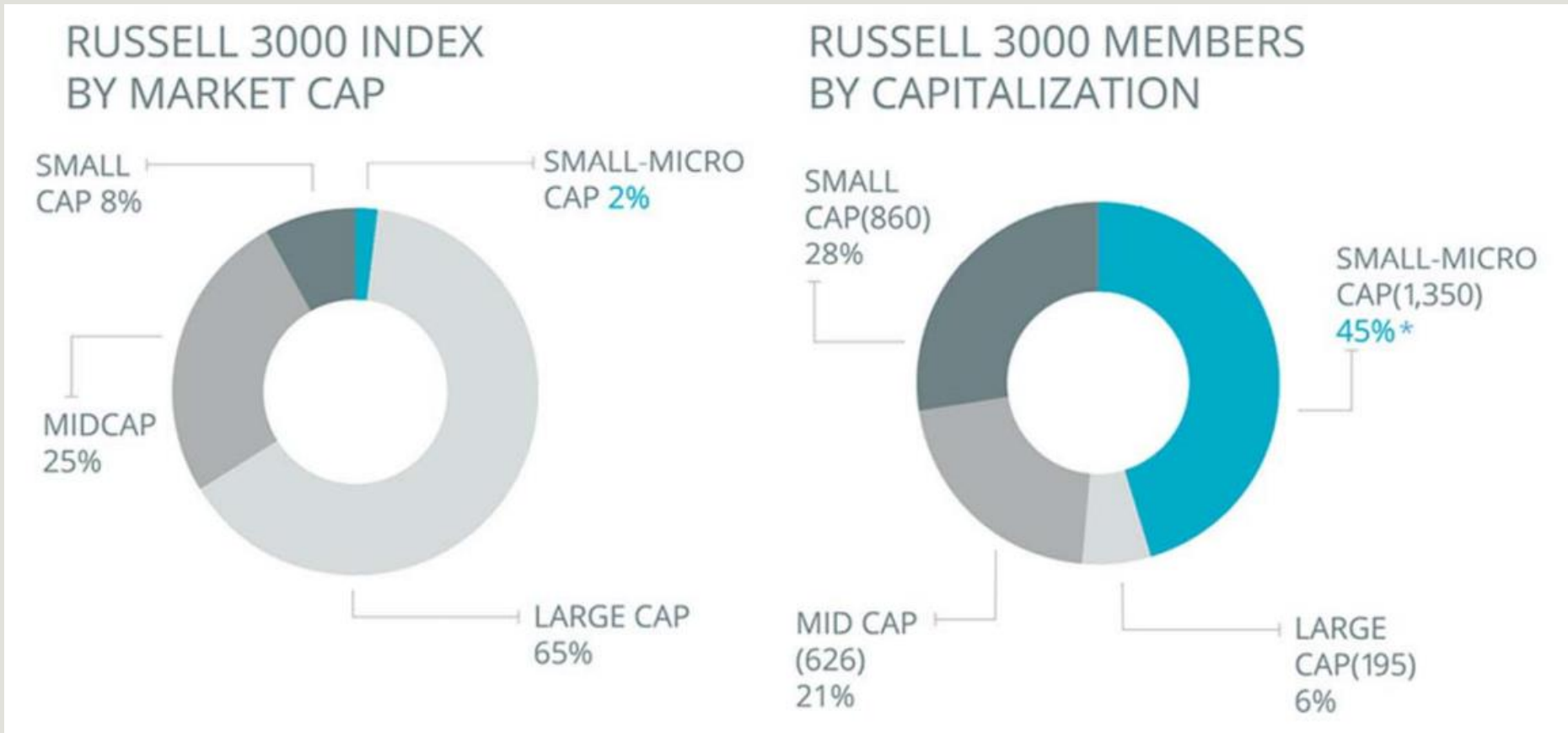
THE CASE FOR MICRO CAP INVESTING

MICRO CAP RESEARCH

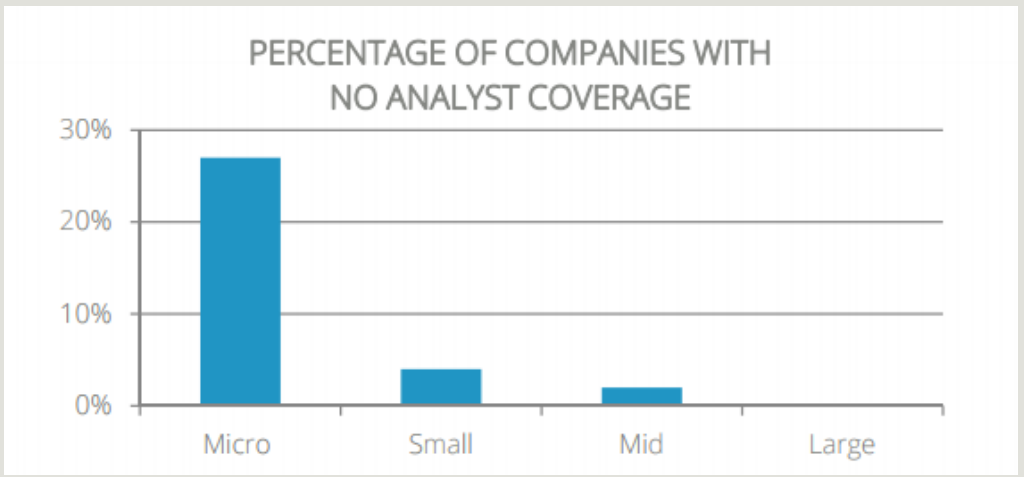
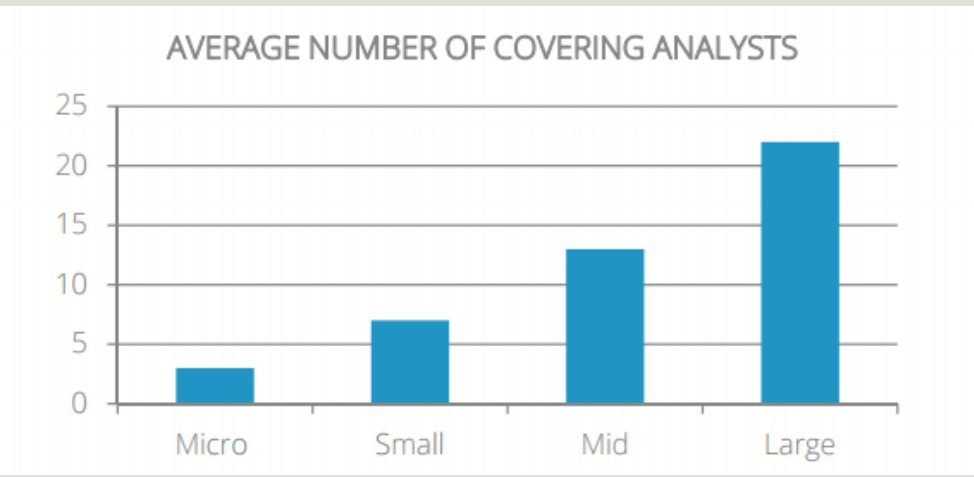
THE CASE FOR MICO CAP INVESTING

- Professional active money management in the Mid and Large Cap universe is a sun setting business model due to the field being overly crowded by the institutional investment community, largely efficient information dissemination, and the emergence of passive strategies comprised of low cost ETFs.
- The future of professional active money management is Micro Cap investing. Professional active money managers can differentiate from their peers, deliver superior performance for clients, and survive the increasingly competitive money management landscape through Micro Cap investing.
- The Micro Cap universe offers greenfield opportunities for talented money managers to manufacture true alpha for the suppliers of capital. The Micro Cap universe makes up only 2% of the entire market by capitalization, but represents nearly 50% of the investible universe.
- The Micro Universe has little to no formal research coverage.
- The Micro Cap universe has historically delivered superior long term performance.
- The Micro Cap universe consistently experiences an outsized concentration of M&A activity.
- Our business - Micro Cap Research - aims to support professional active money managers who are focused on Micro Cap investing through research services that deliver insights, uncover value, and exploit inefficiencies.

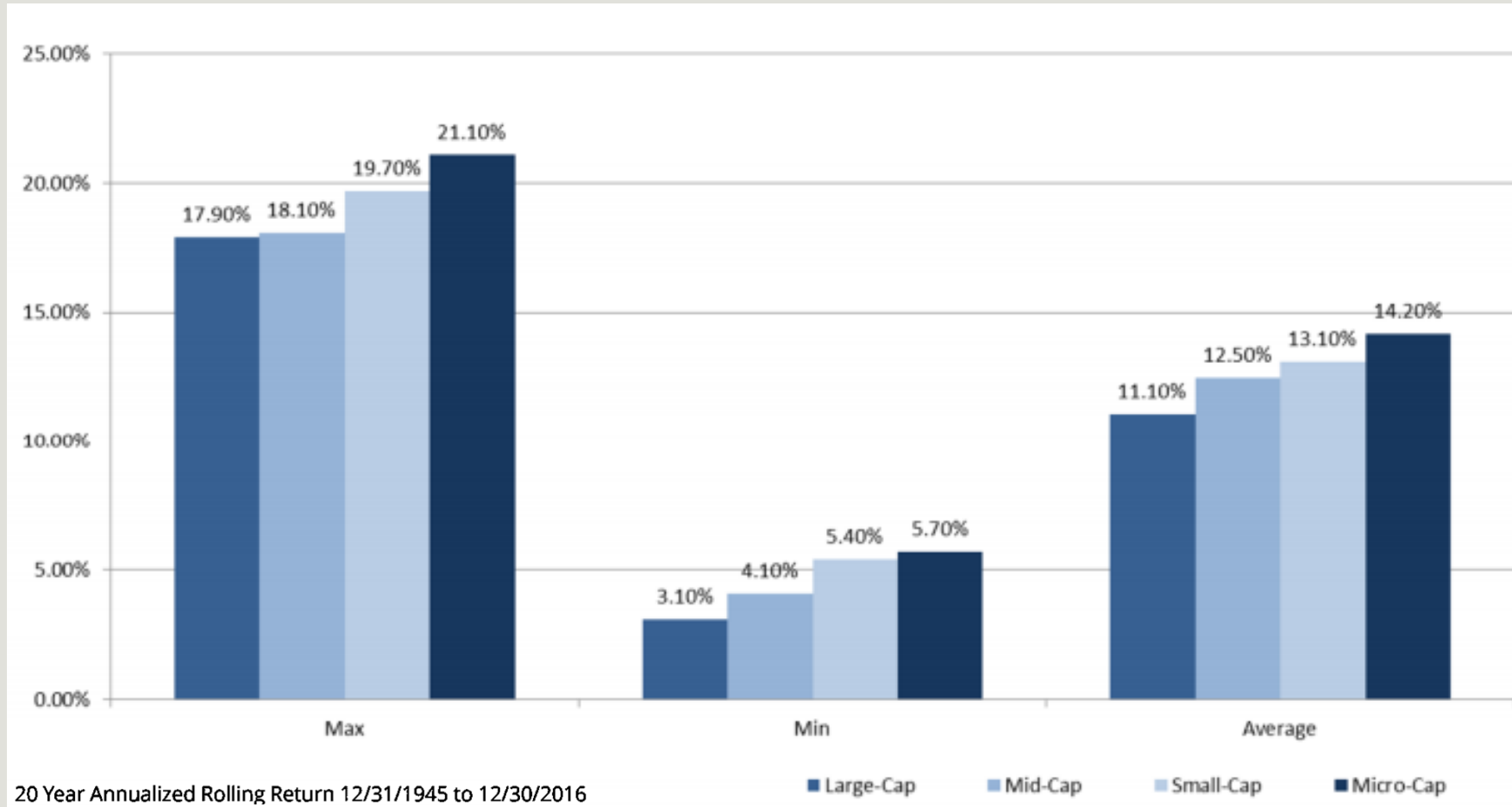
A GREENFIELD OF INEFFICIENCIES



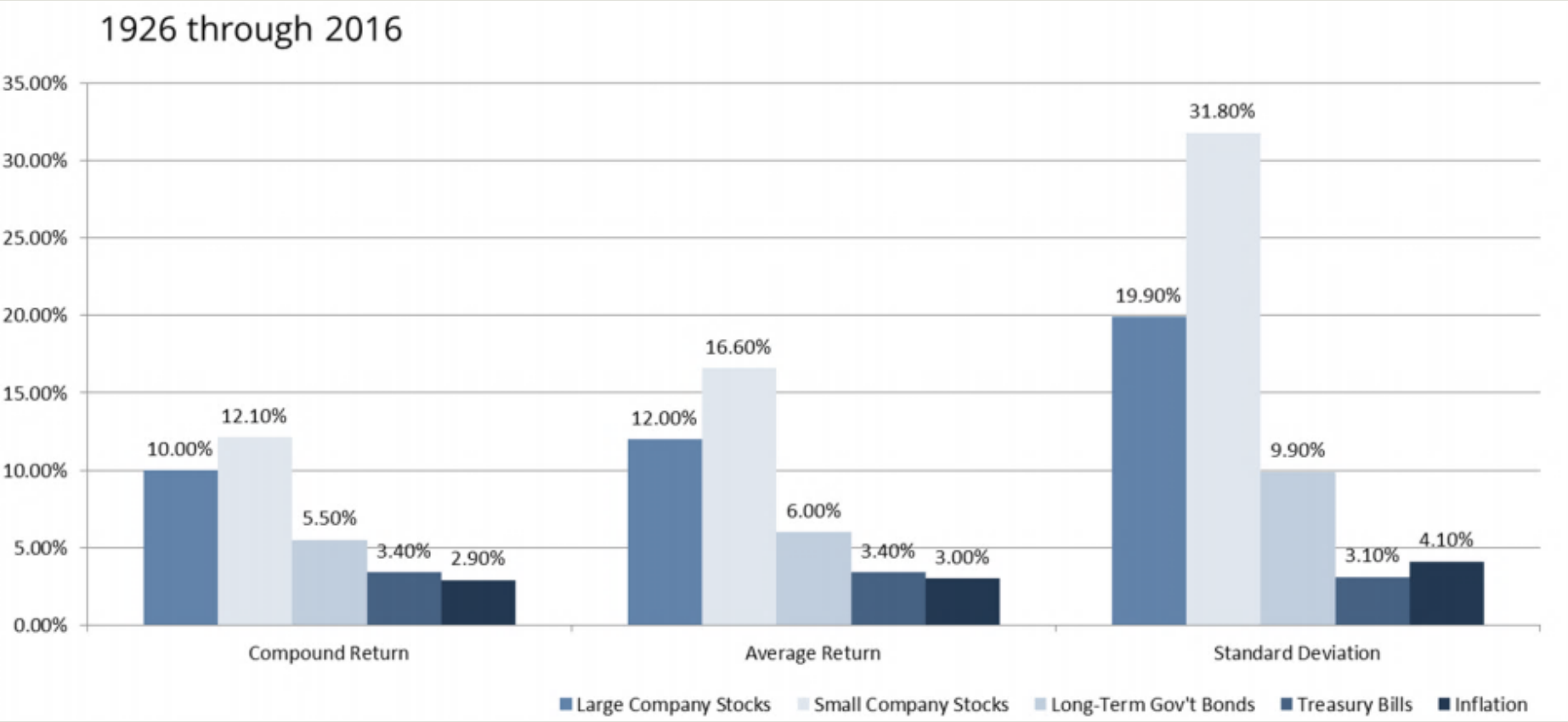
LITTLE TO NO FORMAL RESEARCH COVERAGE



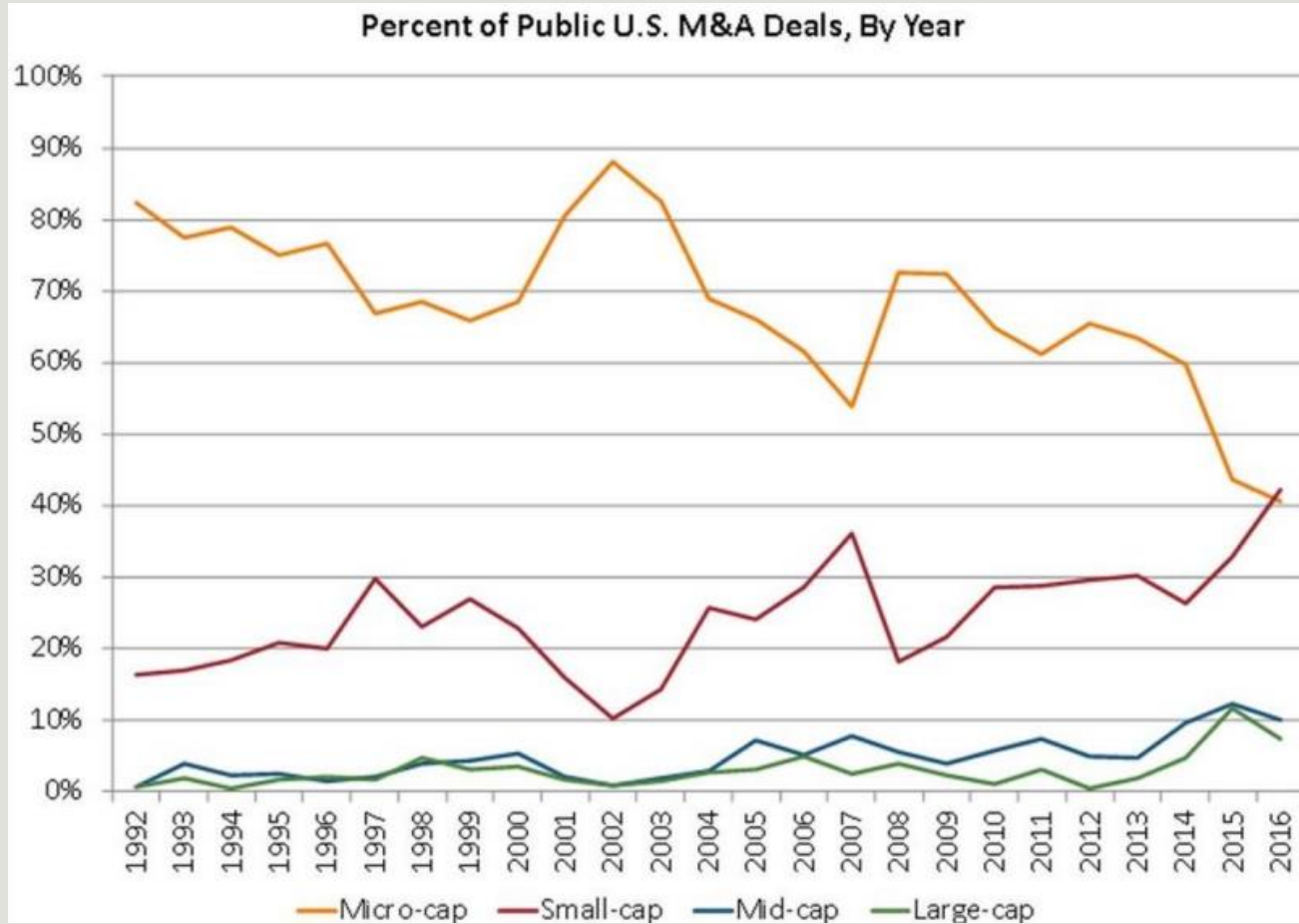
SUPERIOR LONG TERM RETURNS VERSUS MID & LARGE CAP



SUPERIOR LONG TERM RETURNS VERSUS BONDS



OUTSIZED CONCENTRATION OF M&A ACTIVITY



Micro Cap Research