

Tygh Capital Management

- Independent, employee-owned firm
- All investment professionals have equity
- All employees invested in the firm's mutual fund

Investment Philosophy and Process

- Investment Objective — outperform the Russell 2000 Growth Index by investing in companies with market capitalizations generally between \$100 million and \$2 billion at the time of purchase
- Intensive bottom-up fundamental research drives stock selection
- A focus on identifying stocks with superior revenue and earnings growth for at least the next 2 years, sustainable valuations, and a 20% upside to price target over a 12 month time horizon
- A diversified portfolio of 90-110 stocks, with maximum position size of 4%
- An effective sell discipline that forces review by the investment team of under-performing stocks

Investment Team

Richard J. Johnson, CFA

BA, Geology, Occidental College, 1980
MBA, Anderson Graduate School of UCLA, 1990
30 years of investment experience

Mitchell S. Brivic, CFA

BA, Finance and Marketing, Baylor University, 1989
MBA, The Wharton School, 1995
25 years of investment experience

Michael C. Coyne, CFA

BA, Engineering Science, Dartmouth College, 1997
MBA, Anderson Graduate School of UCLA, 2005
22 years of investment experience

Dayton E. Rodegerdts, CFA

BS, Engineering and Mathematics (minor),
Trinity University, 1998
22 years of investment experience

Scott W. Haugan, CFA

BS, Business, Montana State University, 1999
20 years of investment experience

Thomas R. Abernethy

BA, Denison University, 1989
30 years of investment experience

Top Holdings (% of net assets)

| | |
|------------------------|-------|
| Kinsale Capital Group | 3.70% |
| Clean Harbors | 2.81% |
| WillScot Corporation | 2.75% |
| Emergent BioSolutions | 2.65% |
| Bio-Rad Laboratories | 2.44% |
| MasTec | 2.31% |
| HMS Holdings Corp. | 2.24% |
| PRA Health Sciences | 2.18% |
| CACI International Inc | 2.18% |
| Skyline Champion Corp. | 2.13% |

Holdings are subject to change and are not recommendations to buy or sell any security.

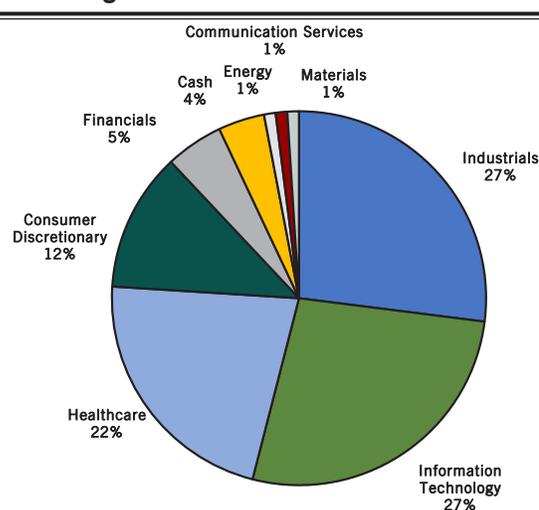
Portfolio Characteristics

| | TCM | R2000G |
|--|--------|--------|
| Number of Holdings | 75 | 1,164 |
| Weighted Average Market Capitalization | \$4.1B | \$2.5B |
| Weighted Median Market Capitalization | \$3.3B | \$2.3B |
| Forward P/E | 23.1x | 20.8x |
| Long-Term Future Growth Rate | 15.6% | 16.3% |
| Price to Book | 3.4x | 3.8x |
| Forward P/E/LT Growth Rate | 1.5x | 1.3x |

Long-Term Future Growth Rate is not a measure of the Fund's future performance.

P/E is the price of a stock divided by its reported earnings per share. Forward P/E is the estimated P/E of a stock for at least the next four quarters. Long-Term Future Growth Rate is the estimated growth rate of the company's earnings over at least the next three years. Price to Book is the current price of a stock divided by its latest book value per share. Forward P/E/LT-Growth Rate is the estimated future P/E of a stock divided by its Long-Term Future Growth Rate.

Sector Weights



Sector weights for the TCM Small Cap Growth Composite reflect a representative portfolio and are subject to change at any time.

Third Quarter Performance Review

Performance. The performance of our small cap growth composite, gross of fees, for the quarter ended September 30, 2019 was -1.95%. For longer term performance, please see “Performance.”

Attribution. The concerns of the second quarter spilled over to the most recent quarter as investors tried to divine the impact of trade wars, interest rates cuts, an inverted yield curve and slowing global economic growth. Add in the hyper partisan political environment and the lack of supportive legislative action and you have the backdrop for a nervous market. The shining light has been the consumer, which is important given that approximately 70% of GDP is driven by personal consumption. The portfolio outperformed for the quarter based on strong stock selection in healthcare, financials, industrials and consumer discretionary, offset by some give back in the technology sector during the market sell-off in August. The effect of our sector weights was neutral for the quarter with the positive effects of cash, our underweight to healthcare and our overweight to industrials being offset by the impact of our slight overweight to energy and the lack of exposure to utilities, real estate and staples.

The top contributor for the quarter, and a repeat from the prior quarter, was Kinsale Capital Group, which is an excess and surplus commercial casualty and property insurance company. Sales growth continues to be strong and for the recent quarter exceeded estimates due to strong trends in underwriting premiums and operating performance. Another strong contributor was MasTec, an engineering and construction firm that focuses on oil and gas pipelines, electrical transmission lines, and the rollout of high-speed fiber optic cable networks. Recent earnings and future guidance have been at or above consensus for the company, which recently resolved concerns about a delay in a large pipeline project. Lastly, Emergent BioSolutions, a life sciences firm that provides vaccines and other specialty drugs that address public health threats such as infectious diseases, was a positive contributor for the quarter after announcing a significant government contract for a smallpox vaccine.

The largest detractor to performance for the quarter was New Relic, which provides cloud-based platform products that collect, store and analyze data in real time. The stock was down significantly following the release of financial results in August that revealed a deceleration in bookings, reduced bookings guidance and changes in its sales and product organizations, which has impacted our view on the stock. Another disappointment that hurt performance was Pluralsight, a company that provides an online skills training platform for a range of technology subject areas, including cloud, mobile, security, data and IT. At the end of July, the company announced disappointing financial results and surprisingly reported that its billings growth rate had sharply deteriorated from over 40% to just 23% year-over-year. The company has blamed sales force execution and organizational changes, neither of which gives us confidence in our investment thesis, and we have sold the stock.

Composite Annualized Returns (%)

| (as of September 30, 2019) | 3rd Qtr | 1 Year | 3 Year | 5 Year | Inception ¹ |
|------------------------------|---------|--------|--------|--------|------------------------|
| TCM Small Cap Growth (gross) | -1.95 | -3.02 | 17.49 | 13.46 | 11.78 |
| TCM Small Cap Growth (net) | -2.17 | -3.82 | 16.46 | 12.46 | 10.78 |
| Russell 2000 Growth | -4.17 | -9.63 | 9.79 | 9.08 | 9.17 |

¹*Inception of TCM Small Cap Growth Composite is August 1, 2004. See Performance Disclosure below. Periods over one year are annualized.*

Risk Return Statistics

| 3 Yrs Ended 9/30/19 | TCM Small Cap Growth | R2000 Growth |
|----------------------|----------------------|--------------|
| Alpha | 7.03 | - |
| Information Ratio | 1.64 | - |
| Beta (vs. benchmark) | 0.96 | 1.00 |
| Sharpe | 0.92 | 0.50 |
| Standard Deviation | 17.12 | 17.23 |
| R-Squared | 0.94 | 1.00 |
| Tracking Error | 4.38 | - |

Performance and Firm Disclosures

TCM Small Cap Growth Composite contains all discretionary, fee paying, equity only accounts that invest primarily in small domestic companies that display above average growth characteristics. For comparison purposes the composite is measured against the Russell 2000 Growth Index, which is an unmanaged index generally considered representative of the market for small cap domestic stocks with higher price-to-book ratios and higher forecasted earnings growth. Index returns reflect the reinvestment of dividends but not the deduction of fees, brokerage commissions or other expenses of investing.

Tygh Capital Management, Inc. (“TCM”) claims compliance with the Global Investment Performance Standards (GIPS®).

TCM is an independent investment management firm established in 2004 and registered with the Securities and Exchange Commission. A list of composite descriptions and/or a presentation that complies with the GIPS standards can be requested at info@tyghcap.com.

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 management fees and include the reinvestment of all income. Net of fee performance was calculated by deducting a model annual fee of 0.90% applied monthly, which represents the highest fee paid by any client in the composite during the period shown.

The above information under Sector Weights, Portfolio Characteristics and Top Holdings is supplemental information under GIPS. Investing in small cap stocks involves additional risks such as limited liquidity and greater volatility than large cap stocks. For institutional investors only.