

# ARROWMARK SMALL CAP GROWTH

## THIRD QUARTER 2022



### STRATEGY HIGHLIGHTS

- **Fundamental research driven process:** Investment process identifies high-quality businesses with sustainable competitive advantages
- **Risk before return:** Portfolio Managers prioritize downside risk before potential return
- **Long time horizon:** Average holding period of around four years

**Composite Inception Date:** 1/1/2014

**Strategy Assets:** \$1.3 billion

### PORTFOLIO MANAGEMENT TEAM

**Chad Meade**  
Portfolio Manager

**Brian Schaub, CFA**  
Portfolio Manager

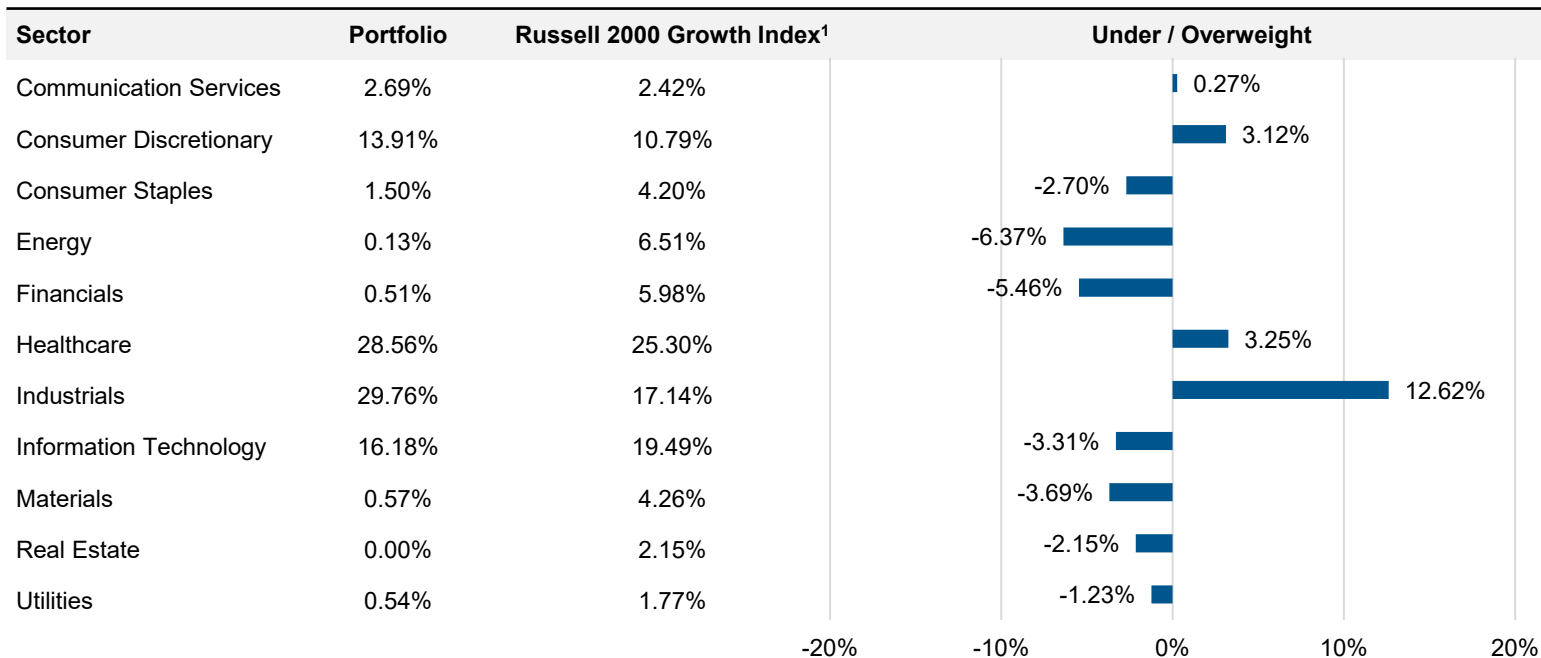
Years of Experience: 23 Years  
Tenure on Strategy: 12/2013

Years of Experience: 22 Years  
Tenure on Strategy: 12/2013

### TOP 10 HOLDINGS (% OF PORTFOLIO)

| Holding (subject to change)     | Weighting |
|---------------------------------|-----------|
| Heritage-Crystal Clean, Inc.    | 3.11%     |
| Ritchie Bros. Auctioneers, Inc. | 3.09%     |
| QuidelOrtho Corp.               | 2.52%     |
| Frontdoor, Inc.                 | 2.52%     |
| Merit Medical Systems, Inc.     | 2.18%     |
| Hudson Technologies, Inc.       | 2.10%     |
| Alight, Inc.                    | 2.06%     |
| Forward Air Corp.               | 1.96%     |
| Sally Beauty Holdings, Inc.     | 1.95%     |
| Skechers USA, Inc.              | 1.95%     |

### SECTOR WEIGHTS (subject to change)



### PORTFOLIO CHARACTERISTICS (subject to change)

|                                      | Representative Account |
|--------------------------------------|------------------------|
| Number of Holdings                   | 105                    |
| Weighted Average Market Cap (USD mm) | \$2,041                |
| Price-to-Earnings (Forward)          | 12.2                   |
| Price-to-Book                        | 2.2                    |
| Price-to-Sales                       | 1.3                    |
| Price-to-Cash Flow                   | 9.8                    |

#### Past performance is no guarantee of future results.

Portfolio characteristics and sectors are subject to change. Top ten holdings are based on total portfolio assets, including cash, and are subject to change. Please contact us for the full performance disclosure presentation that complies with the requirements of the GIPS standards, as well as a complete list and description of all firm composites.

### COMPOSITE PERFORMANCE (As of 9/30/2022)

|  | 3 Month | YTD     | 1 Year  | 3 Year <sup>2</sup> | 5 Year <sup>2</sup> | Since Inception <sup>2,3</sup> |
|--|---------|---------|---------|---------------------|---------------------|--------------------------------|
| Small Cap Growth Composite (Gross)     | -3.00%  | -29.30% | -32.90% | 3.11%               | 4.40%               | 8.87%                          |
| Small Cap Growth Composite (Net)       | -3.21%  | -29.76% | -33.48% | 2.21%               | 3.47%               | 7.94%                          |
| Russell 2000 Growth Index <sup>1</sup> | 0.24%   | -29.28% | -29.27% | 2.94%               | 3.60%               | 5.64%                          |

#### Past performance is no guarantee of future results.

Current performance may be lower or higher than the quoted past performance, which cannot guarantee future results. Share price, principal value, yield and return will vary and you may have a gain or loss when you sell your shares. Separately managed accounts and related investment advisory services are provided by ArrowMark, a federally registered investment adviser. The performance of this portfolio was enhanced substantially by its participation in initial public offerings (IPOs). Such opportunities may not be available in the future, and as the portfolio assets grow, the impact of IPOs on the portfolio performance likely will be reduced.

<sup>1</sup>The Russell 2000® Growth Index measures the performances of the small cap growth segment of the U.S. equity universe. It includes those Russell 2000 Index companies with higher price-to-book ratios and higher forecasted growth values.

<sup>2</sup>Performance is annualized.

<sup>3</sup>The inception date of the composite is 1/1/14.

#### Firm and Composite Information

ArrowMark Colorado Holdings, LLC (“ArrowMark”) is a Denver, Colorado-based investment adviser registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. ArrowMark manages multiple strategies and multiple investment vehicles. *ArrowMark Institutional* claims compliance with the Global Investment Performance Standards (GIPS®). ArrowMark Institutional is presented to investors as a separate entity under the Meridian Mutual Funds name or through the associated ArrowMark Institutional separate and sub-advised accounts. ArrowMark Institutional accounts are generally overseen by portfolio managers who are dedicated entirely to ArrowMark Institutional account management. 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 ArrowMark Small Cap Growth Composite seeks long-term growth of capital by investing primarily in equity securities of small capitalization companies. Under normal circumstances, at least 80% of the Composite’s assets will be invested in U.S. equity securities of small capitalization companies. The Composite may also invest up to 20% of its assets in securities of companies of any market capitalization.

Accounts included are comprised of all actively managed long only equity accounts that are measured to the Russell 2000 Growth Index and invested using a fundamental research approach. These accounts invest primarily in small capitalization growth securities.

The ArrowMark Small Cap Growth Composite was created in January 2014. A complete list and description of firm composites is available upon request.

The Russell 2000® Growth Index measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000 companies with higher price-to-value ratios and higher forecasted growth values.

Separately managed accounts and related investment advisory services are provided by ArrowMark, a federally registered investment adviser. Chris Dunne is a registered representative of ALPS Distributors, Inc. ALPS Distributors, Inc., is not affiliated with ArrowMark.

#### Performance Calculations

Valuations and returns are computed and stated in U.S. Dollars. Results reflect the reinvestment of dividends and other earnings.

Gross-of-fees returns are presented before management and custodial fees, but after all trading expenses and withholding taxes. Net-of-fees returns are calculated using actual management fees that were paid and are presented before custodial fees but after management fees, all trading expenses, and withholding taxes.

The standard management fee for the ArrowMark Small Cap Growth Composite is 1.00% per annum on the first \$25 million USD, 0.90% on the next \$75 million and 0.70% over \$100 million. Additional information regarding ArrowMark’s fees is included in its Part II of Form ADV.

Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

## ABOUT ARROWMARK PARTNERS

ArrowMark Colorado Holdings, LLC (“ArrowMark Partners”), is an employee-owned asset manager with specialized expertise in alternative fixed income and capacity-constrained equity strategies. Our unique approach, based on the team’s collective experience navigating market cycles, provides extensive insights across the capital structure and a skilled understanding of how to manage complex risk/reward tradeoffs through fundamental research.