

**PERFORMANCE (AS OF 03/31/2025)**

	1Q 2025	1 Year	3 Year	5 Year	10 Year	Inception
Small Cap Growth (Gross)	-12.45%	-12.01%	-3.43%	8.19%	8.71%	11.91%
Small Cap Growth (Net)	-12.62%	-12.74%	-4.20%	7.35%	7.88%	10.94%
Russell 2000® Growth	-11.12%	-4.86%	0.78%	10.78%	6.14%	7.66%

Periods greater than one year are annualized. Inception Date: 06/30/1988.

**HIGHLIGHTS**

- Russell 2000 Growth index sold off sharply, especially in March, due to an increasingly uncertain geopolitical and economic environment
- Strategy slightly underperformed its benchmark due to its overweight to Information Technology and declines in the stock price of two large holdings that offset solid stock selection across most sectors of the portfolio
- Riverbridge's investment approach is well positioned for a challenging period, as we expect our portfolio companies to be economically resilient and tariff resistant relative to the broader market

**MARKET COMMENTARY**

Tariff uncertainty, government austerity measures, and artificial intelligence concerns combined to roil the equity markets in the first quarter of 2025. The Russell 2000 Growth index declined more than 11 percent as consumer, business, and investor sentiment quickly deteriorated upon the realization that the Trump administration was prioritizing protectionist trade moves and government spending cuts over pro-growth policies such as deregulation and tax cuts.

At the end of the quarter, market participants were still awaiting the president's decision on "reciprocal" tariffs, but the specter of looming trade wars and the potential impacts on inflation, economic growth, and global alliances was enough to prompt a shift away from US equities. In the Russell 2000 Growth index, the Information Technology and Consumer Discretionary sectors were the worst performers, and the weakest industries in each were those reliant on global supply chains and international trade such as hardware, semiconductors, automobiles, specialty retail, and apparel. Real Estate and Consumer Staples were the only two sectors to generate positive returns while other defensive areas such as Utilities and Health Care also outperformed.

**PERFORMANCE COMMENTARY**

The Riverbridge Small Cap Growth strategy declined approximately 12.5% during the first quarter of 2025, modestly trailing its primary benchmark, the Russell 2000 Growth index, which returned -11.1%. The portfolio's overweight to Information Technology - the market's worst-performing sector - and the underperformance of two large holdings outweighed positive stock selection in four of the portfolio's six sectors.

The Information Technology sector was broadly challenged in the first quarter, which detracted from the strategy's relative performance as it has long been our largest portfolio weight. At the stock selection level, however, the primary detractor from performance was a single longtime holding - Globant (GLOB). Globant is a cutting-edge technology software developer that uses a Latin America-based workforce to deliver digital transformation solutions for large, multi-national customers. The stock reacted negatively to the company's lower short-term expectations for growth with local Latin American customers that are dealing with political and macro-economic concerns. Despite this temporary slowdown, we believe our thesis on Globant remains intact. Digital transformation remains imperative for large enterprises and Globant's growth continues to substantially outpace its peers. The company reported triple digit growth in Artificial Intelligence engagements and is beginning to expand into the Asia-Pacific region, providing another avenue for continued growth.

**NEW BUYS**

Agilysys, Inc.

**FULL SALES**

Guidewire Software, Inc.

**CONTRIBUTORS**

Option Care Health, Inc.  
 Paycor HCM, Inc.  
 Guidewire Software, Inc.  
 Chemed Corporation  
 Privia Health Group, Inc.

**DETRACTORS**

Freshpet, Inc.  
 Globant S.A.  
 Workiva, Inc.  
 SPS Commerce, Inc.  
 Five Below, Inc.

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The other significant detractor during the quarter was our lone Consumer Staples holding, fresh dog and cat food maker Freshpet (FRPT). The stock reacted negatively to decelerating weekly sales data during the quarter and concerns about a weakening consumer. Despite these short-term demand dynamics, we believe the company's market position is as strong as it has been in years. They have made better than expected progress on manufacturing capacity and margins, bolstered retail and supplier relationships, and have seen several peers fail to launch competitive offerings, indicating the power of Freshpet's brand and scale.

Outside of Information Technology and Consumer Staples, the strategy delivered positive relative performance in Health Care, Consumer Discretionary, Financials, and Industrials.

Healthcare service providers Privia Health (PRVA) and Option Care Health (OPCH) both rose during the quarter. Privia, which provides a software platform that supports independent doctors, continues to produce steady growth and outperform their peers in physician enablement. We believe their business mix, which is diversified across payers, patient populations, and payment models, positions the company to continue producing consistent results which are differentiated in their industry. Option Care Health, which provides home and alternative site infusion therapy services, reported strong results and issued optimistic guidance for 2025, including a less-than-feared impact from price reductions on one of its widely used drugs. We believe the trends underlying the company's market share growth and profitability remain strong.

#### TRANSACTION COMMENTARY

The Riverbridge Investment Team purchased one new position in the portfolio during the quarter. Agilysys (AGYS) is a leading provider of hospitality software solutions for large venues such as hotels, resorts, casinos, stadiums, and cruise lines. With a reputation for innovation, seamless integrations, and customer-centric service, Agilysys helps its customers deliver streamlined digital solutions that connect things like reservations, mobile app, menu boards, and in-location ordering to back-office operations to enhance the guest experience. The company has built a differentiated position and strong brand recognition through its comprehensive product set and sole focus on large-scale hospitality providers.

We also modestly increased our weighting in Freshpet, taking advantage of the weakness in the stock to build the position at what we believe to be an attractive valuation.

Both purchases were funded through the sale of Guidewire (GWRE), which exceeded the strategy's market capitalization guidelines.

#### OUTLOOK

We believe the Riverbridge Small Cap Growth strategy is well positioned amid the current macro and geopolitical uncertainty; we own a set of companies that we expect to be economically resilient and tariff resistant relative to the broader market.

Our core investment criteria seek out companies that can generate unit growth regardless of the economic backdrop because they have strategic customer relationships and provide high value or even mission critical services that are more likely to be the last thing cut out of a budget rather than the first. Relative to the broader market, our companies have higher degrees of recurring revenue and tend to be less impacted by deteriorating economic growth.

In addition, as tariffs take effect, the businesses likely to be most negatively impacted are those producing or selling products in highly competitive, commoditized, or low margin markets. For companies without a differentiated or high value offering, tariffs cause an increase in the cost of doing business without clear offsets. Riverbridge's portfolio companies have two advantages relative to the broader market in a tariff regime. First, we own fewer companies that have global supply chains, instead owning a higher proportion of domestically focused software, professional service, and healthcare providers. Second, we seek to own companies with recognized value propositions and competitive differentiation, which enables pricing power should input costs rise.

Tariffs may increase costs, disrupt supply chains, and spark retaliatory actions. Certain industries will feel the initial impacts more acutely than others, but every business will feel the effects. At Riverbridge, we remain focused on resilient companies that demonstrate a capacity to adapt. Maintaining a long-term perspective, focusing on quality investments, and resisting the urge to time the market remain crucial principles for navigating uncertainty and achieving long-term objectives.

Commentary continued...

## Important Disclosure Information

Past performance is not indicative of future results. The mention of companies/stocks herein is for illustrative purposes only and should not be interpreted as investment advice or recommended securities. The securities identified do not represent all of the securities purchased, sold or recommended and the reader should not assume that any listed security was or will be profitable. There is no guarantee that the same or similar holdings will be purchased or held in accounts in the future. It should not be assumed that account holdings will correspond directly to any such comparative benchmark index. Comparative indices may be more or less volatile than Riverbridge portfolios. Due to various factors, including changing market conditions, the content may no longer be reflective of current opinions or positions.

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Performance-related information provided in this document is presented as supplemental information to the GIPS Composite Report included herein. Riverbridge performance results reflect the reinvestment of dividends and other account earnings and are net of applicable account transaction charges. Performance results do not reflect the impact of taxes. Where presented, gross-of-fee performance figures presented do not reflect the deduction of investment advisory fees. A client's returns will be reduced by the advisory fee and other expenses incurred in the management of its account. For example, the deduction of a 1% advisory fee over a 10-year period would reduce a 10% gross return to an 8.9% net return. A description of our services and fees is included in our Brochure, ADV Part 2, which is available upon request.

## SMALL CAP GROWTH COMPOSITE

Year	Gross-of-Fee Return (%)	Net-of-Fee Return (%)	Russell 2000® Growth Return (%)	Portfolios	Dispersion (%)	Composite 3-Year Ex-Post Std. Dev.	Russell 2000® Growth 3-Year Ex-Post Std. Dev.	Composite Assets (\$ Millions)	TTL Firm Assets (\$ Millions)	Advisory Only (\$Millions)	TTL Firm Assets & Advisory Only (\$Millions)
2023	21.21	20.26	18.66	101	0.36	20.30	21.79	2,099.7	7,429.2	4,432.2	11,861.5
2022	-31.79	-32.34	-26.36	104	0.30	24.40	26.20	1,897.0	6,279.5	3,892.8	10,172.3
2021	4.58	3.82	2.83	105	0.30	21.25	23.07	2,456.5	9,408.0	6,149.6	15,557.6
2020	55.10	53.89	34.63	97	0.84	22.70	25.10	2,402.9	8,478.1	4,896.5	13,374.6
2019	28.32	27.32	28.48	97	0.27	15.31	16.37	1,396.4	5,378.3	2,633.2	8,011.5
2018	8.14	7.32	-9.31	104	0.47	15.47	16.46	1,372.9	4,737.1	1,842.0	6,579.1
2017	24.09	23.18	22.17	107	0.60	12.99	14.59	1,408.0	5,047.9	1,791.1	6,839.0
2016	14.23	13.37	11.32	111	0.75	15.29	16.67	1,566.9	4,686.7	1,546.6	6,233.3
2015	-2.56	-3.22	-1.38	133	0.43	14.19	14.95	1,633.3	5,030.8	1,202.4	6,233.2
2014	-0.34	-1.03	5.60	155	0.50	13.28	13.82	1,938.4	5,523.2	1,215.6	6,738.8

**Firm Information:** Riverbridge Partners, LLC is a Minnesota based investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. The firm provides investment management services to institutional and individual investors. The company offers growth and income oriented investment services which it believes will provide high returns over the long term. The firm's standard fee schedule is an annual 1%.

**Composite Characteristics:** The Small Cap Growth Composite was created in July 1988 and its inception date was 06/30/1988. It is a diversified growth stock portfolio invested in small capitalization growth companies. The general market capitalization guideline can be redefined due to market appreciation or depreciation. A complete list and description of all firm composites, including broad and limited distribution pooled funds, is available upon request. The composite benchmark is the Russell 2000® Growth Index. The Russell 2000® Growth Index includes the segment of securities within the Russell 2000® Index with higher price-to-book ratios and higher forecasted growth values. The Russell 2000® Index is an unmanaged index measuring the performance of the small-cap U.S. equity universe. The benchmark returns are gross of all fees and taxes. The composite minimum value is \$100,000.

Material risks of the strategy include stock market, business and economic development, liquidity, and foreign security risk. Leverage, derivatives, short positions and illiquid investments are not used in the strategy. As with any investment, an investor may lose money, and the strategy can underperform its benchmark. Investment in strategies is not insured by the FDIC or any other government agency.

**Calculation Methodology:** Individual portfolios are revalued daily starting 1/1/2009. Prior to that, individual portfolios were revalued monthly and intra-month when large cash flows (defined at 10%) occurred. Gross-of-fee returns are calculated net of transaction costs and gross of management fees. Until 12/31/2007, net performance was calculated by applying the maximum annual management fee of 1% to gross performance on a monthly basis. Starting 1/1/2008, net-of-fee returns are calculated net of actual investment management fees. Both gross-of-fee and net-of-fee returns are calculated gross of all withholding taxes on foreign dividends. Accruals are included in calculations. The dispersion measure is the equal-weighted standard deviation of accounts in the composite for the entire year. Dispersion and Ex-Post standard deviation is calculated using gross-of-fees returns. Policies for valuing investments, calculating performance, and preparing GIPS® Reports are available upon request.

**Compliance Statement:** Riverbridge claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Riverbridge has been independently verified for the period 12/31/1989 – 12/31/2023. 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 Growth Composite has had a performance examination for the periods 07/01/1988 – 12/31/2023. The verification and performance examination reports are available upon request.

**Composite Benchmark:** The benchmark returns are not covered by the report of the independent verifiers. Any indices and other financial benchmarks shown are provided for illustrative purposes only. Information about indices is provided to allow for comparison of the performance of the Adviser to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index, which also does not take into account trading commissions and costs. The volatility of indices may be materially different from the performance of the Adviser. In addition, the Adviser's recommendations may differ significantly from the securities that comprise the indices.

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