CONESTOGA
CAPITAL ADVISORS

PIONEERS IN SMALL AND MID CAP INVESTING

FIRST QUARTER 2020 COMMENTARY

MARKET REVIEW

Events that would have been almost unimaginable just a few short months ago unfolded quickly in the first quarter of 2020. A new coronavirus spread to humans and COVID-19 became a global pandemic over the course of a few weeks. Initial hopes that the virus could be contained with modest restrictions have been dashed and many countries have implemented strong protocols – including social distancing – to slow the spread of the disease.

What is clearly a global public health concern is now also a global economic, financial and liquidity concern. Economies around the world have slowed dramatically. Governments are responding with stimulus programs and monetary easing. In a best-case scenario, the trajectory of the virus will be contained and economies can re-start and move back towards their previously strong levels. More likely, the pandemic will cause a global recession that requires a longer period of recovery. Global equity markets are now in the process of re-evaluating future revenues and earnings expectations. Coincident with the arrival of the virus, oil prices dropped sharply as Saudi Arabia and Russia engaged in production battles and fuel demand slumped.

In this environment, every sector and industry of the equity markets has been affected, and protecting against losses in stocks has been very challenging. We believe that our investment approach should provide protection in down and/or volatile markets and keep pace in up markets. We are pleased to report that both our Small Cap Growth and SMid Cap Growth strategies outperformed in the first quarter. From the beginning of the year through the peak on February 19th, both strategies were modestly ahead of their benchmarks. During the steep and fast decline from February 19th to March 18th, both our Small Cap Growth and SMid Cap Growth strategies did provide protection as investors appeared to favor higher-quality companies. As markets moved higher from the March 18th low through the end of the quarter, the strategies lagged their benchmarks. During this time, those companies and industries which had been underperforming and with lower-quality characteristics led the way.

Returns for both strategies are below:

PERFORMANCE TABLE (AS OF 3/31/20)*

	1Q20	1 Year	3 Years	5 Years	10 Years	Since Inception 12/31/1998
Conestoga Small Cap Growth (Net)	-19.37%	-10.03%	8.46%	9.58%	12.62%	10.80%
Russell 2000 Growth	*-25.76%*	*-18.58%*	*0.10%*	*1.70%*	*8.89%*	*5.54%*
Russell 2000	*-30.61%*	*-23.99%*	*-4.64%*	*-0.25%*	*6.90%*	*6.26%*

	1Q20	1 Year	3 Years	5 Years	10 Years	Since 1/31/2017
Conestoga SMid Cap Growth (Net)	-19.83%	-6.98%	11.36%		--	12.61%
Russell 2500 Growth	*-23.22%*	*-14.40%*	*3.35%*		--	*4.40%*

**Periods longer than 1 Year are Annualized. Please see additional important disclosures in the fully compliant GIPS presentations at the end of this commentary.*

**Please note: the specific securities identified and described in this report do not represent all of the securities purchased, sold or recommended for advisory clients, and you should not assume that investments in the securities identified and discussed will be profitable in the future. As you are aware, one cannot assume that past results are indicative of future performance.*

Firm Operations and Business Continuity Plan

In mid-March, Conestoga enacted its business continuity plan with specific COVID-19 procedures. Since Friday, March 13th, Conestoga has been operating under this plan with 100% of our staff working remotely. All of our teams – investments, operations & trading, and client services – are operating well in this environment. Our workflow, systems and processes have functioned as designed. The investment team is holding twice-daily conference calls to review and manage the investment strategies. In addition, they have been actively reaching out to all of the portfolio companies to discuss how their executive leadership are managing operations during these uncertain times (note: some companies are in their quiet periods and cannot speak to investors). Our trading and operations teams continue their daily trading and reconciliation of client accounts and our Conestoga Funds. The client services team remains in regular communications with our clients and shareholders. We have also been in close contact with our key vendors and service providers to confirm their continued capabilities

Our office in suburban Philadelphia is under a shelter-in-place mandate by the Commonwealth of Pennsylvania until April 30th. All business travel has ceased. We will monitor developments to determine when we can return to the office. Please don't hesitate to contact us with any questions. We remain ready to serve you.

Conestoga's Financial Strength and Net Inflows

Conestoga's financial condition and ownership structure is a source of strength in the current environment. The firm remains 100% employee-owned and has no debt. Our total firm assets declined less than the broad small cap market, ending the quarter at just over $4 billion. This is approximately equal to our year-end 2018 total assets, at which time Conestoga was very healthy and profitable.

We are also pleased to report that the Firm's assets under management experienced net inflows of over $140 million in the first quarter. This includes new separate account assets of over $240 million, net inflows to the Conestoga SMid Cap Fund, and modest net outflows to the Conestoga Small Cap Fund. We are grateful to our clients and mutual fund shareholders, who we believe share our long-term investment horizon.

Conestoga's total assets were $4.0 billion as of March 31, 2020. Total Small Cap Growth assets were $3.6 billion. Conestoga is not actively pursuing new Small Cap Growth separate account placements and the Conestoga Small Cap Fund remains in soft-close. Please don't hesitate to contact us if you have questions about the available capacity of the Small Cap Growth strategy.

SMid Cap Growth assets under management were $396 million as of March 31, 2020. The firm added a total of 4 new SMid Cap Growth accounts totaling just over $230 million. Our proprietary mutual fund, the Conestoga SMid Cap Fund, ended the quarter with $144 million in net assets.

Conestoga's Small & Smid Cap Growth Strategies (As of 3/31/20)

Portfolio Guidelines	Small Cap Growth	SMid Cap Growth
Capitalization Range	Within the range of the rolling 3-year average of the benchmark	
Weighted Avg. Market Capitalization	$2,793.9 Million	$6,028.5 Million
Number of Holdings (Range)	45 – 50	40 – 60
Primary Benchmark	Russell 2000 Growth	Russell 2500 Growth
Investment Vehicles	Separate Account, Mutual Fund, CIF	Separate Account, Mutual Fund, CIF
Estimated Capacity	Limited	$2.0 Billion Plus
Total Strategy Assets	$3,605.3 Million	$396.4 Million
Holdings Overlap	28 stocks held in Both Portfolios	

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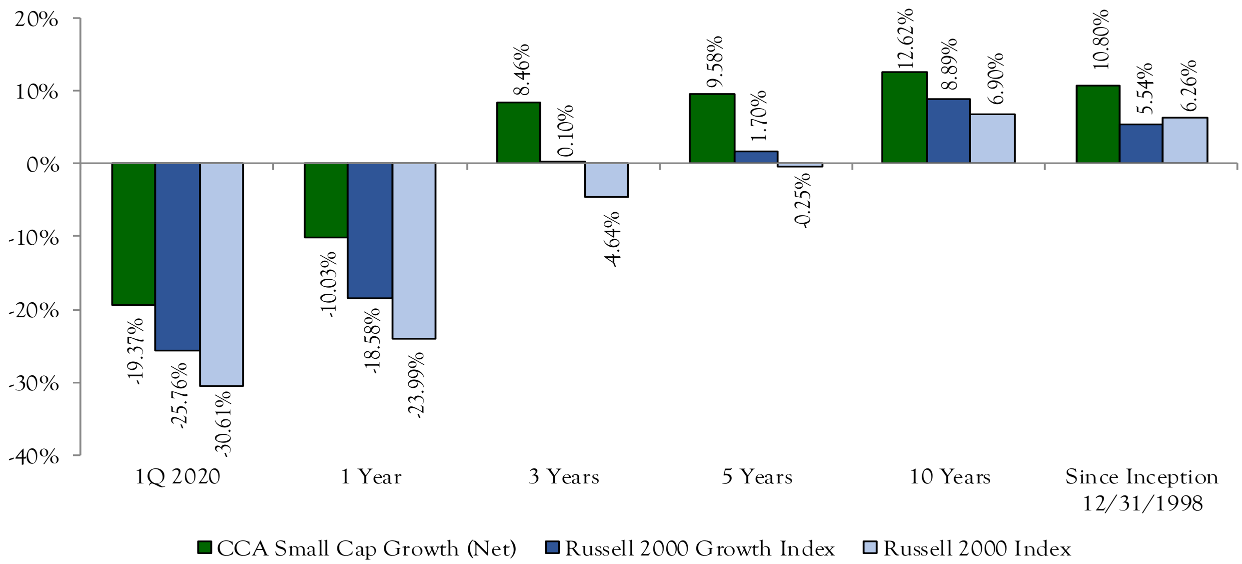
Small Cap Growth Performance (As of 3/31/20)**



*** Sources: Conestoga, Russell Investments. Periods Longer than One Year are Annualized. Composite Inception is December 31, 1998. Please see additional important disclosures in the fully compliant GIPS presentations at the end of this commentary.*

Small Cap Growth - 1Q20 Performance & Attribution

The Conestoga Small Cap composite declined -19.37% net-of-fees in the first quarter, outperforming the Russell 2000 Growth Index return of -25.76%. The quarterly decline of the portfolio was the second largest since the inception of the strategy as there were few places for investors to hide during the massive sell-off in equity markets. While disappointed in the absolute level of returns, we were pleased that the portfolio provided the relative downside protection we would expect in a volatile environment. The strategy benefited on a relative basis from both stock selection and sector allocation effects. From a sector perspective, the Producer Durables, Consumer Discretionary and Materials & Processing sectors added the most value while Health Care and Consumer Staples were the largest detractors from relative returns. Our average cash position throughout the quarter also benefited the portfolio considering the large market decline.

Our bias toward high-quality businesses was a major source of excess returns for the quarter. Our investment approach emphasizes companies which we believe have the quality characteristics of positive earnings, sustainable earnings growth rates, low debt levels and high returns on equity. During periods of market stress and volatility, these types of companies are often favored by investors. During the market's decline from its peak in mid-February to its low in mid-March, profitable companies with more stable earnings and lower debt levels outperformed and this benefited the Small Cap Growth strategy. This was partially offset in the market's recovery through the end of the quarter but remained a positive source of relative returns over the full quarter.

Stock selection effects in the Producer Durables sector provided significant gains for the portfolio with our positions in Construction Partners, Inc. (ROAD), and Axon Enterprise, Inc. (AAXN) providing the largest benefits. While most stocks traded sharply lower over the period, ROAD generated a small gain for the quarter after making their second straight acquisition in the state of Florida. The acquisition will add two HMA plants and create synergies as they build density in the state. In addition, AAXN held up relatively well as the company reported a solid quarter and continues to drive gross and operating margin improvement.

In Consumer Discretionary, the portfolio benefited from a combination of stock selection and allocation effects. In a theme that persisted throughout the portfolio over the quarter, the relative "winners" were often those that went down less than the benchmark. This was the case for our holdings in SiteOne Landscape Supply, Inc. (SITE), and Grand Canyon Education, Inc. (LOPE) which declined less than the market given its exposure to online education. The portfolio was also aided by a large underweight to the retail and restaurant industries as these groups were punished because of the social distancing measures put in place due the COVID-19 pandemic.

Small Cap Growth - 1Q20 Performance & Attribution

Five of our six names in the Materials & Processing sector held up well during the market sell-off with positions in Trex Company, Inc. (TREX), Balchem Corp. (BCPC), AAON, Inc. (AAON), Simpson Manufacturing, Inc. (SSD) and Omega Flex, Inc. (OFLX) all declining less than the benchmark. The only company that failed to outperform the index for the quarter was RBC Bearings, Inc. (ROLL).

Negative stock selection effects in the Health Care sector was a slight drag on performance but the most significant headwind for relative returns was the large underweight to the biotechnology industry. We believe it is unusual for biotech to outperform in such volatile and down markets, however, it is understandable why the industry held up relatively well. The science of biotechs will be important to solving the pandemic and the associated financial crisis. We are typically underweight these companies due to the binary risk and lack of profitability associated with much of the industry. The two companies we own within the space, (both of which are profitable), had a mixed quarter with our position in Repligen Corp. (RGEN) outperforming while our holding in Ligand Pharmaceuticals, Inc. (LGND) lagged the benchmark.

Small Cap Growth - 1Q20 Buys

None.

Small Cap Growth - 1Q20 Sells

1. Chef's Warehouse, Inc. (CHEF): CHEF is a specialty food distributor focused on small independent restaurants serving mostly urban markets (NY is largest market). The stock underperformed and was sold due to the catastrophic impact on its business from the COVID-19 pandemic. Many of CHEF's restaurant customers have been shut down due to the pandemic creating massive near-term challenges in managing its business. The pandemic combined with meaningful debt on CHEF's balance sheet (3.4 times levered) rapidly rose the issue of CHEF as a going concern.

Conestoga also added to positions on seven occasions and trimmed on nine occasions.

Small Cap Growth - Top 5 Leaders

1. Five9, Inc. (FIVN): FIVN reported another quarter with revenues and earnings above street expectations. Their 2020 guidance also came in ahead, driven by continued enterprise sales momentum. FIVN also announced they'll be launching their AI-based platform in the second half of 2020. Finally, the social isolation response to the coronavirus highlights the importance of having an intelligent and efficient call center software platform for direct-to-consumer companies.

2. Repligen Corp. (RGEN): RGEN is a provider of tools used by biotechnology companies. The stock outperformed during the first quarter, rising by 4.4%. The company's business fundamentals remained strong as 2019 concluded. We spoke with RGEN's CEO towards the end of the first quarter and he stated that the company is fully operational, with their manufacturing and supply chains uninterrupted by COVID-19 up to this point in time. The company is maintaining liquidity, with $537 million in cash and $232 in long-term debt. While the ultimate impact of the coronavirus is unknown, thus far, RGEN's business remains resilient.

3. Neogen Corp. (NEOG): NEOG is a global leader in food and animal safety. The company is well-positioned to serve the world's top food and animal producers and processors. With the recent outbreak of COVID-19, the company should benefit from the increased emphasis on the integrity of the complete farm-to-table food chain. NEOG's offers its customers a wide range of products ranging from disinfectants to bacterial and sanitation products. The company has a long history of sustained revenue and earnings growth and a cash-rich balance sheet.

4. WD-40 Company (WDFC): WDFC is global consumer products company best known for its brand of multi-use maintenance products used by skilled tradespeople and home enthusiasts. The stock performed well during the quarter given the expected gross margin tailwind from the collapse in oil prices (petroleum-based specialty chemical inputs), as well as the company's success performing through the financial crisis of 2008-2009.

5. Construction Partners, Inc. (ROAD): ROAD announced strong fiscal first quarter results and reiterated their outlook for the year. In addition, they made their second straight acquisition in the state of Florida. The acquisition will add two plants, better position them in the Florida panhandle, and create synergies as they build density in the state. ROAD participated when the market turned lower in March but recovered quickly as operations for the company continued and the company benefitted from good weather during the first quarter. Finally, late in the quarter, shares rallied as President Trump tweeted about a $2 trillion infrastructure bill, which would almost certainly benefit ROAD.

Small Cap Growth - Bottom 5 Laggards

1. Cantel Medical Corp. (CMD): CMD is a leading provider of infection prevention products within the healthcare market. CMD acquired Hu-Friedy for $725 million in late 2019, a deal we looked favorably upon, but proved untimely as CMD funded the acquisition with debt. As dental practices and elective procedures were postponed due to COVID-19, investors sold CMD as they feared declining fundamentals could potentially cause the company to break a debt covenant.

2. Chef's Warehouse, Inc. (CHEF): CHEF is a specialty food distributor focused on small independent restaurants serving mostly urban markets (NY is largest market). The stock underperformed and was sold due to the catastrophic impact on its business from the COVID-19 pandemic. Many of CHEF's restaurant customers have been shut down due to the pandemic creating massive near-term challenges in managing its business. The pandemic combined with higher levels of debt on CHEF's balance sheet (3.4 times levered) rapidly rose the issue of CHEF as a going concern.

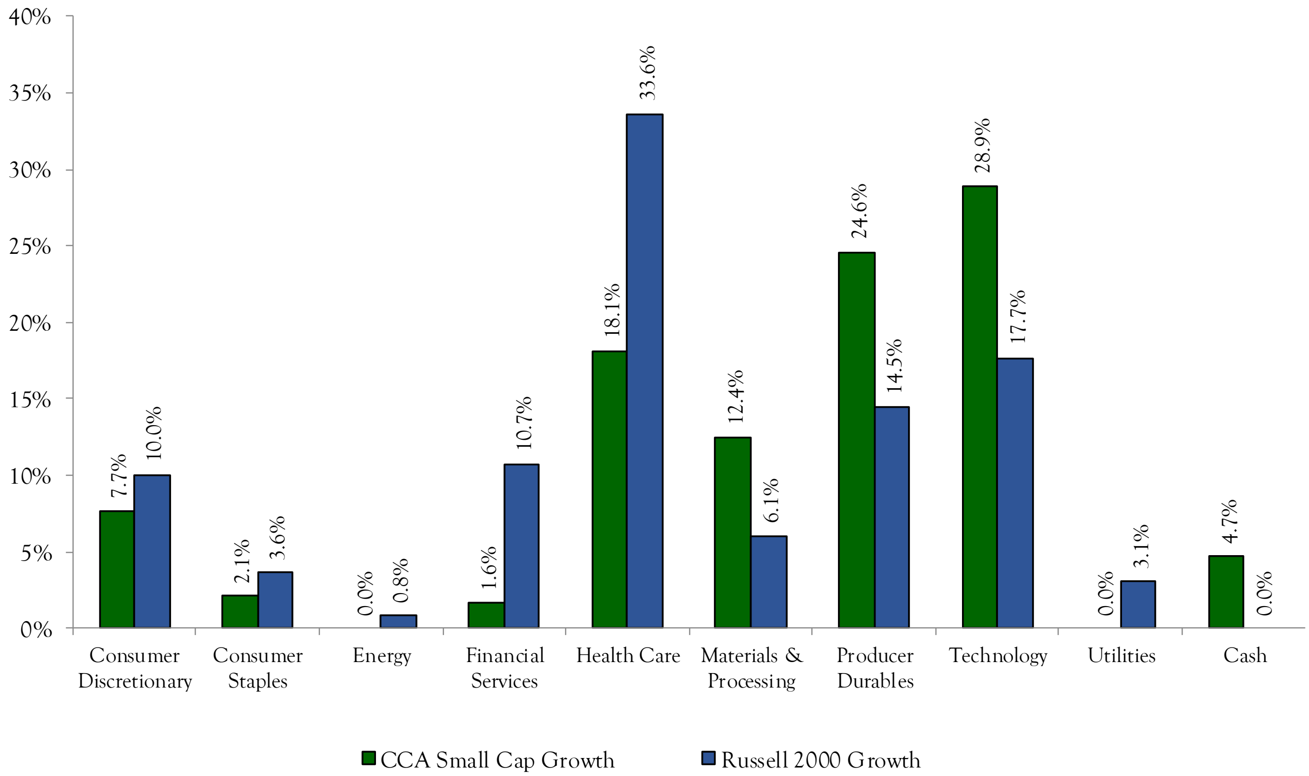
3. Fox Factory Holding Corp. (FOXF): FOXF makes suspension products for powered vehicles (55% of revenue) and high-end mountain bikes (45% of revenue). The stock corrected due to a vast majority of its Powered Vehicle customers shutting down their production as a result of the COVID-19 pandemic. The uncertainly of the length of the shutdown and the demand progression post pandemic caused a meaningful correction in the stock.

4. PROS Holdings, Inc. (PRO): PRO, a developer of pricing optimization software, lagged during the first quarter of 2020. PRO generates about 45% of its revenue from the travel industry, though only 2% is directly tied to airline passenger volume. While science-based revenue management could eventually become even more mission critical for airlines during this more turbulent period, heightened financial risks could present a more challenged investment environment for airline customers in the short-term.

5. ACI Worldwide, Inc. (ACWI): ACIW markets and supports a broad line of software products primarily focused on facilitating electronic payments. A portion of the company's revenue has historically exhibited a higher level of quarter-to-quarter volatility due to the non-recurring portion of revenue related to license fees from new customers completing implementations. Given the current environment, visibility into this revenue source is even more limited. In addition, capacity upgrades to term licenses may be impacted in the short-term given overall lower transaction volumes. Further, there may have been some speculation about an acquisition of ACIW after the long-time CEO retired in 2019. The appointment of a new CEO in the first quarter likely squashed these forecasts.

Source: *FactSet Research Systems.*

Small Cap Growth - Sector Weightings (as of 3/31/20)



Source: FactSet Research Systems and Conestoga.

Small Cap Growth - Top Ten Equity Holdings (as of 3/31/20)

SYMBOL	COMPANY NAME	SECTOR	% OF ASSETS
RGEN	Repligen Corp.	Health Care	3.72%
EXPO	Exponent Inc.	Producer Durables	3.56%
MRCY	Mercury Systems Inc.	Technology	3.39%
MLAB	Mesa Labs Inc.	Producer Durables	3.19%
NEOG	Neogen Corp.	Health Care	3.18%
OMCL	Omnicell Inc. .	Health Care	3.10%
DSGX	Descartes Systems Group Inc.	Technology	2.90%
BL	Blackline Inc.	Technology	2.57%
SSD	Simpson Manufacturing Co. Inc.	Materials & Processing	2.49%
AAON	AAON Inc.	Materials & Processing	2.10%
		Total within the Composite:	**30.57%**

The positions represent Conestoga Capital Advisors largest equity holdings based on the aggregate dollar value of positions held in the client accounts that are included in the Small Cap Composite. All information is provided for informational purposes only and should not be deemed as a recommendation to buy the securities mentioned.

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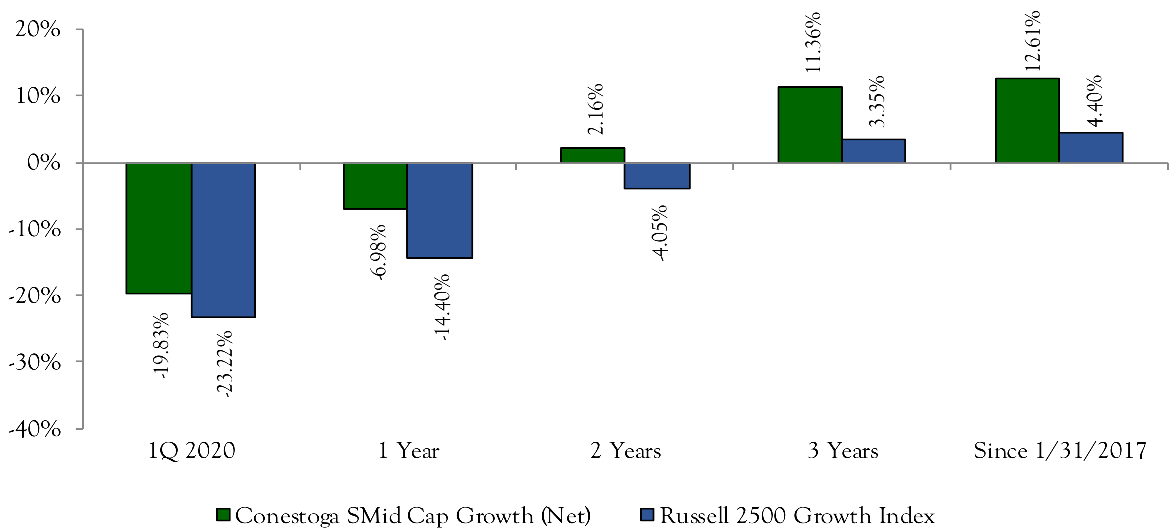
SMid Cap Growth Performance (as of 3/31/20)**



*** Sources: Conestoga, Russell Investments. Composite creation date is December 31, 2013. Please see additional important disclosures in the fully compliant GIPS presentations at the end of this commentary.*

SMid Cap Growth - 1Q20 Performance & Attribution

The Conestoga SMid Cap Growth composite declined -19.83% net-of-fees in the first quarter. This outperformed the -23.22% decline of the Russell 2500 Growth. Stock selection provided the entirety of the outperformance relative to the benchmark, while sector allocations had no impact. Our modest exposure to cash – averaging less than 2% over the quarter – added modestly to returns in a strongly negative return environment.

A key source of outperformance in the first quarter was Conestoga's high-quality bias. Our investment approach always emphasizes companies which we believe have the quality characteristics of positive earnings, sustainable earnings growth rates, low debt levels and high returns on equity. During periods of market volatility and uncertainty, these types of companies are often favored by investors. During the market's decline from its peak in mid-February to its low in mid-March, profitable companies with more stable earnings and lower debt levels outperformed and this benefited the SMid Cap Growth strategy. This was partially offset in the market's recovery through the end of the quarter but remained a positive source of relative returns over the full quarter.

A review of our stock selection effects in the first quarter reveals that Consumer Discretionary, Producer Durables and Financial Services were notable contributors. Within Consumer Discretionary, our holdings tended to be less exposed to the freezing of traditional retail and restaurant operations. Rollins Inc. (ROL) posted positive returns on optimism that their pest control services could be enhanced to provide office cleaning services related to COVID-19. Pool Corporation (POOL), a supplier of pool supplies, fell less than the market on expectations that their sales would be less impacted. Similarly, Grand Canyon Education Inc. (LOPE) declined less than the market given its exposure to online education.

The Producer Durables sector also contained several holdings that benefited from less perceived exposure to an economic slowdown and/or stronger financial position. Construction Partners Inc. (ROAD), Axon Enterprise Inc. (AAXN), Casella Waste Systems Inc. (CWST), and Graco Inc. (GGG) all fit this description and added to relative returns in the sector. Partially offsetting these positives were weaker returns from Albany International Corp. (AIN), which has exposure to airliner manufacturing, and EVI Industries Inc. (EVI), which manufactures laundry and dry-cleaning equipment.

A drop in interest rates and concerns about the financial impact of COVID-19 caused many Financial Services sector industries, especially banks, to underperform in the first quarter. The Conestoga SMid Cap Growth strategy generated relative returns in this sector through service providers Jack Henry & Associates (JKHY), Fair Isaac Corp. (FICO) and FirstService Corp. (FSV). Each of these companies have more conservative balance sheets and each is expected to be less sensitive to interest rate movements.

SMid Cap Growth - 1Q20 Performance & Attribution

Stock selection was challenging in the Consumer Staples and Technology sectors. Within Consumer Staples, our position in Chef's Warehouse Inc. (CHEF) dropped sharply as the closure of restaurants significantly impacted its wholesale food supply services. The stock dropped over 80% during the quarter. Conestoga determined to remove CHEF from client portfolios given its uncertain future.

Within Technology, our positions in several software and service companies generated modest underperformance. These stocks generally carried higher valuations heading into the market declines. Despite what we believe are more consistent revenue and earnings streams, the stocks underperformed over the full quarter. Examples of these types of stocks include Blackbaud Inc. (BLKB), Bottomline Technologies Inc. (EPAY), Guidewire Software Inc. (GWRE) and Pluralsight Inc. (PS).

SMid Cap Growth - 1Q20 Buys

1. RealPage, Inc. (RP): Founded in 1998, RP is a global software and data analytics firm used by the real estate industry to manage assets, increase occupancy and improve yields. RP's platform targets 3-5% higher revenue yield for customers in addition to operational efficiencies. RP counts 16.8 million units as customers spread across multi-family, HOA and single-family vacation properties. 86% of RP's revenues are subscription-based and they experience annual attrition of just 3%. We believe a portion of their business should be countercyclical as landlords focus on tools to increase yield during macroeconomic weakness. RP added some debt to complete a recent acquisition, a characteristic we are comfortable with considering their robust cash flow and end market resiliency. Even in a difficult economic environment, we believe RP's customer base should hold up relatively well.

SMid Cap Growth - 1Q20 Sells

1. Core Laboratories, Inc. (CLB): CLB is an oilfield service company that uses proprietary technology to increase oil and gas reservoir production and recoverability (not exploration). It helps clients understand the geology of their specific well and to extract the maximum amount of hydrocarbons (value) possible. CLB was one of our smallest portfolio holdings. We sold it to zero given the protracted pressure on oil prices which was exacerbated by a price war in March between Saudi Arabia and Russia. With the weakness in equity markets quarter to date, we redeployed the funds into portfolio holdings with better earnings visibility.

2. MGP Ingredients (MGPI): MGPI is a leading producer and supplier of premium distilled spirits and specialty wheat proteins. Our investment thesis was that MGPI would increasingly benefit from the whiskey and bourbon growth cycle that started during the Great Recession – in particular distillate the company had been aging since 2015. Four-year aged distillate is low in supply and high in demand, yielding prices three-times the cost of production. However, throughout 2019, management realized that selling aged distillate, particularly in higher volumes, was unpredictable and that led to financial underperformance and guidance revisions lower. Management is now "conducting additional analysis to better understand the aged whiskey market." This left us uncomfortable with the market, the ultimate value of the $95.2 million in aged inventory on MGPI's balance sheet, and lacking confidence in management.

3. A.O. Smith Corp. (AOS): AOS is one of the world's leading manufacturers of residential and commercial water heaters and boilers, residential water treatment, and air purification products. While 80% of profits is derived from North America (replacement cycle), revenue growth has been buoyed by double digit growth in China, a market in which it has developed a leading share for over twenty years. Following a challenging year of performance in China, that pre-dated COVID-19, we decided to sell our position with the entrance of a new North American competitor in GE Appliances/Haier. We redeployed the funds into our higher conviction existing holdings.

4. Chef's Warehouse, Inc. (CHEF): CHEF is a specialty food distributor focused on small independent restaurants serving mostly urban markets (NY is largest market). The stock underperformed and was sold due to the catastrophic impact on its business from the COVID-19 pandemic. Many of CHEF's restaurant customers have been shut down due to the pandemic creating massive near-term challenges in managing its business. The pandemic combined with some debt on CHEF's balance sheet (3.4 times levered) rapidly rose the issue of CHEF as a going concern.

5. Cantel Medical Corp. (CMD): CMD is a leading provider of infection prevention products in healthcare, primarily serving the endoscopic, dental and dialysis markets. After years of strong execution and fundamental performance, CMD faltered with acquisition integration and new product development leading to slower organic growth. The large acquisition of Hu-Friedy in late 2019, a deal we looked favorably upon, proved untimely as the global coronavirus pandemic elicited investor fears around CMD potentially tripping the net leverage covenant in its credit agreement with lenders. This risk, along with execution issues, led us to sell the position.

6. Albany International Corp. (AIN): AIN is a company that uses proprietary weaving technology to make components for the paper/pulp and aerospace industries. While 80% of profits were tied to the low growth machine clothing segment, our investment thesis relied principally on accelerating growth in the engineered composites segment which is leveraged to the Safran LEAP engine program which goes onto the Boeing 737 MAX and Airbus 320 aircraft. We sold the position to zero given the uncertain production return of the 737 MAX which was exacerbated by COVID-19.

SMid Cap Growth - Top 5 Leaders

1. Repligen Corp. (RGEN): RGEN is a provider of tools used by biotechnology companies. The stock outperformed during the first quarter, rising by 4.4%. The company's business fundamentals remained strong as 2019 concluded. We spoke with RGEN's CEO towards the end of the first quarter and he stated that the company is fully operational, with their manufacturing and supply chains uninterrupted by COVID-19 up to this point in time. The company also is maintaining liquidity, with $537 million in cash and $232 million in long-term debt. While the ultimate impact of the coronavirus is unknown, thus far, RGEN's business remains resilient.

2. Neogen Corp. (NEOG): NEOG is a global leader in food and animal safety. The company is well-positioned to serve the world's top food and animal producers and processors. With the recent outbreak of COVID-19, the company should benefit from the increased emphasis on the integrity of the complete farm-to-table food chain. NEOG's offers its customers a wide range of products ranging from disinfectants to bacterial and sanitation products. The company has a long history of sustained revenue and earnings growth and a cash-rich balance sheet.

3. Construction Partners, Inc. (ROAD): ROAD announced strong fiscal first quarter results and reiterated their outlook for the year. In addition, they made their second straight acquisition in the state of Florida. The acquisition will add two HMA plants, better position them in the panhandle, and create synergies as they build density in the state. ROAD participated when the market turned lower in March but recovered quickly, as operations for the company continued and the company benefitted from good weather during the first quarter. Finally, late in the quarter, shares rallied as President Trump tweeted about a $2 trillion infrastructure bill, which would almost certainly benefit ROAD.

4. Axon Enterprise, Inc. (AAXN): AAXN reported fourth quarter revenue and adjusted EBITDA that both came in 18% above consensus expectations as adoption of their market leading body cameras and data management platform continued to accelerate. Revenue guidance for 2020 was also better than expected as AAXN remains confident that their current momentum is sustainable. AAXN is benefiting from a broadening platform of solutions that is enabling a digital transformation within police agencies.

5. Tyler Technologies, Inc. (TYL): Based in Plano, TX, TYL is a leading vertical software and services company that serves the public sector. While TYL's stock certainly benefited from being the largest market cap company in the portfolio, we believe the company's strong track record and business model should hold up relatively well in a challenged economic environment. Recurring revenues, which are about 2/3 of total revenues, grew 22% in 4Q19. The company has good visibility given its $1.45 billion backlog as of December 31, 2019.

SMid Cap Growth - Bottom 5 Laggards

1.Chef's Warehouse, Inc. (CHEF): CHEF is a specialty food distributor focused on small independent restaurants serving mostly urban markets (NY is largest market). The stock underperformed and was sold due to the catastrophic impact on its business from the COVID-19 pandemic. Many of CHEF's restaurant customers have been shut down due to the pandemic creating massive near-term challenges in managing its business. The pandemic combined with some debt on CHEF's balance sheet (3.4 times levered) rapidly rose the issue of CHEF as a going concern.

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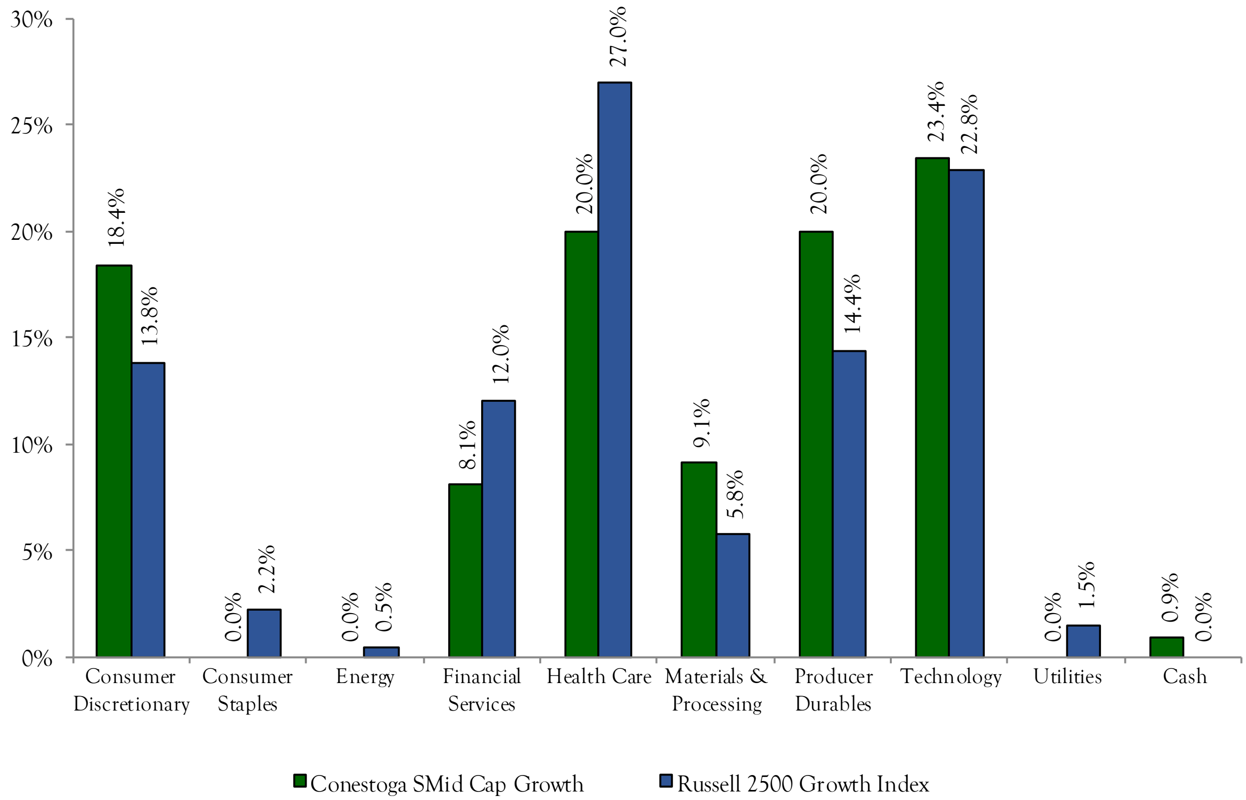
3. Bright Horizons Family Solutions, Inc. (BFAM): BFAM is the largest private sector provider of employer sponsored childcare. Traditionally one of the more defensive portfolio holdings, the company temporarily closed over half of its U.S. centers in response to COVID-19 which caused the stock to underperform during the quarter. We continue to view BFAM as a core holding.

4. Vail Resorts, Inc. (MTN): MTN is the leading mountain resort operator in the world, with 37 world class ski resorts and urban ski areas. This largely fixed cost business underperformed during the quarter as it had to shut down its North American resorts for the season, two months premature due to state mandates surrounding COVID-19. We believe the company will weather this unprecedented period aided by the strength of its balance sheet, as well as its reliance on season pass sales which will admittedly be lower for the 2020/2021 season.

5. HEICO Corp. (HEI): Viewed as a commercial aircraft aftermarket company, the stock sold off sharply during the quarter as the International Air Travel Association (IATA) forecast a 38% decline in air traffic miles in 2020. HEI is a high-quality company with 50% of profits generated outside of commercial aerospace, a clean balance sheet and a strong track record of fundamental performance through economic cycles.

Source: FactSet Research Systems.

SMID CAP GROWTH - SECTOR WEIGHTINGS (AS OF 3/31/20)



Source: FactSet Research Systems and Conestoga.

SMID CAP GROWTH - TOP TEN EQUITY HOLDINGS (AS OF 3/31/20)

SYMBOL	COMPANY NAME	SECTOR	% OF ASSETS
JKHY	Henry Jack & Associates Inc.	Financial Services	3.48%
ROL	Rollins Inc.	Producer Durables	3.48%
POOL	Pool Corporation	Consumer Discretionary	3.32%
RLGN	Repligen Corp.	Health Care	3.29%
BFAM	Bright Horizons Family Solutions	Consumer Discretionary	3.17%
MRCY	Mercury Systems Inc.	Technology	3.15%
WST	West Pharmaceutical Services Inc.	Health Care	3.06%
OMCL	Omnicell Inc.	Health Care	2.99%
TYL	Tyler Technologies Inc.	Technology	2.87%
EXPO	Exponent Inc.	Producer Durables	2.78%
		Total within the Composite:	**31.59%**

The positions represent Conestoga Capital Advisors largest equity holdings based on the aggregate dollar value of positions held in the client accounts that are included in the SMid Cap Composite. All information is provided for informational purposes only and should not be deemed as a recommendation to buy the securities mentioned.

DISCLOSURES: GIPS ® Presentation for the Period Ending March 31, 2020

Year Return	Conestoga Small Cap Total Net Return	Russell 2000 Growth Total Return	Russell 2000 Total Return	# of Portfolios	Composite Dispersion (%)	Composite Assets at End of Period $ (Millions)	% of Firm Assets	Firm Assets $ (Millions)	UMA Assets $ (Millions)	Total Assets $ (Millions)
YTD 2020	-19.37%	-25.76%	-30.61%	148	N/A	$1,185.0	31%	$3,928.0	$136.8	$4,064.8
2019	26.31%	28.48%	25.53%	144	0.58	$1,500.7	32%	$4,707.3	$156.1	$4,863.4
2018	1.30%	-9.31%	-11.01%	134	0.47	$1,266.3	35%	$3,633.1	$66.3	$3,699.4
2017	29.00%	22.17%	14.65%	117	0.55	$958.4	35%	$2,730.2	$35.5	$2,765.8
2016	15.57%	11.32%	21.31%	111	0.50	$833.5	46%	$1,798.1	$15.1	$1,813.2
2015	7.83%	-1.38%	-4.41%	99	0.51	$867.8	55%	$1,591.8	$7.0	$1,598.8
2014	-8.16%	5.60%	4.89%	114	0.56	$928.2	55%	$1,688.6	$2.6	$1,691.2
2013	50.55%	43.30%	38.82%	119	1.06	$883.5	51%	$1,743.9	$1.4	$1,745.4
2012	11.51%	14.59%	16.35%	120	0.62	$566.3	60%	$944.1	$0.7	$944.9
2011	5.05%	-2.91%	-4.18%	106	0.67	$339.7	58%	$582.0	$0.4	$582.5
2010	25.29%	29.09%	26.85%	88	0.68	$271.0	58%	$470.9	$0.1	$471.1
2009	30.08%	34.47%	27.18%	86	0.77	$199.0	59%	$338.1	$7.2	$345.3
2008	-28.00%	-38.54%	-33.80%	86	0.70	$131.4	58%	$224.0	$0.7	$224.8
2007	6.14%	7.05%	-1.57%	94	0.73	$159.2	58%	$275.3	--	$275.3
2006	10.07%	13.35%	18.37%	95	1.14	$163.5	60%	$271.4	--	$271.4
2005	4.60%	4.15%	4.55%	70	0.93	$105.7	50%	$211.6	--	$211.6
2004	19.04%	14.31%	18.33%	39	1.26	$55.5	34%	$165.4	--	$165.4
2003	30.96%	48.54%	47.25%	37	2.35	$35.5	25%	$140.6	--	$140.6
2002	-15.29%	-30.26%	-20.48%	17	2.67	$11.1	12%	$96.3	--	$96.3
2001	20.93%	-9.23%	2.49%	17	4.95	$11.3	11%	$103.6	--	$103.6
2000	0.18%	-22.43%	-3.02%	22	8.36	$14.4	1%	$1,440.4	--	$1,440.4
1999	43.52%	43.09%	21.26%	18	9.38	$11.6	3%	$388.1	--	$388.1

Annualized Rate of Return for the Period Ending March 31, 2020

Time Period	Conestoga Small Cap Total Net Return	Russell 2000 Growth Total Return	Russell 2000 Total Return
1 Year	-10.03%	-18.58%	-23.99%
3 Years	8.46%	0.10%	-4.64%
5 Years	9.58%	1.70%	-0.25%
10 Years	12.62%	8.89%	6.90%
Since Inception (12/31/98)	10.80%	5.54%	6.26%

Conestoga Capital Advisors claims compliance with the Global Investment Performance Standards (GIPS) and has prepared and presented this report in compliance with the GIPS standards. Conestoga Capital Advisors has been independently verified for the periods December 31, 1998 through March 31, 2002 by KPMG and for the periods March 31, 2002 through March 31, 2019 by BBD, LLP. The verification reports are available upon request. Verification assesses whether 1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and 2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

A complete list and description of all composites and policies for valuing portfolios, calculating and reporting returns, and preparing compliant presentations are available upon request. Performance results are presented after all actual investment management fees, custodial fees, commissions and other trading expenses. Computations assume the reinvestment of all dividends and capital gains. Portfolios are valued monthly and returns are weighted by using beginning-of-quarter values plus weighted cash flows. Annual returns are calculated by geometrically linking the monthly returns. Performance results for the full historical period are total return, time-weighted rates of return expressed in U.S. dollars. Trade date accounting is used for all periods. No leverage has been used in the accounts included in the composite. The actual return and value of an account will fluctuate and at any point could be worth more or less than the amount invested. Individual account performance will vary according to individual investment objectives.

All fee-paying discretionary portfolios will be assigned to an appropriate composite according to investment objective. Composites will include new portfolios at the start of the next performance measurement period (i.e. the beginning of the next month) after the portfolio comes under management and will exclude terminated portfolios after the last full calendar month period the portfolios were under management (i.e., the end of the last full calendar month), but composites will continue to include terminated portfolios for all periods prior to termination.

The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. 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. The Russell 3000 Index measures the performance of the largest U.S. companies based on market capitalization. The volatility of the Russell 2000 Index and Russell 2000 Growth Index may be materially different from that of the performance composite. In addition, the composite's holdings may differ significantly from the securities that comprise the Russell 2000 Index and the Russell 2000 Growth Index. For comparison purposes, the Conestoga Small Cap Composite is measured against the Russell 2000 and Russell 2000 Growth Indices.

UMA assets presented are not part of Conestoga's GIPS-defined firm assets as Conestoga has no trading authority over these assets and serves in an advisory-only capacity. UMA assets under management are received on a preliminary quarterly basis, which are subject to change by the plan sponsor after a complete reconciliation of the underlying accounts. The "Total Assets" include UMA assets and are not part of the GIPS® firm assets. UMA and Total Assets are shown as supplemental information.

The current management fee schedule is as follows: Up to $25,000,000 = 1.00%; Over $25,000,000 = Negotiable.

The dispersion of annual returns is measured by the standard deviation across equal-weighted portfolio returns represented within the composite for the full year. The dispersion calculation shown, "asset weighted dispersion", is calculated as the annual standard deviation of individual portfolio gross returns weighted by the beginning of period portfolio size for the composite members. Dispersion is shown as "N/A" for periods less than one year and for periods with 5 or fewer composite members for the entire year.

As of December 31, 2019, the three-year standard deviation, calculated net of fees, for the Conestoga Small Cap Composite was 15.71% and the Russell 2000 Growth was 16.37%, and the Russell 2000 was 15.71%. As of December 31, 2018, the three-year standard deviation, calculated net of fees, for the Conestoga Small Cap Composite was 16.28% and the Russell 2000 Growth was 16.46%, and the Russell 2000 was 15.79%. As of December 31, 2017, the three-year standard deviation, calculated net of fees, for the Conestoga Small Cap Composite was 13.61% and the Russell 2000 Growth was 14.59%, and the Russell 2000 was 13.91%.

Conestoga Capital Advisors is an independent investment management firm founded in 2001 that manages equity and balanced portfolios for primarily U.S. institutional and retail clients. Performance results prior to June 30, 2001 have been achieved by Martindale Andres & Company, Inc., William Martindale and Robert Mitchell's prior investment advisory firm. The Conestoga Small Cap Composite creation date (since inception) is 12/31/98. This composite contains portfolios which primarily invest in small cap equities. In addition, for an account to be included in the composite, no more than 20% of the portfolio will (i) have a market capitalization outside the range of a rolling 3-year average of Russell 2000 Growth Index; or (ii) be outside of the small capitalization model. In addition, the weighting of an individual security within a given account cannot exceed 10% (or 2.5 times the target weighting defined in the small capitalization model portfolio) of the equity assets. Portfolios that are less than $250,000 in size at inception are not included in this composite. Portfolios will not be removed from the assigned composite if they fall below the minimum simply due to market depreciation. Prior to September 30, 2003, portfolios greater than $100,000 were included in this composite. There have not been any material changes in the personnel responsible for managing accounts during the time period. Past performance is not indicative of future results.

**Please note: the specific securities identified and described in this report do not represent all of the securities purchased, sold or recommended for advisory clients, and you should not assume that investments in the securities identified and discussed will be profitable in the future. As you are aware, one cannot assume that past results are indicative of future performance.*

DISCLOSURES: GIPS ® Presentation for the Period Ending March 31, 2020

Time Period	Conestoga SMid Cap Total Net Return	Russell 2500 Growth Total Return	# of Portfolios	Composite Dispersion (%)	Composite Assets at End of Period $ (Millions)	% of Firm Assets	Firm Assets $ (Millions)	UMA Assets $ (Millions)	Total Assets $ (Millions)
YTD 2020	-19.83%	-23.22%	11	N/A	$206.5	3%	$3,928.0	$136.8	$4,064.8
2019	35.96%	32.65%	7	1.05	$88.3	2%	$4,707.3	$156.1	$4,863.4
2018	0.69%	-7.47%	4	0.21	$68.6	2%	$3,633.1	$66.3	$3,699.4
Jan 31, 2017 - Dec 31, 2017	32.69%	21.58%	2	N/A	$59.6	2%	$2,730.2	$35.5	$2,765.8
Dec 31, 2013 - May 31, 2014	-12.28%	-1.23%	1	N/A	$66.8	4%	$1,652.7	N/A	$1,652.7

Conestoga Capital Advisors claims compliance with the Global Investment Performance Standards (GIPS) and has prepared and presented this report in compliance with the GIPS standards.

Conestoga Capital Advisors has been independently verified for the periods December 31, 1998 through March 31, 2002 by KPMG and for the periods March 31, 2002 through March 31, 2019 by BBD, LLP. The verification reports are available upon request. Verification assesses whether 1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and 2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

A complete list and description of all composites and policies for valuing portfolios, calculating and reporting returns, and preparing compliant presentations are available upon request. Performance results are presented after all actual investment management fees, custodial fees, commissions and other trading expenses. Computations assume the reinvestment of all dividends and capital gains. Portfolios are valued monthly and returns are weighted by using beginning-of-quarter values plus weighted cash flows. Annual returns are calculated by geometrically linking the monthly returns. Performance results for the full historical period are total return, time-weighted rates of return expressed in U.S. dollars. Trade date accounting is used for all periods. No leverage has been used in the accounts included in the composite. The actual return and value of an account will fluctuate and at any point could be worth more or less than the amount invested. Individual account performance will vary according to individual investment objectives.

All fee-paying discretionary portfolios will be assigned to an appropriate composite according to investment objective. Composites will include new portfolios at the start of the next performance measurement period (i.e. the beginning of the next month) after the portfolio comes under management and will exclude terminated portfolios after the last full calendar month period the portfolios were under management (i.e., the end of the last full calendar month), but composites will continue to include terminated portfolios for all periods prior to termination.

The benchmark for this composite is the Russell 2500 Growth Index, which measures the performance of the small to mid-cap growth segment of the U.S. equity universe. It includes those Russell 2500 companies with higher price-to-book ratios, forecasted growth values, and historical sales per share. Index returns are provided for comparison purposes to represent the investment environment existing during the time periods shown. An index is fully invested, includes the reinvestment of dividends and capital gains, but does not include any transaction costs, management fees, or other costs. Holdings of each separately managed account in a composite will differ from the index. An investor may not invest directly in an index.

The Russell 2500 Index measures the performance of the small to mid-cap segment of the U.S. equity universe, commonly referred to as "SMid" cap. The Russell 2500 Index is a subset of the Russell 3000® Index. It includes approximately 2500 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2500 Index is constructed to provide a comprehensive and unbiased barometer for the small to mid-cap segment. (Source: Russell)

UMA assets presented are not part of Conestoga's GIPS-defined firm assets as Conestoga has no trading authority over these assets and serves in an advisory-only capacity. UMA assets under management are received on a preliminary quarterly basis, which are subject to change by the plan sponsor after a complete reconciliation of the underlying accounts. The "Total Assets" include UMA assets and are not part of the GIPS® firm assets. UMA and Total Assets are shown as supplemental information.

The current management fee schedule is as follows: Up to $25,000,000 = 1.00%; Over $25,000,000 = Negotiable.

The dispersion of annual returns is measured by the standard deviation across equal-weighted portfolio returns represented within the composite for the full year. The dispersion calculation shown, "asset weighted dispersion", is calculated as the annual standard deviation of individual portfolio gross returns weighted by the beginning of period portfolio size for the composite members. Dispersion is shown as "N/A" for periods less than one year and for periods with 5 or fewer composite members for the entire year.

A three-year standard deviation of returns is not shown as the composite has not reached three years of history.

Conestoga Capital Advisors is an independent investment management firm founded in 2001 that manages equity and balanced portfolios for primarily U.S. institutional and retail clients. The Conestoga SMid Cap Composite creation date is 12/31/2013. In June 2014, the SMid Cap Composite lost its member portfolio, and, as a result, the Composite had no member portfolios. Reporting of the SMid Cap Composite resumed in January 2017, when a portfolio was added to the Composite. The Composite includes all dedicated SMid Cap equity portfolios. This composite contains portfolios which primarily invest in mid cap and small cap equities. In addition, for an account to be included in the composite, no more than 20% of the portfolio can have a market capitalization outside the range of a rolling 3-year average of Russell 2500 Growth Index. Portfolios that are less than $250,000 in size at inception are not included in this composite. Portfolios will not be removed from the assigned composite if they fall below the minimum simply due to market depreciation. Past performance is not indicative of future results.