CONESTOGA CAPITAL ADVISORS

PIONEERS IN SMALL AND MID CAP INVESTING

FOURTH QUARTER 2019 COMMENTARY

MARKET REVIEW

U.S. equity markets surged higher in the fourth quarter and the S&P 500 and Russell 2000 indices finished 2019 with their second-best calendar year return for the decade (2013 was the highest). Economic indicators released during the quarter continued to reflect a global economy that was performing well, with modest growth and full employment. Additionally, markets benefited from more clarity on two issues: U.S.–China trade and Brexit. An agreement on a phase one trade deal with China provided optimism for continued progress on trade and the reduction of tariffs, while the U.K. Parliament elections all but confirmed that Brexit will likely move forward in 2020.

The Health Care sector was a key driver of small capitalization stock performance in the fourth quarter. Health Care was the only sector to outperform both the Russell 2000 Growth and Russell 2500 Growth indices in the period. The strong performance was driven by the biotechnology and pharmaceutical industries, as investors cheered the combination of mergers and acquisition activity and new drug approvals. Given Conestoga's focus on companies with positive earnings and other quality characteristics, we are typically underweighted to biopharma, which acted as a drag on relative returns in the fourth quarter.

Small Capitalization Growth stocks continued to outperform Value stocks during the fourth quarter and for the full year 2019. This caps a decade where the Russell 2000 Growth Index outperformed the Russell 2000 Value Index by an annualized rate of over 3% (Source: FTSE Russell). The 2000 Value's heavy exposure to banks and other credit sensitive industries has weighed on relative returns in an era of low interest rates and a flat yield curve.

The above environment proved challenging for Conestoga's Small Cap Growth and SMid Cap Growth strategies, both of which underperformed in the fourth quarter. For the full year 2019, the Small Cap Growth strategy underperformed and the SMid Cap Growth strategy outperformed their respective benchmarks. Performance for both composites is below:

PERFORMANCE TABLE (AS OF 12/31/19)*

	4Q19	1 Year	3 Years	5 Years	10 Years	Since Inception 12/31/1998
Conestoga Small Cap Growth (Net)	**5.52%**	**26.31%**	**18.18%**	**15.52%**	**15.36%**	**12.08%**
Russell 2000 Growth	*11.39%*	*28.48%*	*12.49%*	*9.34%*	*13.01%*	*7.11%*
Russell 2000	*9.94%*	*25.53%*	*8.59%*	*8.23%*	*11.83%*	*8.20%*

	4Q19	1 Year	2 Years	Since 1/31/2017
Conestoga SMid Cap Growth (Net)	**5.85%**	**35.96%**	**17.00%**	**22.72%**
Russell 2500 Growth	*10.57%*	*32.65%*	*10.79%*	*14.72%*

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

We are cautiously optimistic that U.S. equities, and in particular small- and mid-capitalization growth stocks, can continue to move higher in 2020. In an economy with modest growth, low interest rates and above average valuations, returns will likely be driven by earnings growth. We expect spikes in volatility through the year as investors assess the U.S. elections, trade negotiations and other geopolitical events. While developments in any macro category are nearly impossible to forecast, Conestoga remains focused on identifying companies that we believe can deliver long-term earnings growth and which we believe are priced at reasonable valuations.

FIRM UPDATE

- Conestoga's total firm assets were over $4.8 Billion as of December 31, 2019. Total Small Cap Growth assets were $4.5 billion. Conestoga is not actively pursuing new Small Cap Growth separate account placements in 2020 and the Conestoga Small Cap Fund remains in soft-close. Please don't hesitate to contact us if you have questions about potential fundings.
- Total SMid Cap Growth assets were $240.0 million as of December 31, 2019. This includes $145.3 million in the Conestoga SMid Cap Fund, which experienced net inflows of nearly $50 million in 2019. In early 2020, Conestoga added a new $200 million separate account client in the SMid Cap Growth strategy.
- Conestoga is pleased to announce the addition of Christina Kowalski as Head Trader. Christina brings significant trading experience to Conestoga, most recently at the Swarthmore Group and earlier at StoneRidge Investment Partners. She is President of the Investment Traders Association of Philadelphia and a board member of the non-profit Philly Girls in Motion. John Schipper will be transitioning from his role as Head Trader to become a Junior Research Analyst / Trader, supporting the investment team.

CONESTOGA'S INVESTMENT PHILOSOPHY & APPROACH

Philosophy

Our high quality conservative growth philosophy seeks to take advantage of the inefficient discovery process for small and mid capitalization companies and other investors' focus on near-term earnings. We employ our 'time horizon arbitrage' principles by identifying these higher quality companies that we believe are capable of growing through multiple business cycles.

Key Tenets of Our Style

High Quality Conservative Growth

- We invest in companies which we believe have sustainable earnings growth and strong balance sheets.

Patient, Long-Term Approach

- We have a long-term investment horizon which typically results in a low turnover rate of 20-30%.

High Conviction

- Range of portfolio holdings is expected to provide a balance between alpha generation and diversification.

Consistency of Returns with Low Volatility and Downside Protection

- Consistently applied investment discipline has resulted in strong risk-adjusted returns over full market cycles.

CONESTOGA'S SMALL & SMID CAP GROWTH STRATEGIES (AS OF 12/31/19)

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	$3,227.5 Million	$6,430.8 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	$4,547.0 Million	$240.0 Million
Holdings Overlap	32 stocks held in Both Portfolios	

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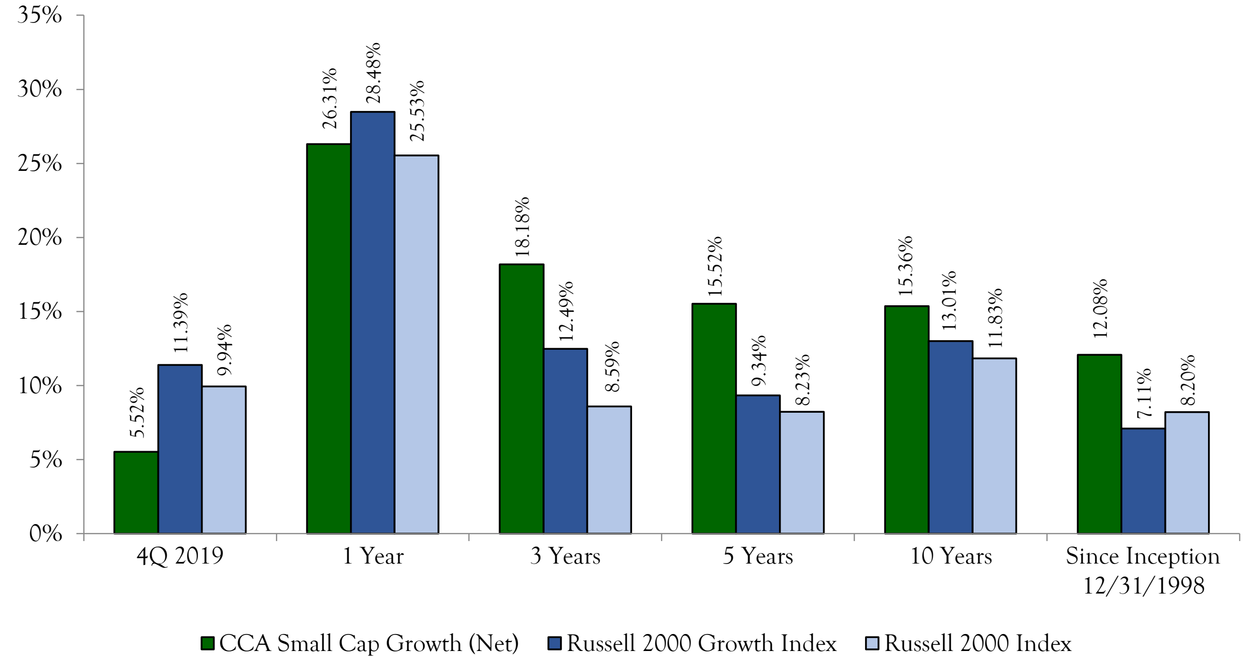
Small Cap Growth Performance (As of 12/31/19)**



*** 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 - 4Q19 Performance & Attribution

The Conestoga Small Cap Growth composite underperformed the Russell 2000 Growth Index in the fourth quarter, rising 5.52% net-of-fees versus the Russell 2000 Growth return of 11.39%. Stock selection effects were negative and largely within the Health Care sector. Sector allocation effects were negative and were also impacted primarily by the Health Care sector, which was underweighted relative to the benchmark.

The Health Care sector of the Russell 2000 Growth Index rose over 23% in the fourth quarter, the only economic sector to outperform the Russell 2000 Growth Index. The Health Care sector makes up 28.3% of the benchmark, including a 13.8% exposure to the biotechnology industry. By comparison, the Conestoga Small Cap Growth strategy averaged an 18.3% exposure to the Health Care sector and a 4.3% weighting in the biotechnology industry. Biotech stocks surged in the fourth quarter on a combination of factors – they rose over 34% within in the benchmark and contributed 4.29% of the benchmark's 11.39% return (source: FactSet). Conestoga holds two biotechnology stocks in the Small Cap Growth strategy, totaling just over 4% of the portfolio. These two companies – Ligand Pharmaceuticals Inc. (LGND) and Repligen Corp. (RGEN) – meet Conestoga's investment criteria and, in our opinion, are less speculative than the typical biotechnology company. In the fourth quarter, LGND and RGEN both posted positive returns but trailed the Index biotechnology industry returns.

The Technology sector also proved challenging in the fourth quarter. Conestoga's overweight to this weaker performing sector detracted from return, as did several stocks within the sector. Mercury Systems Inc. (MRCY) declined on concerns about how any changes in government spending would impact their revenues. Vocera Communications Inc. (VCRA) moved lower on the delayed customer adoption of their latest product improvements.

Producer Durables was the bright spot in the strategy this quarter, with positive stock selection effects generated by Douglas Dynamics Inc. (PLOW) and Paylocity Holding Corp. (PCTY). Both companies announced revenue and earnings growth which cheered investors.

Small Cap Growth - Full Year 2019 Performance & Attribution

After outperforming the Russell 2000 Growth in the first nine months of 2019, the weak relative returns of the fourth quarter caused the Conestoga Small Cap Growth composite to underperform for the full calendar year. The composite rose 26.31% net-of-fees versus the Russell 2000 Growth Index return of 28.48% over the full twelve months. Stock selection effects detracted from relative return, while sector allocations had little impact.

Stock selection proved most challenging in the Consumer Discretionary and Health Care sectors. Within Consumer Discretionary, Stamps.com Inc. (STMP) was the primary detractor from return. The stock sold off over 50% in the first quarter of 2019 after the company, in a surprising move, ended its exclusive relationship with the US Postal Service (USPS). Conestoga sold STMP following this news and ahead of a second major decline in the second quarter. In the latter half of 2019, STMP did recover to about the levels at which we sold the stock.

Within Health Care, the strategy was impacted by its underexposure to the biotechnology industry, which rose significantly in the fourth quarter. In addition, one of Conestoga's two holdings in the biotech industry – Ligand Pharmaceuticals Inc. (LGND) – underperformed on concerns about its future royalty revenues. Merit Medical Systems Inc. (MMSI), a new position in the strategy in 2019, also underperformed as the maker of disposable medical devices reported weaker results in the second half of the year.

Stock selection was strongest in Technology, led by PROS Holdings Inc. (PRO) and Descartes Systems Group Inc. (DSGX). Both companies delivered encouraging earnings growth, and PRO benefited from its continued transition from a perpetual to subscription licensing model.

Of note, the strategy experienced three acquisitions in 2019 which added approximately 150 basis points to relative return. Sotheby's Inc. (BID) was acquired and taken private by French billionaire Patrick Drahi, while Medidata Solutions Inc. (MDSO) and WageWorks Inc. (WAGE) were each acquired by competitors.

Small Cap Growth - 4Q19 Buys & Sells

There were no new companies added to the portfolio in the fourth quarter, nor were there any companies removed in their entirety. Conestoga added to six positions and trimmed two positions during the period. The portfolio remains invested in 50 stocks. Over the course of 2019, Conestoga added eight new stocks and removed eight stocks from client portfolios. This is well within our normal range of six to twelve new companies added per year. While the equity markets have approached all-time highs and valuations remain above long-term averages, our team has still been able to identify new companies that we believe are consistent with our investment criteria.

Top Ten Small Cap Holdings:

Company Name (Ticker)	Weight (%)
1. Exponent Inc. (EXPO)	3.89
2. Descartes Sys Group Inc. (DSGX)	3.52
3. Omnicell Inc. (OMNI)	3.02
4. Cantel Medical Corp. (CMD)	2.75
5. Repligen Corp. (RGEN)	2.71
6. Fox Factory Holdings Corp. (FOXF)	2.70
7. Mesa Labs Inc. (MLAB)	2.67
8. Bottomline Technologies Inc. (EPAY)	2.54
9. Trex Co. Inc. (TREX)	2.50
10. Simpson Manufacturing Co. (SSD)	2.49
Small Cap Composite Total	**28.79%**

Small Cap Sector Diversification:

	Conestoga Small Cap Composite (%)	Russell 2000 Growth (%)
Consumer Discretionary	8.12	13.67
Consumer Staples	4.32	3.10
Energy	--	1.08
Financial Services	1.49	10.91
Health Care	18.04	30.18
Materials & Processing	11.17	6.76
Producer Durables	23.47	15.96
Technology	28.13	16.04
Utilities	--	2.30
Cash	5.27	--

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Small Cap Growth - Top 5 Leaders

1. Bottomline Technologies Inc. (EPAY): EPAY is a financial technology company that offers a suite of services to manage electronic payments, transaction settlements, commercial banking solutions, and legal spend management for businesses. The stock outperformed during its fiscal first quarter as results exceeded expectations for both revenue and earnings-per-share. Revenue growth was driven by more efficient implementations of previously signed deals, greater adoption of newly developed products, and higher transaction volumes over the Paymode-X network. Bottomline maintained fiscal 2020 guidance, citing conservatism and currency uncertainty.

2. Douglas Dynamics Inc. (PLOW): PLOW is the nation's largest manufacturer of work truck attachments for snow and ice management, as well as one of the largest up-fitters/ installers of work truck attachments. The company reported a positive quarter with notable margin expansion in its work truck solutions division, which is executing well despite an industry-wide chassis shortage. Management maintained their full year guidance, which was viewed as conservative as it incorporates a cautious snowfall outlook.

3. Simpson Manufacturing Co. (SSD): One of the longest-held companies in the strategy, SSD designs and manufactures building products components. Its third quarter earnings exceeded expectations and were well received by investors after SSD reported weaker results earlier in the year – which they partially attributed to weather – and lowered its full year guidance. Signs that the U.S. housing market continues to experience demand also comforted investors.

4. Repligen Corp. (RGEN): A provider of tools used by biotechnology companies, RGEN saw its shares rise as third quarter revenue and earnings-per-share exceeded expectations. The Filtration and Chromatography segments both delivered robust growth. Management also updated its 2019 guidance, increasing midpoint revenue by $2.5 million and EPS by $0.06. Management now forecasts organic revenue growth of 31.5% and a 40% EPS increase. The stock also likely benefitted from a quarter that experienced strong returns for biotech companies in general.

5. ACI Worldwide Inc. (ACIW): ACIW designs, markets, and supports a broad line of software products and services primarily focused on facilitating electronic payments. ACIW reported third quarter revenue, EBITDA, and adjusted EPS that exceeded consensus expectations. In addition, the company renewed a large, previously delayed deal which had concerned investors. ACIW also announced that long-time CEO, Phil Heasley, will retire at year-end 2019. The Board is currently in a search to identify a replacement.

Small Cap Growth - Bottom 5 Laggards

1. Mercury Systems Inc. (MRCY): MRCY traded modestly lower early in the quarter as the government operated under a continuing resolution, which is less than ideal for the defense industry. The upcoming election also remains an overhang for the industry as candidates that oppose President Trump typically would reduce defense spending. Late in the quarter, a record-high $738 billion budget was passed for 2020, a 2.9% increase from 2019.

2. Vocera Communications Inc. (VCRA): VCRA's return to normalized growth was delayed at least an additional quarter as larger, enterprise-type deals take longer than expected to close. The company's first half of 2019 was marred by a major new product release which slowed sales as customers evaluated the new offering. We expected this to abate during the third quarter, but its persistence caused shares to decline. Management stressed that their new business pipeline remains at record levels and that their win rates remain in the 70-80% range.

3. Albany International Inc. (AIN): Shares of AIN traded lower during the quarter as fears over the timing of Boeing's 737 MAX return impacted the aerospace supplier industry. Ten percent of AIN's revenues are generated through its partnership with Safran, who partners with General Electric to make the 737 MAX's LEAP engine. AIN has a cost-plus relationship with Safran, so the impact to AIN's profitability is muted.

4. Blackbaud Inc. (BLKB): Shares of BLKB retreated as the company continues to see margin compression as gross margins weaken while they continue investing in sales and new product introductions. Revenue acceleration has yet to occur, which would aid in validating the higher levels of spending. Competitive noise from Salesforce.org also continues to linger.

5. FirstService Corp. (FSV): FSV declined during the quarter despite reporting solid organic revenue growth in both its Residential and Brands segments. Margins were lower than expected as FSV consolidated Global Restoration, the large acquisition they announced in May, into their financials. Residential also experienced lower storm-related demand that typically carries above average profitability.

Source: FactSet Research Systems.

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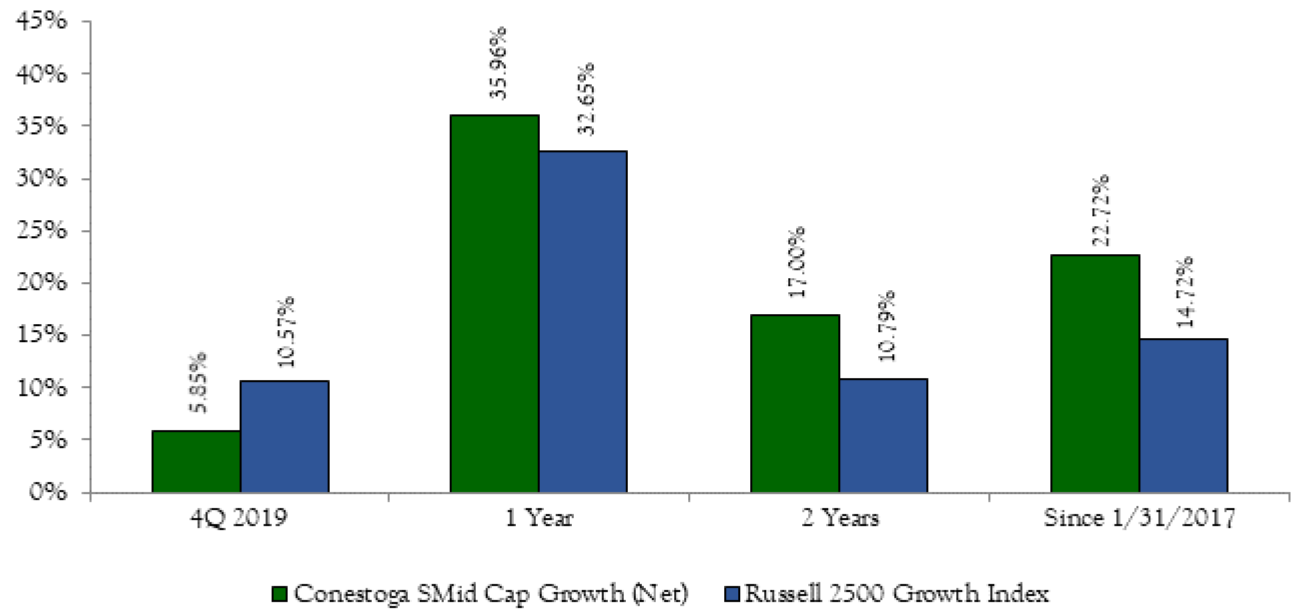
SMID CAP GROWTH PERFORMANCE (AS OF 12/31/19)**



*** 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 - 4Q19 PERFORMANCE & ATTRIBUTION

The SMid Cap Growth composite rose 5.85% net-of-fees in the fourth quarter, underperforming the Russell 2500 Growth Index advance of 10.57%. As was the case with our Small Cap Growth strategy, the underweight to the biotechnology industry within the Health Care sector was the primary detractor from return.

The biotechnology industry is a modestly lower weight within the Russell 2500 Growth Index (relative to the Russell 2000 Growth Index), which lessened the impact of our underweight. Nonetheless, the Index's 10.7% weighting to biotechnology rose over 27% and contributed 26% of the Index's quarterly return. Conestoga's SMid Cap Growth strategy averaged a 3.4% exposure to the biotechnology industry, and produced a total return of 15.4% in the fourth quarter. Also within the Health Care sector, the exposures to medical device and services companies Neogen Corp. (NEOG) and Cantel Medical Corp. (CMD), detracted from relative returns.

Several stocks within the Producer Durables sector also generated negative stock selection effects. HEICO Corp. (HEI.A) sold off on what appeared to be profit-taking after a strong first half of 2019. Similarly, Rollins Inc. (ROL) sold off in the latter half of the quarter after rising earlier on continued revenue and earnings growth. Albany International Corp. (AIN), a supplier of Boeing Co. (BA) for the 737 MAX, declined on the announcements of further delays in resuming flights for the troubled aircraft. These stocks offset the contribution of the strategy's top two contributors, Axon Enterprise Inc. (AAXN) and Douglas Dynamics Inc. (PLOW), which are also within the Producer Durables sector.

Stock selection across other economic sectors was modestly negative. Sector allocations were also modestly negative, although most of the negative sector allocation effects were due to the small allocation to cash, which detracts from return in strong up markets such as the fourth quarter.

SMID CAP GROWTH - FULL YEAR 2019 PERFORMANCE & ATTRIBUTION

Despite lagging the Russell 2500 Growth Index in the fourth quarter, the SMid Cap Growth composite was able to retain its outperformance versus its benchmark over the full year. The SMid Cap Growth composite rose 35.96% net-of-fees versus the Russell 2500 Growth Index return of 32.65%. Stock selection provided the entirety of the excess return versus the benchmark while sector allocations (including cash) had no net impact on returns.

Stock selection was strongest in the Producer Durables sector, which was home to three of the composite's top five contributors to return for the year. Copart Inc. (CPRT), CoStar Group Inc. (CSGP) and HEICO Corporation (HEI.A) each delivered revenue and earnings growth results which lifted their stock prices. All three positions are long-term holdings.

The strategy's top performing company – Fair Isaac Corp. (FICO) – was within the Financial Services sector. FICO reported continued results which demonstrated their success in transitioning their revenue to a more recurring cloud-based model. Conestoga's other positions within this sector – Jack Henry & Associates Inc. (JKHY) and FirstService Corp. (FSV) – modestly lagged the benchmark sector returns.

Stock selection was weakest within the Health Care sector during 2019. As was the case with the Small Cap Growth strategy, our underweight to the biotechnology industry detracted from relative returns during the year. Despite this headwind, the strategy only modestly underperformed the benchmark in the Health Care sector as long-time holdings Align Technology Inc. (ALGN) and Bio-Techne Corp. (TECH) generated positive effects.

SMID CAP GROWTH - 4Q19 BUYS

1. Altair Engineering Inc. (ALTR): Added to the Small Cap Growth portfolios in the third quarter of 2019, we determined to add ALTR to the SMid Cap Growth client portfolios in the fourth quarter. The company is a provider of enterprise-class simulation software enabling engineers to innovate across a products' entire lifecycle. ALTR's simulation-driven approach is powered by a broad portfolio of high-fidelity and high-performance physics solvers that targets the $6 billion computer-aided engineering corner of the $44 billion product lifecycle management market (source: CIMdata). We believe ALTR is positioned to grow revenue at 15-20% annually over the long term, with margin expansion further improving profitability.

Conestoga added eleven new stocks to the portfolio in 2019, while removing 8 stocks in their entirety.

TOP TEN SMID CAP HOLDINGS:

Company Name (Ticker)	Weight (%)
1. Omnicell Inc. (OMNI)	3.15
2. Bright Horizons Family Sol . Inc. (BFAM)	3.11
3. Pool Corporation (POOL)	2.82
4. Douglas Dynamics Inc. (PLOW)	2.71
5. Heico Corp. New Cl. A (HEI.A)	2.58
6. Trex Co. Inc. (TREX)	2.55
7. Axon Enterprise Inc. (AAXN)	2.55
8. Repligen Corp. (RGEN)	2.53
9. Henry Jack & Associates Inc. (JKHY)	2.50
10. Tyler Technologies Inc. (TYL)	2.45
SMid Cap Composite Total	**26.95%**

SMID CAP SECTOR DIVERSIFICATION:

	Conestoga SMid Cap Composite (%)	Russell 2500 Growth (%)
Consumer Discretionary	17.59	16.59
Consumer Staples	2.68	2.05
Energy	0.49	0.69
Financial Services	6.42	12.35
Health Care	20.41	24.18
Materials & Processing	9.19	5.85
Producer Durables	20.92	16.19
Technology	21.83	20.6
Utilities	--	2.30
Cash	0.46	--

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SMID CAP GROWTH - TOP 5 LEADERS

1. Axon Enterprise Inc. (AAXN): AAXN beat third quarter expectations for revenue and profitability and raised full year guidance by an even larger amount, indicating they expect the momentum to continue through the fourth quarter. Shares responded positively to this data, but also to AAXN's continued progress in increasing its recurring revenue profile, both in its Software and TASER segments.

2. Douglas Dynamics Inc. (PLOW): PLOW is the nation's largest manufacturer of work truck attachments for snow and ice management, as well as one of the largest up-fitters/ installers of work truck attachments. The company reported a positive quarter across all metrics with notable margin expansion in its work truck solutions division, which is executing well despite an industry wide chassis shortages. Management maintained their full year guidance, which was viewed as conservative as it incorporates a cautious snowfall outlook.

3. SiteOne Landscape Supply Inc. (SITE): SITE is the largest distributor of supplies for residential and commercial landscape professionals in the United States. The stock jumped nearly 10% following its 3Q earnings report. Investors cheered the 7% organic daily sales growth and improved margins, notably SG&A leverage, as landscape activity played catchup following weather headwinds during the first half of 2019.

4. Repligen Corp. (RGEN): A provider of tools used by biotechnology companies, RGEN saw its shares rise as third quarter revenue and earnings-per-share exceeded expectations. The Filtration and Chromatography segments both delivered robust growth. Management also updated its 2019 guidance, increasing midpoint revenue by $2.5 million and EPS by $0.06. Management now forecasts organic revenue growth of 31.5% and a 40% EPS increase. The stock also likely benefitted from a quarter that experienced strong returns for biotech companies in general.

5. Fair Isaac Corp. (FICO): FICO is a leader in predictive analytics and decision management software and is also the provider of FICO credit scores. FICO had a strong finish to fiscal 2019, with revenue growth of 19% due to better-than-expected software term license revenue and bookings grew 20% to a record $160 million. In addition, adjusted EPS of $2.01 were significantly above consensus of $1.68. Management also confirmed plans to implement further strategic price increases across various products. This bodes well for future growth.

SMID CAP GROWTH - BOTTOM 5 LAGGARDS

1. Mercury Systems Inc. (MRCY): MRCY traded modestly lower early in the quarter as the government operated under a continuing resolution, which is less than ideal for the defense industry. The upcoming election also remains an overhang for the industry as candidates that oppose President Trump typically would reduce defense spending. Late in the quarter, a record-high $738 billion budget was passed for 2020, a 2.9% increase from 2019.

2. Blackbaud, Inc. (BLBK): Shares of BLKB retreated as the company continues to see margin compression as gross margins weaken while they continue investing in sales and new product introductions. Revenue acceleration has yet to occur, which would aid in validating the higher levels of spending. Competitive noise from Salesforce.org also continues to linger.

3. HEICO Corp Class A (HEI.A): HEI is a leading provider of commercial aircraft aftermarket parts as well as a manufacturer of electronic equipment for the defense and space industries. After rising more than 50% through 3Q19, HEI gave back some of it gains in the fourth quarter. Despite reporting another strong quarterly report, investors took profits on the initial fiscal 2020 guidance, which was lower than many expected. While management is typically conservative, the company does face double-digit organic growth comparisons in the commercial aerospace segment of its business.

4. Albany International Corp. Class A (AIN): Shares of AIN traded lower during the quarter as fears over the timing of Boeing's 737 MAX return impacted the aerospace supplier industry. Ten percent of AIN's revenues are generated through its partnership with Safran, who partners with General Electric to make the 737 MAX's LEAP engine. AIN has a cost-plus relationship with Safran, so the impact to AIN's profitability is muted.

5. EVI Industries Inc. (EVI): EVI Industries spent most of 2019 rangebound before trading lower during the fourth quarter. While management continues to increase sales through a combination of organic growth and acquisitions, margin expansion has been slower to materialize. Management continues to invest in infrastructure, sales and technology with a focus on long term growth and profitability. Acquisitions are also typically dilutive as EVI both invests in the new business and transitions the acquired company's systems and operations to EVI's platform. Once integrated, EVI seeks to create synergies within its large and growing network.

Source: FactSet Research Systems.

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DISCLOSURES: GIPS ® Presentation for the Period Ending December 31, 2019

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)
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 December 31, 2019

Time Period	Conestoga Small Cap Total Net Return	Russell 2000 Growth Total Return	Russell 2000 Total Return
1 Year	26.31%	28.48%	25.53%
3 Years	18.18%	12.49%	8.59%
5 Years	15.52%	9.34%	8.23%
10 Years	15.36%	13.01%	11.83%
Since Inception (12/31/98)	12.08%	7.11%	8.20%

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 December 31, 2019

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)
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.