

# VAN HULZEN ASSET MANAGEMENT

For Investment Professional Use Only

Dec 31, 2019

## Small Cap Strategy

Van Hulzen's Small Cap Strategy seeks an attractive long term investment return through our Growth At A Reasonable "Profile" approach. We invest in stable, established small cap companies that are expanding rapidly, beating their cost of capital, and consistently beating analyst expectations for growth.

## Overview

The strategy invests in strong and emerging companies (typically between \$500mm-\$3bn) that exhibit the following characteristics:

- Relevant/emerging technologies
- Strong & improving cash flow ROI
- Positive earnings revisions /surprises
- Strong growth profile
- Low debt
- Reasonable valuation

## Key Features

- 29 holdings
- Median mkt cap: \$1.2 billion
- Average sales growth (5yr): 9.0%
- Offered in Separate Accounts

## Minimum Investment

\$100,000

## Advisor

Van Hulzen Asset Management LLC  
4370 Town Center Blvd, Suite 220  
El Dorado Hills, CA 95762  
(916) 608-4284  
vaminstitutional.com

## Lead Portfolio Manager



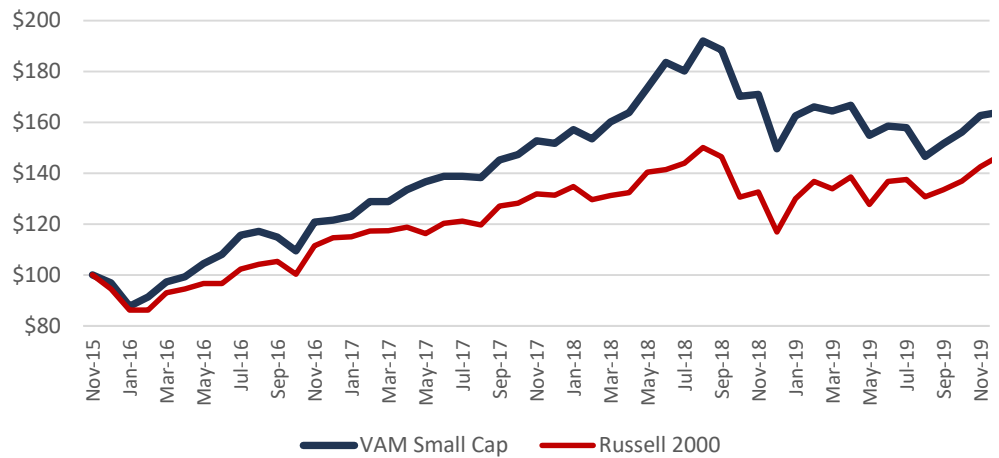
**John R. Pearce**  
Managing Director  
john@vaminvest.com

Mr. Pearce joined Van Hulzen Asset Mgt in 2008. Prior to joining VAM, he was a Director in the Investment Banking division of Credit Suisse, and investment analyst at HOLT Value Associates and a CPA at Arthur Andersen. Mr. Pearce holds a B.A. in Economics from the Univ of Virginia and a M.S. in Accounting from the College of Charleston.

*Van Hulzen Asset Management (VAM) is a SEC registered investment advisor (RIA) in El Dorado Hills, CA. VAM and its representatives are in compliance with the current registration requirements imposed upon RIAs by those states in which VAM maintains clients. VAM may only transact business in those states in which it is registered or qualifies for an exemption or exclusion from registration requirements. All returns are shown net of fees.*

## PERFORMANCE (net of fees)

Inception date: November 30, 2015



## PERFORMANCE & RISK STATISTICS (net of fees)

Performance (net)	Van Hulzen	Russell 2000	Russell Growth	Russell Micro
Month	0.7%	2.9%	2.3%	5.7%
3 Months	8.1%	9.9%	11.3%	13.4%
Year To Date	9.5%	25.5%	28.4%	22.4%
2 Years	8.0%	11.6%	16.2%	6.4%
3 Years	34.8%	28.0%	41.3%	20.4%
Inception	63.9%	46.7%	48.4%	37.5%
<b>Annualized</b>	<b>12.9%</b>	<b>9.8%</b>	<b>10.2%</b>	<b>8.1%</b>

### Risk Statistics (since inception)

Standard Deviation	16.2%	16.6%	17.1%	17.5%
Alpha (relative to Russell 2000)	3.2%			
Beta	1.0			
Sharpe Ratio	0.7			
Information Ratio	0.4			
Tracking Error	7.5%			

### Upside/Downside Capture

Up capture	106%
Down capture	90%
<b>Ratio</b>	<b>1.2</b>

## TOP 10 HOLDINGS (as of Dec 31, 2019)

Company	Business description	Weight	Size (\$mm)
ZIX Corp (ZIXI)	Email encryption services	6.0%	400
BioTelemetry (BEAT)	Remote healthcare technology	5.9%	1,600
Upland Software (UPLD)	Cloud-based enterprise software	5.6%	900
Independent Bank (IBCP)	Consumer banking	4.8%	500
Alamo Group (ALG)	Tractors & mowers	4.2%	1,400
CSW Industrials (CSWI)	Building products	4.1%	1,200
Primo Water (PRMW)	Filtered water	4.0%	500
Envestnet (ENV)	Financial tech solutions	3.8%	3,700
ePlus (PLUS)	Supply chain tech solutions	3.8%	1,200
Axos Financial (AX)	Consumer banking	3.7%	1,900

*Past performance may not be indicative of future results. The Strategy involves risk including the possible loss of principal. There is no assurance that the Strategy will achieve its investment objectives. The results achieved by individual clients will vary and will depend on a number of factors including the particular underlying stock and its dividend yield, interest rate levels, and the client's expressed return and risk parameters at the time the service is initiated and during the term. This presentation is not intended for the giving of investment advice to any single investor or group of investors and no investor should rely upon or make any investment decisions based solely upon its contents. Review Code: FPAC-0758-19*