

# Small Cap Ultra Growth Composite

AS OF JUNE 30, 2021



## Highlights

- Most growth-oriented Wasatch strategy
- Blend of franchise, disruptive growth, and ballast growth holdings
- Awareness of secular trends in economy and industry

## Portfolio Facts

\$3.2B

Total Strategy Assets<sup>^</sup>

\$9B

Average Market Cap  
(weighted)

79

Number of  
Holdings

## INVESTMENT APPROACH

We use a bottom-up approach that seeks to identify companies with outstanding long-term growth potential. We look for the following types of companies:

- Franchise: significant headroom and enduring business model
- Disruptive Growth: significant headroom with a shorter horizon
- Ballast Growth: stable, consistent growth companies that moderate portfolio risk

Primarily invests in U.S. companies with market caps of less than \$5 billion at the time of purchase

Approximately 70-90 positions

## FUND MANAGER



John Malooly, CFA  
Lead Portfolio Manager  
Years of Experience: 25

## ABOUT THE PORTFOLIO

Strategy Inception	8/16/1992
Minimum Initial Investment	\$1 million

## AVERAGE ANNUAL TOTAL RETURNS

INVESTMENT RESULTS AS OF 6/30/2021	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Composite - Gross of Fees	6.73	11.82	55.52	35.68	34.74	21.04	15.18
Composite - Net of Fees	6.55	11.52	54.60	34.57	33.56	19.90	13.89
Russell 2000 <sup>®</sup> Growth Index	3.92	8.98	51.36	15.94	18.76	13.52	9.52
Russell 2000 <sup>®</sup> Index	4.29	17.54	62.03	13.52	16.47	12.34	10.56

Returns for periods less than one year are not annualized.

## CALENDAR YEAR RETURNS

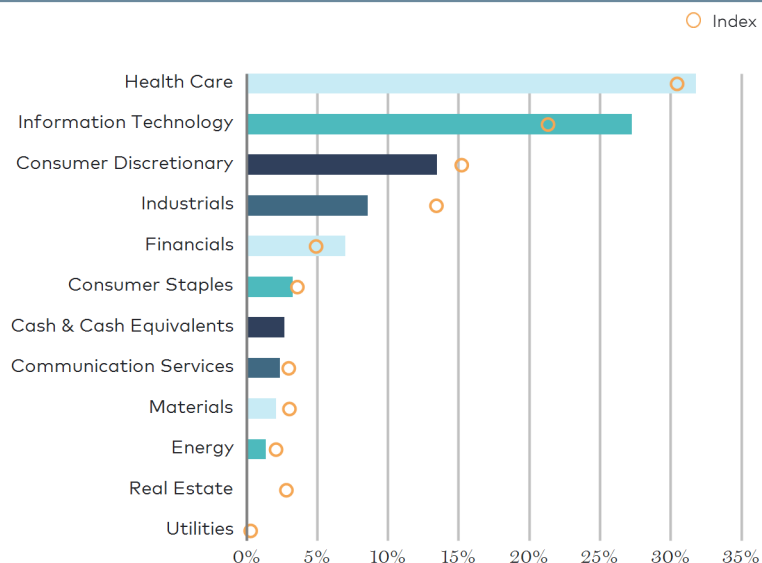
	2014	2015	2016	2017	2018	2019	2020
Composite - Gross of Fees	-0.33	3.44	8.61	31.30	10.50	42.32	74.90
Composite - Net of Fees	-1.36	2.42	7.49	30.02	9.40	40.96	73.66
Russell 2000 <sup>®</sup> Growth Index	5.60	-1.38	11.32	22.17	-9.31	28.48	34.63
Russell 2000 <sup>®</sup> Index	4.89	-4.41	21.31	14.65	-11.01	25.52	19.96

<sup>^</sup>Total Strategy Assets across all vehicles and composites. Since inception performance calculated from 8/31/1992.

Composite returns for the Small Cap Ultra Growth Composite have been provided. The Wasatch Small Cap Ultra Growth Composite contains fully discretionary equity accounts following the Wasatch Small Cap Ultra Growth style. The composite primarily invests in smaller high growth companies with the goal of long-term growth of capital. For comparison purposes the composite is measured against the Russell 2000<sup>®</sup> Growth and Russell 2000<sup>®</sup> indices. Wasatch Global Investors is an independent registered investment advisor. Registration does not imply a certain level of skill or training. Wasatch Global Investors claims compliance with Global Investment Performance Standards (GIPS<sup>®</sup>). To receive a complete list and description of composites and/or a GIPS Composite Report, e-mail [inforequest@wasatchglobal.com](mailto:inforequest@wasatchglobal.com). Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance. Returns are presented both gross and net of investment management fees. Returns are preliminary. All rights in the Russell Indexes vest in the relevant London Stock Exchange Group plc (collectively, the "LSE Group"), which owns these indexes. Russell<sup>®</sup> is a trademark(s) of the relevant LSE Group company and is used by any other LSE Group company under license. These indexes are calculated by or on behalf of FTSE International Limited or its affiliate, agent or partner. The LSE Group does not accept any liability whatsoever to any person arising out of (a) the use of, reliance on or any error in the Index or (b) investment in or operation of the Portfolio. The LSE Group makes no claim, prediction, warranty or representation either as to the results to be obtained from the Portfolio or the suitability of these indexes for the purpose to which they are being put by Wasatch Global Investors. The Russell 2000 Growth TR Index measures the performance of Russell 2000 Index companies with higher price-to-book ratios and higher forecasted growth values. The Russell 2000 TR Index represents the smallest 2,000 companies in the Russell 3000 Index, ranked by total market capitalization. You cannot invest directly in any index.

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## SECTOR ALLOCATION



## PORTFOLIO CHARACTERISTICS

	Portfolio	Index
Average Market Cap (\$ weighted)	\$8.9B	\$3.9B
Median Market Cap	\$3.6B	\$1.5B
Number of Holdings	79	1,175
Est. 5-year EPS Growth (%)	26.6	20.0
P/E (forward)	38.4	22.8
Portfolio Turnover (%)	40	n/a
Active Share (%)	95	n/a

## PERFORMANCE STATISTICS

Alpha	12.98
Beta	1.01
R-Squared	0.86
Standard Deviation	22.58
Upside Capture	165.35
Downside Capture	85.26

Performance period: 5 year

## COUNTRY ALLOCATION

	Portfolio	Index		Portfolio	Index
<b>Developed</b>	<b>95.3%</b>	<b>100.0%</b>	<b>Emerging and Frontier</b>	<b>2.0%</b>	<b>-</b>
United States	85.6	100.0	China	1.2	
Israel	7.2		Argentina	0.8	
United Kingdom	1.6				
Ireland	0.9				

Weights are calculated as a percentage of total portfolio including cash &amp; cash equivalents.

## TOP TEN HOLDINGS AS OF 3/31/2021

Freshpet Inc.	3.4
Kornit Digital Ltd.	2.8
Zendesk Inc.	2.5
Five Below Inc.	2.4
Intra-Cellular Therapies Inc.	2.4
GenMark Diagnostics Inc.	2.4
Floor & Decor Holdings Inc.	2.2
Open Lending Corp.- CL A	2.1
Silk Road Medical Inc.	2.0
Nova Measuring Instruments Ltd.	2.0
<b>Total</b>	<b>24%</b>

Portfolio Characteristics, Allocations, and Top Ten Holdings are derived from representative accounts following the Wasatch Small Cap Ultra Growth style. Individual client accounts may differ from the representative accounts. Portfolio holdings are subject to risks and may change at any time. References to specific securities should not be construed as recommendations by the Advisor.

**Est. 5-year EPS Growth %:** Estimated percentage increase in earnings per share (EPS) per year of the fund's holdings over the next 5 years. Returns are not guaranteed and may be higher or lower. Source: Wasatch and FactSet. **P/E (Forward):** Sum of stock prices of the fund's holdings divided by the aggregate earnings per share of those holdings for the next 12 months calculated as a weighted harmonic average. **Weighted Average Market Cap:** Average market capitalization of companies held by the fund, weighted by their percentage of fund net assets. **Portfolio Turnover:** A measure of trading activity in a fund's portfolio over the past 12 months expressed as a percentage of the fund's average total assets. **Alpha** measures a fund's risk/reward potential. A positive alpha means the fund outperformed the index. A negative alpha means the fund underperformed the index. **Beta** measures a fund's risk in relation to the market. A beta of 0.8 means the fund's total return is likely to move up or down 80% of the market change; 1.25 means total return is likely to move up or down 25% more than the market. **R-Squared** measures (from 0 to 1.0) how closely a fund's movements are correlated with movements of its benchmark. An R-squared of 1.0 would mean that the fund's movements are completely correlated with the movements of its benchmark. **Active Share** measures the difference between portfolio holdings and the benchmark. It is the sum of the absolute values of the different weightings of each holding in the fund versus each holding in the benchmark, divided by 2. **Standard Deviation** measures the degree to which a fund's performance has varied from its average performance over a particular time period. The greater the standard deviation, the greater a fund's volatility (risk). **Upside Capture** explains how well a fund performs in time periods where the benchmark's returns are greater than zero. **Downside Capture** explains how well a fund performs in time periods where the benchmark's returns are less than zero.