

## CELEBRATING 10 YEARS

As we complete our tenth year in pursuit of alpha, the Voss team reflects on our growth over the decade and looks forward to the future. We would like to express our sincere appreciation for all our investors, partners, service providers, and mentors whose support has been essential to achieving our goal of continued success.

Here's to the next 10 years!

### Voss Value Fund

**20.3%** Net 10-year CAGR<sup>1</sup>

**54.3%** Average beta adjusted net exposure<sup>1</sup>

**250+** Names in the long book, over 10 yrs.<sup>2</sup>

**1.29** Annualized Sharpe ratio<sup>1</sup>

Throughout the life of the Voss Value Fund, the market has witnessed at least nine corrections over 10% in the Russell 2000 and four bear markets, including one with a decline of over 40%.<sup>3</sup>

Despite these headwinds, the Fund has achieved a net 10-year 20.3% CAGR using a value-based strategy and highly disciplined process.<sup>1</sup>

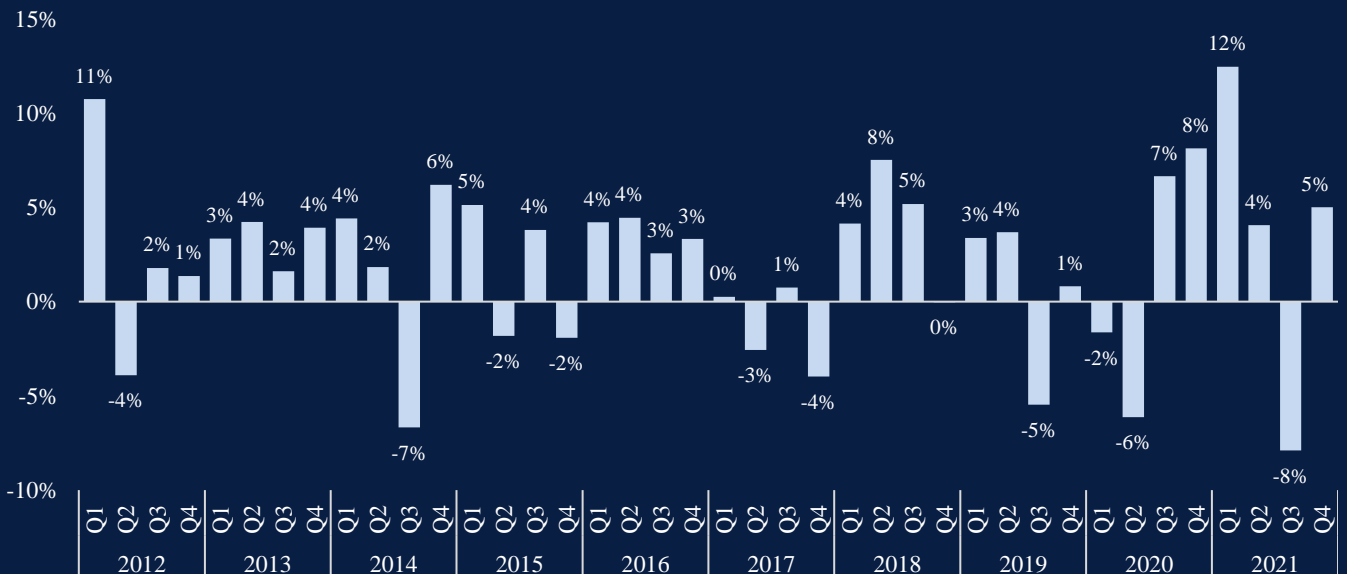
1: Q1 2012 through Q4 2021

2: Names in the short book / all holdings over 10 years available upon request.

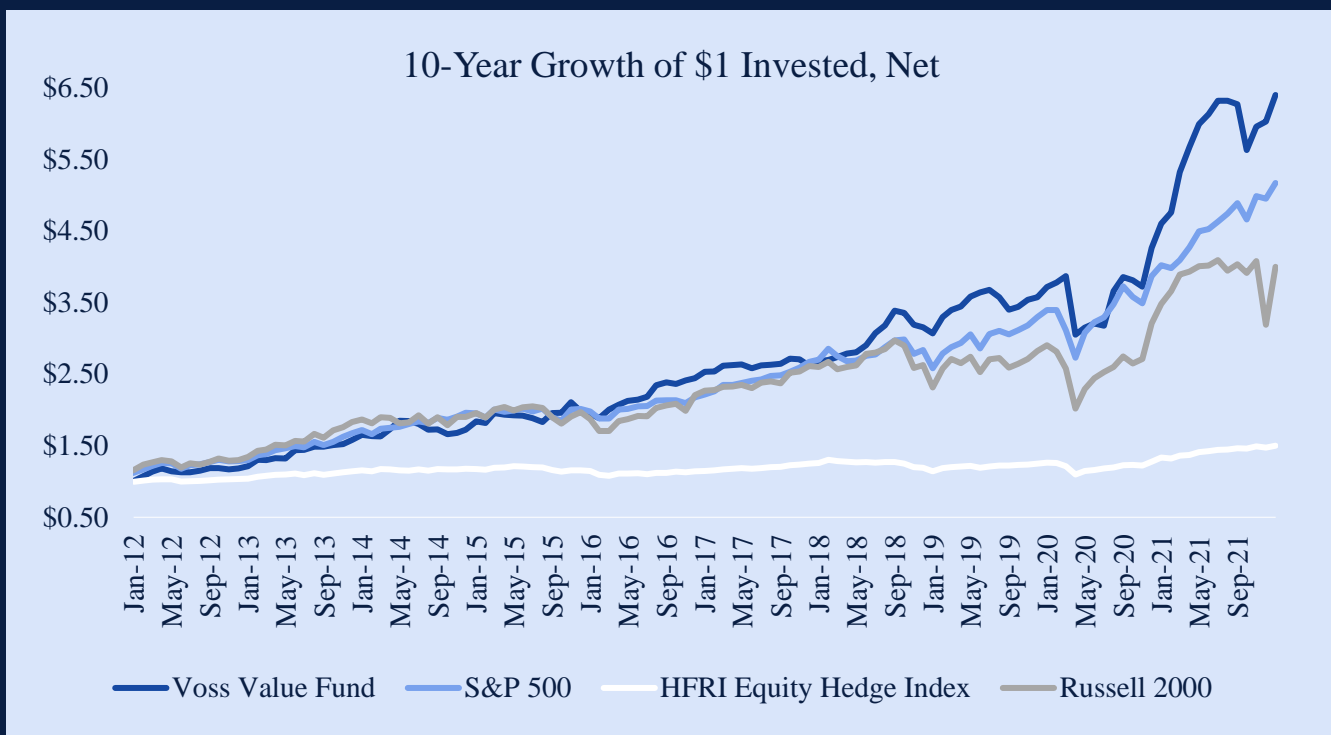
3: A correction is defined as a **market** decline that is more than 10%, but less than 20%. Comparable S&P 500 data available upon request.

### Key Insights

#### Voss Value Fund Quarterly Alpha Generation



Alpha calculated by benchmarking the Voss Value Fund net returns to the S&P 500 by sector. The S&P 1500, is a composite of the stock in the S&P 400, S&P 500, and S&P 600. An investor cannot invest directly in an index or benchmark. Indices and benchmarks do not reflect commissions or fees, which reduce returns. Data is representative of Q1 2012 – Q4 2021, long cumulative alpha available for all positions and time periods upon request.



Figures shown are inclusive of the Predecessor Fund and the Offshore Fund. Unless otherwise noted, returns for the Predecessor Fund and the Offshore Fund are substantially similar. Returns shown through December 31, 2021, net of fees and expenses. Total return is shown for the indices. References made to indices are for comparative purposes only. Past performance is no guarantee of future results. Data is representative of Q1 2012 – Q4 2021, long cumulative alpha available for all positions and time periods upon request.

## A DECADE OF EVOLUTION

As Voss Capital’s AUM has grown, we have remained focused on performance and reinvesting in our team and operational infrastructure. Today, Voss is better resourced than ever before to carry on our intense dedication to providing our investors with exceptional risk-adjusted returns. Below are a few insights on how our portfolio, investment approach and team have changed over the last ten years.

Strategy	AUM
Long/Short	\$312.2 M
Long-Only	\$36.1 M
<b>Firm Total</b>	<b>\$348.3 M</b>

As of December 31, 2021,  
Long/short strategy includes SMA

### Portfolio Evolution

By undergoing constant self-evaluation of our portfolio, we are able to gain key insights and lean into our strengths. For example, for the Voss Value Fund, the team found that positions with market caps greater than \$500M have generated nearly 3.0x the cumulative alpha generated by those with market caps less than \$500M.

This observation demonstrates the efficacy of the Firm’s process in the mid-cap space, opening the door to greater scale and empowering our team to focus on the larger side of our vanilla universe (\$500M - \$10B) going forward.

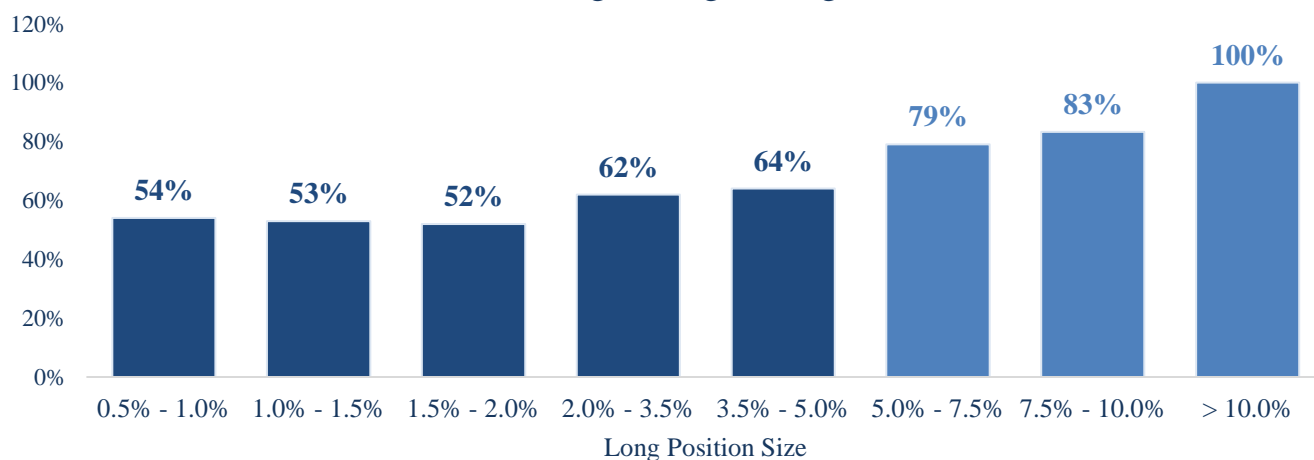
## 10-Year Long Cumulative Alpha by Market Cap, Net



Cumulative alpha calculated by benchmarking the Voss Value Fund net returns to the S&P 500 by sector. Short cumulative alpha of -8.7 over the same period. Data represents Q1 2012 – Q4 2021, long cumulative alpha available for all positions and time periods upon request.

Voss Capital remains disciplined in our strategy of sizing up positions based on our level of conviction and continues to target stocks we believe have the potential to double in a three-year time frame. As we look back over the last 10 years, the batting average has been historically higher for the Voss Value Fund’s largest positions – specifically the Fund’s core positions greater than 5%.

## Batting Average (Long)



Batting Average (Long) represents the ratio of positively performing to negatively performing long positions, measured on a net basis from Q1 2012 through Q4 2021, all time periods available upon request. Batting averages for all positions available upon request.

## Investment Approach

As we have grown as a firm, our approach to our investments has evolved. Travis started Voss Capital spending hours in isolation pouring over SEC filings to analyze the value of companies. Over the years, the team's information-gathering apparatus has greatly expanded and now includes conversing with company management teams, analysts, investors, employees, and industry experts, as well as attending industry conferences. This transformation stems from a greater emphasis on seeking what is truly priced into the underlying securities and identifying potential surprises relative to consensus. In addition, we have gained more experience working with management teams and participating in Board-level discussions. A product of this evolution is Voss Capital's development of a "suggestivist" approach to our core positions. Through a deep understanding of each business, including its competitors, market position, operational challenges, financial structure, and existing sentiment, our team seeks to identify key opportunities for value creation. Rather than passively monitoring for the stock to reach our price target, Voss Capital prefers to work productively with company management teams and Boards - proposing actions and strategies to catalyze value realization.

## Launching Long-Only – Voss Value-Oriented Special Situations

This past spring, the Firm received interest from current and potential investors in a long-only fund. This feedback combined with the historical track record of the long book of the Voss Value Fund led to our decision to launch a long-only fund this past July. The Voss Value-Oriented Special Situations fund runs roughly pari-passu to the long book of the Voss Value Fund and has achieved a **16.85% net return** in the six months since its launch on July 1, 2021, to December 31, 2021.

## Current Team

### Investments

- Travis Cocke, Founder and CIO  
– *founded Voss in 2011*
- Jon Hook, Senior Investment Analyst  
– *joined in 2014*
- Taylor Henderson, Investment Analyst  
– *joined in 2015*

### Operations and Compliance

- Lawson Taylor Steinhaff, COO & CCO  
– *joined in 2020*
- Serena Koontz, Head of Investor Relations  
– *joined in 2021*

## 2022 AND BEYOND

### Voss Capital in 2022

To start 2022, we have been hard at work advocating for corporate governance improvements and positive change at Griffon Corp. (GFF), and we have a robust pipeline of new ideas to pursue. Given the recent market dislocations, along with strong corporate balance sheets and record private equity dry powder, we anticipate a surge of M&A and corporate actions. We believe this will provide a fertile hunting ground for the types of value-oriented special situations that are the focus of our strategy. As we write today, the Russell 2000 Index is ~20% off its November 2021 high and the average stock is deep in bear market territory at ~40% off its 52-week high.<sup>4</sup> Valuation dispersion remains at a record high and judging from history, we believe this bodes well for individual stock picking and future outperformance of the “value” factor. We believe >30% of our long book is currently trading at all-time low valuations (on the valuation metrics that are relevant for each specific company/industry)<sup>5</sup>, including both the March 2009 and March 2020 time periods. While small-cap stocks are now near a 20-year valuation low, we are still seeing plenty of stocks at bubble-like valuations that could fall substantially before finding valuation support. Needless to say, we believe this is one of the best stock picking environments in recent history and certainly since our inception in 2011. We are optimistic about our forward return prospects.

### Record-Wide Valuation Dispersion: Cheapest Decile as a % of Most Expensive Decile on NTM P/E



*The chart is sector-neutral so the cheapest stocks aren't dominated by energy and bank stocks*

## The Next Decade

We have spent the last decade accumulating market knowledge, experience, and hopefully a little more wisdom. We have built out a robust operational infrastructure and reinvested heavily into our research and analytical capabilities. Our track record has been generated in a highly diversified manner by investing across hundreds of companies. Voss Capital's "farm team" strategy has allowed us to hone our screening methods and investment pattern recognition, creating a process that we believe is systematically repeatable and scalable and that continues to generate attractive new ideas. Our singular focus of achieving superior risk-adjusted returns and uncorrelated alpha is straightforward and simple, but never easy. The real world, and by extension markets, operates far from equilibrium at any given moment. Therefore, continued investment success will require comfort with ambiguity and a bit of chaos from time to time – indeed it is periodic chaos that provides the opportunity for long-term alpha. There may be mistakes or setbacks along the way, but we will continue to take the long-term view and focus on constant self-improvement and the factors within our control.

We aim to continue expanding our A+ team and cultivating a performance-driven culture that emphasizes intellectual honesty and independent thinking and minimizes dogma and groupthink. Our team's tireless work over the last decade has laid a solid foundation on which to build and improve upon over the next decade. We remain devoted students of the markets and the human nature that drives them. Although we have reached the 10-year mark, our drive for alpha is stronger than ever and we feel like we still have everything to prove. Thank you again for your investment and support and cheers to continued alpha!

*4. This communication was written in February 2022*

*5. Specific valuation metrics are available on request*

**Disclosures and Notices:**

\*Voss Value Fund inception date: October 3, 2011

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The Predecessor Fund was part of a restructure to a master-feeder structure on January 1, 2020. Beginning January 1, 2020, all investment activity is conducted by the Fund, which has 2 feeder funds, and therefore performance figures from January 1, 2020 onward are calculated based on the Master Fund. All limited partners to the Long/Short Fund invest in the Fund through one or more of the following feeder funds: Voss Value Offshore Fund, Ltd. (the “Offshore Fund”) and the Predecessor Fund (each a “Feeder Fund”). Actual returns are specific to each investor investing through a Feeder Fund. Each Feeder Fund was established at different times and has varying subsets of investors who may have had different fee structures than those currently being offered. As a result of differing fee structures, differing tax impact on onshore and offshore investors, the timing of subscriptions and redemptions, and other factors, the actual performance experienced by an investor may differ materially from the performance reported above. Performance figures for the Predecessor Fund are attributable to Travis Cocke as sole portfolio manager. Mr. Cocke maintains the same the position with the Fund and the Fund will employ a similar strategy as the Predecessor Fund. The Voss Value-Oriented Special Situations Fund, LP, (the “Long-Only Fund”) launched on July 1, 2021 and trades roughly pari-passu with the long book of the Long/Short Fund. Investors have differing fee structures than those currently being offered. As a result of differing fee structures, differing tax impact on investors, the timing of subscriptions and redemptions, and other factors, the actual performance experienced by an investor may differ materially from the performance reported. Travis Cocke is the sole portfolio manager of the Voss Value-Oriented Special Situations Fund. The information contained herein is subject to a more complete description and does not contain all of the information necessary to make an investment decision, including, but not limited to, the risks, fees and investment strategies of the Long/Short Fund and the Long-Only Fund. Any offering is made only pursuant to the relevant information memorandum, together with current financial statements of the Feeder Funds, if available, and a relevant subscription application, all of which must be read in their entirety. No offer to purchase interests will be made or accepted prior to receipt by the offeree of these documents and completion of all appropriate documentation. All investors must be “accredited investors”, “qualified clients” and “qualified purchasers”, as defined in securities laws before they can invest in the Feeder Funds or the Long-Only Fund. While performance results might be shown as compared to various benchmarks or indices, there is no guarantee that the strategy behind the performance results is similar or fully comparable to that of the benchmarks or indices listed. References made to the S&P 500 Index (“S&P”) and the Russell 2000 Index (“R2K”) are for comparative purposes only. The securities and exposures contained within the highlighted benchmark indices are unmanaged and do not necessarily correspond to the investments and exposures that will be held and are therefore of limited use in predicting future performance or evaluating risk. The S&P is a broad-based measurement of changes in the stock market based on the performance of 500 widely held large-cap common stocks. The R2K is a measurement of changes in the US small-cap equity universe, represented by approximately 2000, mostly small-cap, common stocks. These indices may reflect positions that are not within Voss’s investment strategy, and Voss is less diversified than the broad-based indices. The benchmark indexes do not charge management fees or brokerage expenses and no fees were deducted from the benchmark performance shown. All information presented herein has been compiled by Voss, and while it has been obtained from sources deemed to be reliable, no guarantee is made with respect to its accuracy. **Past performance does not guarantee future results.** While the information presented herein is believed to be reliable, no representation or warranty is made concerning the accuracy of any data presented. Certain information contained in this letter constitutes “forward-looking statements” which can be identified by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “attempt,” “anticipate,” “project,” “estimate, or “seek” or the negatives thereof or other variations thereon or comparable terminology. 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