IRON BAY CAPITAL

Iron Bay Fund, LP

MONTHLY PERFORMANCE, ***NET OF FEES***

September 2025

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2025	1.30	(2.20)	(6.65)	(2.96)	4.60	5.33	1.03	10.74	(1.68)	--	--	--	**8.77**
2024	(5.00)	(5.07)	2.05	(10.44)	4.48	3.47	20.53	(.77)	(1.28)	2.38	11.74	(7.21)	**11.68**
2023	2.91	.50	(19.28)	(8.10)	(10.03)	6.10	17.36	(7.36)	(5.42)	(4.06)	9.62	17.28	**(7.11)**
2022	.82	1.86	(3.71)	(7.55)	(.07)	(8.49)	5.20	(.28)	(3.56)	5.51	2.89	(5.86)	**(13.55)**
2021	3.12	13.97	10.66	1.51	5.78	(4.11)	(2.26)	1.65	3.13	3.81	(.81)	2.57	**44.90**
2020	(7.2)	(8.74)	(34.61)	8.27	(5.65)	.89	(8.00)	1.94	(4.89)	13.78	19.51	7.41	**(25.71)**
2019	8.16	4.01	(5.55)	3.79	(4.79)	4.89	2.52	(6.57)	5.10	2.97	4.57	3.10	**23.09**
2018	1.13	(1.62)	1.28	.22	3.73	(.22)	(1.36)	.61	(3.10)	(10.40)	1.26	(14.87)	**(22.36)**
2017	1.64	2.13	(.06)	.20	(2.50)	3.19	(.14)	(1.09)	6.06	.65	2.82	(1.88)	**11.26**
2016	(7.38)	(3.72)	4.99	4.91	1.37	(1.60)	3.82	3.93	(.19)	(.09)	12.18	7.51	**27.14**
2015	(6.42)	4.57	6.43	(.79)	.27	3.23	2.19	1.66	1.61	3.54	4.42	.39	**22.54**
2014	(.43)	1.34	1.31	(3.39)	.85	1.52	(3.59)	1.08	(2.75)	8.94	(.52)	5.22	**9.27**
2013	4.58	.74	1.62	(1.65)	1.62	2.45	5.99	(2.10)	2.30	1.38	4.20	1.12	**24.30**
2012	2.42	.57	3.09	(1.01)	(2.59)	2.59	.06	1.98	3.12	.37	(.91)	2.49	**12.67**
2011	--	--	--	--	--	--	--	--	(.64)	3.05	.91	1.66	**5.04**

OVERVIEW:

The Iron Bay Fund returned (1.68%) in September versus the Nasdaq Bank Index that was down (4.08%). Markets held steady as the Federal Reserve Board cut rates for the first time in nine months.

In a well-publicized move, the Federal Open Market Committee (FOMC) cut rates by 25 basis points, the first cut since December 2024. It is unclear what the path of rates will be going forward with no shortage of opinions from 125 basis points of cuts in the next year to possibly no additional cuts. The committee itself is split on the necessity for further cuts in the near term. Credit quality has been strong and to date analysts have yet to see indicators of any significant credit event. Lower rates could drive even better credit quality performance, especially as it relates to commercial real estate (CRE). Bankers we speak to say lower rates should help spur loan activity and lead to lower credit risk overall. Rate cuts will further benefit the industry by alleviating deposit cost pressures and allowing banks to lower their cost of funds.

We are cognizant that some banks will see potential negative impacts from rate cuts, including immediately lower lending rates on variable-rate loans. Rate cuts could also negatively impact other asset categories, such as short-term securities, certain CRE products, and consumer specialty finance loans.

Total industry loan growth of +4.9% year over year, is sustaining the strong momentum we have witnessed over the last few months (growth continues to get incrementally better). Unfortunately, the Fed's reporting style hasn't much changed and this makes investors cautious. When we look at other numbers, C&I and home equity loans, it looks as if they're still the ones driving overall momentum. Auto loans still continue to perform okay. By contrast, CRE and residential real estate are barely budging. Finally, total deposit growth +4.1% year over year, remains solid.

(continued)

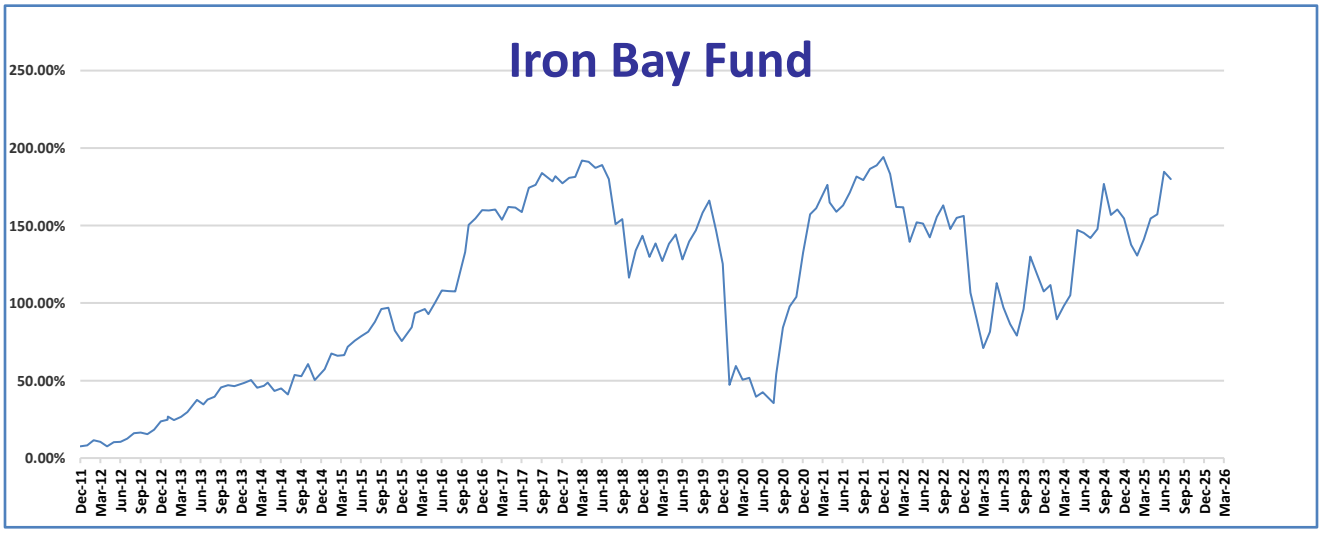
Since the "Liberation Day" sell-off in April, (when market reaction caused a two-day decline of 16% in the large-cap bank index), investor sentiment has improved. Confidence that trade-related (tariffs included) risks may be resolved, or prove less severe than initially feared, has resulted in a strong bounce in the sector. According to Raymond James Research, with the worst-case scenario from trade wars likely off the table, treasury spreads have widened, and bank credit performance remains generally benign.

According to S&P Research, fifty-two U.S. bank deals were announced in the third quarter of 2025, marking the highest quarterly number of deals since the third quarter of 2021, when the industry disclosed 59 transactions. There have been 131 whole bank transactions year-to-date, completed at an average price to tangible book value of 146.61%. We believe activity will continue to build and prices paid will continue to improve.

As of the writing of this month's reports, there was a rather large and surprising bank merger, Fifth Third Bank (FITB) announced plans to acquire Comerica (CMA) in an all-stock transaction valued at $10.9 billion. CMA holders will receive 1.87 FITB shares, representing $82.88 per share and a 20% premium to CMA's 10-day volume-weighted average price (VWAP). This is the largest U.S. bank merger post the Great Financial Crisis, and it creates the 9th largest domestic bank at $290 billion in assets. For FITB, this makes a lot of sense strategically; they get massive cost saves and expansion into new markets without impacting tangible book value materially. We like the deal.

We thank you for your interest in the Iron Bay Fund. If you would like to arrange a call, please contact us.

GRAPH:



RETURN DATA:

Total Return Since Inception	+179.90%
Annualized Return from Inception	+7.58%
Average Monthly Return	+.82%
Std. Deviation of Monthly Return	+6.29%
Sharpe Ratio Since Inception	.28
Beta Since Inception vs. S&P 500	.55

	IRON BAY FUND, LP	NASDAQ BANK	RUSSELL2000
September 2025	(1.68%)	(4.08%)	+2.96%
Year to Date	+8.77%	+1.10%	+9.27%
Last 12-Months	+15.46%	+6.57%	+9.26%
Last 3-Year	+4.86%	+3.72%	+13.54%
Last 5-Year	+15.60%	+12.19%	+10.05%
Inception to Date Annualized	+7.58%	+7.84%	+8.98%

** Iron Bay Fund, LP returns are reported net of all fees.*

Iron Bay Fund, LP

IRON BAY CAPITAL

SERVICE PROVIDERS & INVESTMENT TERMS	
Fund Manager	Robert Bolton
Management Fee	1.75%
Performance Fee	20%
Lock Up	None
Redemptions	Quarterly with 60 Days Notice
Administrator	FIS Global/Virtus Partners
Auditor	KPMG
Prime / Custodian	Jones Trading/ Pershing
Legal	Woods Oviatt Gilman, LLP

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Partnership Overview: Iron Bay Fund, LP is a limited partnership that focuses on investing in the securities of U.S. domiciled, publicly traded financial services companies, particularly community banks. The Partnership has the ability to sell short securities and may utilize moderate leverage in an effort to enhance returns. Iron Bay Fund, LP seeks to invest in companies that have attractive valuations based on fundamentals, merger and acquisition opportunities, increasing dividend payouts and above average capital deployment opportunities. Investments are selected using in-depth fundamental research, supported by robust trading discipline and risk management techniques.

Past performance of the funds is no guarantee of future returns. The return data presented in our monthly letter is representative of our day-one investor returns. Specific investor returns may vary due to the time they came into the fund. This report is for informational purposes only and does not constitute an offer to sell or solicitation of an offer to buy limited partnership interests or shares. Offers can only be made via an offering memorandum, which is available to qualified investors. The respective offering memoranda include a more complete discussion of the various risk factors associated with an investment in the Fund. The limited partnership interests and shares, as applicable, of the Fund have not been registered under the Securities Act of 1933 or applicable state securities laws and are being offered and sold pursuant to an exemption available under such Act for securities issued in a private placement and corresponding provisions of state law. The information contained in this presentation is confidential, proprietary to Iron Bay Capital GP and may be used by the recipient for the sole purpose of considering an investment in the Iron Bay Fund LP.