

**MONTHLY PERFORMANCE, NET OF FEES**
**December 2025**

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2025</b>	1.30	(2.20)	(6.65)	(2.96)	4.60	5.33	1.03	10.74	(1.68)	(2.54)	6.72	2.52	<b>15.98</b>
<b>2024</b>	(5.00)	(5.07)	2.05	(10.44)	4.48	3.47	20.53	(.77)	(1.28)	2.38	11.74	(7.21)	<b>11.68</b>
<b>2023</b>	2.91	.50	(19.28)	(8.10)	(10.03)	6.10	17.36	(7.36)	(5.42)	(4.06)	9.62	17.28	<b>(7.11)</b>
<b>2022</b>	.82	1.86	(3.71)	(7.55)	(.07)	(8.49)	5.20	(.28)	(3.56)	5.51	2.89	(5.86)	<b>(13.55)</b>
<b>2021</b>	3.12	13.97	10.66	1.51	5.78	(4.11)	(2.26)	1.65	3.13	3.81	(.81)	2.57	<b>44.90</b>
<b>2020</b>	(7.2)	(8.74)	(34.61)	8.27	(5.65)	.89	(8.00)	1.94	(4.89)	13.78	19.51	7.41	<b>(25.71)</b>
<b>2019</b>	8.16	4.01	(5.55)	3.79	(4.79)	4.89	2.52	(6.57)	5.10	2.97	4.57	3.10	<b>23.09</b>
<b>2018</b>	1.13	(1.62)	1.28	.22	3.73	(.22)	(1.36)	.61	(3.10)	(10.40)	1.26	(14.87)	<b>(22.36)</b>
<b>2017</b>	1.64	2.13	(.06)	.20	(2.50)	3.19	(.14)	(1.09)	6.06	.65	2.82	(1.88)	<b>11.26</b>
<b>2016</b>	(7.38)	(3.72)	4.99	4.91	1.37	(1.60)	3.82	3.93	(.19)	(.09)	12.18	7.51	<b>27.14</b>
<b>2015</b>	(6.42)	4.57	6.43	(.79)	.27	3.23	2.19	1.66	1.61	3.54	4.42	.39	<b>22.54</b>
<b>2014</b>	(.43)	1.34	1.31	(3.39)	.85	1.52	(3.59)	1.08	(2.75)	8.94	(.52)	5.22	<b>9.27</b>
<b>2013</b>	4.58	.74	1.62	(1.65)	1.62	2.45	5.99	(2.10)	2.30	1.38	4.20	1.12	<b>24.30</b>
<b>2012</b>	2.42	.57	3.09	(1.01)	(2.59)	2.59	.06	1.98	3.12	.37	(.91)	2.49	<b>12.67</b>
<b>2011</b>	--	--	--	--	--	--	--	--	(.64)	3.05	.91	1.66	<b>5.04</b>

**OVERVIEW:**

As we closed out 2025, community banks continue to demonstrate resilience, discipline, and long-term value creation amid a shifting macroeconomic and regulatory environment. December provided a fitting conclusion to the year, reinforcing many of the themes that defined our investment outlook over the past twelve months. The Iron Bay Fund appreciated +2.52% (*net*) in December and +15.98% (*net*) for the year, compared with the Nasdaq Bank Index at +3.45% and +4.23%, respectively.

Community banks ended the fourth quarter with improved balance-sheet clarity following a prolonged period of interest-rate volatility. Net interest margins stabilized across much of the sector as funding costs moderated, and asset yields reset. Credit performance remained sound, with non-performing assets and charge-offs well below long-term averages, despite continued scrutiny of commercial real estate and select consumer credit categories.

Liquidity positions improved meaningfully throughout 2025, supported by disciplined deposit repricing, reduced reliance on wholesale funding, and a renewed focus on core relationship banking. Importantly, community banks continue to benefit from localized deposit relationships and conservative underwriting standards, which have proven durable across cycles.

In December, management teams largely transitioned from defensive positioning to forward-looking capital planning. Many institutions emphasized organic growth initiatives for 2026, particularly in small-business lending, relationship-driven commercial banking, and targeted market expansion. Technology investment, especially in digital account onboarding, payments infrastructure, and back-office automation remained a priority, with spending and capital expenditures evaluated through a disciplined return-on-investment framework.



*(continued)*

Regulatory dialogue during the month continued to signal a more constructive tone toward community banks, with policymakers increasingly acknowledging the importance of proportional regulation and capital flexibility for smaller institutions. This evolving backdrop supports improved strategic optionality, including partnership opportunities, as we enter the new year.

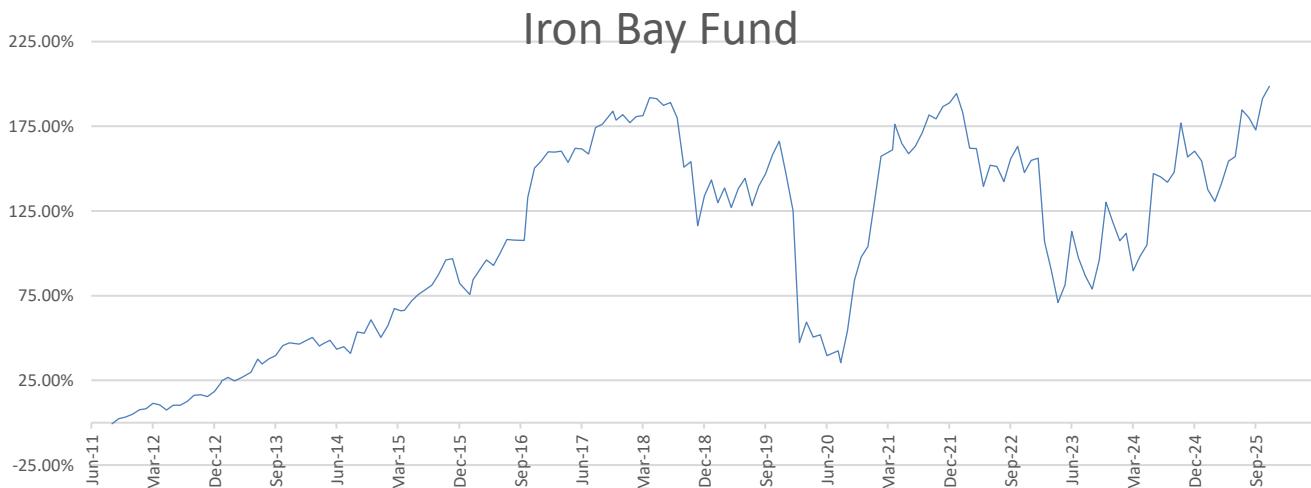
Mergers and acquisition activity remained active throughout 2025, with 179 whole-bank transactions completed at an average price-to-tangible book value of 143.31%. While valuation discipline prevailed, buyers continued to pursue scale, cost synergies, and geographic expansion. Community banks with strong capital levels, clean credit profiles, and experienced management teams remain well positioned either as acquirers or as attractive partners.

Public and private market valuations for community banks continue to trade at a discount to historical norms, particularly relative to asset quality and normalized earnings power. We view this valuation gap as a compelling opportunity for patient, long-term investors. Entering 2026, we believe the sector is positioned for steady earnings growth, improved capital deployment, and selective consolidation. While macro uncertainty and competitive pressures from non-bank lenders persist, community banks' focus on relationship-based banking, prudent risk management, and local market expertise remains a durable competitive advantage.

We continue to favor institutions with strong core deposit franchises, conservative credit cultures, scalable operating platforms, and management teams aligned with shareholder value creation. Our investment approach remains centered on capital redeployment opportunities and merger-driven synergy potential.

We appreciate your continued confidence and look forward to updating you as opportunities develop in the year ahead. Should you wish to arrange a call to discuss our outlook in greater detail, please do not hesitate to contact us.

**GRAPH:**





## RETURN DATA:

	IRON BAY FUND, LP	NASDAQ BANK	RUSSELL2000
<i>December 2025</i>	+2.25%	+3.45%	(.74%)
<i>Year to Date</i>	+15.98%	+4.23%	+11.29%
<i>Last 3-Year</i>	+6.36%	+4.33%	+12.11%
<i>Last 5-Year</i>	+8.55%	+5.30%	+4.68%
<i>Inception to Date Annualized</i>	+7.93%	+7.93%	+8.95%

<i>Total Return Since Inception</i>	+198.46%
<i>Annualized Return from Inception</i>	+7.93%
<i>Average Monthly Return</i>	.84%
<i>Std. Deviation of Monthly Return</i>	+6.26%
<i>Sharpe Ratio Since Inception</i>	.29
<i>Beta Since Inception vs. S&amp;P 500</i>	.55



### 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.*