CEDAR CREEK PARTNERS, LLC

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April 18, 2026

Subject: Cedar Creek Partners 2026 First Quarter Results

Dear Partners and Friends:

The three major US indices we compare against were down in the first quarter primarily due to increased uncertainty in the Middle East. In the first quarter, the NASDAQ declined 7.1%, the S&P500 (SPY) fell 4.4%, and the DJIA fell 3.3%. Other indices we track were slightly positive in the quarter. Cedar Creek was up 6.8% on the quarter, net of fees and expenses.[1]

While Cedar Creek Partners focuses primarily on microcap stocks, and over-the-counter stocks in particular, we compare our returns against larger indices as well since we believe we need to outperform the most prominent passive benchmarks over time in order to justify our existence.

Cedar Creek's average annual return over our 20 year history is 14.9%, net of fees and expenses, which compares favorably to all the indices we compare against. Cumulative returns since inception for Cedar Creek were 1,560.4%, net of fees and expenses.

	Q1 '26	2025	Inception	Ave. Annual
Cedar Creek	**6.8%**	**29.6%**	**1,560.4%**	**14.9%**
NASDAQ	-7.1%	20.4%	831.8%	11.7%
S&P 500 (SPY)	-4.4%	17.8%	634.8%	10.4%
DJIA (DIA)	-3.3%	14.7%	563.5%	9.8%
Russell 2000	0.9%	12.8%	363.7%	7.9%
Russell Microcap	1.5%	23.0%	296.7%	7.1%

* fund inception January 15, 2006. Index Returns as reported on Yahoo! Finance, Morningstar, Dow Jones and Russell.

$100,000 invested in the fund at inception in January 2006 would have grown to $1,660,390 as of March 31, 2026, net of fees and expenses, whereas $100,000 invested in the indices we compare against would have only grown to between $396,749 in the Russell MicroCap and $931,819 in the NASDAQ.

Fund Holdings are at Incredibly Attractive Prices

On the whole, as of the end of March 2026, the fund's holdings were trading at 7.2 times our estimate of earnings for the coming year, and 4.7 times expected earnings net of cash at the respective businesses.[2] Trailing earnings multiple was 8.6 times. Weighted price-to-book was 0.9. Dividend yield was 1.7%. Weighted expected return on

[1] While, no single index is directly comparable to Cedar Creek Partners, we believe that it is important to compare our performance to a passively managed approach. At the core of our investment philosophy is the belief that we can generate superior risk-adjusted returns by holding a more concentrated portfolio of under-valued securities, than an index holding a far greater number of securities. Index returns are calculated from information reported on Yahoo! Finance, Dow Jones, and Russell (see DISCLAIMER for more information).

[2] Ratio excludes cash held by the fund. We add back non-economic amortization in our earnings estimate. Due to the uncertainty of the situation, we did not attribute any earnings or book value for Pacific Coast Oil Trust (ROYTL). We do not include excess capital in banks, except for mutual bank conversions.

equity as of March 31, 2025, was 12.9%. While we provide the metrics because we think they are generally helpful, we would note that some of these metrics can change significantly from quarter to quarter. For example, if we purchase a stock at a large discount to its cash with little or no earnings, price-to-book declines, return on equity declines and earnings net of cash will show as lower, whereas basic price to earnings ratio would be higher. We don't target certain metrics. We try to have an attractive one to five year expected return. We do not try to predict day-to-day price movements nor what will happen 10-15 years from now. We do expect tomorrow to be strikingly similar to today.

Cash Levels and Fund Repositioning

We started the quarter with cash levels at 13% and ended the quarter at just under 13%, which is higher than what we target. At present, cash levels are under 10% as we are finding attractive places to put cash to work. In the first quarter, we finally received the cash proceeds from the sale of First IC Bank and sold the MetroCity Bankshares we received as part of the transaction. In our last letter we noted we had a verbal purchase agreement to put 3% of our cash to work in an illiquid stock, but that deal fell through.

Expert Market Exposure

Our exposure to stocks trading in the expert market decreased to 30% of the fund. As a reminder, expert market stocks are companies impacted by SEC Rule 15c2-11. For those unfamiliar, the rule prevents brokers from not only displaying quotes for non-reporting companies but also restricts transactions for retail customers to selling only.[3] Institutional accounts, depending on the broker, are not subject to the buying restriction.

There are a wide range of differences among "non-reporting" companies. Some are completely dark – meaning they do not communicate any financial results to shareholders (unless forced to under law). Others update quarterly or annually on their website, sometimes behind a password login. Others mail annual results out to shareholders, or just shareholders of record, but do not post them publicly.

Four positions make up about 75% of the fund's expert market exposure – **Exco Resources** (expert: EXCE) is about 8% of the fund, **PHI Group** (expert: PHIG) is 7%, **Harbor Diversified** (expert: HRBR) is 4% and **PD-Rx Pharmaceuticals** (expert: PDRX) is 3% of the fund.

We discussed **Exco Resources** in our 2025 year end letter. Fairfax owns over 49% of the company. It is primarily an onshore domestic natural gas producer. At $21 per share it currently trades around four times our 2026 earnings estimate. If it was listed, we think it would trade near its year end PV-10 per share, or roughly $55 per share. If it was put up for sale, we think it could fetch around $80 per share.

We continue to believe **PHI Group** (expert: PHIG) is worth two to three times the most recent trading price. That would value it in line with publicly listed peers. PHI Group is a leading provider of helicopter flight services for the global oil and gas exploration and production industry and the air medical industry. The Company emerged from bankruptcy protection in September 2019. The bankruptcy was primarily due to excessive debt rather than poor financial performance. PHI has subsequently focused on improving its margins and prioritizing a conservative balance sheet. The Company had filed an S-1 registration

[3] We are aware of one major discount broker that still displays quotes to its customers, most do not even provide that making selling difficult. There are no public quotations such as on otcmarkets.com.

statement but withdrew it in May of 2025. Oaktree and First Pacific Advisors each were listed as owning approximately 18% of the common shares.

Harbor Diversified is a recent addition to the fund. While we have followed the story for a few years and occasionally owned a small amount of shares, we decided to purchase shares after their December 18, 2025, announcement of the company selling its Air Wisconsin subsidiary and all related aircraft in three separate deals for aggregate consideration of $113 million. They are delinquent in their SEC filings but are in the process of catching up. As of December 31, 2024, we know they had $112 million in cash and securities, which we do not think was part of the assets sold at the end of 2025.

What we don't know is how much money Harbor lost in 2025 prior to the asset sale. We are estimating Harbor lost $60 million in 2025, with $25 million of the loss being due to depreciation, resulting in a cash loss of $35 million. If roughly correct, that would leave Harbor with around $180 million in cash and securities after paying transaction costs and taxes. Shares outstanding as of March 11, 2026, were 58.4 million. That would equate to $3.08 per share versus the current $1.50 per share price. At that gap, we don't have to be precisely right, just approximately.

Harbor's 10-K for 2024 was filed on April 8, 2026. The filing included a notation stating:

> We are currently in the process of evaluating potential strategic alternatives, which may include investments in, or acquisitions of, one or more businesses, assets, technologies, joint ventures, or other strategic opportunities. Any such transactions could involve one or multiple investments or acquisitions, be in any number of industries or lines of business (which may or may not include the airline industry), and involve the use of cash, equity securities, or a combination thereof. In addition, we may pursue other strategic alternatives, which could include, without limitation, the issuance of one or more cash dividends, share repurchases, tender offers, registering as an investment company, a liquidation, or other potential transactions.

Based on the language in the 10-K, we expect Harbor to either acquire a business at a fairly attractive price or return capital to shareholders.

During the quarter, we also received additional consideration in the **Propel Media** force out. The company was acquired at the end of 2025 for $1.451 per share plus potential escrow payments. In the first quarter we received two additional payments that totaled just over $0.04 per share. While not a huge amount, it was meaningful in relation to our cost basis of roughly $0.25 per share.

We expect to continue to allocate a meaningful portion of the fund's portfolio to expert market stocks based on the belief that they will generate satisfactory returns for the fund over time.

Performance Attribution

In previous letters we noted that we currently think of the fund as having three categories: expert market stocks, control positions (where the fund manager is on the board and can have greater influence over decision making), and generally undervalued securities.

Most of the fund's gain in the first quarter was due to the increase in the valuation of our control position. It increased 34% in the quarter. Our expert market stocks increased in value by just over 1% in the first quarter, while our generally undervalued securities increased 5%.

Update on Our Control Position

By control, we mean that the fund manager is on the Board or in a position to significantly influence decision making, not that he has total control and gets what he wants. With the sale of PharmChem in 2025 there is only one such holding in the fund at present.

Solitron Devices (otc: SODI) - the bid price for shares increased from $18.69 per share to $25.00 per share during the first quarter. As a reminder, the fund manager is CEO and a board member of Solitron. The fund owns 11% of Solitron's outstanding shares and the fund manager and his immediate family own 3%.

In our 2025 year end letter we discussed the increasing backlog at Solitron. As a reminder Solitron has defense/aerospace exposure to increased production of HIMARS launchers, AMRAAM missiles, and Standard Missiles 2, 3 and 6. We noted that the increased backlog positions the company for increased revenue. On February 3, 2026, Solitron announced that it would be evaluating strategic alternatives after having received an unsolicited acquisition proposal that did not come to completion. We have also seen press reports of the President's defense reconciliation proposal which asks for $350 billion, including amounts for multi-year procurement for 12 critical munitions, three of which are AMRAAM and Standard Missiles 3 and 6. Even at a reduced figure, it could be significant. We have also seen independent national security analysts pointing out the potential growth in the space Solitron is in (link).

Due to being an insider, we only restate what has been publicly released in our SEC filings or press releases, or what we have seen in the public sphere. We also do not provide any valuation estimates for Solitron.

Update on Other Fund Holdings

ENDI Corp (otc: ENDI) – we profiled ENDI in our 2024 first quarter letter. The share price declined during the first quarter from $16.75 per share to $15.00 per share. ENDI owns CrossingBridge Advisors, which manages fixed income mutual funds and a few managed accounts. Assets under management (AUM) for CrossingBridge grew over 19% in 2025 and 30% in 2024. While AUM was flat in Q4 and up modestly in Q1 of 2026, we think the current interest rate environment is fairly attractive for short term bonds versus money markets.

ENDI has approximately 6.67 million shares outstanding, resulting in a market cap of ~$100 million. Cash and investments were $55 million as of December 2025, and the only debt was a $10 million note. Adjusted EBITDA for 2025 was $11 million. We expect them to introduce some additional products in the next year which should help AUM growth to continue. Our fair value estimate keeps rising as the company continues to execute, which is what you ideally want in all your equity investments. We look forward to what 2026 will bring.

Community Banks

We noted in our last few letters that the fund has been building up a basket of what it sees as attractively priced community banks. At year end, 20% of the fund was in bank stocks. This included First IC mentioned above, which was just over 6% of the fund. We received the cash and shares related to its merger with MetroCity. At the end of the first quarter our bank exposure was about 16% of the fund. Our top bank holdings are **Steele Bancorp** (otc: STLE), **Skyline Bankshares** (otc: SLBK) and **River Financial Corp.** (otc: RVRF).

In the last few months, we have built a position in **Steele Bancorp** (otc: STLE). Steele is the product of a merger of two rural Pennsylvania banks – Mifflinburg Bancorp and Northumberland Bancorp. Assets are $1.26 billion. Equity is $118 million. Steele has only reported two quarters of results since the merger, but the synergies are impressive. When we back out the bargain purchase gain adjustment in Q4 and the related merger expenses, the bank earned $1.54 per share using a 17% tax rate (their actual rate was far lower). In addition, intangible amortization was $0.20 per share, thus adjusted cash earnings were ~$1.74 per share, or $7 per share annualized. The bank trades at $36 or just five times its current cash earnings run rate. We expect earnings to continue to grow.

We profiled **Skyline Bankshares** (otc: SLBK) in our Q1 2025 letter. We built a position a year ago at under $13 per share and it closed Q1 at $21.75 per share. It still trades at just six times our estimate of cash earnings for 2026.

River Financial Corp. (otc: RVRF) is based in Alabama. Most shares are locally owned and we purchased most of our position directly through the bank in October at just over $33 per share. We took out all the sellers. Shares can be challenging to buy through certain brokers. We could not buy in our Schwab account for some reason.

River Financial has nearly $4 billion in assets and $300 million in equity. 2025 earnings per share were $5.43, but that doesn't show the true earnings level. In 2025 they sold some of their securities portfolio which incurred a loss of $10.1 million. Since reported pre-tax income was $54.6 million, earnings were reduced by roughly 20%. Excluding the loss, earnings would have been about $6.50 per share. We calculate adjusted Q4 at $1.71 per share, or $6.85 annualized. The share price has risen recently to $46.50 per share, or about 7 times earnings.

The fund has small positions in other community banks. Nearly all are modestly growing and trading at less than six times earnings, and we believe they should trade at higher valuations, and would be attractive acquisition candidates.

Tax Information and K-1's

Investor K-1's were issued electronically on April 1. The fund's annual audit report was sent out on April 18. If any of the fund's investors did not receive either, please contact us.

Room for New Members and/or Additional Funds

We continue to have more attractive ideas than capital. Thus, there is plenty of room for existing partners to increase their investment and for others to join. Please consider referring friends of yours who may be potential new investors. The basic requirements are 1) that each invests a minimum of $100,000 and 2) that new members are accredited (high net worth) individuals. Subsequent investments must be for a minimum of $10,000.

If this letter was passed on to you and you would like to be added to our monthly distribution list, please email me at the email address below. You can find more letters at eriksencapitalmgmt.com/investor-letters. Should you have any questions regarding the fund, please don't hesitate to call or email.

Sincerely,

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Fund Performance

The financial performance figures for 2026 presented in this report are un-audited estimates based on the best information available at the time of the letter and are subject to subsequent revision by the Fund's auditors. Past performance may not be indicative of future results and no representation is made that an investor will or is likely to achieve results similar to those shown. All investments involve risk including the loss of principal.

Net Return reflects the experience of an investor who came into the Fund on inception and did not add to or withdraw from the Fund through the end of the most recently reported period. The reported net return figures will therefore include the impact of high water marks in the cumulative return. Individual investor returns will vary depending upon the timing of their investment, the effects of additions and withdrawals from their capital account, and each individual's high water mark figure, if any.

Index Returns

The S&P500 Index returns are reported using the S&P500 Depository Receipt Trust (SPDR) which trades under the ticker symbol SPY. Reinvested dividends are included in these figures. A spreadsheet showing the SPY performance versus the fund since inception is available upon request.

Nasdaq performance excludes dividends, which historically have been immaterial to the total return of that index. In recent years more technology stocks have begun paying dividends thus the inclusion of dividends would increase the reported figures.

Russell 2000 performance is from data reported on Russell's website and includes reinvested dividends.

DJIA returns are reported using the SPDR Dow Jones Industrial Average which trades under the ticker symbol DIA. Reinvested dividends are included in these figures. A spreadsheet showing the DIA performance versus the fund since inception is available upon request.

While reported returns for SPY and DIA will likely be a few tenths of a percentage lower than the representative index annually, we believe they are a better reflection of what a non-institutional investor would earn following a passive investment approach.

Index returns are provided as a convenience to the reader only. The Fund's returns are likely to differ substantially from that of any index, and there can be no assurance that the Fund will achieve results that are superior to such indices.

Share Prices

Share price figures for listed stocks are from Schwab's reporting and unless specified otherwise are the closing price as of the previous month end. Share price figures for unlisted stocks are closing bid prices as reported on otcmarkets.com, except for unlisted stocks classified as expert market, which do not have public availability of quotes, and are marked to last sale.

Forward Looking Statements

This letter and the accompanying discussion include forward-looking statements. All statements that are not historical facts are forward-looking statements, including any statements that relate to future market conditions, results, operations, strategies or other future conditions or developments and any statements regarding objectives, opportunities, positioning or prospects. Forward-looking statements are necessarily based upon speculation, expectations, estimates and assumptions that are inherently unreliable and subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements are not a promise or guaranty about future events.