South Atlantic Capital Management Group, Inc.

Investment Management

March 31, 2024 Portfolio Review

COMPOSITE PERFORMANCE SUMMARY

South Atlantic Capital (SACMG) Core Equity Composite[1] versus S&P 500 and Russell 1000 Value
Annualized as of 3/31/2024

	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	Since Inception (1/1/1992)	Total Return Since Inception
SACMG Core Equity (Gross)	13.43%	3.25%	7.52%	8.25%	12.60%	9.00%	12.26%	4041.25%
SACMG Core Equity (Net)	12.31%	2.22%	6.45%	7.17%	11.50%	7.95%	11.16%	2915.79%
Russell 1000 Value[2]	20.27%	8.14%	10.33%	9.03%	13.10%	8.30%	9.93%	2006.38%
S&P 500[3]	29.88%	11.54%	15.08%	12.98%	15.63%	10.16%	10.34%	2282.38%

South Atlantic Capital is an independent investment adviser registered with the State of North Carolina and the Commonwealth of Virginia. South Atlantic Capital claims compliance with the Global Investment Performance Standards (GIPS®). The firm maintains a complete list and description of composites, as well as GIPS® Reports, which are available upon request by calling (910) 763-4113, or emailing info@southatlanticcap.com.. All returns include reinvested dividends and interest. Past results are not indicative of future performance.

Attached is our most recent GIPS verification through December 31, 2022, including the GIPS Composite Report for our Core Equity Composite (as well as necessary disclosures).

Performance

The increased likelihood of a reduction in interest rates caused a sharp market rally in the 4th quarter of last year and in the first quarter of this year. Our first quarter Composite returns of 6.49% (6.23% net of fees) lagged the return of 8.99% for the Russell 1000 Value and 10.56% for the S&P 500. Our returns trailed the indexes almost entirely due to two positions in the portfolio: Ardagh Metal Packaging and Warner Brothers Discover.

We continue to firmly believe these two positions will prove to be good investments versus a client's original cost and particularly worthwhile investments compared to today's reduced price levels. We have executed, for over thirty years, a long-term concentrated approach based on thorough research which we believe gives us a better insight into a stock's long-term prospects than the average investor or "the market."

We take a much longer view than most market participants which can mean our assessment of an appropriate stock price can be well above the current price when short-term investors are compelled to react strongly to problems affecting a company's business which we consider relatively temporary. In our view, that is particularly the case with Ardagh. For Warner Brothers, before seeing a meaningful increase in their share price, they need to demonstrate that they can scale their streaming product particularly internationally and increase profitability to offset declining legacy cable networks, which we believe they will do.

These two positions, which have hurt recent performance, I'm sure are very frustrating. They have hurt portfolio values more than any two positions that I can remember. However, the long-term reasons we own these stocks are starting to become clearer and, although we reallocated a little of Ardagh to Oracle, in our view, it would be a huge mistake to sell these positions. As Warren Buffett puts it, "*The Stock Market is a Device to Transfer Money from the Impatient to the Patient*." Before I discuss these two stocks further below, I want to highlight dividend increases and share buybacks for the rest of the companies held as of December 31.

Excluding these two positions, the portfolio has performed well. The dividend increases for this past year's 4th quarter (versus one year prior) and share buybacks, which are outlined below, are a tangible indication of the portfolio building value over time. JPMorgan recently raised their dividend another 9.5%. Share buybacks mean your ownership of the company has increased due to the company buying back shares. Typically, our holdings that do buybacks are also growing their earnings, so their profits are growing, and your share of those profits is increasing.

Dividend Increases*		Share Buybacks**	
Enterprise Products	5.1%	Negligible	
Brookfield Corp	14 %	1.7%	
Citigroup	4%	1%	
Philip Morris*	2.4%	Negligible	significant acquisitions ZYN + U. S. IQOS rights
JPMorgan	5.0%	2%	bought First Republic
Exxon**	4.4%	4.6%	
Autozone	no dividend	7.4%	
Liberty/Sirius***	9.9%	1.3%	
CF Industries	25%	6.5%	bought Waggaman facilities 4% output inc.
Berkshire Hathaway	no dividend	4.1%	continue to build substantial cash position
Cigna	5.2%	14%	
On Semiconductor	no dividend	1%	bought back significant convertible notes
Brookfield Asset	19%	negligible	
Lockheed Martin	4.6%	5%	
Live Nation	no dividend	negligible	significant concert venue acquisitions
Fox Corp	4.0%	8.9%	
Plains Group	23%	negligible	

* Per regulatory filings and earnings releases from our portfolio holdings.
** Per regulatory filings of our holdings, we have summarized the reduction in shares outstanding from 12/31/23 to 12/31/24.

Ardagh Metal Packaging Group - We purchased shares in Ardagh after they announced an almost 50% capacity increase with partial protection provided by long-term contracts. According to their regulatory filings, Ardagh is a top-three aluminum can supplier. Their top ten customers are companies like Coca Cola, Pepsi, Heineken, AB InBev, Diageo, Monster Beverage, National Beverage, Group Petropolis and others which generate 58% of their revenue. They have 2-7 year contracts with these companies and others which represent 80% of their revenue. These contracts lead to strong customer relationships and include pass-throughs for aluminum and other significant costs. The other 20% of their business is through one-year contracts.

Their customers needed more cans since aluminum cans, due in large part to their sustainability, are taking share from plastic and glass bottles. Also, according to Beverage Industry.com, approximately 80% of new beverage products are using aluminum cans due to the sustainability as well as the marketing advantages that you see in the store with different shapes and sizes and more colorful packaging.

Earnings and the stock price have not hit expectations due to the huge spike in natural gas costs in Europe resulting from the Ukraine war. This caused a large drop in operating margins in Europe where they generate about 40% of operating profit. The strength of their business position and long-term need for aluminum cans (why we bought the company) allowed them to renegotiate their European contracts in early 2023 to make energy costs a pass through which is starting to work its way through recovering margins in Europe as these contracts are implemented.

The other factor hurting Ardagh's profits is volume growth below expectations and less than their increase in capacity as large customers, who typically actively use in-store promotions, were compelled to raise prices aggressively in 2022-2023 due to the double digit increase of their input costs. This hurt can volumes. As a result, Ardagh saw volume increases in 2022 and 2023 but not yet enough to absorb all the fixed costs from the expansions and allow margins to normalize at the historical level of 15-16% of operating profit.

Particularly since the big beverage companies are losing share to generics and based on commentary from Ardagh, Crown, as well as Ball Corp, promotions are starting to return to normal levels as you would expect as inflation moderates.

In our view, the long-term future for aluminum can volume growth remains bright and the two important short-term headwinds to profits mentioned above have started to turn around. We expect free cash flow per share (before some growth cap ex) of $0.55 to $0.60 per share in 2024 versus their current stock price of $3.30 per share.

EBITDA MARGINS

	2020	2021	2022	2023
Europe	15.6	15.3	10.2	10.4
Americas	16.0	17.2	15.6	14.0
Total	15.8	16.0	13.3	12.5

At a company margin of 13%, 14%, 15%, and 16%, and assuming 6% revenue growth due to volume increases, we estimate their free cash flow per share (before growth cap ex) would be approximately:

	2024	2025
13%	$.55	$.62
14%	$.70	$.77
15%	$.77	$.85
16%	$.86	$.95

By comparison, Crown Corp currently trades at approximately 12.1 times trailing free cash flow per share before growth cap-ex and Ball Corp, which is the industry leader, trades at approximately 15.1 times, which is somewhat below historical levels. Ardagh is undervalued in our view but probably won't reach those

valuations until their net debt is below 4x EBITDA which we expect in 2025. Their first debt maturity is not until 2027 and their first debt maturity with rates above current rates isn't until 2028.

Their debt levels would already be approaching appropriate levels after debt was increased to finance the expansion except the company is, in our opinion, making a very poor decision to pay a large dividend instead of paying down debt. As mentioned previously, we reallocated some money from Ardagh to Oracle, and this poor decision is the reason for reducing the position somewhat, but our long-term view of the operating prospects for a top 3 worldwide aluminum can manufacturer remains positive.

Warner Brothers Discovery - We had owned Discovery Communications prior to their merger with Warner Brothers and had watched them go through the successful acquisition of Scripps Networks to gain scale and benefit from synergies. We kept the stock and bought more as they merged with Warner Brothers.

The Warner Brothers merger brought valuable sports rights and news to their cable network business, a successful film studio, a very successful tv studio, a valuable video game division that gives them another avenue to monetize their content and, most importantly, HBO and the Max streaming service.

We think that they have great content that will ultimately make them one of the most successful and profitable streaming and world-wide media companies. However, they are behind schedule growing streaming profits which is creating doubt. We expect some industry consolidation during which the weaker streaming companies that continue to lose money will scale back, drop out, or merge and help increase profitability for the rest of the industry. Warner Brothers Discovery is the only company other than Netflix to show an annual profit in streaming and have almost 100 mm subscribers.

We believe Disney and Warner Brothers own the most valuable content of any media company. We view that as not the only thing necessary for success but the most important thing.

Their content includes the Warner Brothers 100 year film library, HBO, the premiere pay television network, all the popular television series created by Warner Brothers' leading television studio, and very valuable intellectual property to create new content which includes Game of Thrones and spinoffs like the House of the Dragon, Barbie, Dune, and content reinvigorated by their CEO David Zaslov. Examples include several new Lord of the Rings films, a new Harry Potter series for their streaming product Max, and a recently signed deal with Tom Cruise to make his movies. Success remains to be seen since it takes 2-3 years to make a movie, but they hired David Gunn, a successful movie maker, to increase the value of their rights to make DC Comics movies such as Batman, Superman, Wonder Woman, the Joker, the Penguin, and others.

Building a streaming business is difficult, but part of the reason they are behind schedule is, in our estimation, that they did poor due diligence on the Warner merger compared to the relative smoothness of the Scripps merger, and they have been preoccupied fixing problems. They have now finished weeding through and stopping poorly thought-out projects by AT&T, the previous owner, and have realized most of the synergy savings from the merger such that they are now generating about $5bb per year of free cash flow or about $2/share versus the current stock price of just over $8.

This, along with last year's Hollywood strikes which limited new content, has delayed the rollout of Max internationally, but it is finally underway. Max includes an improved and more customer friendly app as well as new content from the old Discovery Channels, Fixer Upper, etc. to add to the HBO content plus their vast film and television series libraries. They just relaunched Max and the new app in late February in Latin America and will relaunch in almost all of Europe in the summer, excluding the U. K., Germany, and Italy

where they have existing licensing agreements for HBO until 2026 after which they will launch in those countries. They launch in Japan, Australia, and other parts of Asia in 2025. The summer of 2024 launch includes France and Belgium, which are completely new markets.

Sort of an "ace in the hole" are previous relationships Discovery has with several hundred million viewers around the world, primarily through Eurosport as well as the Discovery Channels. Eurosport has the exclusive rights to air the Paris Summer Olympics, all the Grand Tour cycling events including the Tour de France, the Grand Slam tennis events and major golf and motorsports events. Their sports rights play second fiddle to ESPN and the broadcast networks in the U. S. but not in Europe and elsewhere, and overseas is where Netflix gets 2/3 of their revenue. This, along with new movies like Dune 2 and the second season of House of the Dragon, gives them numerous opportunities to promote Max to potential new subscribers. It takes a while to reboot the DC Comics movies but, if successful, this plus new Lord of the Rings movies and several Harry Potter series for Max, along with new series of The Last of Us, the White Lotus, and Euphoria (which were delayed by the strikes) gives them what we believe is even stronger content to promote in 2025-2026.

The reason the stock has traded off so much is high debt levels from the merger, although it is declining rapidly, for a company that depends on the declining Pay TV bundle for much of its cash flow since the profitability of streaming is not yet accomplished.

We think the recent negotiations between Charter (Spectrum) and Disney are potentially a very positive development for stabilizing the Pay TV bundle. Numerous consumer surveys show that viewers would prefer a bundle for their streaming products—one bill and one app. Charter successfully renegotiated their contracts with Disney at renewal last year where they quit carrying several weaker Disney cable channels and got Disney to include Disney+ and, eventually, ESPN+ into the Pay TV bundle at no extra cost to consumers. It's no extra cost because the money Charter/Spectrum pays Disney for their streaming products is roughly equal to what they are no longer paying them for the weaker cable networks. This could be a template for future negotiations between pay TV providers and media companies to stabilize and possibly grow the bundle.

Importantly, Netflix recently added significant subscribers by cracking down on password sharing. Warner Brothers now feels Max is in a strong enough position to do the same thing starting in the second half of this year and into next year.

None of these things by themselves make us confident in the outlook for their stock but, taken together along with the fact that Warner's balance sheet should be where they want it early next year and free cash flow, would allow them to buy back **over 20%** of shares outstanding at current levels; however, the combination of these factors, along with a possible buyout bid, make us more than comfortable with the position.

Complacency

We are firmly in the camp that investors are too complacent about the risks that we feel bear consideration. That leads to an environment where stocks are richly priced, making it more difficult to find investments that meet our criteria. Repeated use of the word Goldilocks to describe the economy is a "tell" to us that many investors are overly complacent. According to Orville and Wilber Wright, "the Greatest Risk to Flying is Complacency" and ,in our view, complacency about risk is something to be strongly avoided when investing.

Loose federal spending for a long period, leading to high debt-to-GDP levels, as well as an aging population, are a poor recipe for sustainable fiscal policy and certainly have the potential to pressure interest rates higher.

The premium of earnings yields on stocks (earnings per share/stock price) over bond yields is below normal and assumes a decline in bond yields to get back to normal levels. If bond yields don't decrease, normal earnings premiums require stock prices to decline (or earnings growth needs to accelerate) for a normal earnings premium to be restored..

A period of artificially low interest rates like we have seen since the Great Financial Credit Crisis in 2007-2008 stimulates the economy, creates excess risk taking and excessive leverage. As low interest rates increase, as they have recently by 5%, negative consequences arising from assuming low interest rates will last forever often follows. Increased interest rates and the end of artificially low interest rates means several things need to be considered.

1. The economy may not grow as fast as it did when rates were so low
2. A 5% increase in the fed funds rate typically leads to a recession
3. Valuations are well above normal despite higher bond yields which typically lower stock valuations
4. A relatively small change in the economy can lead to a large change in the availability of credit
5. Default rates should be higher as the cost of credit increases, particularly for companies whose leveraged balance sheets can't afford higher rates

We continue to believe this is an environment where you need to force yourself to insist on a margin of safety**. A margin of safety** according to Ben Graham, "relieves the investor from the burden of providing an accurate assessment of the future" and helps protect you against the risks we mentioned previously if they manifest themselves more strongly in the months ahead. Per our third-party reconciliation firm, SS&C Black Diamond, the dividend yield on a representative account was 3.34% as of May 1 compared to the 1.41% yield on the S&P 500, according to Standard and Poor's. A solid dividend yield also provides some protection from these risks. Given the excessive valuation of the broader market, it is more difficult for us to find investments that meet our criteria and have a margin of safety which is why cash equivalent holdings levels are higher than normal. If we find investments that meet our criteria, including a margin of safety, our cash holdings will decline as we get more fully invested. We certainly thank you for your support and please let us know if you have any questions.

Best regards,

Eddie Nowell

DISCLOSURES

[1]***Core Equity Composite*** *contains all fully discretionary accounts invested in equities excluding accounts that use significant leverage and, for comparative purposes, is measured against the total return for the S&P 500. It includes accounts managed for capital appreciation as well as accounts managed for a combination of capital appreciation and current income. The equity securities are generally large cap value-oriented U.S. equities. The portfolios also include equity securities that provide higher current income such as master limited partnerships, real estate investment trusts and similar securities that "pass through" most of their cash flow as distributions. The portfolios are invested in approximately 20-25 positions but have held fewer than 15 positions in the past.*

[2]***Russell Value 1000 Index*** *is also market-cap weighted and measures the performance of the large-cap "value" segment of the US equity universe. This index originated in 1987.*

[3]***S&P 500 Index*** *has been widely regarded as the best single gauge of the large cap U.S. equities market since the index was first published in 1957. The market-capitalization-weighted index has over U.S. $15.6 trillion indexed or benchmarked, with indexed assets comprising approximately U.S. $7.1 trillion of this total. The index includes 500 leading companies representing all major industries of the U.S. economy and captures approximately 80% of all U.S. equities. Returns include the reinvestment of dividends.*

Returns are presented gross and net of management fees and include the reinvestment of all income. The U.S. Dollar is the currency used to express performance. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request, as are GIPS Reports and lists and descriptions of South Atlantic Capital's composites, by emailing Info@SouthAtlanticCap.com or calling (910) 763-4113. Portfolio composition is subject to change at any time and references to specific securities, industries, and sectors in this letter are not recommendations to purchase or sell any particular security. Current and future portfolio holdings are subject to risk.

The discussion of our firm's investments and investment strategy (including current investment themes, the portfolio managers' research and investment process, and portfolio characteristics) represents the firm's investments and the views of the investment adviser, at the time of this letter, and are subject to change without notice.

Past results are not indicative of future investment performance. An investor should further understand that future results may represent losses for account holders.

EDWARD D. NOWELL

Edward D. Nowell is President and founder of South Atlantic Capital Management Group, Inc.

Mr. Nowell has forty years of experience in the finance business. Since founding South Atlantic Capital in 1991, he has been the sole portfolio manager of our Core Equity Composite, which has outperformed the S&P 500 since its inception on January 1, 1992, and ranks highly among its peers in performance and downside protection during that time period. Recently, he was named a top 10 performing manager by PSN Informa among Large Cap Value managers for the 3rd quarter of 2021 and was named a top 10 Manager of the Decade among all Large Cap Managers at year-end 2012. Previously, he was an Assistant Vice President at Bankers Trust Company in New York. His primary responsibility was arranging bank financing for leveraged buyouts led by Kohlberg Kravis and Roberts, Forstmann Little, and other leading private equity firms. During business school he interned with Merrill Lynch's Capital Markets Group in New York. Later, he served as an Institutional Fixed-Income salesman with Carolina Securities/ Prudential Bache and worked with Fox, Graham, and Mintz, Securities. He graduated from the University of North Carolina at Chapel Hill and received his M. B. A. from the Darden Graduate School of Business Administration at the University of Virginia.

PHILLIP A. TITZER

Mr. Titzer is Chief Operating Officer & Compliance Officer of South Atlantic Capital Management Group, Inc.

Mr. Titzer joined South Atlantic Capital in March 2020, bringing twenty-four years of investing and business operations experience to the firm. As a CFA® charterholder on the advisor's investment committee, he adds additional valuation and investment management experience to the organization. Previously, Mr. Titzer was a portfolio manager and head of investment operations for The Edgar Lomax Company, a large-cap value equity manager in Alexandria, Virginia. There, he directed all research, trading and portfolio administration activities and, along with the firm's founder, managed the Edgar Lomax Value Fund (a mutual fund that earned Morningstar's highest rating of 5 Stars as of December 31, 2019) as well as high-net-worth and institutional separate accounts totaling approximately $1.6 billion. Prior to that, he was a nuclear-trained submarine officer in the U.S. Navy, serving on the U.S.S. Kentucky (SSBN 737) and, later, as a combat control test & evaluation officer for Naval Sea Systems Command. Mr. Titzer holds a B.S. in Mechanical Engineering from Rose-Hulman Institute of Technology and an M.B.A. in Finance from George Mason University.

Alpha Performance Verification Services

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Independent Verifier's Performance Examination Report

Mr. Edward D. Nowell, President
South Atlantic Capital Management Group, Inc.
Wilmington, North Carolina

We have verified whether South Atlantic Capital Management Group, Inc. (the "Firm") has, for the periods from January 1, 2022 through December 31, 2022, established policies and procedures for complying with the Global Investment Performance Standards (GIPS®) related to composite and pooled fund maintenance and the calculation, presentation, and distribution of performance that are designed in compliance with the GIPS standards, as well as whether these policies and procedures have been implemented on a firm-wide basis. We have also examined the Firm's ***Core Equity Composite*** for the periods January 1, 2022 through December 31, 2022.

The Firm's management is responsible for its claim of compliance with the GIPS standards, the design and implementation of its policies and procedures, and for the ***Core Equity Composite's*** GIPS composite report. Our responsibilities are to be independent from the Firm and to express an opinion based on our verification and performance examination. We conducted this verification and performance examination in accordance with the required verification and performance examination procedures of the GIPS standards, which includes testing performed on a sample basis. We also conducted such other procedures as we considered necessary in the circumstances.

In our opinion, for the periods from January 1, 2022 through December 31, 2022, the Firm's policies and procedures for complying with the GIPS standards related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been, in all material respects:

- Designed in compliance with the GIPS standards, and
- Implemented on a firm-wide basis.

Also, in our opinion, the Firm has, in all material respects:

- Constructed the ***Core Equity Composite*** and calculated the ***Core Equity Composite's*** performance for the periods from January 1, 2022 through December 31, 2022 in compliance with the GIPS standards, and
- Prepared and presented the ***Core Equity Composite's*** GIPS composite report for the periods from January 1, 2022 through December 31, 2022 in compliance with the GIPS standards.

This report does not relate to or provide assurance on any specific performance report of the Firm other than the Firm's ***Core Equity Composite's*** GIPS composite report, or on the operating effectiveness of the Firm's controls or policies and procedures for complying with the GIPS standards.

Alpha Performance Verification

Alpha Performance Verification Services
Michael W. Hultzapple, CPA, CFA, CIPM
April 6, 2023

SOUTH ATLANTIC CAPITAL MANAGEMENT GROUP, INC.
CORE EQUITY COMPOSITE
GIPS COMPOSITE REPORT

Year End	Total Firm Assets (millions)	Composite Assets (USD) (millions)	Number of Accounts in Composite	Annual Performance Results Composite		S&P 500	Composite Dispersion	Three Year Annualized Ex-Post Standard Deviation	
				Gross	Net			Core Equity	S&P 500
2022	55.3	42.1	78	(14.41%)	(15.26%)	(18.11%)	1.26%	24.59%	20.87%
2021	66.4	50.1	80	30.19%	28.90%	28.71%	0.95%	21.67%	17.17%
2020	52.8	38.1	71	(2.68%)	(3.65%)	18.40%	1.84%	22.02%	18.53%
2019	54.9	44.8	82	27.23%	25.96%	31.49%	1.11%	12.57%	11.93%
2018	46.1	36.2	77	1.52%	0.51%	(4.38%)	0.72%	12.74%	10.80%
2017	41.6	37.6	77	23.79%	22.57%	21.83%	1.20%	13.43%	9.92%
2016	35.6	29.7	71	10.66%	9.56%	11.96%	1.63%	12.81%	10.59%
2015	42.0	23.4	70	(4.41%)	(5.36%)	1.38%	1.11%	11.57%	10.47%
2014	40.7	26.8	67	8.19%	7.16%	13.69%	0.98%	7.99%	8.97%
2013	37.2	23.1	55	26.97%	25.77%	32.39%	2.15%	9.88%	11.94%
2012	28.6	17.3	46	13.02%	11.94%	16.00%	1.69%	11.19%	15.09%
2011	25.3	15.2	42	3.63%	2.59%	2.11%	2.48%	15.55%	18.71%
2010	22.0	14.4	40	20.19%	19.00%	15.06%	3.42%	17.94%	21.85%
2009	18.6	13.0	36	46.20%	44.76%	26.46%	5.32%	17.26%	19.63%
2008	12.4	8.4	38	(25.98%)	(26.68%)	(37.00%)	2.30%	12.59%	15.08%
2007	17.4	11.9	37	(1.90%)	(2.82%)	5.49%	3.03%	9.31%	7.68%
2006	22.4	12.6	36	12.11%	11.12%	15.80%	2.52%	8.75%	6.82%
2005	12.4	10.8	33	0.78%	(0.16%)	4.91%	3.12%	11.08%	9.04%
2004	12.3	11.1	30	20.38%	19.25%	10.88%	3.37%	12.60%	14.86%
2003	9.2	8.5	23	35.31%	33.93%	28.68%	4.38%	13.67%	18.07%
2002	6.9	6.4	21	(3.21%)	(4.22%)	(22.10%)	6.43%	14.21%	18.55%
2001	7.6	6.7	17	5.18%	4.14%	(11.89%)	2.36%	14.06%	16.71%
2000	7.1	5.9	14	13.89%	12.86%	(9.10%)	3.77%	13.65%	17.42%
1999	6.4	5.4	13	8.94%	7.89%	21.04%	10.61%	12.67%	16.52%
1998	6.5	5.4	13	6.11%	4.93%	28.58%	5.60%	12.07%	16.01%
1997	5.1	4.7	11	41.04%	39.60%	33.36%	5.15%	11.12%	11.14%
1996	3.6	3.3	8	23.65%	22.40%	22.96%	3.34%	11.76%	9.58%
1995	2.9	2.7	6	48.47%	47.05%	37.58%	3.31%	10.46%	8.22%
1994	2.0	1.9	5	7.76%	6.69%	1.32%	8.02%	11.05%	7.95%
1993	1.8	1.7	4	23.26%	22.05%	10.08%	3.33%		
1992	1.3	1.2	3	13.88%	12.87%	7.62%	0.00%		

<u>Core Equity Composite</u> contains all fully discretionary accounts invested in equities excluding accounts that use significant leverage and, for comparative purposes, is measured against the total return for the S&P 500. It includes accounts managed for capital appreciation as well as accounts managed for a combination of capital appreciation and current income. The equity securities are generally large cap value-oriented U.S. equities. The portfolios also include equity securities that provide higher current income such as master limited partnerships, real estate investment trusts and similar securities that "pass through" most of their cash flow as distributions. The portfolios are invested in approximately 20-25 positions but have held fewer than 15 positions in the past. The minimum account size for this composite is $50,000. The composite has an inception date of January 1, 1992. The Core Equity composite was created on March 1, 2011.

South Atlantic Capital Management Group, Inc. ("South Atlantic Capital") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. South Atlantic Capital has been independently verified by Ashland Partners & Company LLP for

the periods January 1, 1992 to September 30, 2016; by ACA Performance Services for the periods September 30, 2016 to December 31, 2021; and by Alpha Performance Verification Services for the periods January 1, 2022 to December 31, 2022. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis.

The Core Equity Composite has had a performance examination for the periods January 1, 1992 to December 31, 2022. The verification and performance examination reports are available upon request by calling (910) 763-4113, or by emailing info@southatlanticcap.com.

South Atlantic Capital is an independent registered investment adviser registered with the State of North Carolina and the Commonwealth of Virginia. The firm maintains a complete list and description of composites and limited distributed pooled funds, as well as GIPS Reports, which are available upon request by calling (910) 763-4113, or by emailing info@southatlanticcap.com.

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Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite policy requires a three month, temporary removal of any portfolio incurring a client initiated external significant cash inflow of at least 25% of portfolio assets. The temporary removal of such an account occurs at the end of the prior month in which the external significant cash flow occurs and the account re-enters the composite at the end of the second full month after the cash flow. Effective 12/1/1992 - 7/1/2014, net of fee performance was calculated using actual management fees. In 2014, South Atlantic Capital switched to a new database reporting software and switched our composite fee calculation methodology to utilize model fees, using the highest fee in the composite, 1.0%, effective 7/1/2014 - Present. Additional information regarding the treatment of significant cash flows is available upon request. Composite returns represent investors domiciled primarily in the United States. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Returns are presented after trading expenses but before any applicable taxes. The annual composite dispersion presented is a size-weighted standard deviation calculated for the accounts in the composite the entire period. The annual dispersion and the standard deviation were calculated based on net returns prior to 12/31/2014, and gross of fees beginning 1/1/2015. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request, as are GIPS Reports and lists and descriptions of South Atlantic Capital's composites and limited distributed pooled funds, by emailing info@southatlanticcap.com or calling (910) 763-4113.

South Atlantic Capital's management fee schedule for accounts with assets up to $5,000,000 is generally set at 1.0% per annum, and is negotiable for accounts with assets over $5,000,000. Actual investment advisory fees incurred by clients may vary.