

Company Profile

- The Capital Management Corporation (CMC) is an investment boutique managing institutional and high net worth client portfolios.
- Our investment strategies include All-Cap Growth, Alpha, Balanced G&I, Core, Dividend Appreciation, Focus, Growth & Income, SMID, and SRI.
- Bottom-up stock selection process with all-cap growth emphasis.
- Long track record, GIPS® compliant since 1995.
- Investment team includes Timothy C. Call, CFA, MBA, CIO & Mark W. Livesay, CFA.
- Wealth management team includes Bradley D. Shiveley, MBA and Kenneth L. Walker, MBA.
- Assets under management \$578 million.

Investment Process

- Investment research starts with a universe of over 3,000 companies run through a proprietary quantitative screening system.
- Primary emphasis is placed on growth of earnings, cash flow and economic margin. Profitability is assessed on excess cash generation per unit of capital base.
- Relative comparison among companies in many industries after adjusting for differing accounting policies, asset life, mix of age, inventory methods and capital structure.
- Emphasis on company business lines, strategy and competitive advantages enabling pricing power and strong profit margins.
- Evaluation of company management including trustworthiness and decision-making track record.
- Apply valuation disciplines as entry price affects investment return.

Investment Style

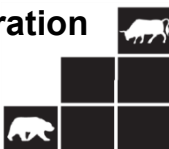
- Invest in stocks of companies with above average growth prospects, improving business conditions and enduring competitive advantages.
- Over 70% of the portfolio will be invested in stocks of companies with market capitalizations less than \$10 billion.
- Portfolio turnover can be 30% due to opportunities created by volatility of small & mid-capitalization securities.
- Capital gains taken to limit portfolio risk and increase diversification.

Portfolio Attributes

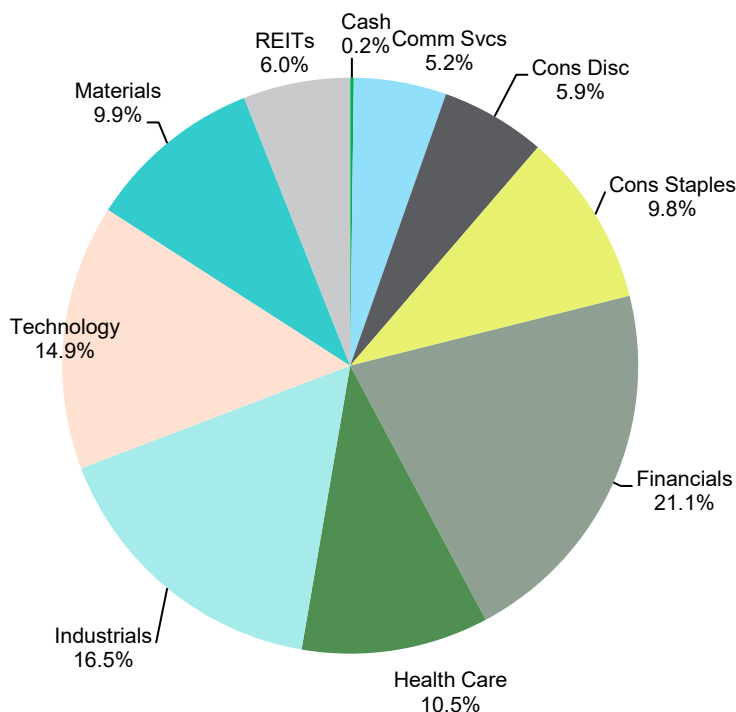
- 15 to 25 stocks with growing operating cash flow and free cash flow.
- Potential for price-to-earnings (P/E) multiple expansion.
- Expectation of revenue and earnings growth.
- Mutual funds and exchange traded funds (ETFs) can be utilized.
- Large sector weights are typically within 50% of the S&P 400 Index.

The Capital Management Corporation

4101 Cox Road, Suite 110
Glen Allen, VA 23060
804.270.4000
www.cmcva.com



Sector Diversification



Portfolio Characteristics

Number of Holdings	21
Dividend Yield (%)	1.7
Wtd. Avg. Market Cap (\$ Billions)	1.8
Price/Book	2.9
Price/Cash Flow	10.3
Current P/E	20.5
Forward P/E	13.7
Historical EPS Growth (5 Years)	3.3

Volatility Measurements (3 Years Annualized Gross)

Beta	1.0
Alpha	7.0
Standard Deviation	26.6

Market Capitalization	Large Cap (>\$10B)	Mid Cap (\$2B-\$10B)	Small Cap (<\$2B)
09/30/2021	0%	30%	70%
06/30/2021	4%	39%	57%
03/31/2021	8%	36%	56%
12/31/2020	0%	51%	49%

CMC SMID Growth Strategy

Third Quarter 2021
Fact Sheet

Style Positives

- Over the last hundred years, small & mid-capitalization domestic indices have outperformed their large capitalization counterparts.
- Diversification across many economic sectors can lower portfolio risk.
- Potential for greater returns over long periods of time as some select small & mid-capitalization companies may have more growth potential than large companies.
- Investing in a concentrated portfolio of best ideas may produce strong results.

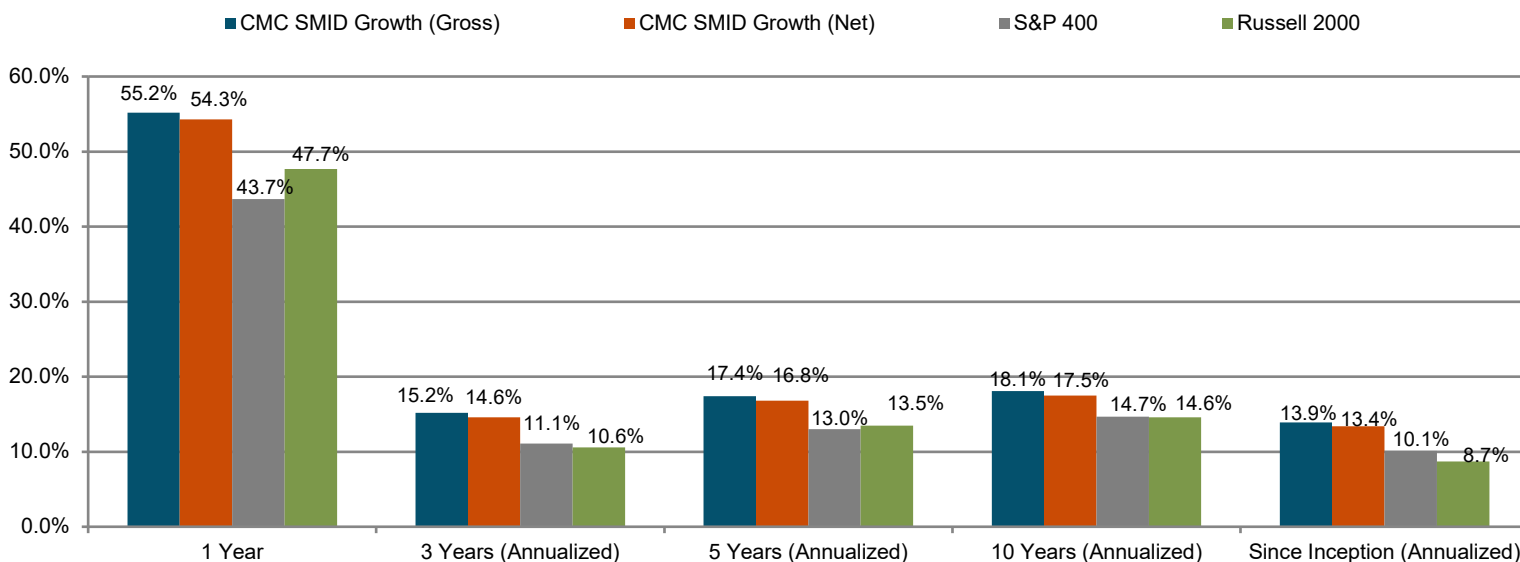
Sell Disciplines

- Overvaluation on CMC's proprietary valuation model.
- Deterioration in fundamentals.
- Loss of confidence in management.
- If stock declines 15% from purchase price, it is reassessed.
- If stock underperforms the benchmark by 20%, it is reassessed.

Top Ten Holdings	% of Portfolio	Symbol	Sector
Exelixis	6.6%	EXEL	Health Care
EnerSys	6.4%	ENS	Industrials
Service Properties Trust	6.0%	SVC	REITs
Mastech Digital	5.9%	MHH	Technology
John B. Sanfilippo & Son	5.4%	JBSS	Cons Stpls
Greenhill & Company	5.4%	GHL	Financials
Tessco Technologies	5.3%	TESS	Technology
Pitney Bowes	5.3%	PBI	Industrials
Sinclair Broadcast Group	5.2%	SBGI	Comm Svcs
Silvercrest Asset Mgmt	5.0%	SAMG	Financials

CMC SMID Growth Performance Returns as of September 30, 2021

Strategy Inception: 12/31/2006



Annual Performance	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
CMC SMID Growth (Gross)	22.7%	13.4%	-7.1%	20.3%	31.7%	-9.1%	18.0%	41.0%	20.6%	-3.9%
CMC SMID Growth (Net)	22.1%	12.8%	-7.6%	19.7%	31.0%	-9.6%	17.3%	40.1%	19.7%	-4.6%
S&P 400	13.7%	26.2%	-11.1%	16.2%	20.7%	-2.2%	9.8%	33.5%	17.9%	-1.7%
Russell 2000	20.0%	25.5%	-11.0%	14.7%	21.3%	-4.4%	4.9%	38.8%	16.4%	-4.2%

Disclosures: Composite includes Equity + Cash of non-restrictive discretionary accounts. The portfolio's investment objectives focus on long-term growth provided by the U.S. capital markets through direct investment in those stocks the Advisor deem appropriate for the typical small and mid-cap holdings of an investor's portfolio. Investments include small and mid-capitalization stocks approved by the Advisor. Inception date of SMID Composite is 12/31/2006.

The Capital Management Corporation (the FIRM) claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. The firm has been verified through 12/31/2020. All results are time weighted and returns are in US Dollars. Past performance is not to be construed as a guarantee of future performance. Compliant presentations and/or the firm's list of composite descriptions are available upon request.

For more information please contact: Brad Shiveley at bshiveley@the-cmc.com
4101 Cox Road, Suite 110, Glen Allen, VA 23060
(804) 270-4000 www.cmcva.com