

# BUILD | GROW | PROTECT WEALTH

## Lead Portfolio Managers

**Tim Call, CFA** (17-year tenure)  
President & Chief Investment Officer

**Mark Livesay, CFA** (15-year tenure)  
Vice President & Portfolio Manager

## The Capital Management Corporation (CMC)

- SEC-registered investment advisor since 1964
- \$665M+ assets under management
- GIPS® compliant composites
- Rigorous & prudent investment process
- Boutique fiduciary providing personal service
- Invest our own wealth in CMC portfolios

## SMID Objective

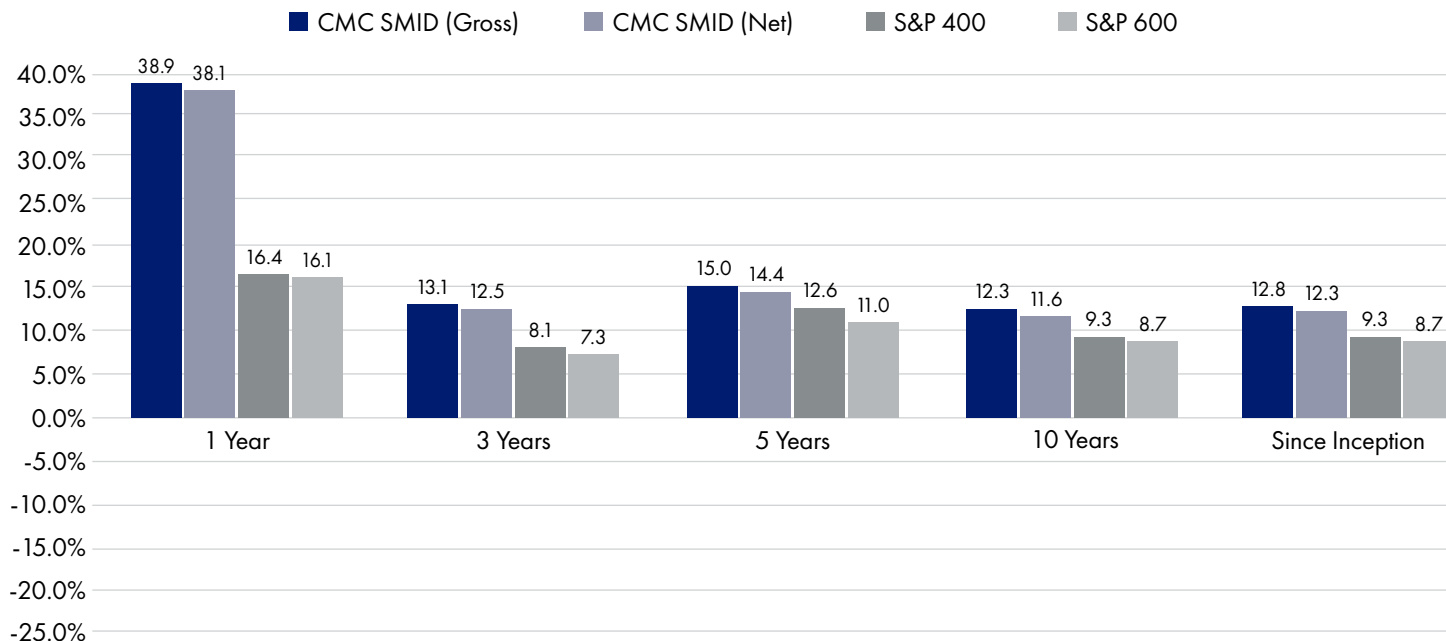
- Long-term Capital Appreciation
- Tax Efficiency
- Capital Preservation

## SMID Cash Cow Strategy<sup>sm</sup> (Bottom-Up)

Highly concentrated portfolio of *Cash Cow* companies (approx. 15-25) under \$10B equity capitalization. Each possesses excessive cash generation, high quality management and sustainable growth potential. Attractive entry valuations determined by CMC's intrinsic value estimates allow for margin of safety and price returns that could exceed compounded earnings growth.

## SMID Annualized Performance Summary (Inception 12/31/2006)

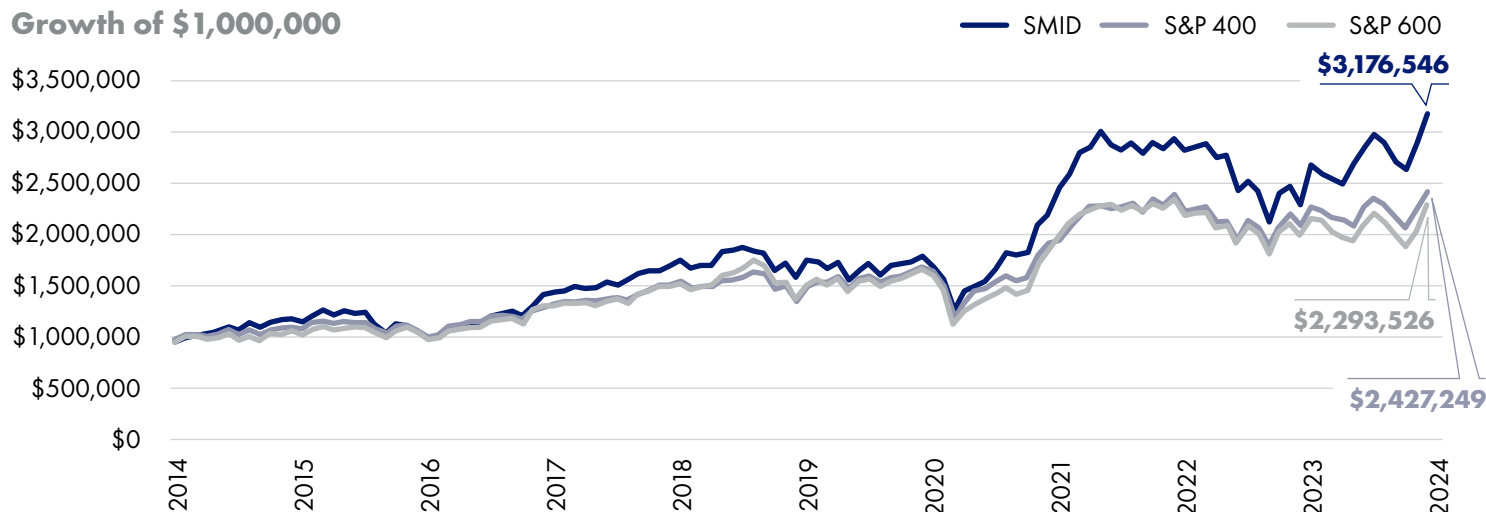
As of 12/31/2023



See GIPS Report for more performance information.

## SMID Composite Gross Returns (12/31/2013-12/31/2023)

### Growth of \$1,000,000



### SMID Characteristics

Holdings	17
New Stock Holdings in Quarter	2
Holdings < \$10B Market Cap	100%
• Weighted Avg. Market Cap	\$2.4B
PCF (trailing)	9.6
PE (est. 2023)	9.4
PE (est. 2024)	9.9
Dividend Yield	2.5%

### SMID Long-Term Compounding & Volatility

#### Cumulative Gross Return Since Inception

• SMID	679%
• S&P 400	350%
• S&P 600	315%

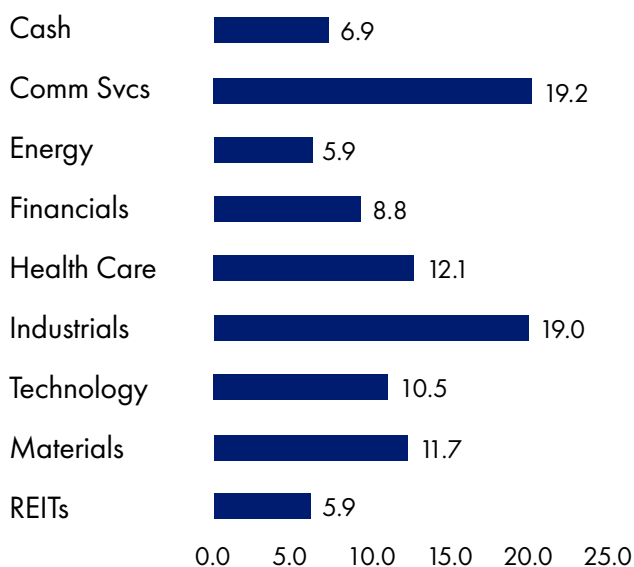
Beta (3-year annualized gross)\* 1.0

Alpha (3-year annualized gross)\* 4.7

Standard Deviation (3-year annualized gross)\* 22.7

\* Compared to S&P 400

### SMID Sector Diversification (Weighting %)



### SMID Top 5 Holdings

	% of Portfolio	Symbol
Acme United Corp	8.0%	ACU
Gray Television	7.0%	GTN
Exelixis Inc	6.2%	EXEL
Livent	6.2%	LTHM
Sinclair Inc Cl A	6.2%	SBGI

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### GIPS Composite Report

**SMID Composite** (For the years ended December 31, 2014 through 2023)

Year	Performance Gross %	Performance Net %	S&P 400	S&P 600	3 Year Standard Deviation Composite	3 Year Standard Deviation S&P 400	3 Year Standard Deviation S&P 600	Number of Accounts	Composite Dispersion	Composite Assets \$MM	Firm Assets \$MM
2023	38.9	38.1	16.4	16.1	23.3	19.7	21.0	72	2.1	84.5	667
2022	(22.3)	(22.8)	(13.1)	(16.1)	26.9	24.5	26.1	75	2.1	59.5	524
2021	34.1	33.4	24.8	26.8	24.8	21.8	23.6	56	2.2	59.3	610
2020	22.7	22.1	13.7	11.3	25.2	23.3	25.5	40	4.9	35.3	482
2019	13.4	12.7	26.2	22.8	16.3	14.5	16.2	22	2.5	26.9	509
2018	(7.1)	(7.7)	(11.1)	(8.5)	14.7	13.3	16.0	14	n/m	16.8	433
2017	20.3	19.6	16.2	13.2	15.3	10.9	13.6	7	n/m	9.8	469
2016	31.7	30.8	20.7	26.6	16.3	12.2	15.0	≤5	n/m	4.7	389
2015	(9.1)	(9.9)	(2.2)	(2.0)	15.0	11.7	13.2	≤5	n/m	2.5	344
2014	18.0	17.3	9.8	5.8	12.5	11.1	12.4	≤5	n/m	1.8	418

The Capital Management Corporation claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. The Capital Management Corporation has been independently verified for the periods 1 January 1997 through 31 December 2022. The verification report is available upon request. 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. Verification does not provide assurance on the accuracy of any specific performance report. 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 SMID Composite has had a performance examination for the periods 1 January 2017 through 31 December 2022. The verification and performance examination reports are available upon request.

#### Notes:

1. The Capital Management Corporation is an independent investment management SEC registered firm and is not affiliated with any other entity. Policies for valuing portfolios, calculating performance, and preparing GIPS reports are available upon request.
2. The SMID Composite includes fully discretionary equity accounts which generally invest in U.S. domestic companies. Investments include small and mid capitalization stocks. Prior to January 2020, the composite minimum was \$100,000.
3. The benchmark is the S & P 400 Index.
4. Valuations are computed and performance is reported in US Dollars.
5. Total gross-of-fee returns are presented before management fees but after all trading expenses. Total net of fee returns are calculated using actual fees and/or model fees, where appropriate. The Capital Management Corporation's current fee schedule is 1.00% on the first million in assets, 0.70% on the next four million, and 0.50% on the excess over five million.
6. The composite was created on January 1, 2007, the composite's inception date is January 1, 2007. A complete list of composite descriptions is available upon request.
7. Composite dispersion is measured by the asset-weighted standard deviation of annual gross returns of those portfolios that were in the composite for the full calendar year. Where such portfolios number five or fewer, the standard deviation calculation would not be meaningful and that is indicated (n/m). Three-year standard deviation for both the composite (calculated using gross performance) and the benchmark index are shown beginning in 2011 in compliance with GIPS standards.
8. Past performance is not to be construed as a guarantee of future performance.

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