

# BUILD | GROW | PROTECT

## 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
- \$575M+ assets under management
- GIPS® compliant composites
- Rigorous & prudent investment process
- Boutique fiduciary providing personal service
- Invest our own wealth in CMC portfolios

## Growth & Income Objective

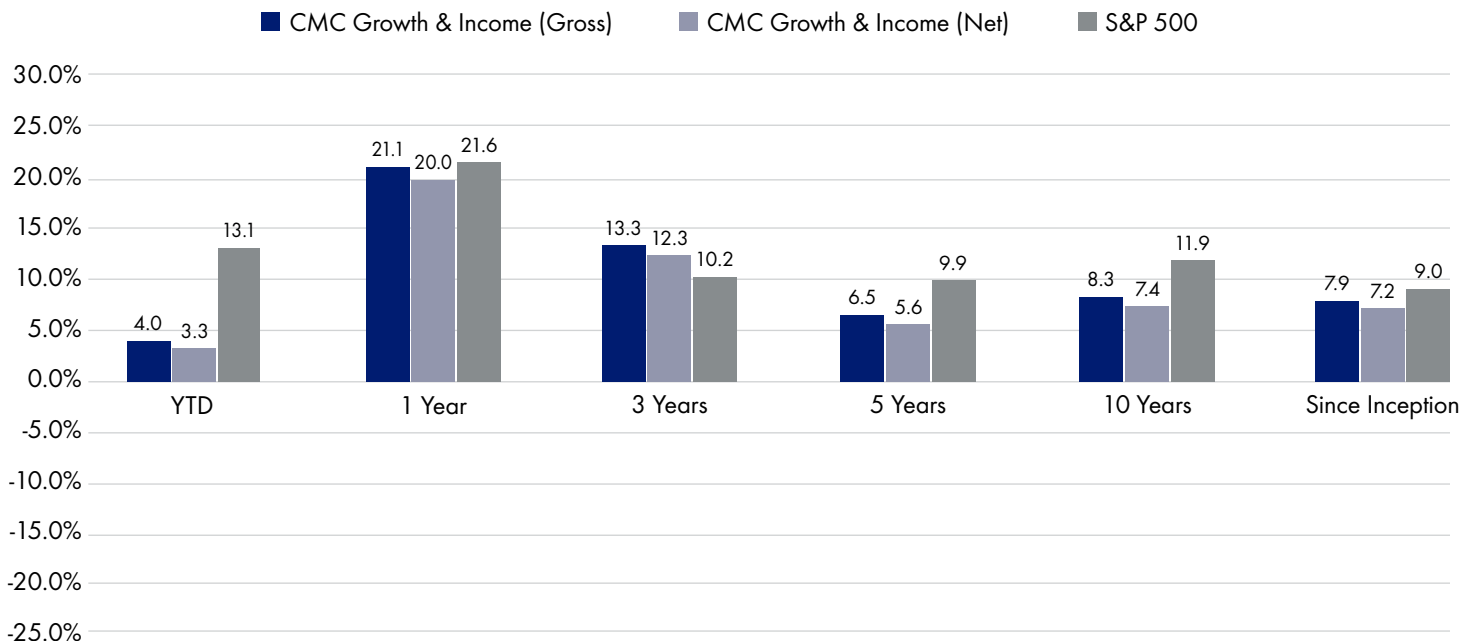
- Long-term Capital Appreciation
- Above-average Current Income
- Conservation of Principal

## Growth & Income Cash Cow Strategy<sup>sm</sup> (Bottom-Up)

Highly concentrated portfolio of well-established *Cash Cow* companies (approx. 25-40) with strong operating and free cash flow. All holdings pay a dividend with high potential for P/E multiple expansion. Attractive entry valuations determined by CMC's intrinsic value estimates allow for margin of safety and price returns that could exceed compounded earnings growth.

## Growth & Income Annualized Performance Summary (Inception 12/31/2006)

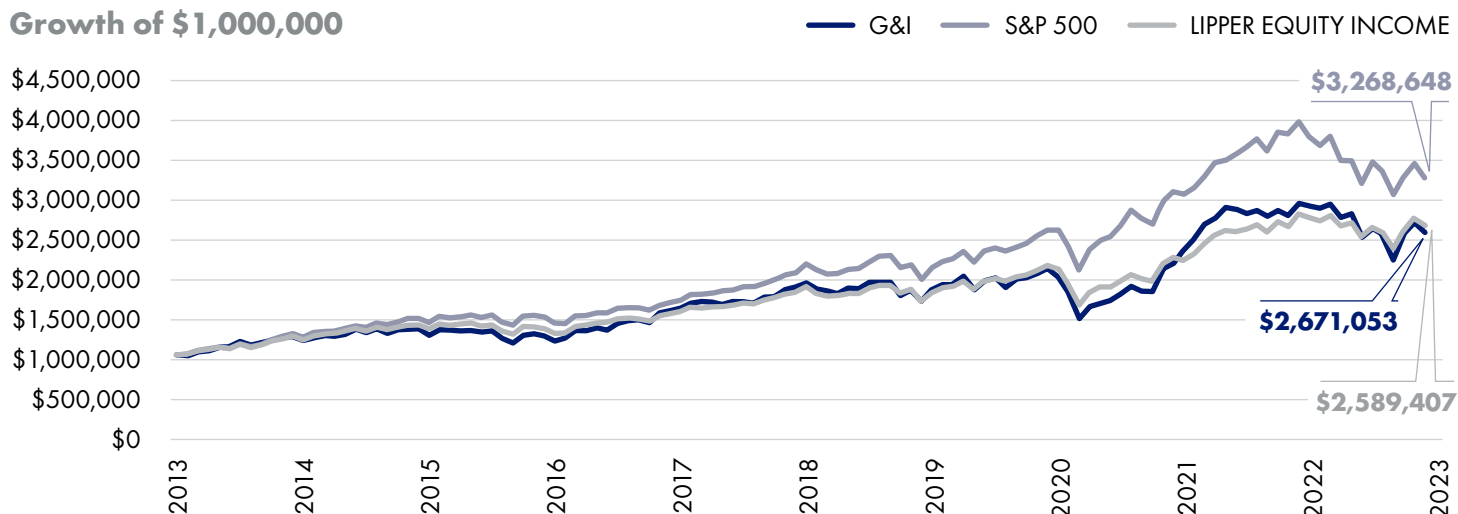
As of 9/30/2023



See GIPS Report for more performance information.

## Growth & Income Composite Gross Returns (12/31/2012-12/31/2022)

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



### G&I Characteristics

Holdings	27
New Stock Holdings in Quarter	0
Holdings < \$10B Market Cap	41%
• Weighted Avg. Market Cap	\$34.4B
PCF (trailing)	5.5
PE (est. 2023)	9.4
PE (est. 2024)	9.8
Dividend Yield	5.1%

### G&I Long-Term Compounding & Volatility

#### Cumulative Gross Return Since Inception

• G&I	259%
• S&P 500	323%

Beta (3-year annualized gross)	1.0
Alpha (3-year annualized gross)	4.8
Standard Deviation (3-year annualized gross)	22.6

### G&I Sector Diversification (Weighting %)

Cash	3.9
Comm Svcs	16.0
Cons Disc	0.9
Cons Staples	15.6
Energy	9.1
Financials	16.8
Health Care	4.4
Industrials	13.9
Technology	7.9
Materials	5.7
REITs	5.8

### G&I Top 10 Holdings

	% of Portfolio	Symbol
Service Properties Trust	5.8%	SVC
Agnico Eagle	5.7%	AEM
Nexstar Media Group Inc	5.7%	NXST
Molson Coors Brewing Co B	5.6%	TAP
Kinder Morgan	5.2%	KMI
Sinclair Inc Cl A	5.0%	SBGI
Gray Television	4.9%	GTN
Citigroup Inc	4.8%	C
Pitney Bowes	4.4%	PBI
Bristol-Myers Squibb Co	4.4%	BMJ

Contact Scott Davila at [sdavila@the-cmc.com](mailto:sdavila@the-cmc.com)



### GIPS Composite Report

**Growth & Income Composite** (For the years ended December 31, 2013 through 2022)

Year	Performance Gross %	Performance Net %	S&P 500	3 Year Standard Deviation Composite	3 Year Standard Deviation Index	Number of Accounts	Wrap Accounts % of Assets	Composite Dispersion	Composite Assets \$MM	Firm Assets \$MM
2022	(12.4)	(13.1)	(18.1)	24.7	20.9	62	8	1.0	61.8	524
2021	34.4	33.3	28.7	21.8	17.2	61	11	3.7	82.1	610
2020	3.0	2.1	18.4	22.4	18.5	61	11	2.6	63.8	482
2019	23.9	22.8	31.5	14.4	11.9	77	10	1.8	90.9	502
2018	(9.6)	(10.3)	(4.4)	12.9	10.8	70	12	1.8	73.2	433
2017	18.5	17.5	21.8	12.6	9.9	80	11	1.7	94.4	469
2016	24.5	23.6	12.0	13.3	10.6	79	14	1.7	90.2	389
2015	(6.5)	(7.2)	1.4	12.2	10.5	45	6	0.9	58.1	344
2014	7.6	6.8	13.7	11.2	9.0	27	15	0.8	40.8	418
2013	28.4	27.6	32.4	13.9	11.9	19	22	1.3	33.5	386

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 Growth & Income Composite has had a performance examination for the periods 1 January 2007 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 Growth & Income Composite includes fully discretionary equity accounts which seek long-term growth and a cash income using a diversified portfolio. Investments may include small, mid and large capitalization stocks. All holdings pay a dividend. Prior to January 2020, the composite minimum was \$100,000. Prior to September 2016, the minimum was \$500,000.
3. The benchmark is the S & P 500 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 and all wrap fees (which may include custody fees, investment management fees, trading expenses and client reporting fees) if applicable. 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.

Contact Scott Davila at [sdavila@the-cmc.com](mailto:sdavila@the-cmc.com)