



VULCAN VALUE PARTNERS

FIRST QUARTER 2024

VULCAN VALUE PARTNERS FUND
VULCAN VALUE PARTNERS SMALL CAP FUND



PORTFOLIO REVIEW

The Vulcan Value Partners Fund produced positive returns and beat both its respective benchmarks for the first quarter. The Vulcan Value Partners Small Cap Fund produced negative returns and did not beat its benchmarks. These results are detailed below. As we have often said, we place no weight on short-term results, good or bad. When we think we can improve our prospective long-term returns and lower risk, we will make those decisions without regard to their effect on short-term performance. Conditions are not very different today than they were when we wrote our annual letter. We encourage you to read it as it remains relevant.

INVESTMENT STRATEGY	INCEPTION DATE	QTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
Vulcan Value Partners Fund (VVPLX)	12/30/09	11.97%	39.30%	3.78%	10.81%	9.17%	11.32%
Russell 1000 Value Index	—	8.99%	20.27%	8.11%	10.30%	9.00%	10.89%
S&P 500 Index	—	10.56%	29.88%	11.48%	15.03%	12.95%	13.59%
Vulcan Value Partners Small Cap Fund (VVPSX)	12/30/09	-0.41%	10.45%	-7.70%	1.57%	3.40%	8.25%
Russell 2000 Value Index	—	2.90%	18.75%	2.21%	8.16%	6.87%	9.49%
Russell 2000 Index	—	5.18%	19.71%	-0.10%	8.10%	7.57%	10.34%

*Vulcan Value Partners Fund and Vulcan Value Partners Small Cap Fund returns are net of fees and expenses and assume reinvestment of dividends and capital gains. Vulcan Value Partners Small Cap Fund's total gross expense ratio is 1.25%. Vulcan Value Partners Fund's total gross expense ratio is 1.08%. Neither fund imposes a sales charge. Index returns do not reflect deductions for fees or expenses. **Performance data quoted represents past performance. Past performance is not indicative of future results. Investment return and value of shares will fluctuate. Upon redemption, shares may be worth more or less than their original cost. The performance figures do not reflect the deduction of any taxes a shareholder might pay on distributions or redemptions. The current performance may be higher or lower than the quoted performance and may be obtained by calling 877.421.5078 or visiting www.vulcanvaluepartners.com/mutual-funds/.***

In the discussion that follows, we generally define material contributors and detractors as companies having a greater than 1% impact on the portfolio and should be viewed in context with the performance information provided.



INVESTMENT STRATEGY	INCEPTION DATE	QTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
Vulcan Value Partners Fund (VVPLX)	12/30/09	11.97%	39.30%	3.78%	10.81%	9.17%	11.32%
Russell 1000 Value Index	—	8.99%	20.27%	8.11%	10.30%	9.00%	10.89%
S&P 500 Index	—	10.56%	29.88%	11.48%	15.03%	12.95%	13.59%

*Vulcan Value Partners Fund returns are net of fees and expenses and assume reinvestment of dividends and capital gains. The Fund's total gross expense ratio is 1.08%. The Fund does not impose a sales charge. Index returns do not reflect deductions for fees or expenses. **Performance data quoted represents past performance. Past performance is not indicative of future results. Investment return and value of shares will fluctuate. Upon redemption, shares may be worth more or less than their original cost. The performance figures do not reflect the deduction of any taxes a shareholder might pay on distributions or redemptions. The current performance may be higher or lower than the quoted performance and may be obtained by calling 877.421.5078 or visiting www.vulcanvaluepartners.com/mutual-funds/.***

We purchased three new positions during the quarter: Live Nation Entertainment Inc., CarMax Inc., and Starbucks Corp.

We sold three positions during the quarter: General Electric Co., Texas Instruments Inc., and Applied Materials Inc. There were three material contributors to performance: NICE Ltd., KKR & Co., and TransDigm Group Inc. There were no material detractors.

Live Nation is the world's largest live entertainment company. The live entertainment industry has grown in the high single-digits over the last two decades, and demand continues to exceed supply. Live Nation is a dominant player and offers a complimentary suite of services including concert promotion, venue operations, ticketing, and artist management businesses. Artists today make 90% of their revenue on tour as album sales and royalties become less important. Tours are increasingly global, and there are an increasing number of shows per tour. Live Nation's comprehensive offerings and scale enable its concert promoters to make better decisions on pricing and venue organization which benefits artists, venues, and fans. We expect Live Nation to continue to grow in the high single-digits over our long-term time horizon.

CarMax is the largest used car retailer in the United States. The company has the third largest wholesale business in the U.S. and a large captive finance business. We believe that CarMax's omnichannel approach is a competitive advantage that will enable the company to continue taking market share in a highly fragmented market. This strategy enables the company to generate higher and more stable levels of profit per used vehicle sold and generate solid returns on capital. A significant portion of the used car market is made up of small independent dealerships without resources to invest in digital infrastructure. Another significant portion of the market is made up of digital-

only retailers, who are now focused on profitability at the expense of volume. CarMax continues to invest in its digital infrastructure which has improved its customer experience. These investments have made it easier to buy, sell, and finance vehicles. Over the last two years, management has focused on de-leveraging the company's balance sheet and right sizing the firm, which has significantly de-risked the business and positioned CarMax extremely well for when volumes normalize. We believe that the combination of a leaner cost structure and an improved competitive position will strengthen the company's prospects.

We are pleased to have purchased Starbucks in the first quarter. We have owned the company in the past, and it was a good investment for us. The company has strong brand recognition, global distribution, and outstanding retail real estate. The company generates strong free cash flow and has high returns on invested capital as well as a strong balance sheet. Starbucks has used its financial resources to strengthen its brand and enhance customer loyalty. Additionally, the company has continued to see attractive returns from opening new stores. Stock price volatility over the last year is likely due to management changes, disappointing short-term results, and general hesitancy about consumer spending. We believe that Starbucks' competitive position remains intact, and its value will continue to compound over our five-year plus time horizon.

General Electric was a great investment for us. While our value grew materially over our holding period, the company's stock price grew more quickly than our value. As our margin of safety narrowed, we fully exited our position. Additionally, we sold Texas Instruments and Applied Materials. We followed our discipline and reallocated capital to more discounted names. All three companies remain on the MVP list, and we would welcome the opportunity to own any of them again.

NICE is a global enterprise software company that provides mission critical contact center software. The company continues to perform well, and fundamentals are strong. Cloud revenue has grown in line with our expectations. We believe that generative AI will continue to drive cloud adoption and that AI is an opportunity rather than a threat to NICE's business.

KKR, a large alternative investment manager, continues to execute well and was a material contributor for the second consecutive quarter. The company reported increased fundraising during the quarter and macro factors are becoming more favorable for the firm. We continue to believe that KKR is well-positioned for the future.

TransDigm is an aerospace company making OEM and aftermarket parts for commercial and military aircraft. Approximately 90% of its net sales are from proprietary parts. TransDigm reported double-digit organic revenue and profit growth in its most recent quarter as air travel continued to rebound from the pandemic. These results are on top of double-digit revenue and profit growth in its most recent fiscal year. TransDigm continues to generate strong free cash flow and is making intelligent capital allocation decisions. TransDigm was a material contributor last quarter as well.



INVESTMENT STRATEGY	INCEPTION DATE	QTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
Vulcan Value Partners Small Cap Fund (VVPSX)	12/30/09	-0.41%	10.45%	-7.70%	1.57%	3.40%	8.25%
Russell 2000 Value Index	—	2.90%	18.75%	2.21%	8.16%	6.87%	9.49%
Russell 2000 Index	—	5.18%	19.71%	-0.10%	8.10%	7.57%	10.34%

Vulcan Value Partners Small Cap Fund returns are net of fees and expenses and assume reinvestment of dividends and capital gains. The Fund's total gross expense ratio is 1.25%. The Fund does not impose a sales charge. Index returns do not reflect deductions for fees or expenses. Performance data quoted represents past performance. Past performance is not indicative of future results. Investment return and value of shares will fluctuate. Upon redemption, shares may be worth more or less than their original cost. The performance figures do not reflect the deduction of any taxes a shareholder might pay on distributions or redemptions. The current performance may be higher or lower than the quoted performance and may be obtained by calling 877.421.5078 or visiting www.vulcanvaluepartners.com/mutual-funds/.

We purchased one new position during the quarter: Crown Holdings Inc.

We sold one position during the quarter: Core & Main Inc.

There was one material contributor to performance: Medpace Holdings Inc. There were no material detractors.

Crown Holdings is the second largest manufacturer of aluminum beverage cans globally. We own its larger competitor, Ball Corp., in our Large Cap portfolio. Our investment case for the two companies is broadly similar. The beverage can industry is a consolidated and rational industry with high barriers to entry. The industry structure, scale, and long-term contracts with inflationary pass-throughs result in solid and stable margins, high returns on capital, and robust free cash flow. In addition, aluminum cans are taking share from other substrates, most notably plastic, as aluminum is considered a more sustainable product. This transition to aluminum is driving volume growth for Crown. Recently, demand for its products has been weak due to current macro factors. We expect growth to normalize over time.

Core & Main was a great investment for us. Core & Main is a national distributor of water, wastewater, storm drainage and fire protection products to municipalities and contractors across municipal, residential, and non-residential end markets. During the time we owned the company, it generated over \$1 billion of free cash flow which represented 19% of the market cap at the entry of our investment. While our value grew materially over our holding period, the company's stock price grew more quickly than our value and our margin of safety narrowed. We followed our discipline and reallocated capital to more discounted names. Core & Main remains on our MVP list, and we would be happy to own the company again.

Medpace Holdings is a full service, clinical contract research organization. It provides outsourced drug development services to small and mid-sized biotechnology firms. During the quarter, Medpace once again reported strong metrics around new business, revenue, earnings, and free cash flow. The company has a healthy balance sheet with no debt, a growing free cash flow coupon, and a highly aligned management team. Medpace was a material contributor last quarter as well.



CLOSING

We appreciate the confidence you have placed in us. Your stable capital, invested alongside our own, provides a foundation that allows us to make sound, long-term investment decisions that lower risk and provide the opportunity to achieve superior long-term results.

The Vulcan Value Partners Investment Team,

C.T. Fitzpatrick, CFA

McGavock Dunbar, CFA

Stephen W. Simmons, CFA

Colin Casey

Taylor Cline, CFA



DISCLOSURES

VULCAN VALUE PARTNERS FUND

This letter reflects our views, opinions, and portfolio holdings as of March 31, 2024. Our views may change at any time based upon market or other conditions and Vulcan Value Partners disclaims any responsibility to update our views. Our views should not be relied on as investment advice and, because investment decisions for the fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of the fund. Certain statements that we make may constitute “forward-looking statements”. Forward-looking statements are not guarantees, and they involve risks, uncertainties and assumptions. Past Performance does not guarantee future results.

The price to value ratio is a calculation that compares the price of a company’s stock to our appraisal of the company’s intrinsic value. Fair, or intrinsic, value is our estimate of the price a willing buyer would pay and a willing seller would accept, assuming neither was compelled to enter into a transaction. Margin of Safety is a favorable difference between the price of a company’s shares and the estimated fair value of those shares. Total return percentages for an individual security is the performance of the security from price at initial purchase date to the price at final sale date. Actual returns for the funds holdings of those securities may differ from total return as the funds rebalance or changed weights in the individual securities. Free cash flow is the amount of cash that a company has left over after it has paid all of its expenses, including investments. Free cash flow yield is a security’s free cash flow divided by its market price. Macro factors encompass the general economic and business environment. Vulcan defines risk reduction as reducing the portfolio’s price to value ratio by either buying (or adding to existing positions) high quality companies which are trading well below fair value as estimated by Vulcan, or selling positions which are trading at or near their fair values. Standard deviation is a measure of the amount of variation or dispersion of a set of values. Competitive moat, or economic moat, refers to a business’ ability to maintain competitive advantages over its competitors in order to protect its long-term profits and market share from competing firms. Total addressable market (TAM), also referred to as total available market, is the overall revenue. In accounting, the terms “sales” and opportunity that is available to a product or service if 100% market share was achieved.

Reference Holdings as of March 31, 2024*	% of Total Portfolio
KKR & Co. Inc.	5.02%
TranDigm Group Inc.	5.01%
Nice Ltd.	4.64%
Live Nation Entertainment Inc.	3.62%
Starbucks Corp.	1.85%
CarMax Inc.	0.99%
Applied Materials Inc.	SOLD
General Electric Co.	SOLD
Texas Instruments Inc.	SOLD

**The referenced holdings are subject to change.*

VULCAN VALUE PARTNERS FUND

The fund seeks to achieve long-term capital appreciation by investing primarily in medium and large-capitalization U.S. companies believed to be both undervalued and possessing a sustainable competitive advantage.

For more complete information, please download the fund’s prospectus available on www.vulcanvaluepartners.com/mutual-funds/ or call 877.421.5078 for copies. You should consider the fund’s investment objectives, risks, charges, and expenses carefully before you invest. Information about these and other important subjects is in the fund’s prospectus, which you should read carefully before investing.

Vulcan Value Partners, LLC (“Vulcan” or the “Adviser”) has given a contractual agreement to the Funds that to the extent the Total Annual Fund Operating Expenses (as defined in Item 3 of Form N-1A) with respect to either Fund (exclusive of Acquired Fund Fees

and Expenses (if any), brokerage expenses, interest expense, taxes and extraordinary expenses) (“Designated Annual Fund Operating Expenses”) exceed 1.25% of such Fund’s average daily net assets for a particular fiscal year of the Fund, the Adviser will reduce the Management Fee and/or Other Expenses otherwise payable to the Adviser with respect to such Fund for such fiscal year by an amount equal to such excess, and/or the Adviser shall reimburse the Fund by the amount of such excess. This agreement is in effect through August 31, 2024 and will be reevaluated on an annual basis thereafter. Without this agreement, expenses could be higher. If the Adviser foregoes any fees and/or reimburses a Fund pursuant to this letter agreement with respect to a particular fiscal year, then the Adviser shall be entitled to recover from the Fund(s) the amount foregone or reimbursed to the extent Designated Annual Fund Operating Expenses are less than 1.25% of such Fund’s average daily net assets during any fiscal year following such fiscal year.



DISCLOSURES

VULCAN VALUE PARTNERS FUND (CONT.)

Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market or economic developments. Value stocks can perform differently from the market as a whole. They can remain undervalued by the market for long periods of time. Foreign securities, especially emerging or frontier markets, will involve additional risks including exchange rate fluctuations, social and political instability, less liquidity, greater volatility, and less regulations. It is possible that each Fund may invest in securities offered in certain types of transactions (such as private placements) that, because of that Fund's size, may have a disproportionate impact on that Fund's performance results. That Fund would not necessarily have achieved the same performance results if its aggregate net assets had been greater. Diversification does not eliminate the risk of experiencing investment losses.

The S&P 500 Index is an unmanaged index of 500 common stocks chosen for market size, liquidity, and industry group representation. It is a market-value weighted index. The S&P 500 Index figures do not reflect any fees, expenses, or taxes. Investors cannot invest directly in this index. The Russell 1000® Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000® companies with lower price-to-book ratios and lower expected growth values. An investment cannot be made directly into an index.

All information in this report is as of the date shown in the upper right hand corner unless otherwise indicated.



DISCLOSURES

VULCAN VALUE SMALL CAP FUND

The fund seeks to achieve long-term capital appreciation by investing primarily in small-capitalization U.S. companies believed to be both undervalued and possessing a sustainable competitive advantage.

This letter reflects our views, opinions, and portfolio holdings as of March 31, 2024. Our views may change at any time based upon market or other conditions and Vulcan Value Partners disclaims any responsibility to update our views. Our views should not be relied on as investment advice and, because investment decisions for the fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of the fund. Certain statements that we make may constitute “forward-looking statements”. Forward-looking statements are not guarantees, and they involve risks, uncertainties and assumptions. Past Performance does not guarantee future results.

Reference Holdings as of March 31, 2024*	% of Total Portfolio
Medpace Holdings Inc.	4.05%
Crown Holdings Inc.	0.69%
Core & Main Inc.	SOLD

*The referenced holdings are subject to change.

Vulcan Value Partners, LLC (“Vulcan” or the “Adviser”) has given a contractual agreement to the Funds that to the extent the Total Annual Fund Operating Expenses (as defined in Item 3 of Form N-1A) with respect to either Fund (exclusive of Acquired Fund Fees and Expenses (if any), brokerage expenses, interest expense, taxes and extraordinary expenses) (“Designated Annual Fund Operating Expenses”) exceed 1.25% of such Fund’s average daily net assets for a particular fiscal year of the Fund, the Adviser will reduce the Management Fee and/or Other Expenses otherwise payable to the Adviser with respect to such Fund for such fiscal

year by an amount equal to such excess, and/or the Adviser shall reimburse the Fund by the amount of such excess. This agreement is in effect through August 31, 2024 and will be reevaluated on an annual basis thereafter. Without this agreement, expenses could be higher. If the Adviser foregoes any fees and/or reimburses a Fund pursuant to this letter agreement with respect to a particular fiscal year, then the Adviser shall be entitled to recover from the Fund(s) the amount foregone or reimbursed to the extent Designated Annual Fund Operating Expenses are less than 1.25% of such Fund’s average daily net assets during any fiscal year following such fiscal year.

The Funds may invest in the securities of companies with small or medium market capitalizations. Small or medium-sized companies may have more limited product lines, markets, and financial resources than larger companies. In addition, their securities may trade less frequently and in more limited volume than those of larger companies. Small- or mid-cap stocks may be more volatile than those of larger companies and, where trading volume is thin, the ability to dispose of such securities may be more limited. Because the Vulcan Value Partners Small Cap Fund normally invests at least 80% of its equity assets in securities of smaller companies, these risks may be increased.

The Russell 2000 Index includes the 2000 firms from the Russell 3000 Index with the smallest market capitalizations. The Russell 2000 Index figures do not reflect any fees, expenses, or taxes. Investors cannot invest directly in this index. The Russell 2000® Value Index measures the performance of those Russell 2000® companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000 Value Index figures do not reflect any fees, expenses, or taxes. Investors cannot invest directly in this index.

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It is possible that each Fund may invest in securities offered in certain types of transactions (such as private placements) that, because of that Fund’s size, may have a disproportionate impact on that Fund’s performance results. That Fund would not necessarily have achieved the same performance results if its aggregate net assets had been greater.

- Anne Jones is a registered representative of ALPS Distributors, Inc.
- Kelly Meadows is a registered representative of ALPS Distributors, Inc.
- Jeff St. Denis is a registered representative of ALPS Distributors, Inc.
- James Kelley is a registered representative of ALPS Distributors, Inc.
- Santi Hechart is a registered representative of ALPS Distributors, Inc.
- Gary Wilson is a registered representative of ALPS Distributors, Inc.
- Shelly Bridges is a registered representative of ALPS Distributors, Inc.
- Chris Pickul is a registered representative of ALPS Distributors, Inc.

ALPS Distributors, Inc. is the distributor for the Vulcan Value Partners Fund and the Vulcan Value Partners Small Cap Fund.

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Expires July 31, 2024