Thanks for opening our latest presentation! Hopefully, we won't disappoint. To improve those odds, I want to set expectations upfront. This is NOT going to be your typical investor presentation. That's because we're not your typical investor. I'm not going to tell you how smart we are, brag about our pedigrees, or show off our ability to find some random micro-cap no one has ever heard of.

Instead, I thought it would be fun to give you an inside look at our investment philosophy, the role creativity plays in the process, and the combination of left brain and right brain thinking that makes Broyhill truly unique.

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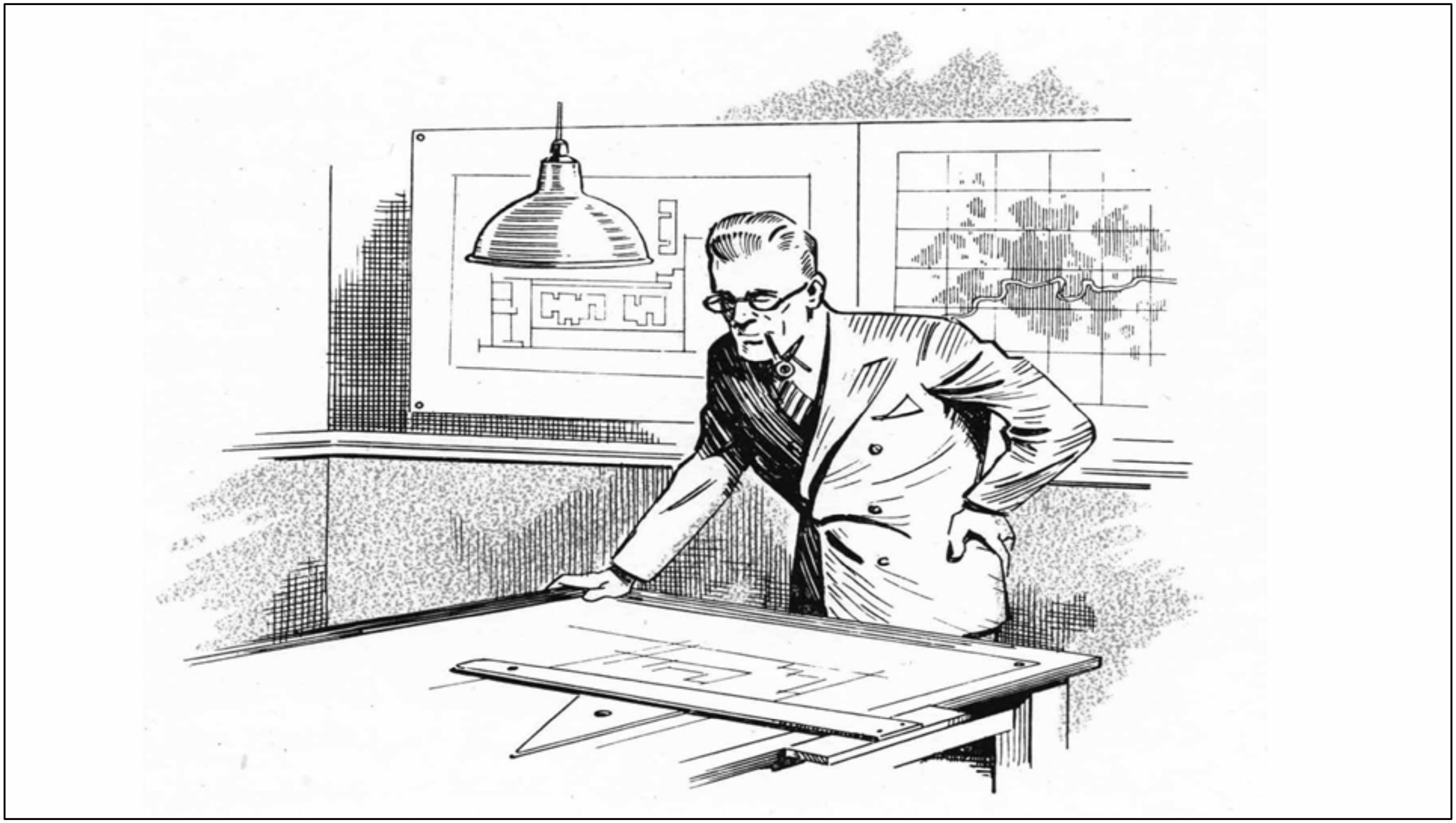
Here's our plan for today:

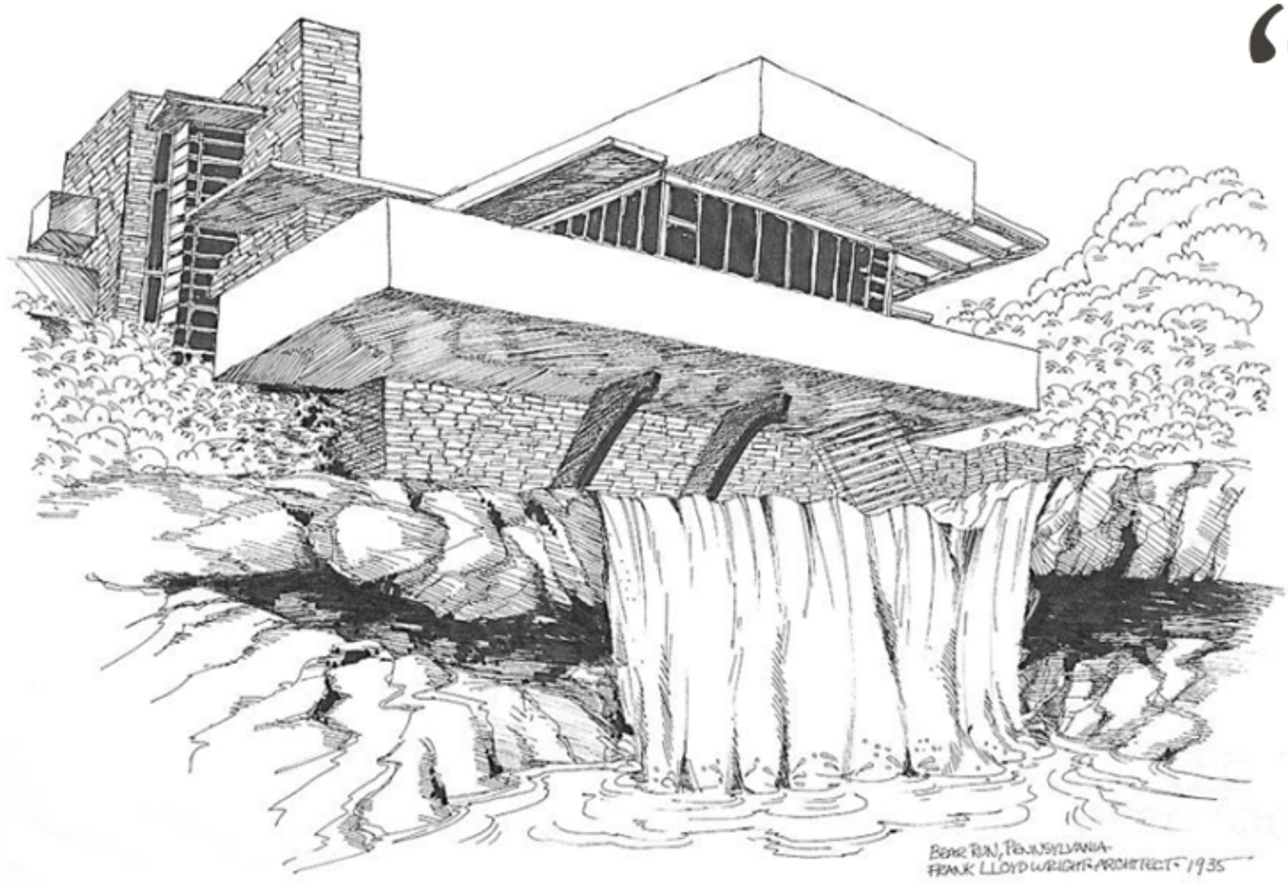
- I'll spend a few minutes on my background and how it's shaped Broyhill.
- I'll briefly introduce the firm and how our unique perspective differentiates us.
- Then, I'd like to spend the rest of our time on our investment philosophy. I think the best way to do this is to provide you with an inside look at how we make the sausage at Broyhill.

Throughout the presentation, I hope to make one thing clear: Broyhill is a different kind of firm. Our ethos: Investment by Design.



I believe that who we are is shaped by our experience. My dad had his 14th birthday on the boat from Naples to Ellis Island. He started his business with six dollars in the register. His last six dollars. My folks divorced early, and I was raised by a single mom who spent Sunday morning clipping coupons. I think it's safe to say that this upbringing played a big part in my development as a value investor.

I started my career with JPMorgan in NY in the late 90s before moving to North Carolina in 2005 to join the Broyhill Family Office. On the playground as a kid, how many of you dreamed of being an investment manager growing up? I can tell you I didn't. I wanted to be an architect.

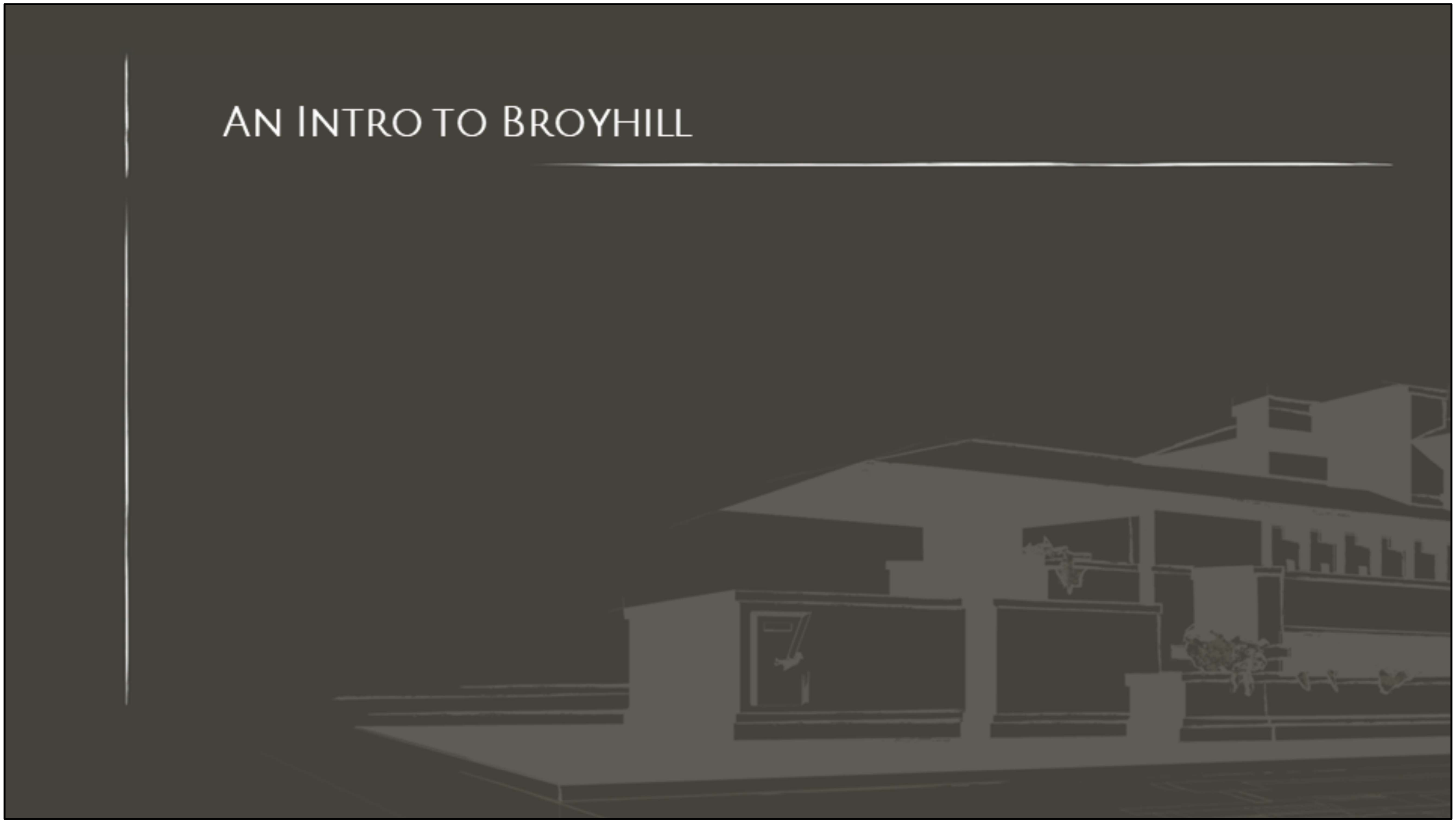


> "Early in life I had to choose between honest arrogance and hypocritical humility.
>
> I chose the former and have seen no reason to change."

What appealed to me about architecture was the combination of creativity and problem-solving it required. Luckily, this combination of skills has other applications.

Successful investing requires creative problem-solving, independent thinking, a childlike curiosity, and the humility to know when you are wrong.

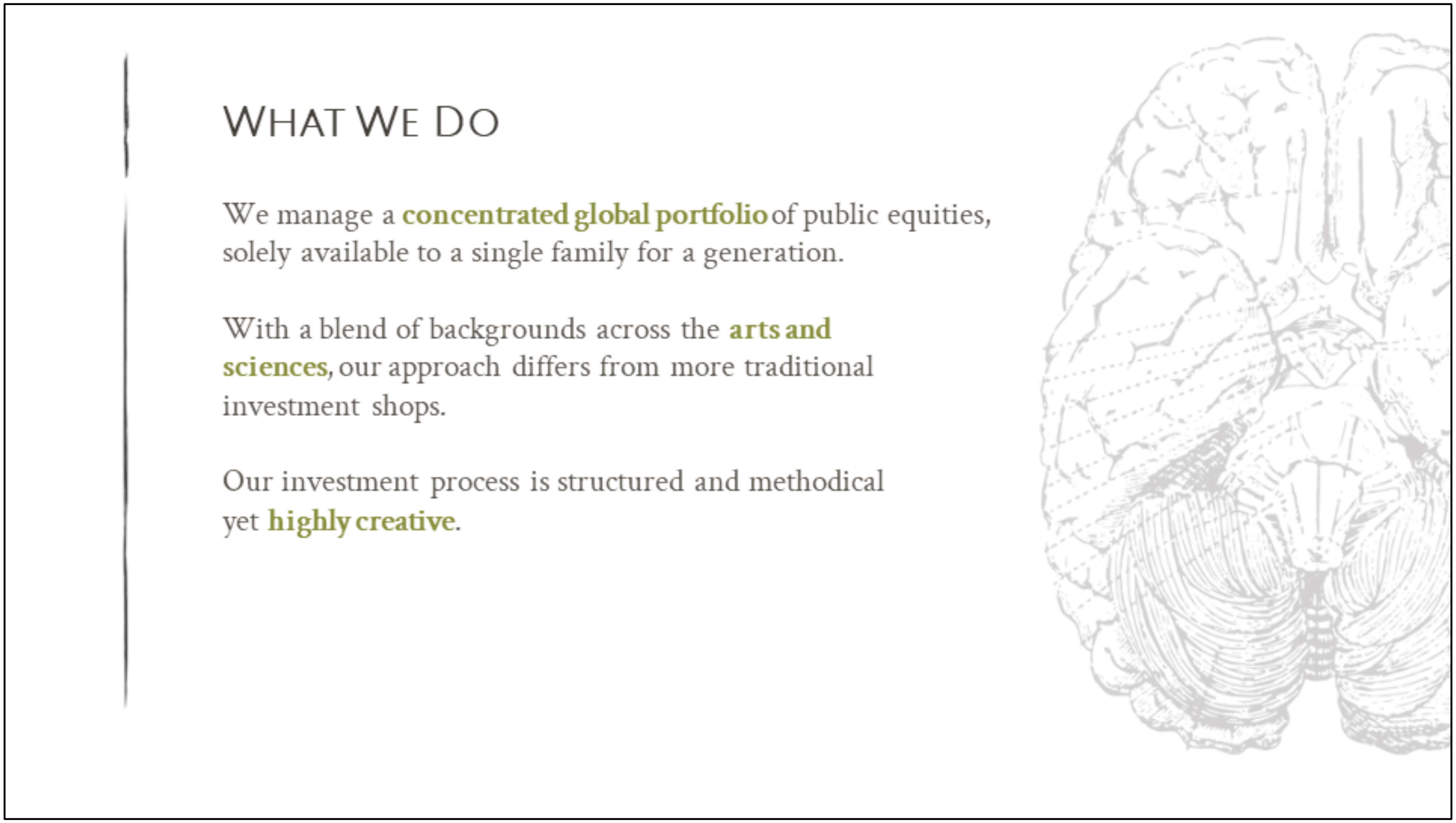
My home office is still littered with Lego Architecture models, but my time now is spent constructing a different kind of model.



I'm fortunate to be able to apply that creativity in the office every day.

And come to work with a passion for what we do and what we are building at Broyhill.

What we are building is a value-driven investment boutique that was recently spun out of a single-family office.



We manage a concentrated portfolio of global equities available to a single family for a generation. With a blend of backgrounds across art and science, our process is structured and methodical yet highly creative.

Our Advantage

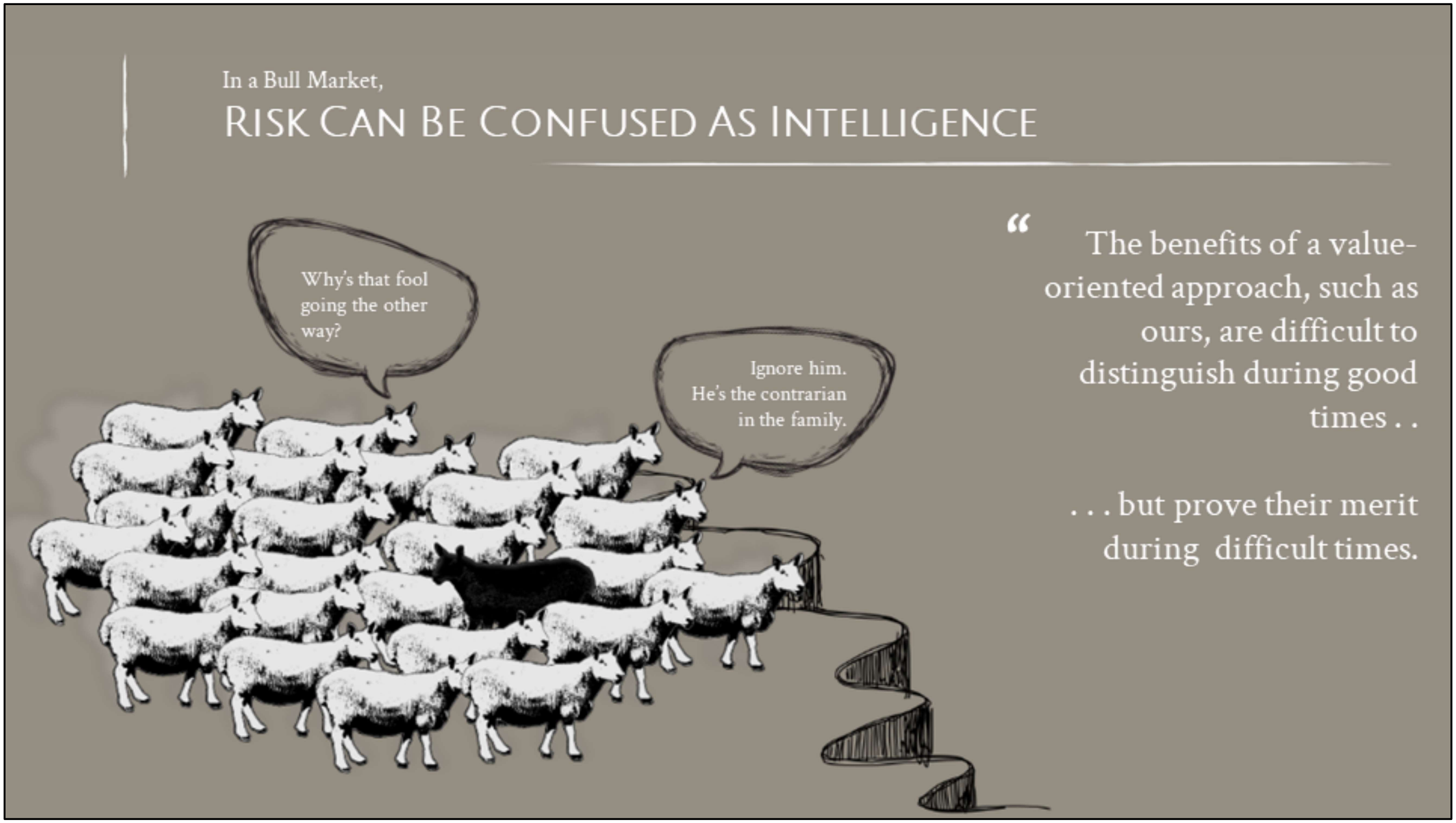
We seek to improve our odds by tuning out the noise.

That's one advantage of being founded in the Blue Ridge Mountains. **We operate outside of the fray.**

We strive to make fewer, better decisions over a longer time horizon where competition has dwindled.

One advantage of being founded in the Blue Ridge Mountains is that we operate outside of the fray.

We try to improve our odds by tuning out the noise. Rather than trading every headline, we try to make fewer decisions over a longer time horizon where competition has dwindled.



By playing in a different arena than the crowd, we can expect different results.

We Aim for Superior Returns with Minimal Risk

Over a full market cycle, we aim to generate above average equity returns with below average risk. Relative outperformance is more likely to be driven by better than average results in declining markets.

We report index returns to investors as a basis for comparison but warn that short term performance comparisons are inconsistent with long term capital preservation.

Broyhill Global Value Trailing Performance

	Inception*	5 Year	3 Year	1 Year	3 Months
Broyhill Equity	13.6	15.3	15.1	18.8	7.4
MSCI ACWI	10.8	11.5	7.5	23.8	8.3
MSCI ACWI Value	8.5	8.4	7.4	18.9	7.0

*Partial year. Inception date as of September 1st, 2015.
Past performance is not indicative of future results. Reported returns (net of 1.5% management fees) are displayed through March 31, 2024. Additional information regarding the composite is available in the Disclosures section as the end of this presentation.

At Broyhill, we believe that successful investing requires creativity.

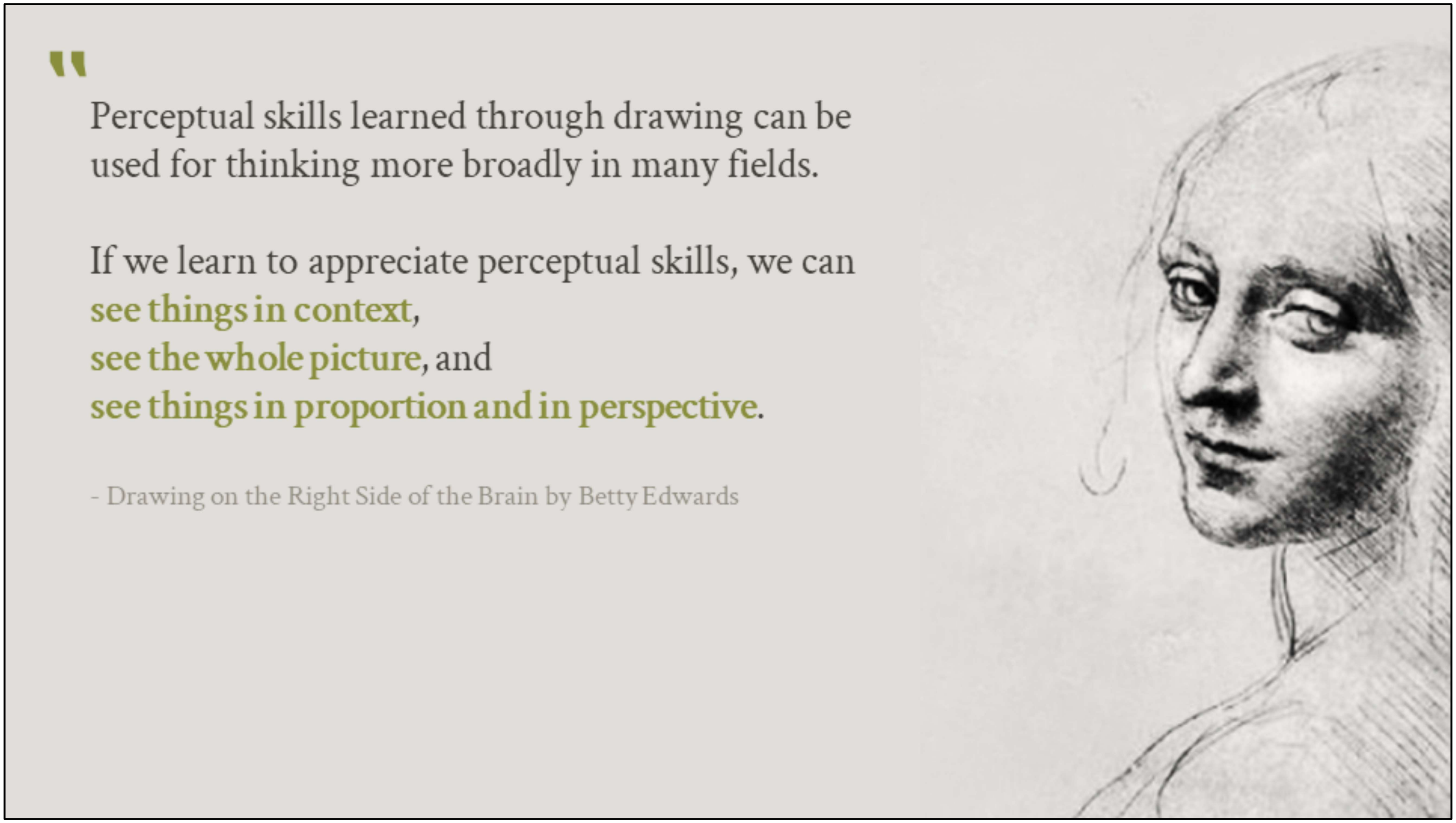
To identify opportunities that others have overlooked – and to resist the pressure of the herd - by definition, we must be creative.

When most folks think about investment managers, I imagine they envision a bunch of math nerds sitting around, laughing at a joke like this.

My wife used to tell people I "did math" for a living.

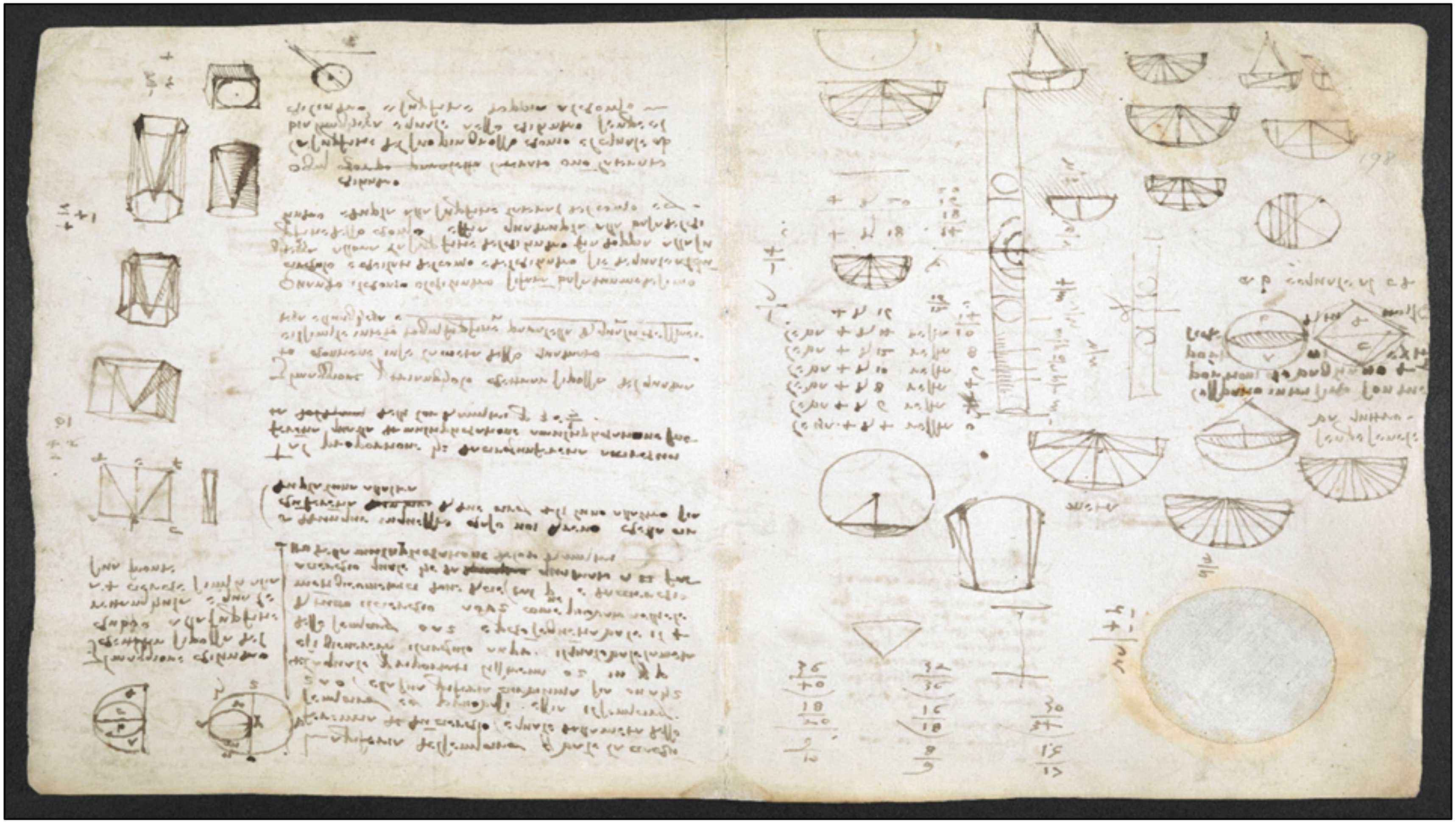
Investing certainly requires that we "do math" . . . but it's not rocket science.

The "real work" is done here.   Successful investing demands that we think differently.



So, how do we do that?

Betty Edwards offers some advice in her classic book, Drawing on the Right Side of the Brain.



Many of history's greatest learning machines used simple drawings to solve problems.

The solution
to many problems
can often be uncovered
by re-expressing them
in inverse form.

One of the first exercises in her book is drawing upside down.

It works because the analytical left side of the brain has trouble identifying upside-down images. So, the right side of the brain, which is more suited to perception and pattern recognition, takes over.

Drawing helps us “see” differently. Charlie Munger gave us similar advice: Invert. Always invert.

Like drawing upside down, investing requires both sides of our brains. It's impossible to generate differentiated performance without doing things differently.

And that begins with a different idea generation engine.

So, where do those ideas come from?

John Cleese, co-founder of Monty Python, offers up a hint.

We don’t know where our ideas come from. What we do know is that we don’t get them from our laptops.

"The secret to doing good research . . .

is always to be a little underemployed.

You waste years by not being able to waste hours.

– Amos Tversky

We need to distance ourselves to shift our perspective. This only happens when we relax and let our minds wander.

We have been brainwashed into thinking that more information is better, encouraging investors to make quick decisions without much thought.

We think our investors are better served by making fewer . . . better . . . long-term decisions.

"

There is no *idea dump*;
no *story central*;
no *island of the buried bestsellers.*

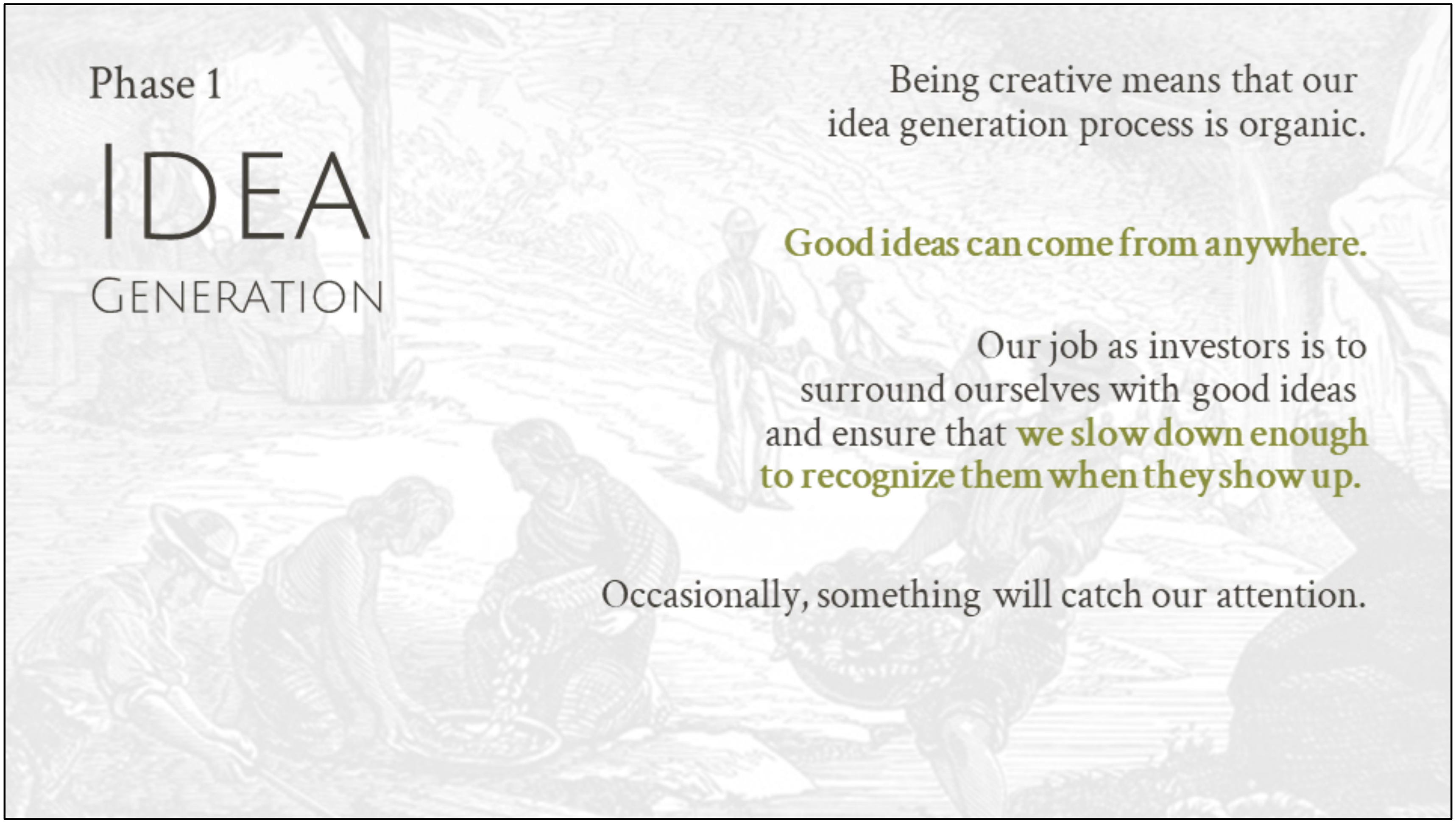
Good story ideas come quite literally
from nowhere.

Your job isn't to find these ideas
but to **recognize them** when they show up.

In his book On Writing, Steven King explains that "Good ideas come literally from nowhere. Our job is to recognize them when they show up."

I think this is analogous to the investment process. There is no silver bullet. But left alone, ideas can "magically" appear if we let them.

Our job as investors isn't to sit in front of screens all day chasing every thought that comes our way in 140 characters.



Our job is to surround ourselves with good ideas, let them simmer, and slow down enough to recognize them.

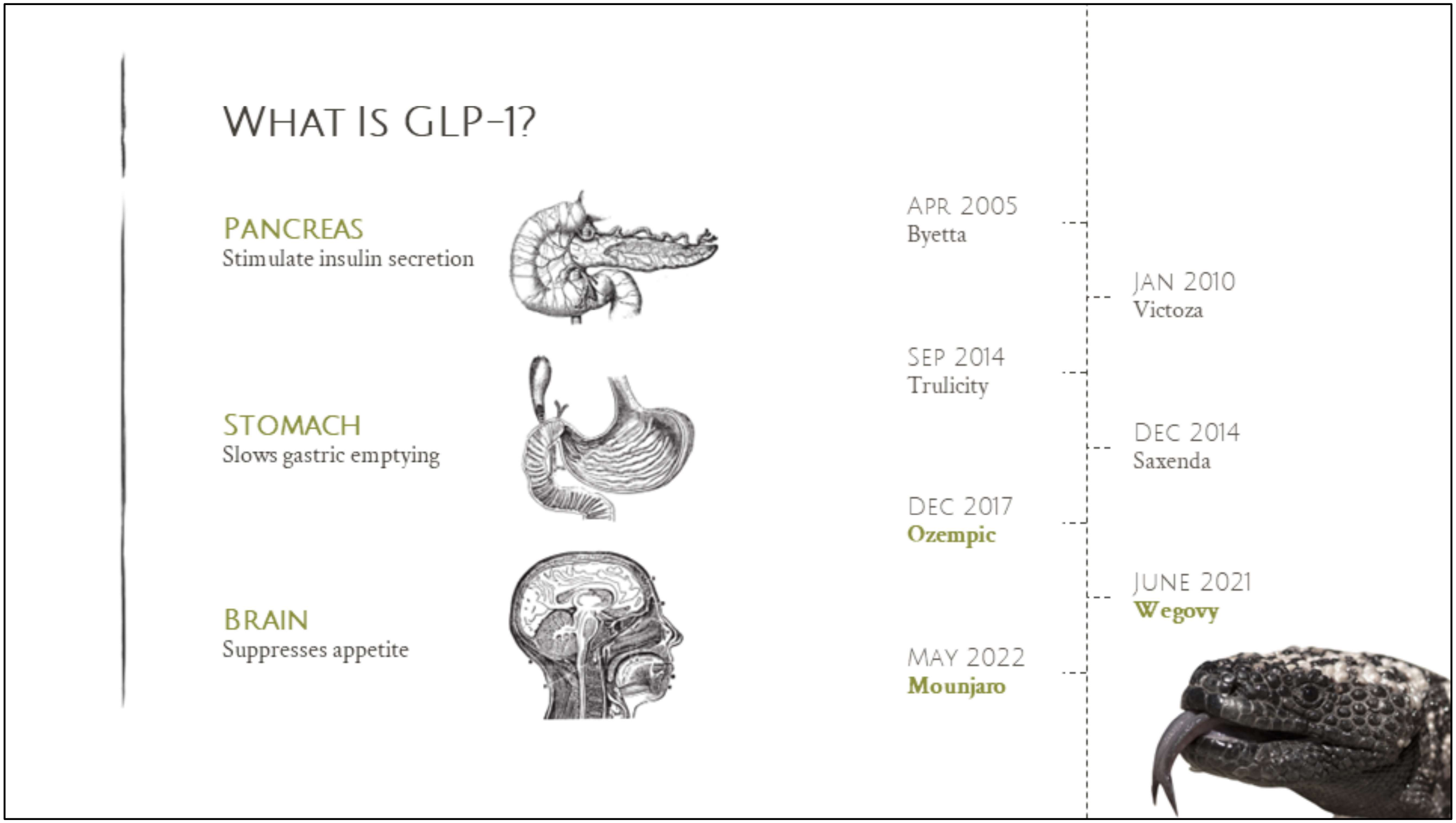
We're generalists turning over a lot of rocks to find a few gems.

We cast a wide net to broaden our understanding.

And eventually, something catches our attention.

Like this.

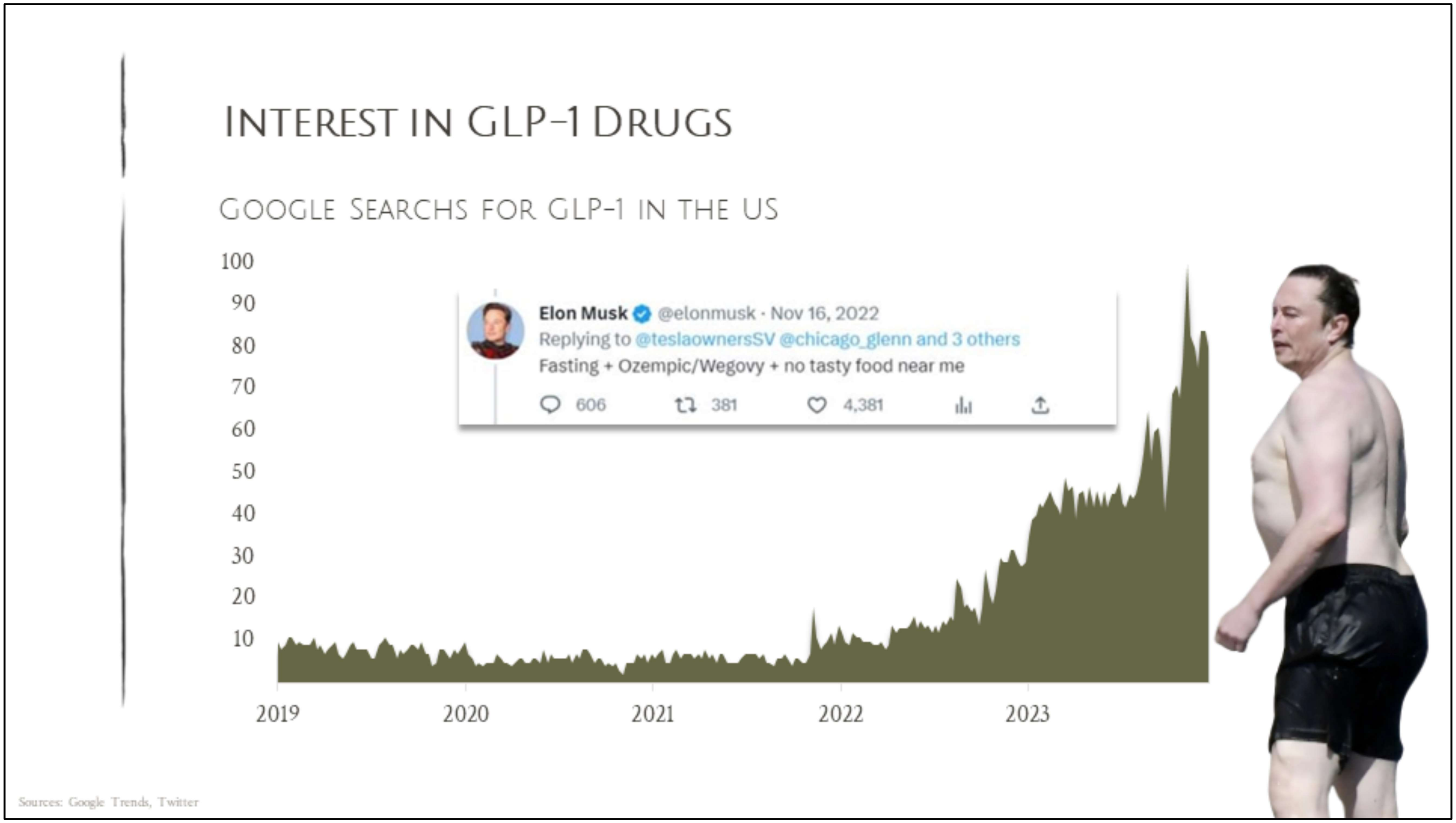
The only thing that came close to AI Mania last year was the surging enthusiasm for weight-loss drugs in America.



GLP-1 (or "GLIP-1") was discovered while studying the effects of the Gila monster's venomous bite. Researchers found it had "magical powers" like regulating blood sugar and curbing hunger.

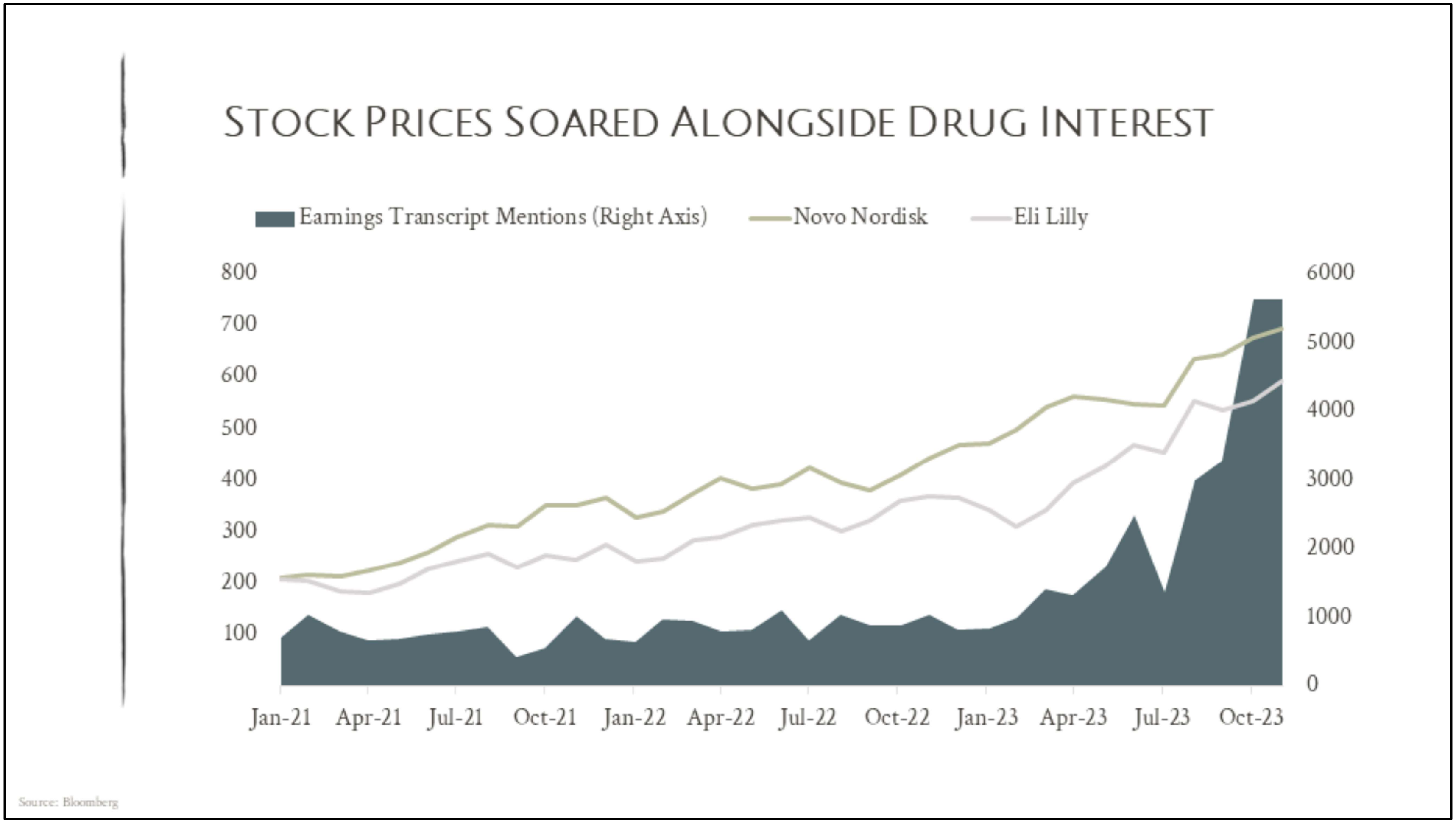
So naturally, big pharma bottled it up, manufacturing the first GLP-1 drug for diabetes in 2005.

Over the next two decades, several more joined.



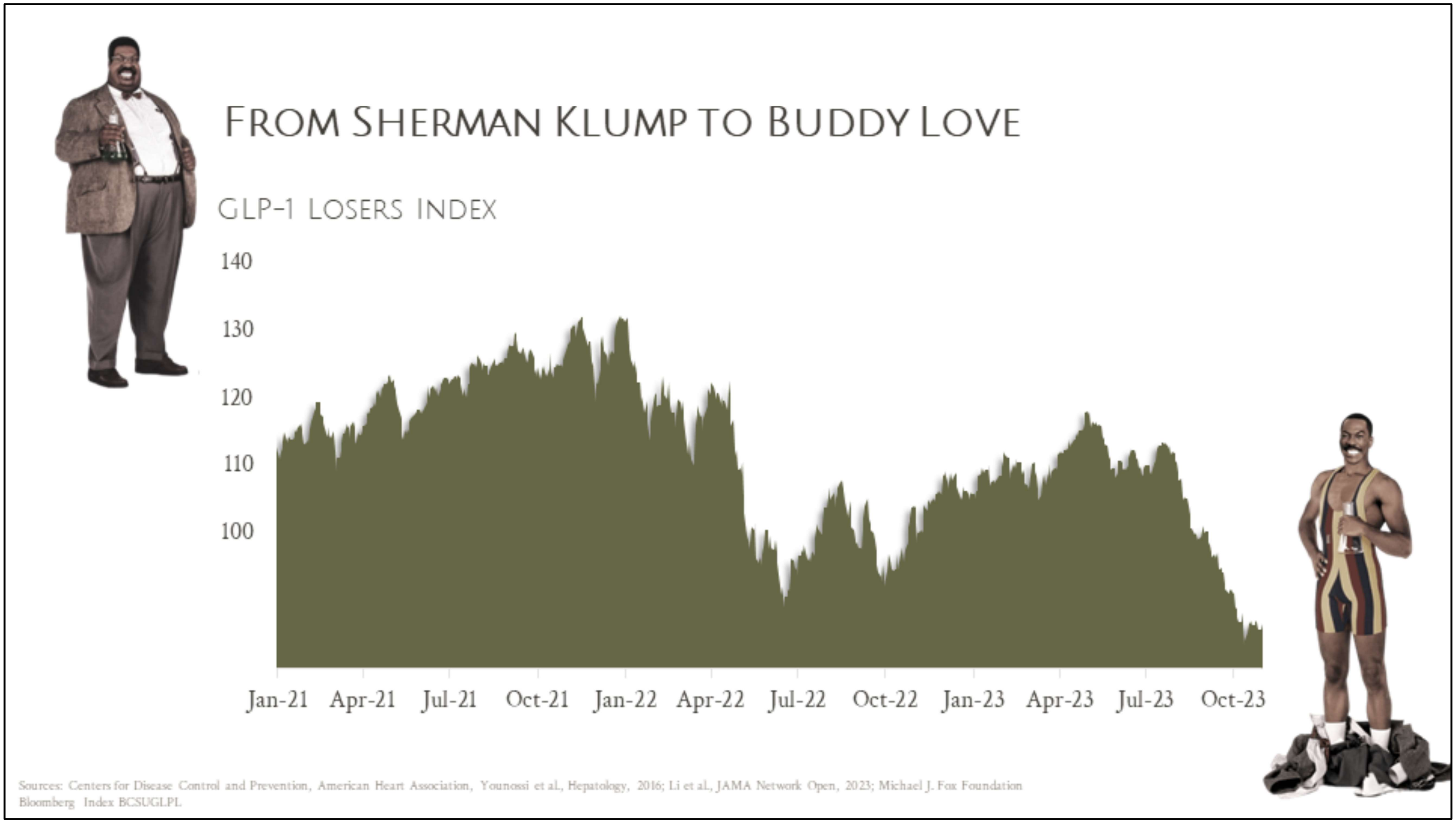
But it wasn't until last year that drugs like Ozempic and Wegovy became household names.

And were widely adopted in Hollywood.



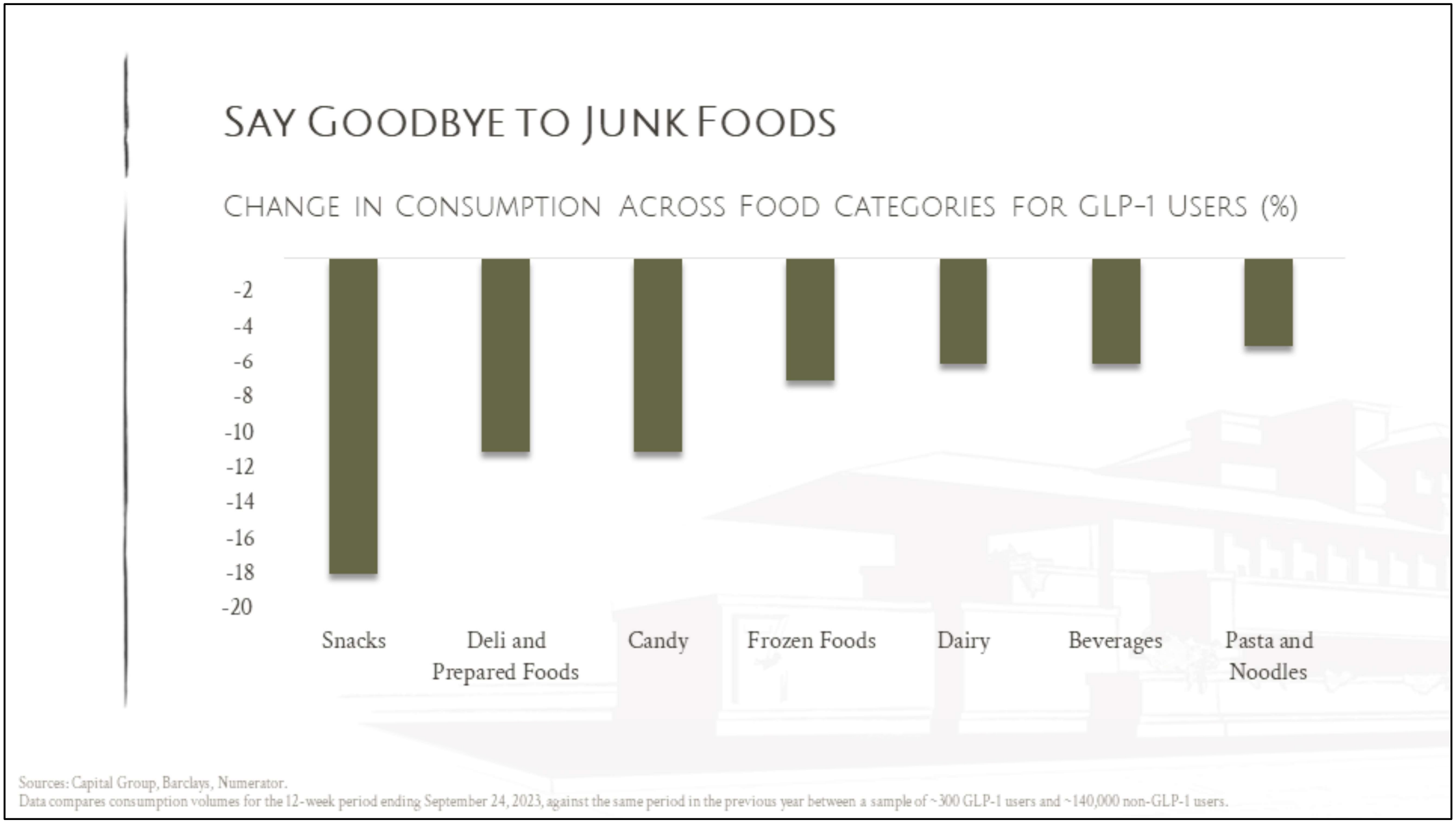
Recent trials showed these drugs helped patients lose almost 20% of their weight, reduced the risk of heart attack and stroke, and delayed the progression of kidney disease.

The stock prices of GLP-1 manufacturers soared, alongside rising interest in the drugs.

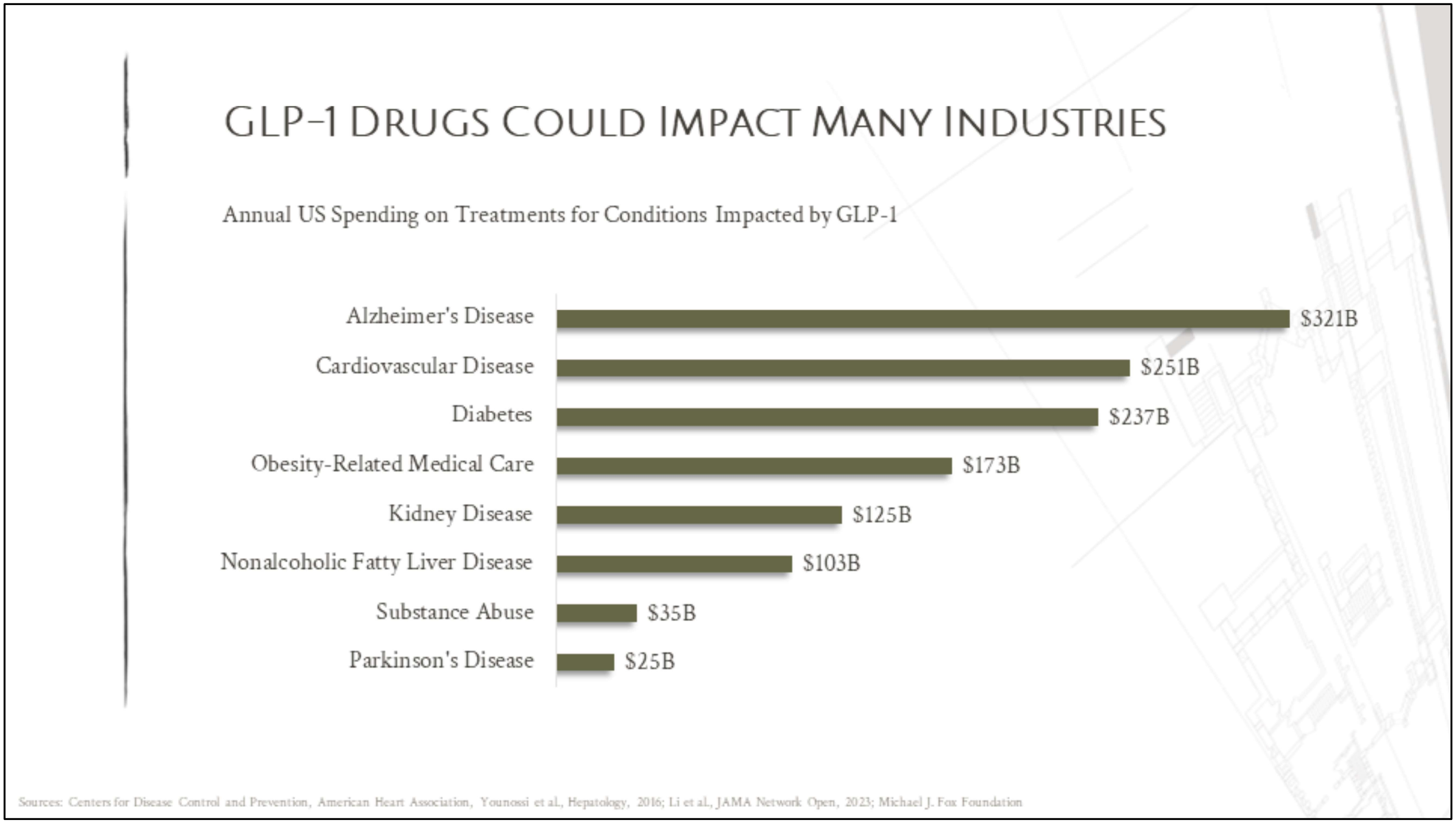


Other stocks, meanwhile, didn't fare so well.

Junk food was no longer in vogue.



Neither were salty snacks, candy, beer, or soda.

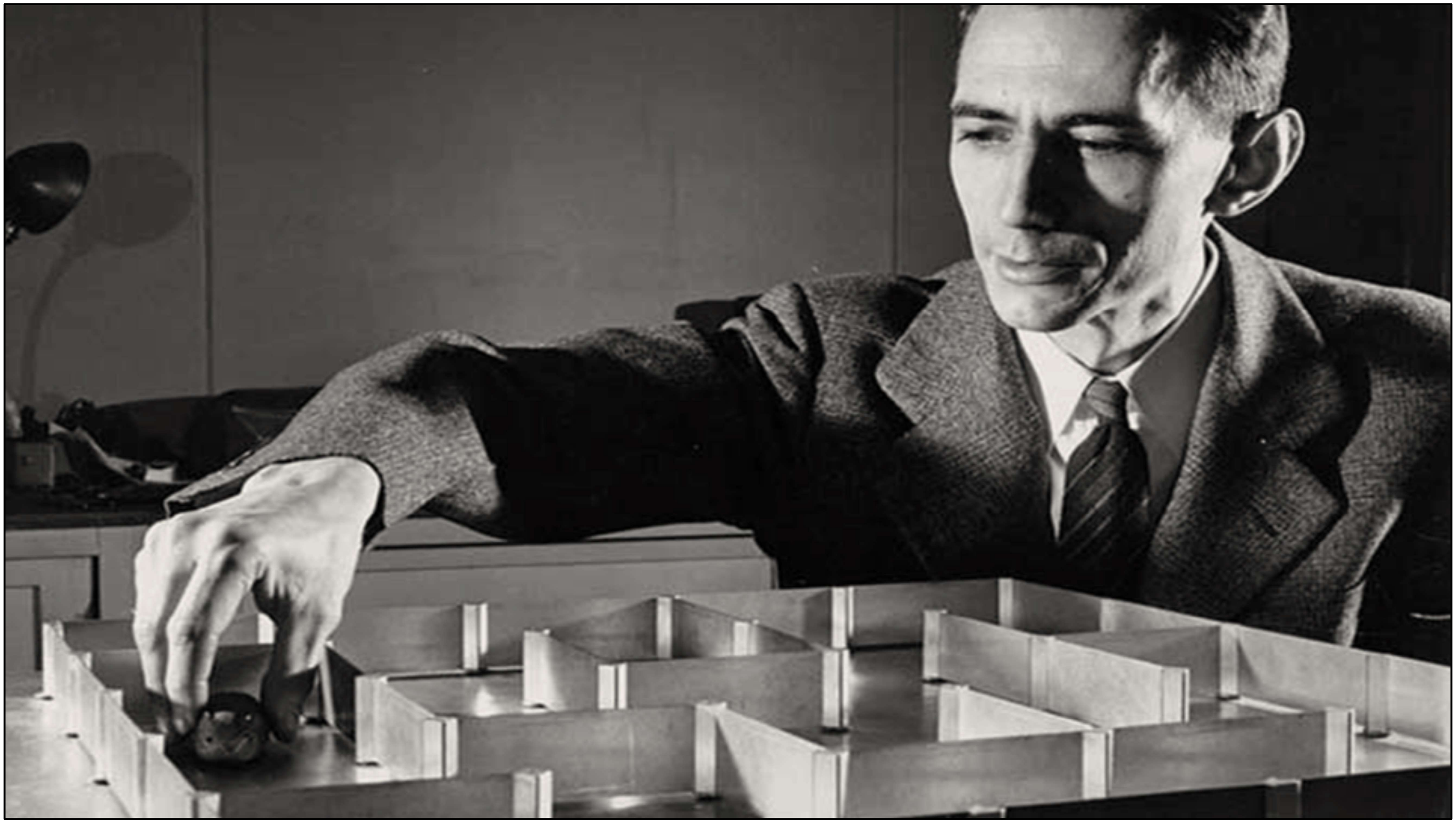


And who needs insulin pumps now that we are ridding the world of diabetes?

After watching these developments for weeks and months, we started brainstorming. This is the creative part of the process.

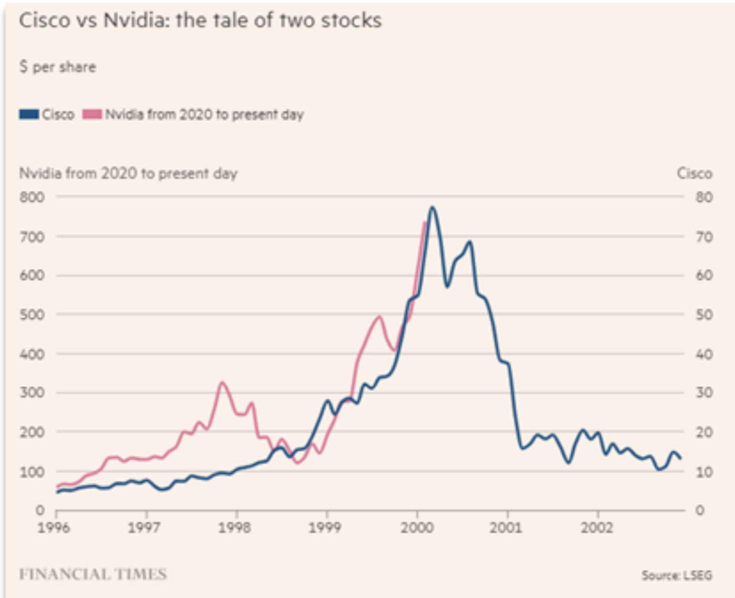
But at some point, we do need to begin narrowing the pipeline so we can focus on the most promising ideas.

This is what our First Look is designed to do.



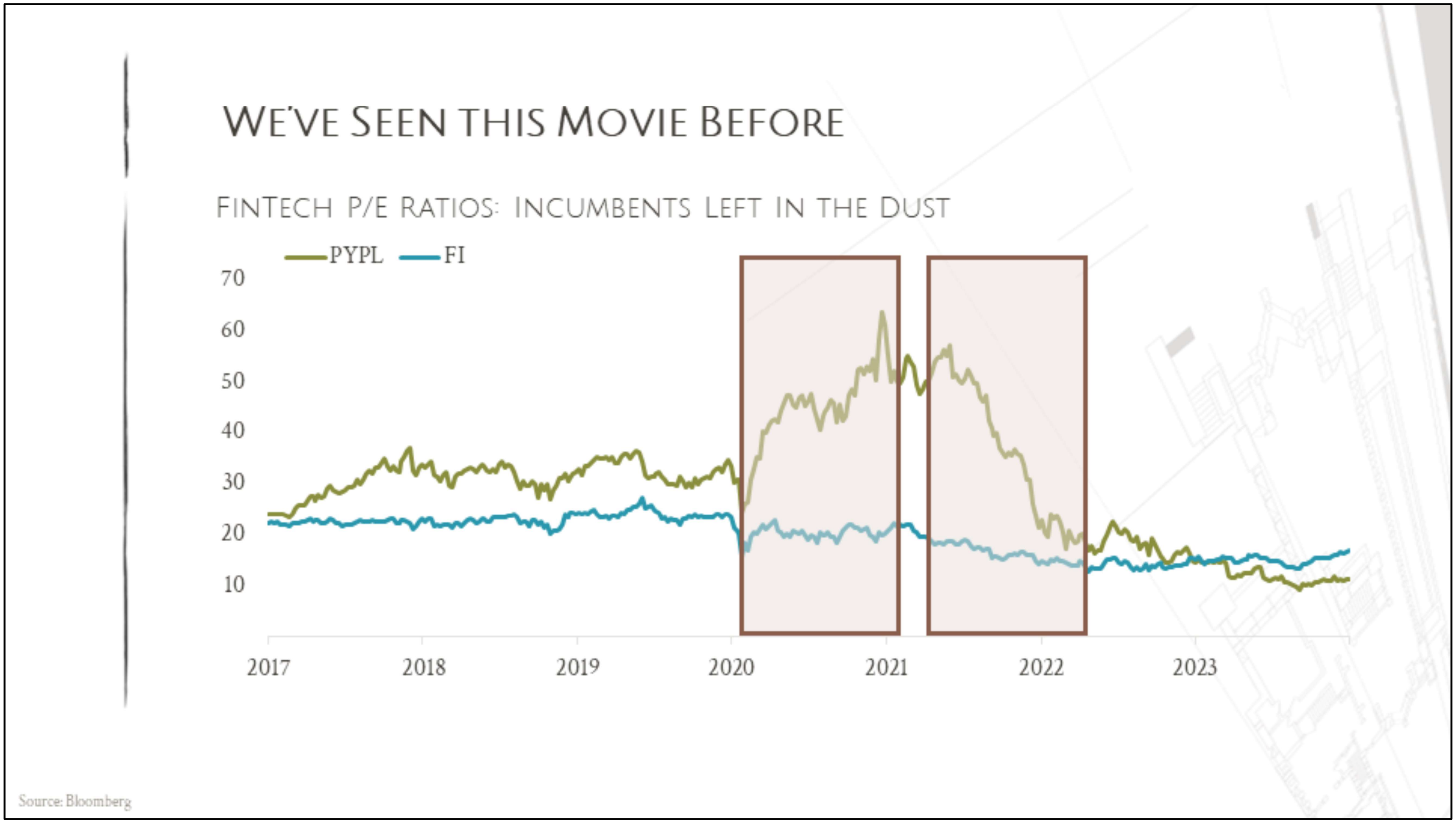
The approach is similar to the one outlined in a 1952 speech at Bell Labs titled Creative Thinking by Claude Shannon.

SEEK OUT SIMILAR PROBLEMS



The first tip Shannon offers is to seek out similar problems.

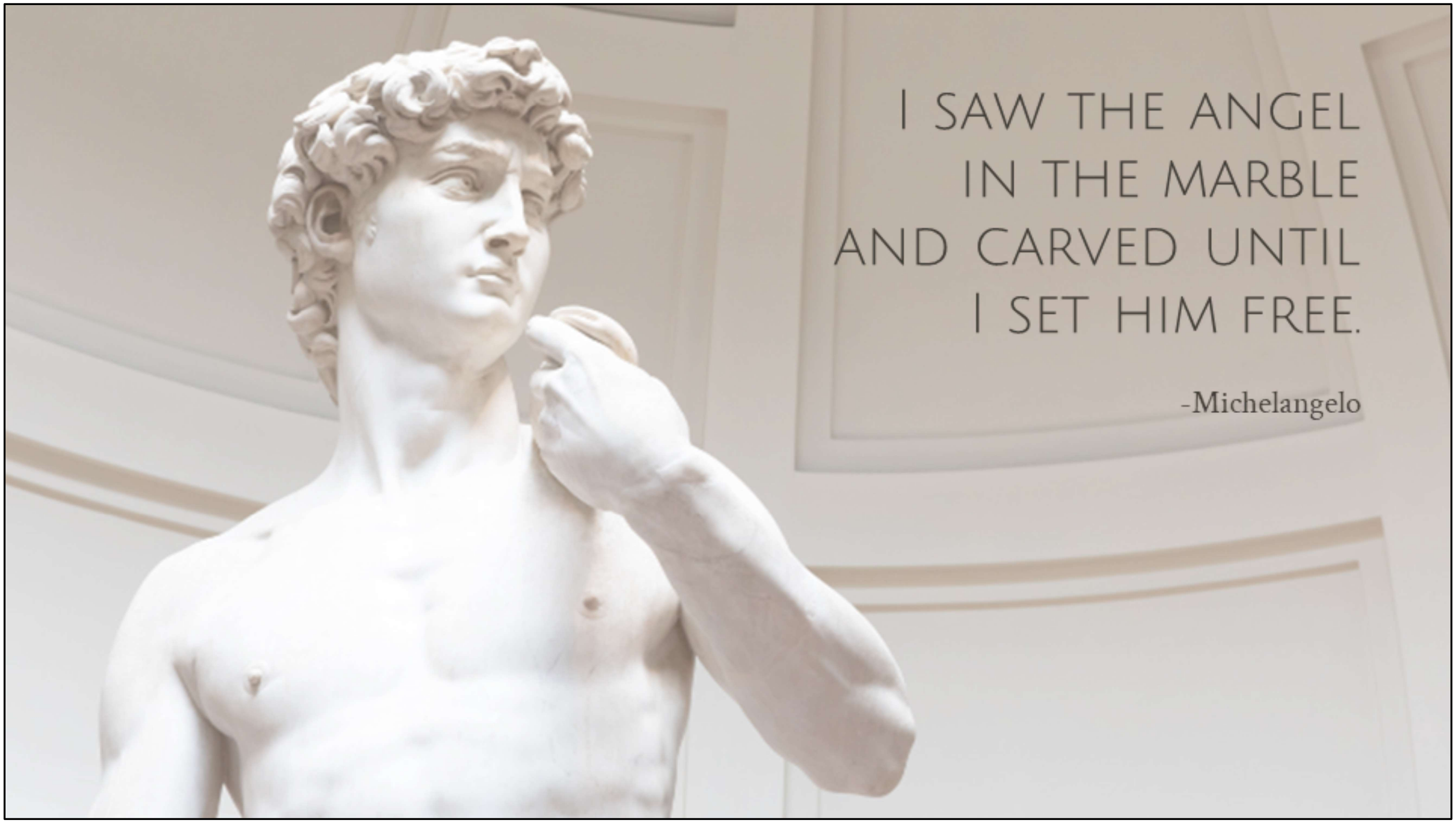
This is where experience comes in handy, as pattern recognition helps us recognize similar setups.



For example, we know from experience that enthusiasm for the "new, new thing" can get carried away.

We also know that when enthusiasm reaches those extremes, incumbents are often left in the dust.

The hype around GLP-1 appeared to be playing out in a similar fashion.

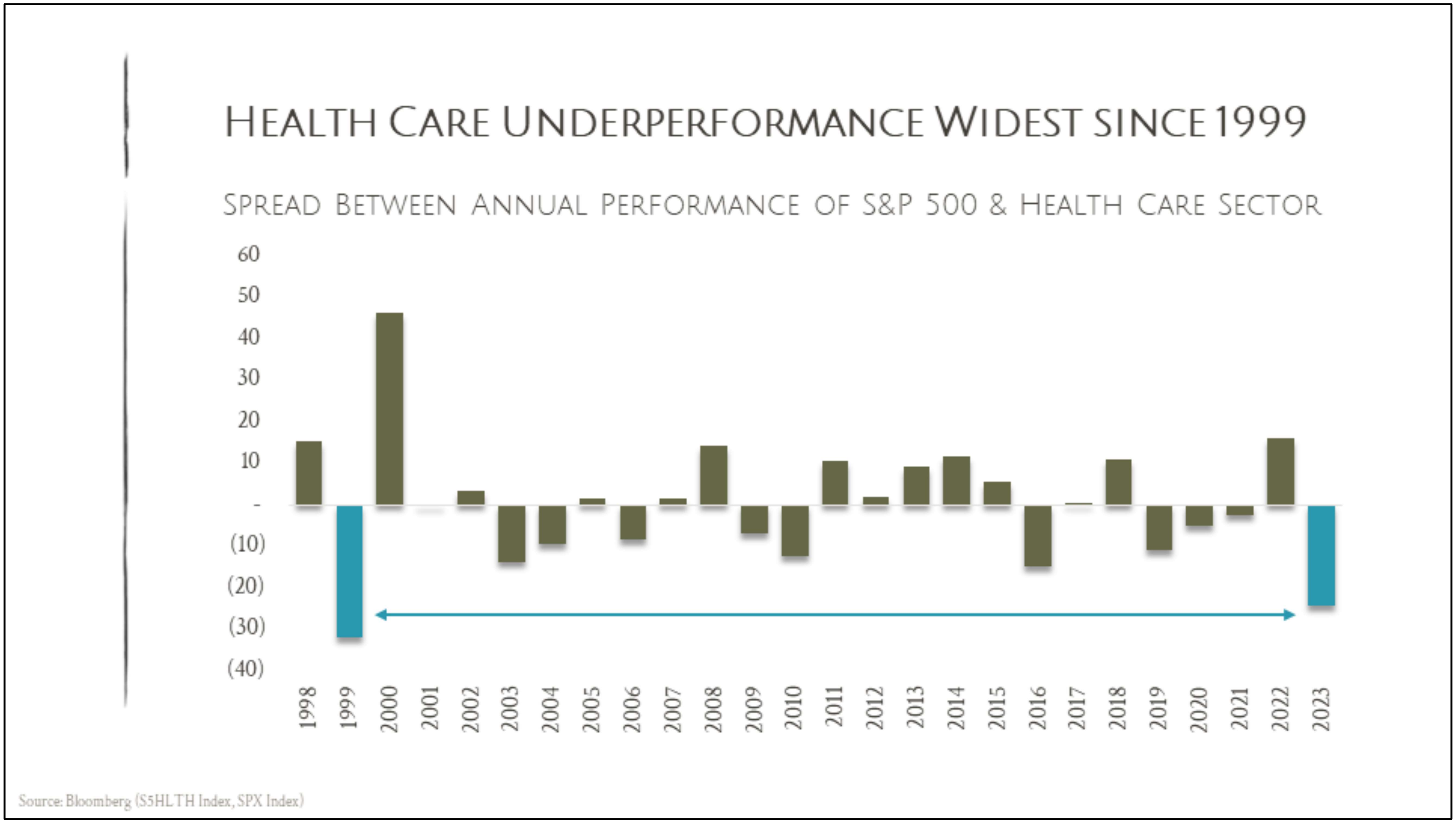


Shannon also explores the idea of simplification. It's easy to get lost in the details, so, we start with the basics.

In the case of GLP-1, the big problem wasn't the accuracy of the street's forecasts. We think they're probably in the right ballpark.

The more important question is: what's the potential impact on other businesses?

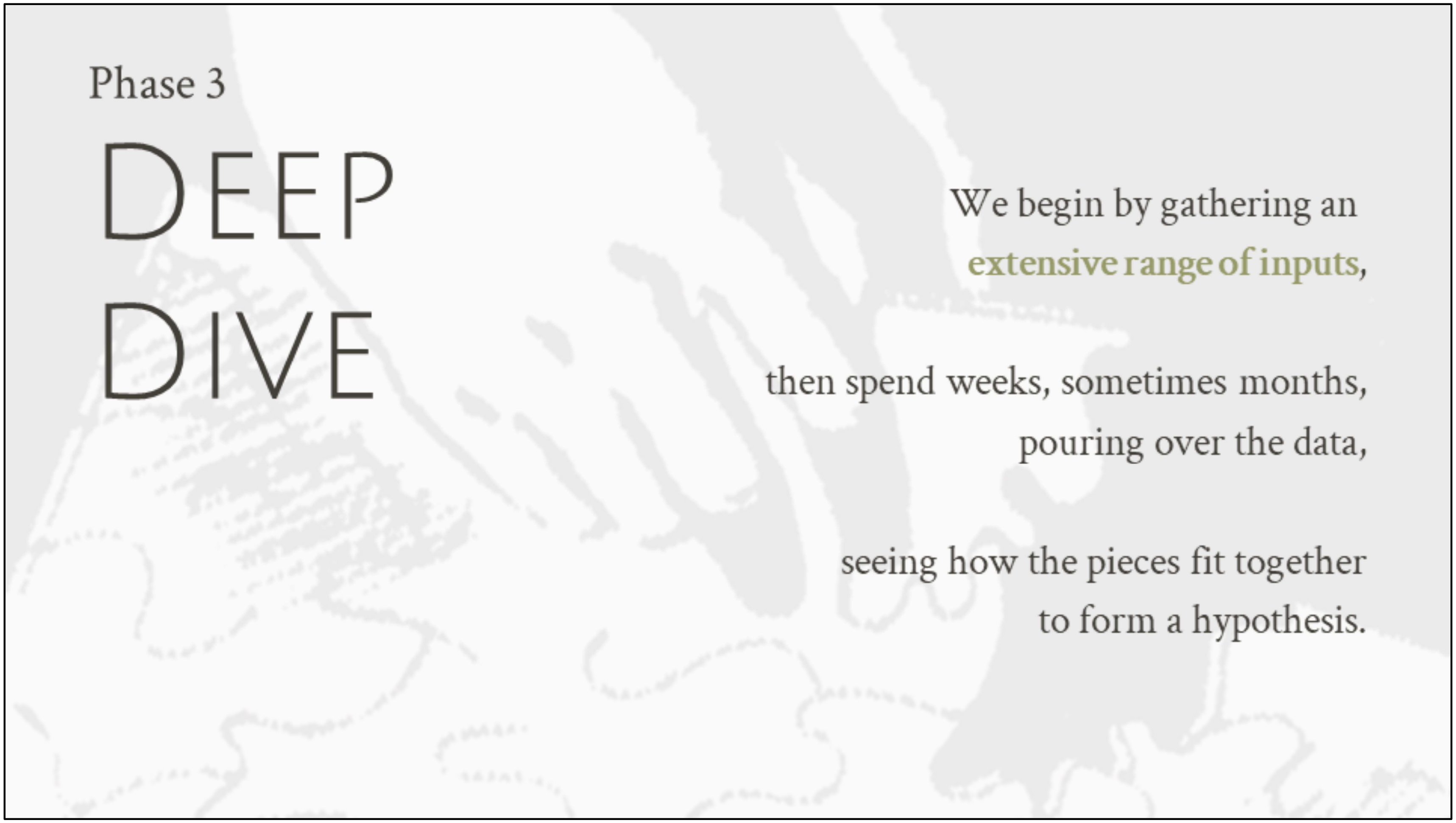
And that's where the last of Shannon's tips came in handy. It's the idea of structural analysis. Where the right questions help us frame the range of outcomes.



Going back to the idea of inversion, a reverse DCF can be informative. On our numbers, it looked like the hit to some of these stocks implied that they were permanently impaired.

Yet, the range of potential outcomes was incredibly wide. So, any outcome other than the worst possible one represented significant upside.

We saw the most extreme reactions and the greatest opportunity in the medtech sector, so we decided to investigate further.



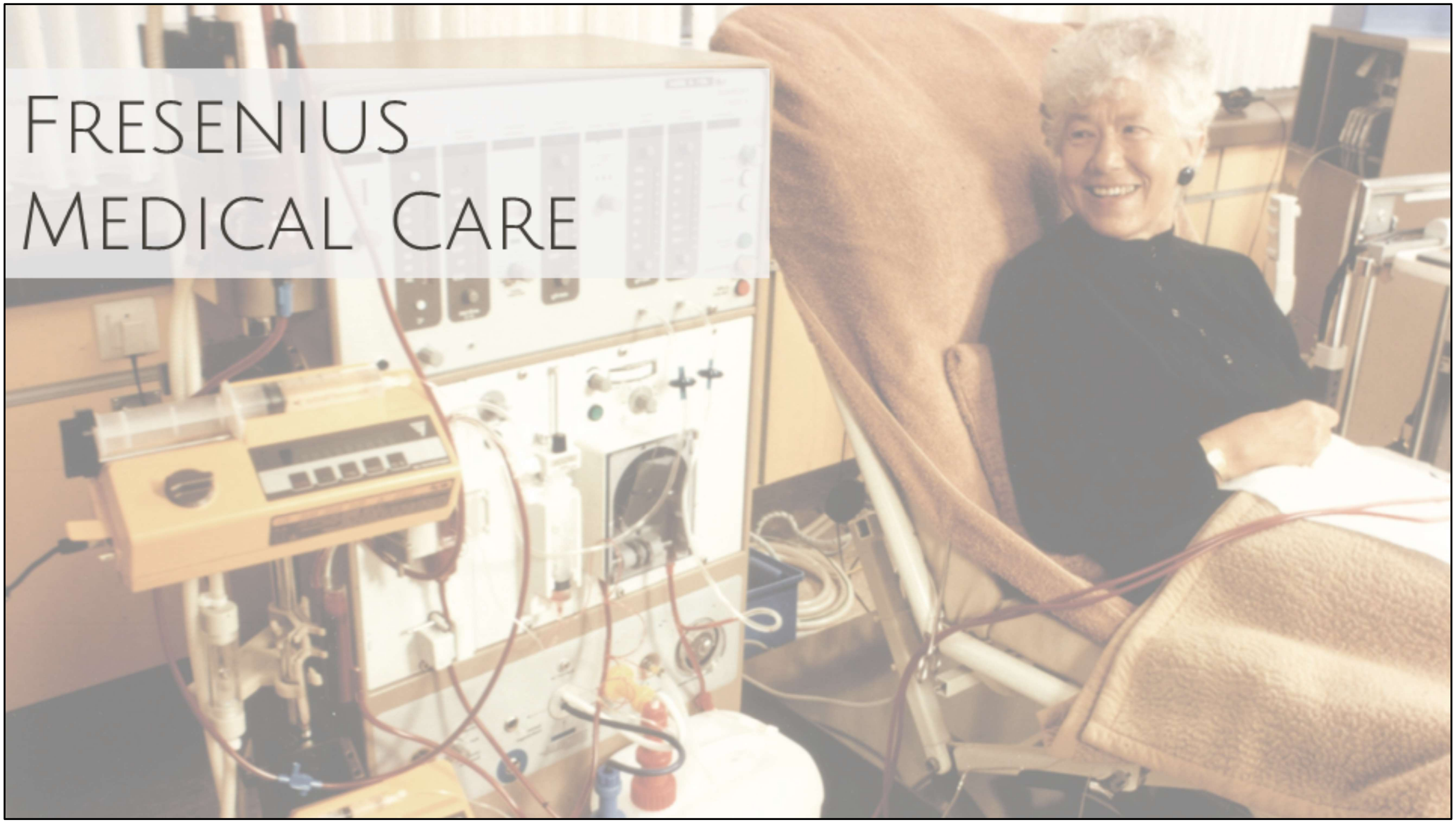
This is the last stage of our investment process.

It’s when we begin to formalize our thesis and take a Deep Dive.

It's also the most fun.

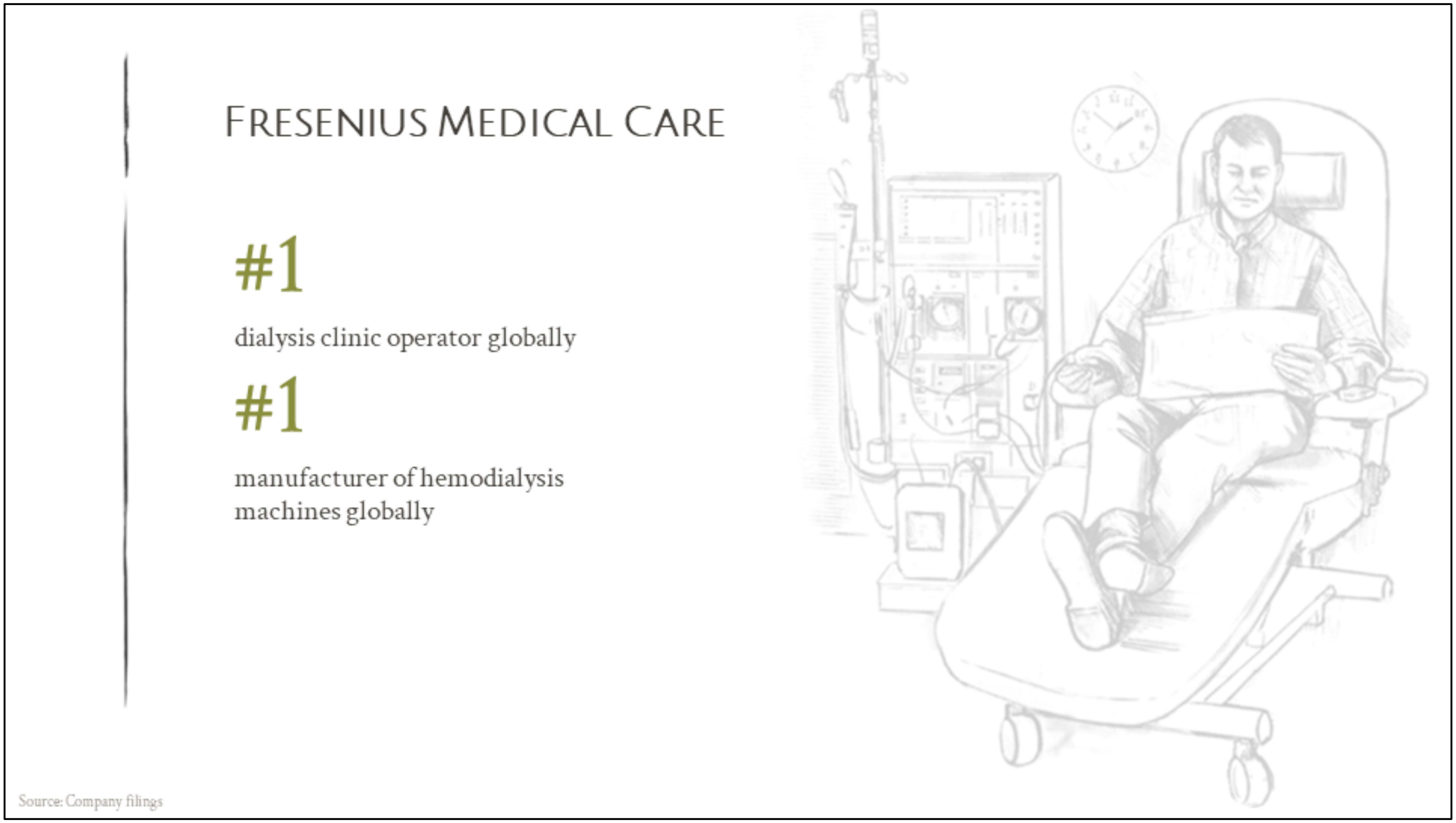
In Letters to a Young Scientist, E.O. Wilson explains that real progress comes in the field, writing notes, or at the office behind a pile of research. It requires hard work. And focus.

In other words, once we step back far enough to see the big picture, then we can obsess over the details.



So, let's dive in.

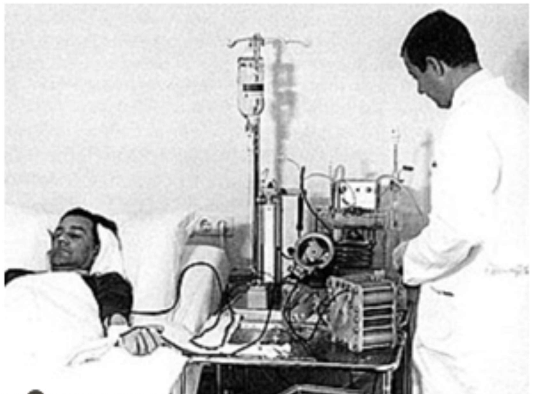
As a value investor in America, our only experience with dialysis until recently was DaVita, given Berkshire's 40% stake.



Fresenius is the leading provider of dialysis equipment and services in the world.

It competes with DaVita in an effective duopoly. In fact, in addition to supplying its own clinics with hardware, Fresenius also supplies DaVita!

The History of Fresenius



1966

Fresenius begins manufacturing dialysis machines.

1996

The Medical Care business is spun out of the parent company and merged with National Medical Care.

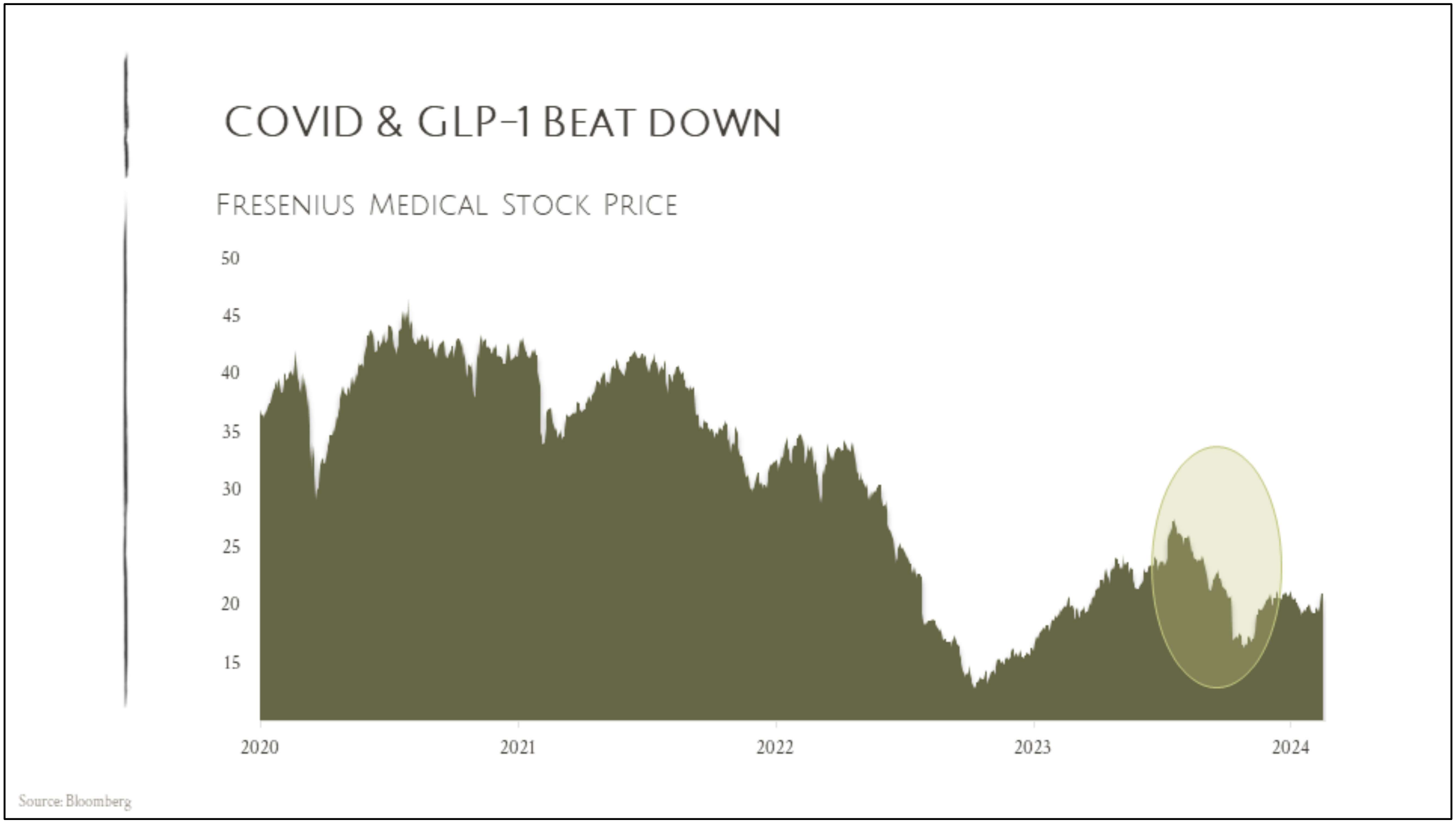
2023

Parent FME announces plans to deconsolidate Fresenius Medical.

Source: Company filings

Fresenius began manufacturing dialysis machines in 1966 and went public on the DAX about twenty years later.

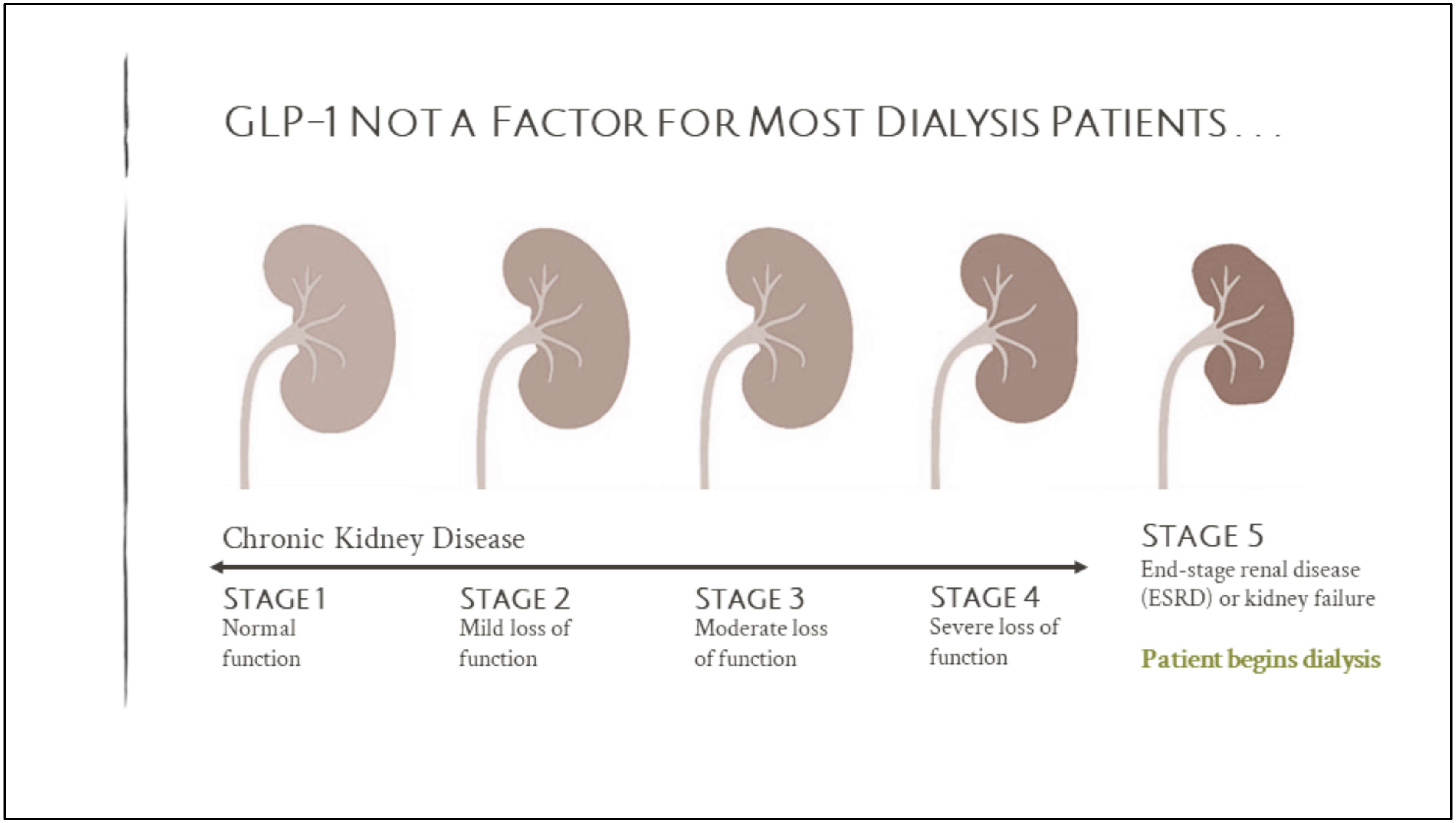
In the late 90s, it spun out its dialysis business and deconsolidated it from the parent company last year.



Predictable volume growth on a fixed-cost basis historically translated to steady earnings.

That changed when mortality rates surged during COVID, causing the stock price to fall over 70%.

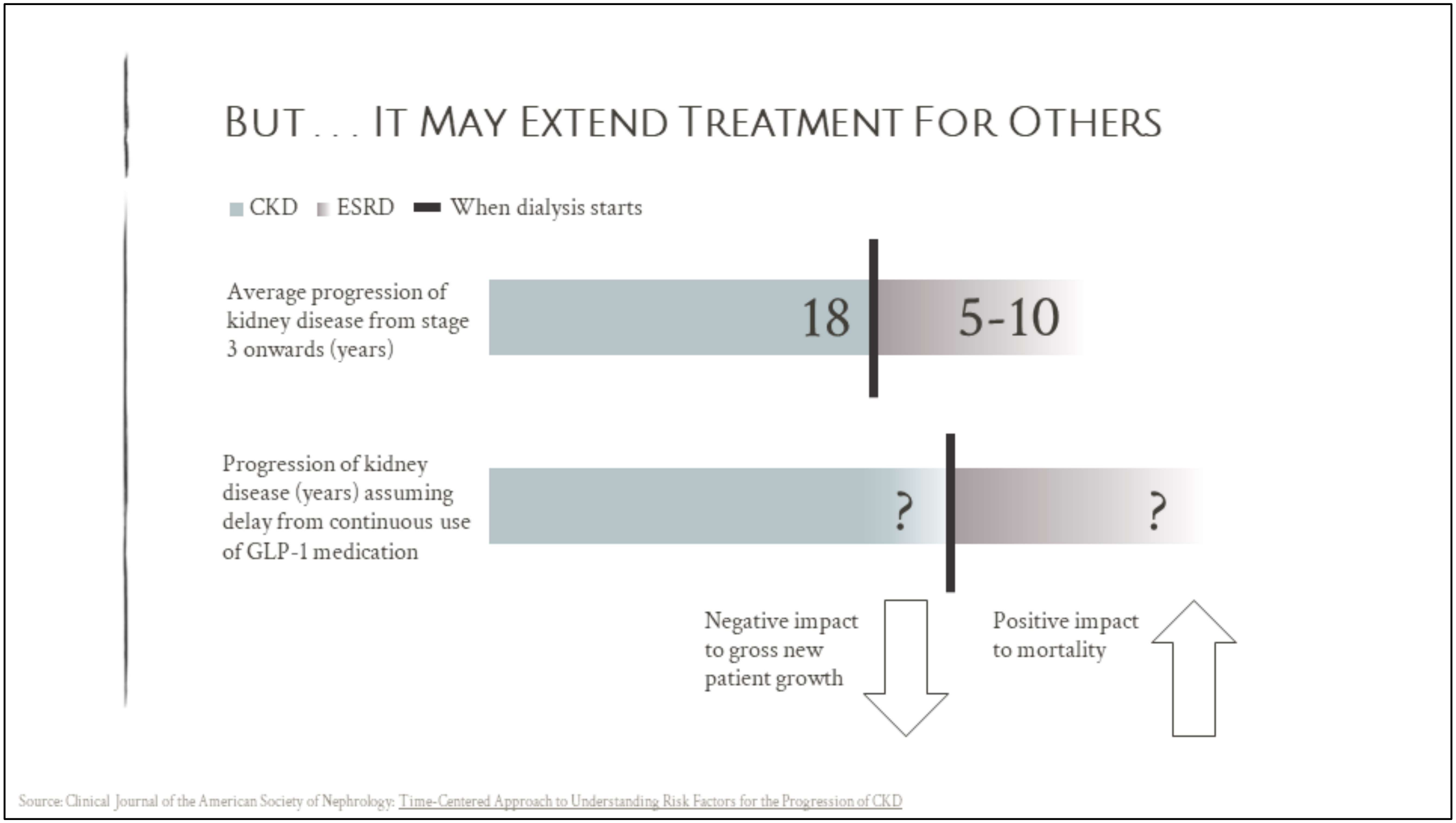
Shares rebounded, then fell another 40% when folks realized the potential impact of GLP-1 on volumes.



We think the sell-off is overdone.

To start, nearly half of the patients on dialysis are there for reasons unrelated to diabetes.

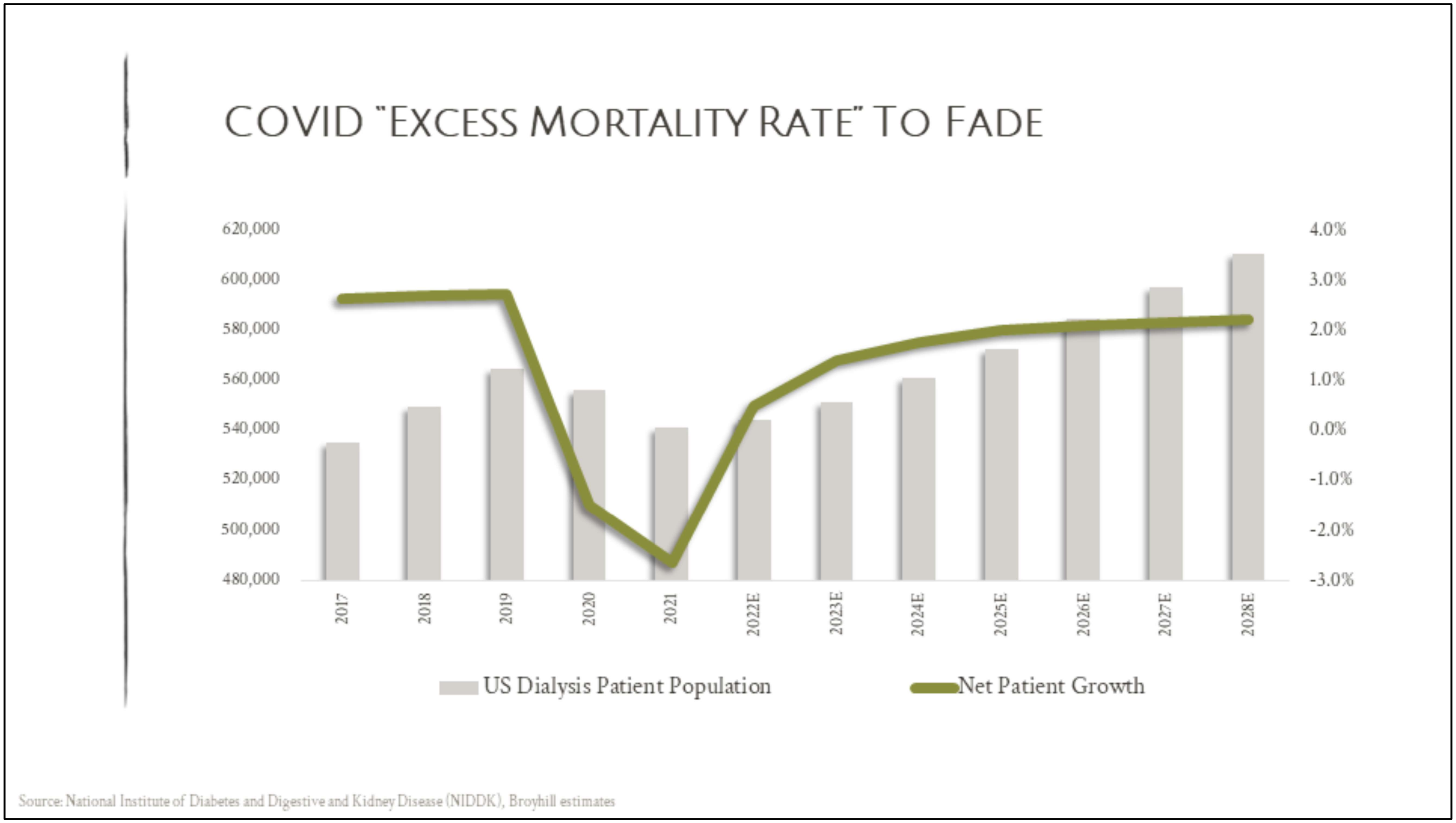
And most patients with kidney disease don't even know they have it until they "crash" into kidney failure. So, GLP-1 is of no help to them either.



For those patients actively managing kidney disease, GLP-1 can slow its progression and hit volume growth.

This is where consensus is focused and has obsessively modeled the hit to volumes. What's interesting to us is that most of those models ignored the potential for these drugs to prolong the lives of patients.

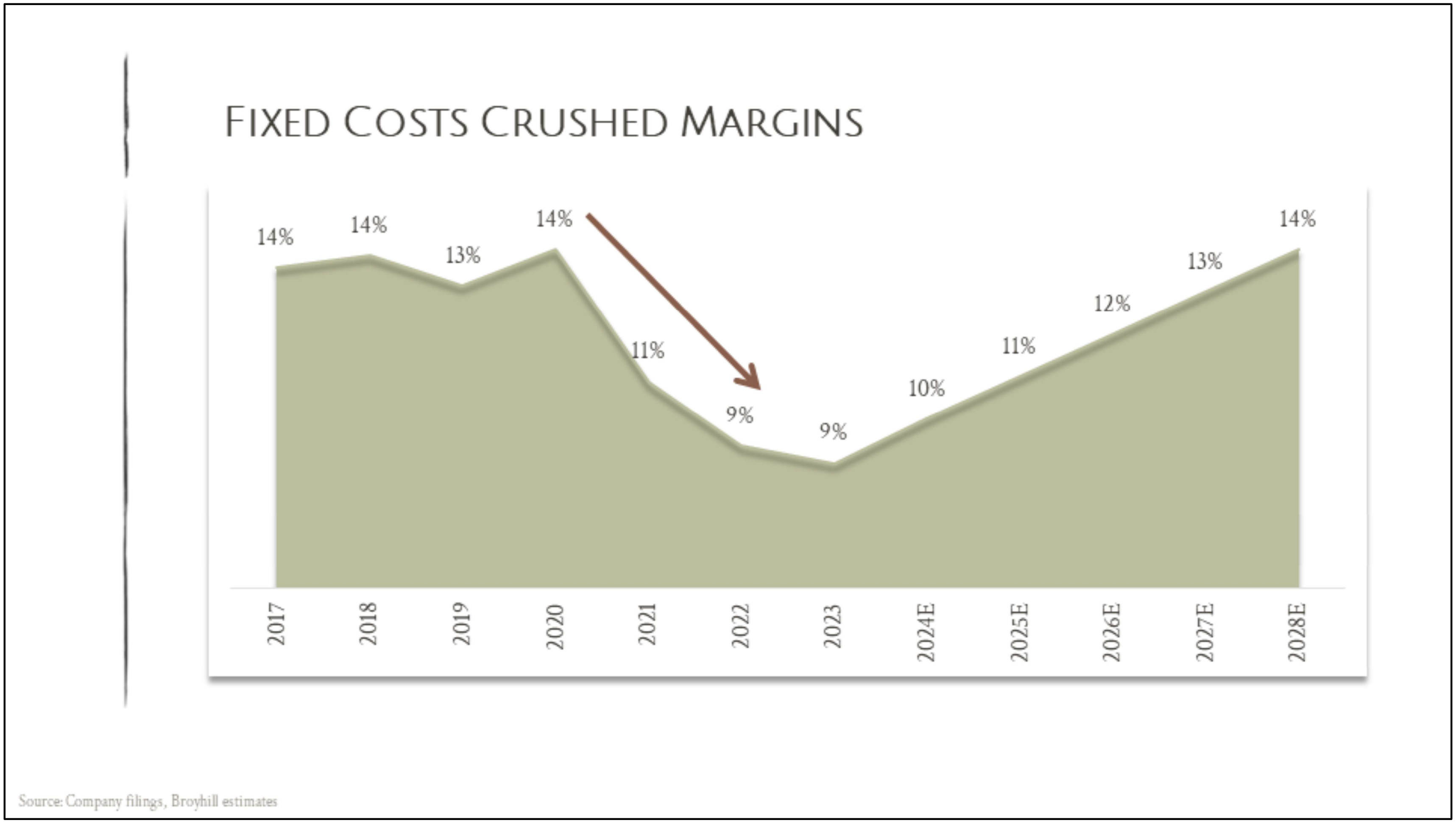
In other words, GLP-1 may have an offsetting positive impact on mortality rates. This could actually increase volumes in the near term as patients stay on dialysis longer.



We also see COVID's "excess mortality" rates starting to fade.

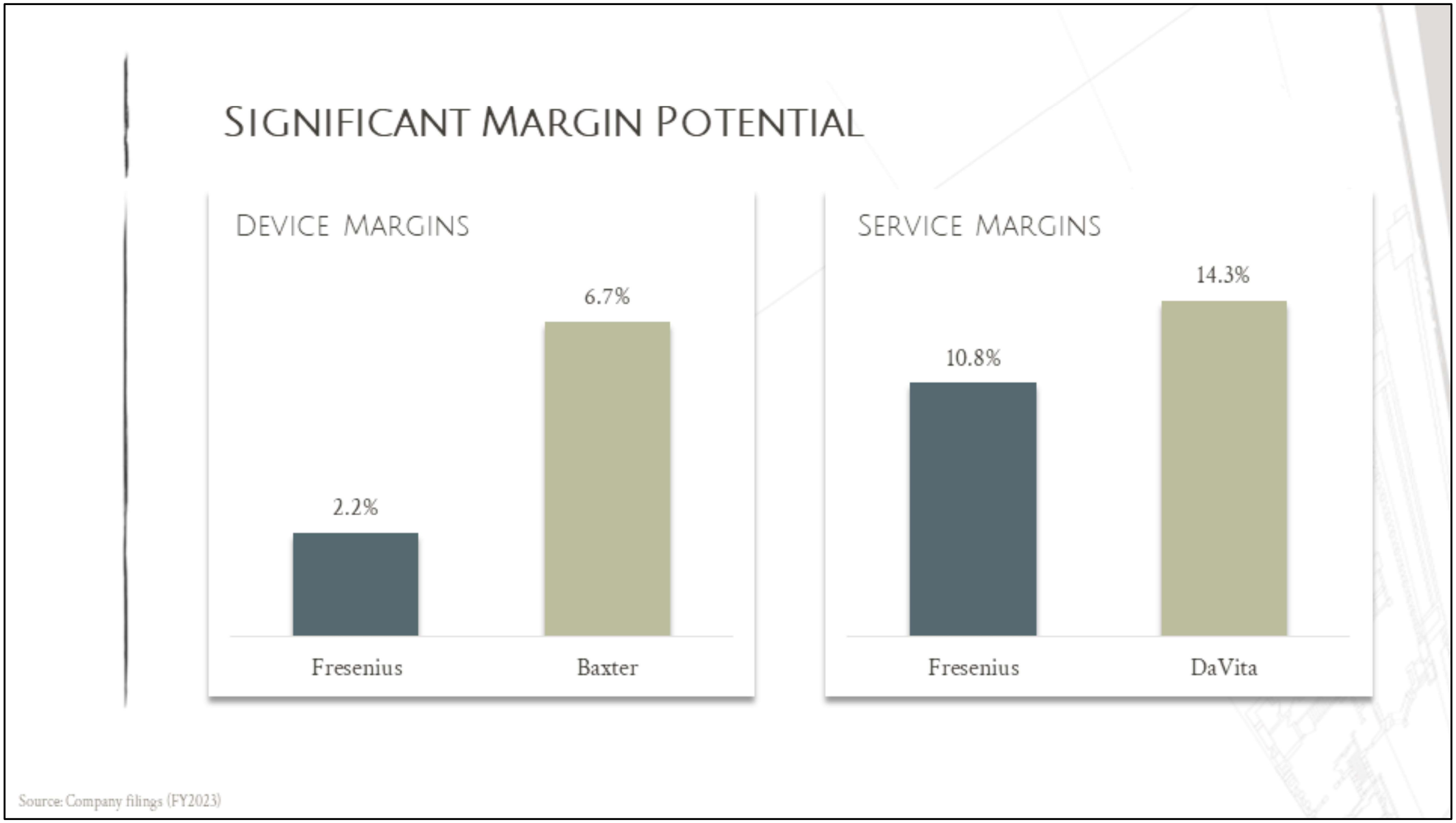
During the pandemic, mortality rates for patients on dialysis spiked from 21% to 26%, creating a drag on volumes.

We model declining mortality rates over the next few years and see volume growth gradually returning to average.



In addition to slowing volumes, Fresenius also struggled to pass on inflated costs.

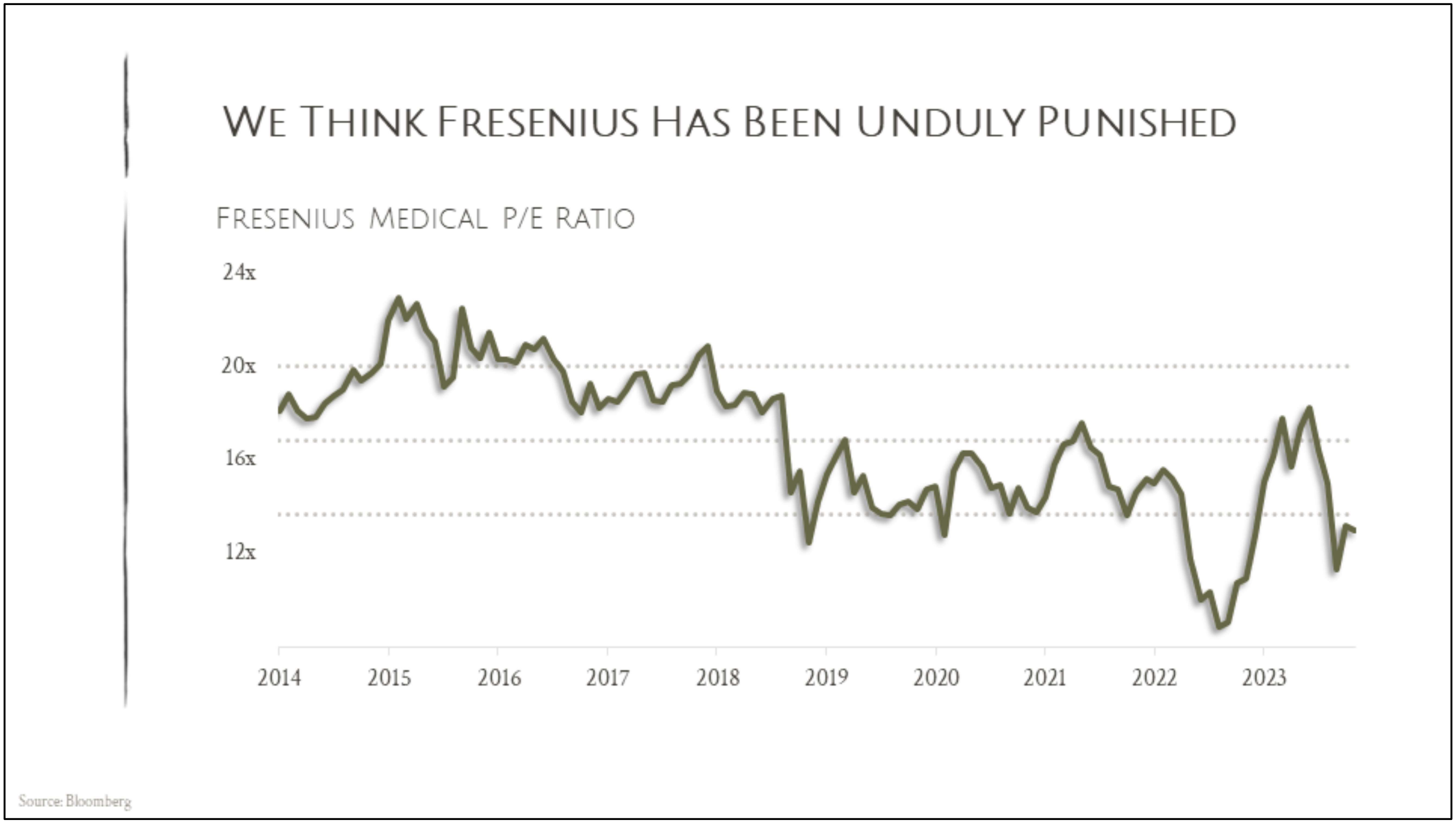
Operating margins cratered 500 bps on fixed cost deleveraging.



We see no reason for the size of this gap relative to peers. In fact, I'm not sure we've ever seen another monopoly or duopoly operating this close to break even.

At its most recent investor day, management laid out a path for operating margins to reach 10% - 14% by 2025.

We think they get there.



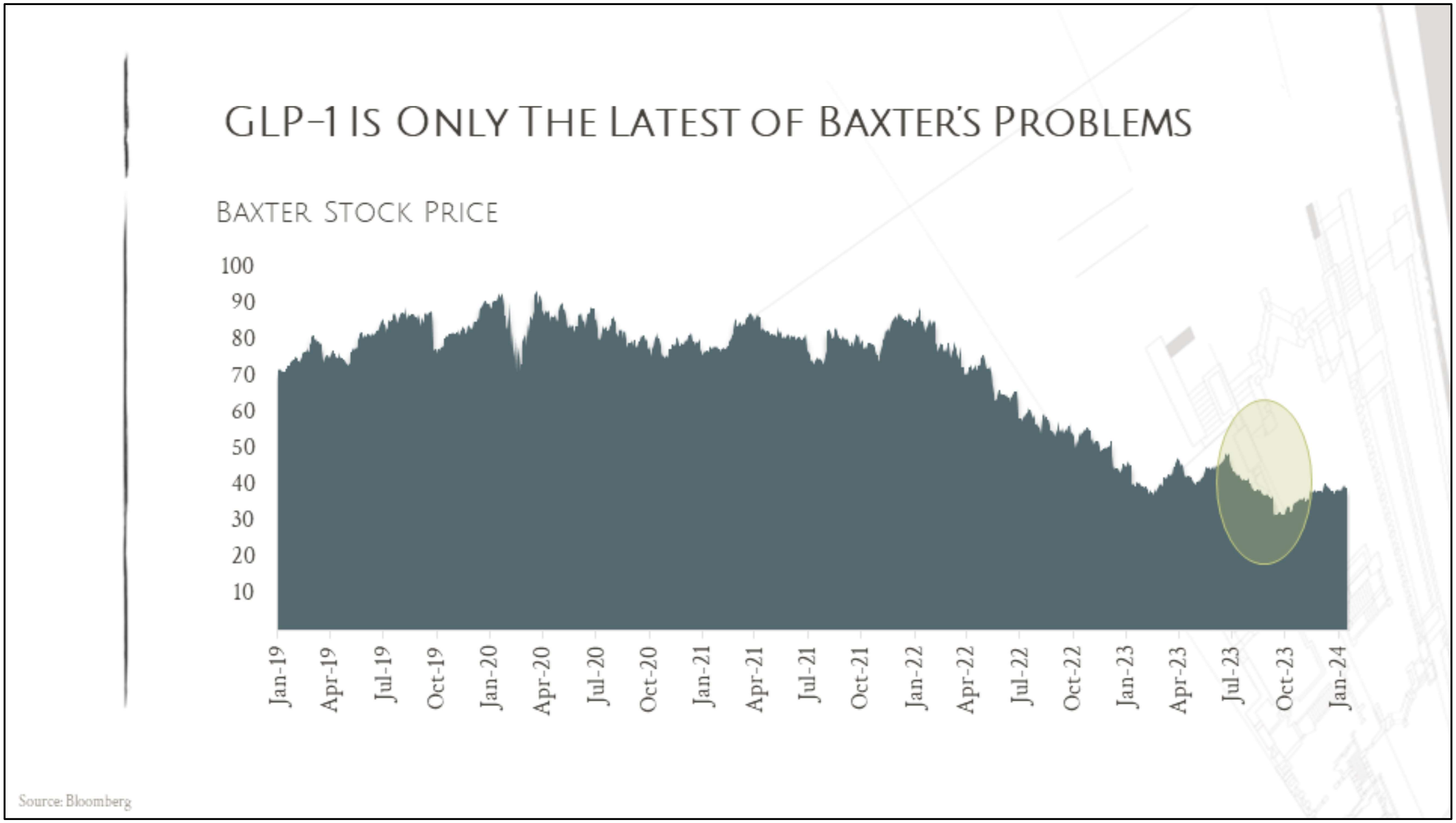
Despite the pending volume recovery and upside to margins, consensus remains overly bearish on the stock, with only about one in four analysts rating shares a buy.

Before the pandemic, Fresenius traded at a 20% premium to the market, vs. today's discount of nearly 50!!

On our numbers, we see room for shares to double within three years.

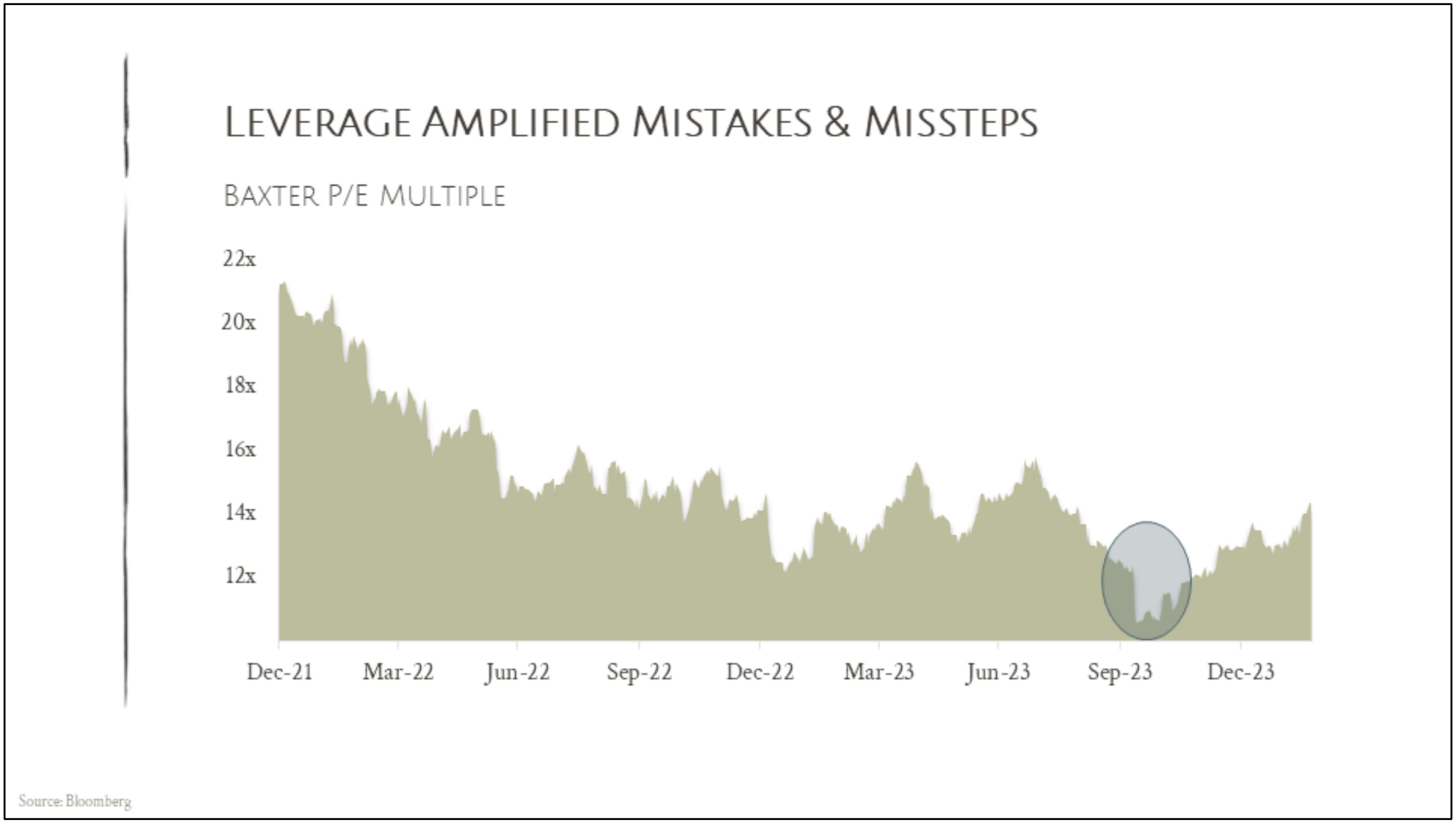
As it turned out, our work in the dialysis industry had added benefits.

Baxter dominates the market for the other type of dialysis machine or the peritoneal machine.



Like Fresenius, Baxter cratered when early results of Novo's GLP-1 trials were announced.

But that was only its latest problem.



A big acquisition left the company 5x levered just as rates began to soar. At the same time, slowing revenue growth and rising costs sliced margins, leaving little cash to reduce leverage. I know this will come as a surprise, but promised merger synergies were just a mirage.

The multiple on the stock collapsed, shaving three-quarters off the market cap, which bottomed around $16 billion. It shelled out nearly $12 billion for Hillrom just a few years ago.

It was a perfect storm, but we see these headwinds set to reverse.

BAXTER HAS A RICH HISTORY

1931

Drs. Ralph Falk and Don Baxter founded the **Don Baxter Intravenous Products Corporation** and became the first commercial manufacturer of IV solutions.

1940s-1960s

Baxter expands to blood storage and artificial kidney machines. In 1960, Baxter introduced the **first peritoneal dialysis solution.**

1970s-2000s

Baxter continues its focus on IV solutions and pumps and dialysis and **expands into anesthesia, and parenteral nutrition.**

2021

Baxter **acquires hospital bed manufacturer Hillrom** and begins innovating to own the bedside market.

Source: Company filings

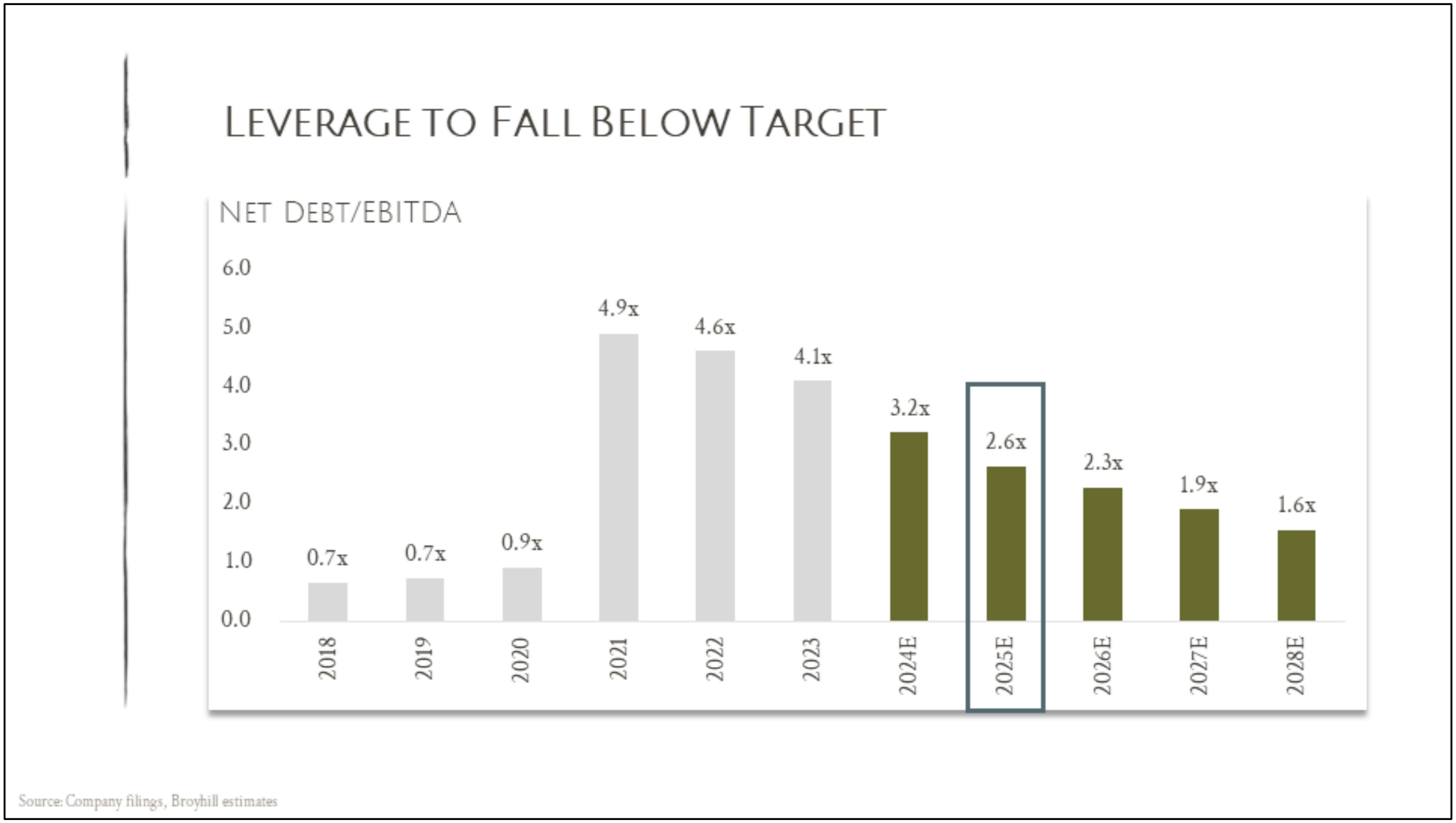
Baxter was founded in 1931 and focused on making devices for kidney disease and IV solutions through the 60s.

It expanded into other markets through the 90s before rounding out its bedside portfolio with the acquisition of Hillrom in 2021.

SELF-HELP INITIATIVES WILL INCREASE TRANSPARENCY

As Baxter expanded, so did its segment reporting. For some insane reason we have yet to understand, Baxter broke out all ten segments in their filings, creating unnecessary confusion for investors and a lot of anxiety for us! Thankfully, management came to their senses.

After a strategic review, Baxter announced the sale of its BioPharma segment and a simplified reporting structure slimmed down to four segments, plus the spin of its Renal Care division. It also added new disclosures around segment profitability for the first time. This smells a lot like a typical Broyhill setup and should go a long way toward lifting the discount on the stock.

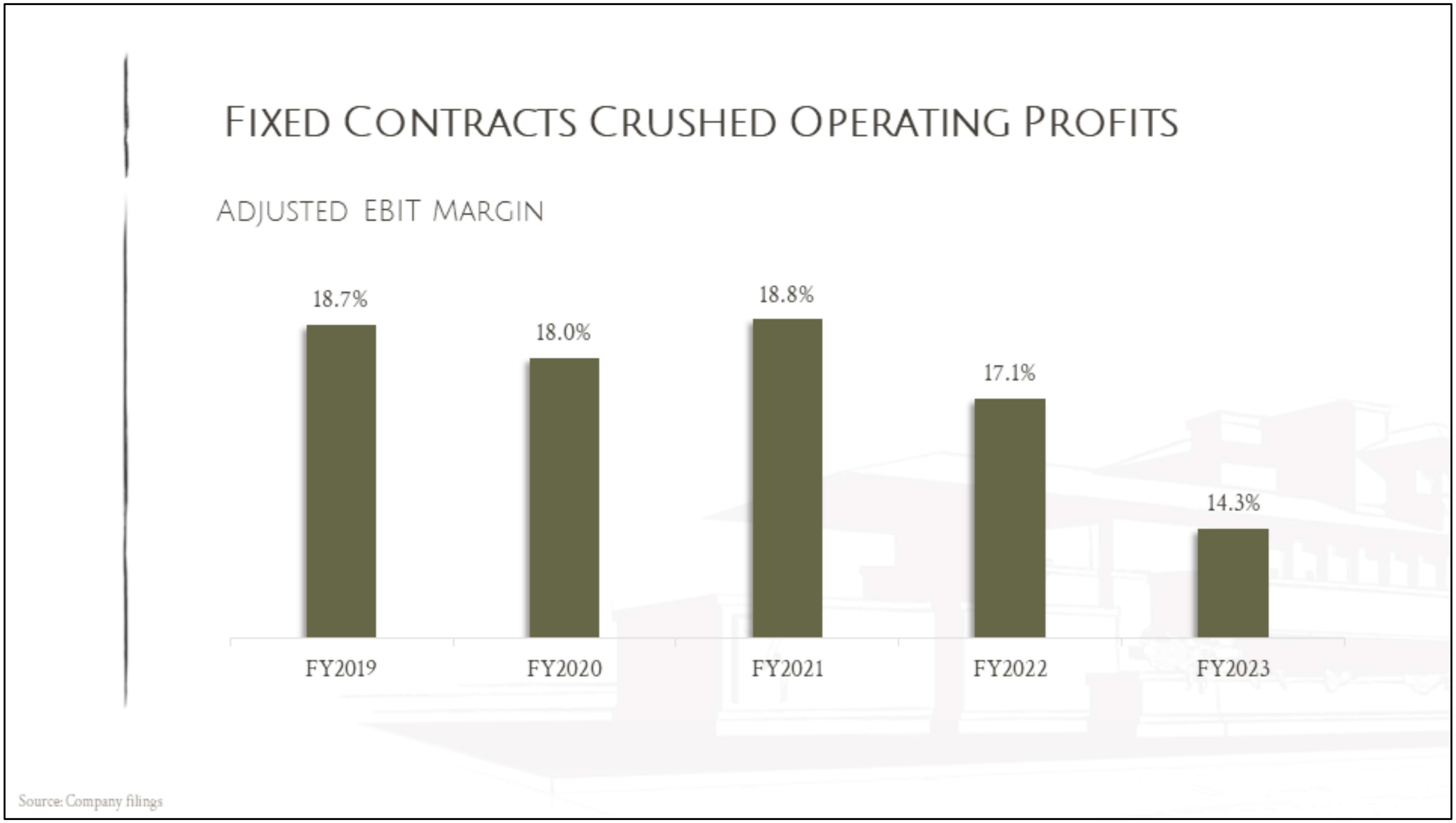


The first step in that process has already begun. Baxter is set to delever after pocketing $3.7B from the sale of its BioPharma business.

Leverage should be back below target by 2025, paving the path for a resumption of buybacks.

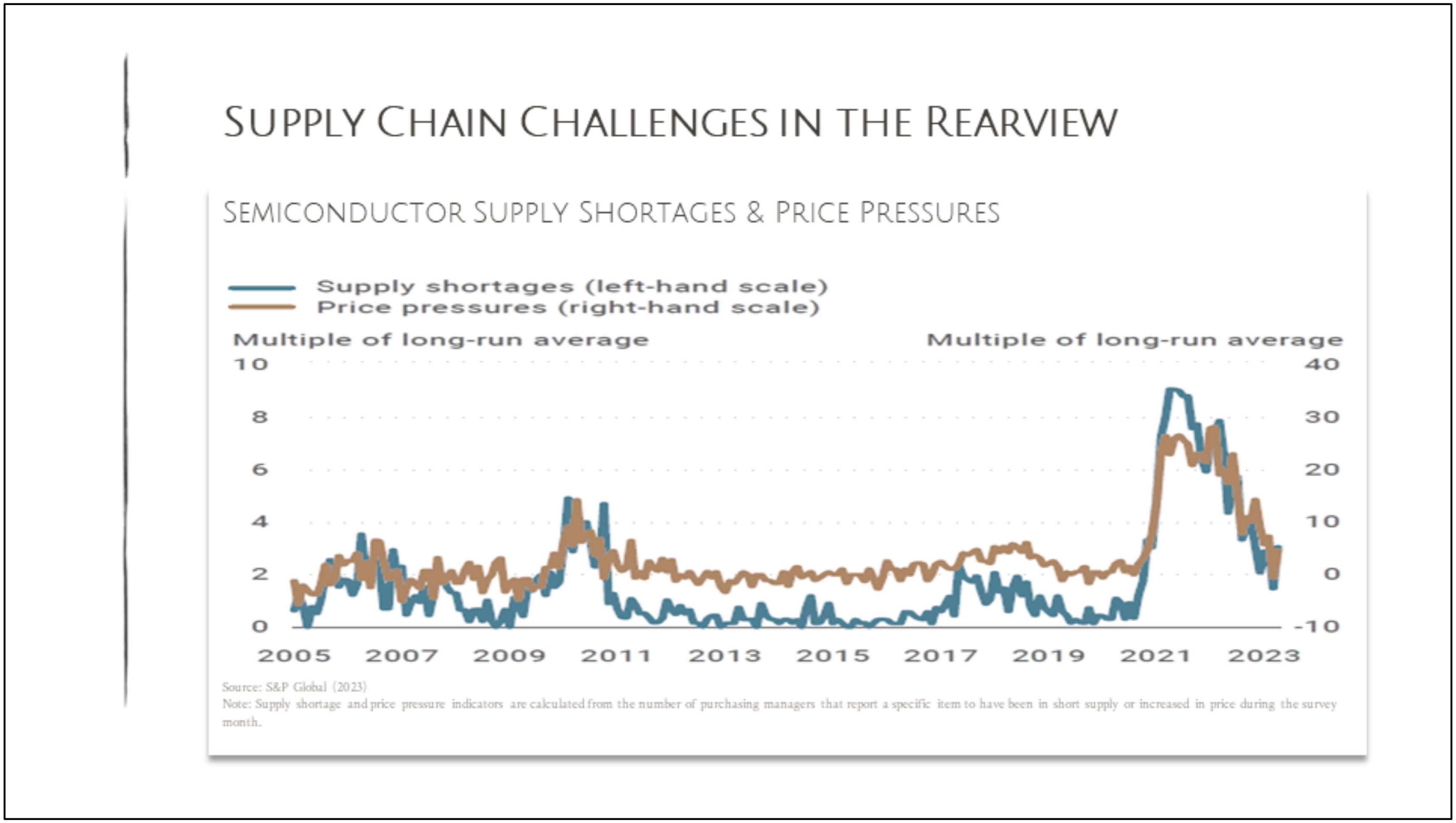
Supply chain issues created more challenges for Baxter.

Things got so bad that management begged suppliers to "prioritize chip manufacturing for medical devices."

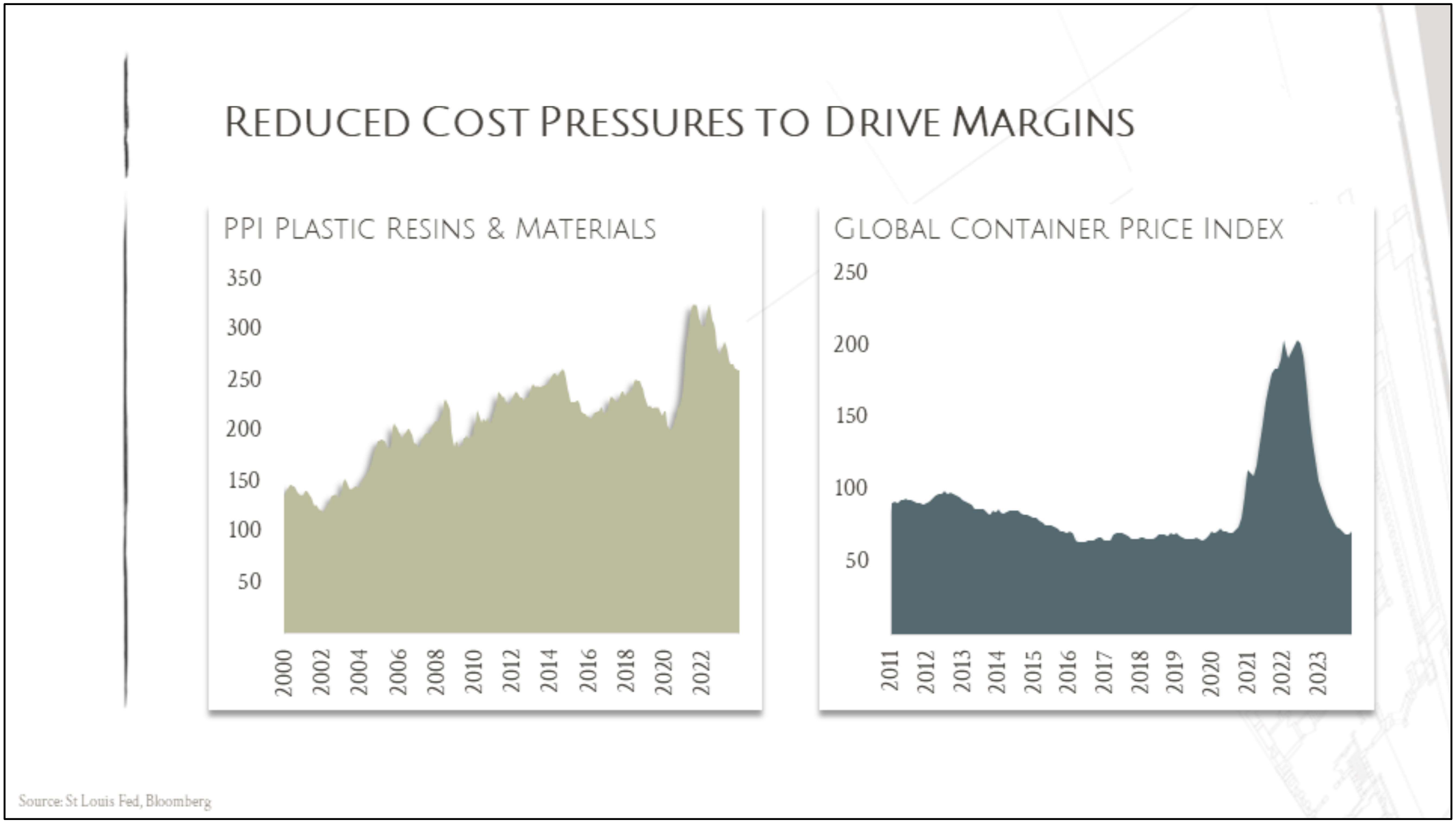


In addition to supply chain issues, Baxter's long-term, fixed contracts weren't designed to offset surging inflation.

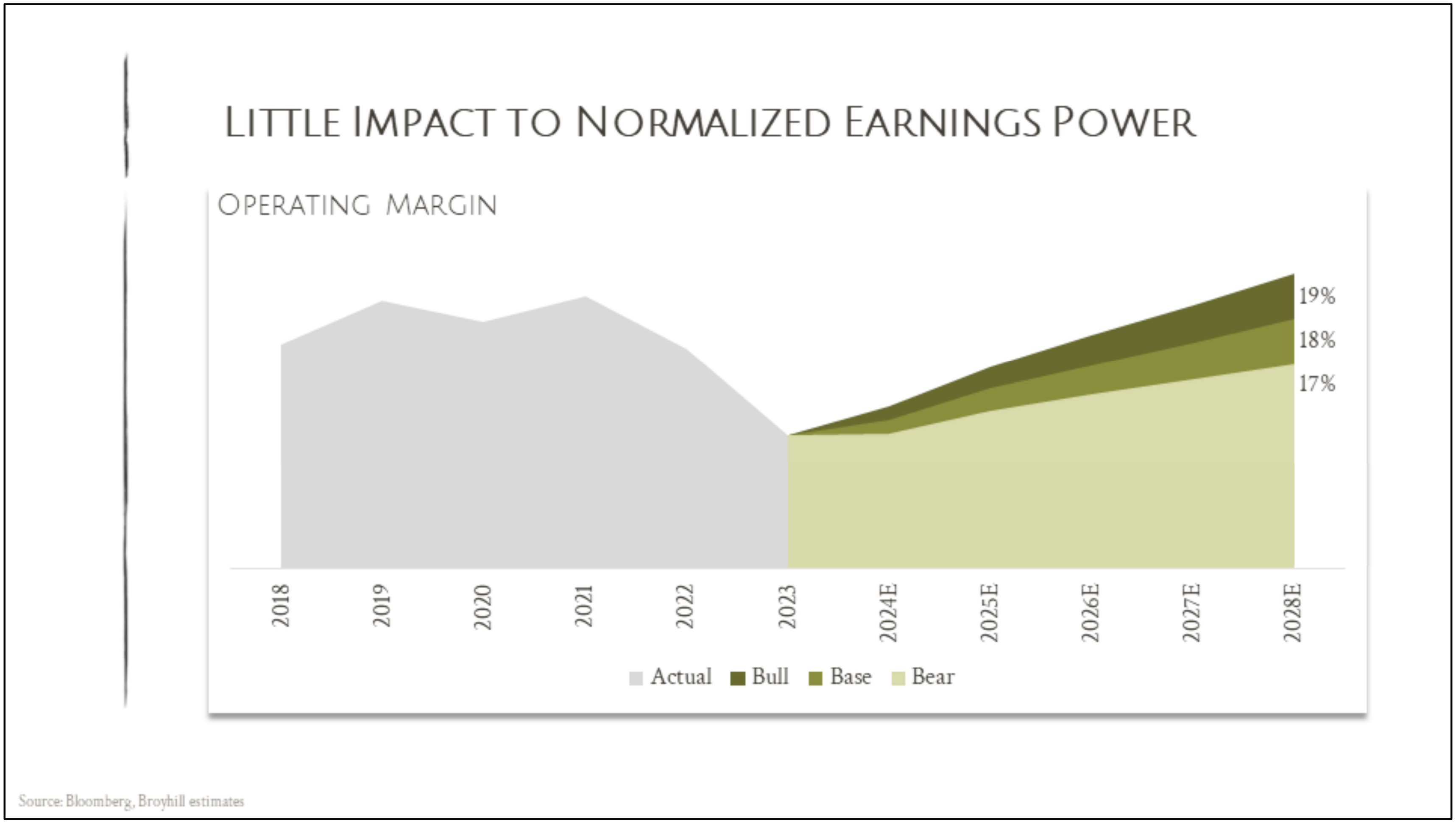
As revenues slowed, rising costs crushed operating profits.



With the chip shortage in the rearview mirror, revenue growth should normalize.

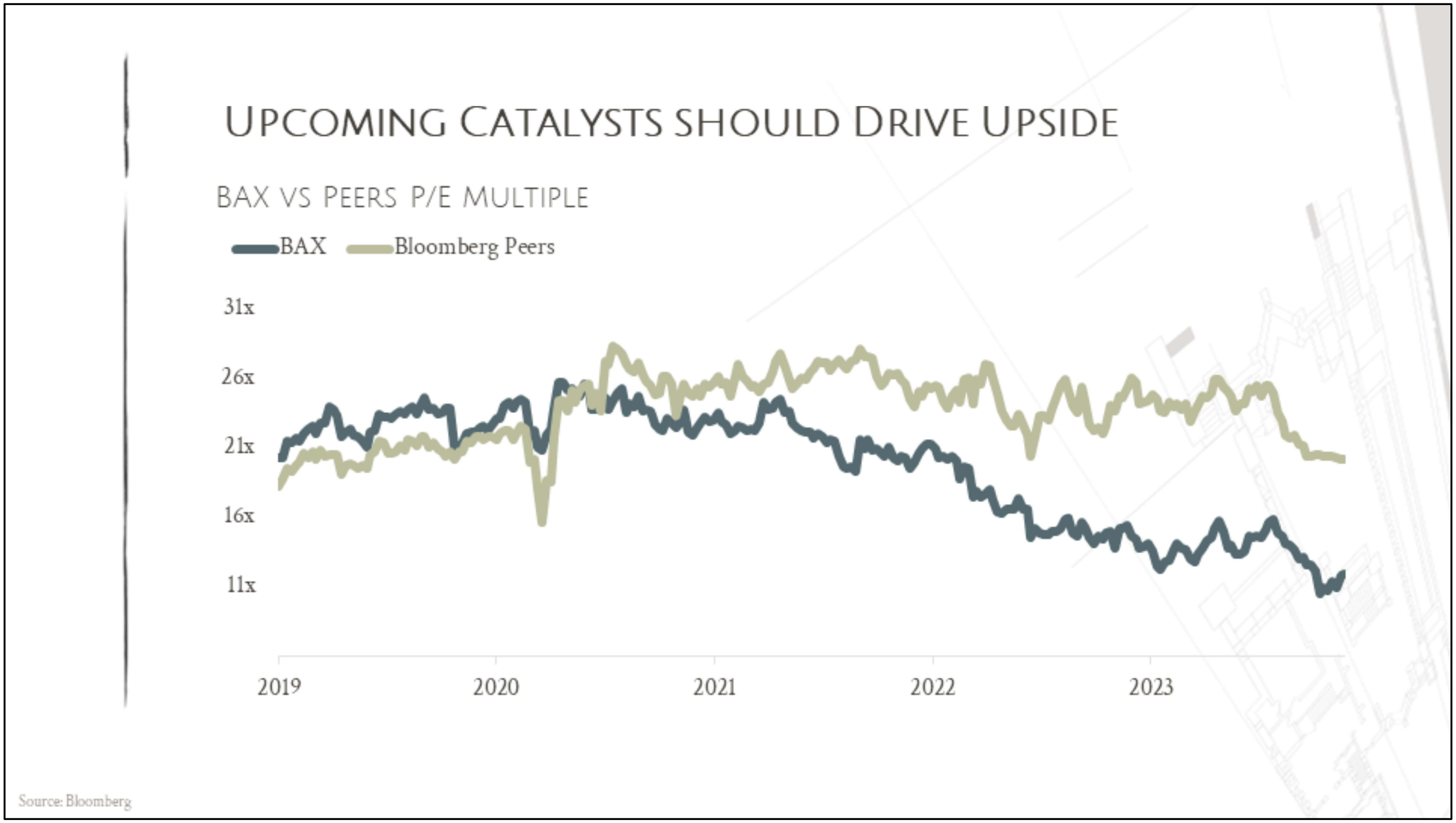


Cost pressures are also reversing and should drive 2.5% - 3.5% of margin expansion over the next few years.



Bottom Line: Investors have left Baxter for dead.

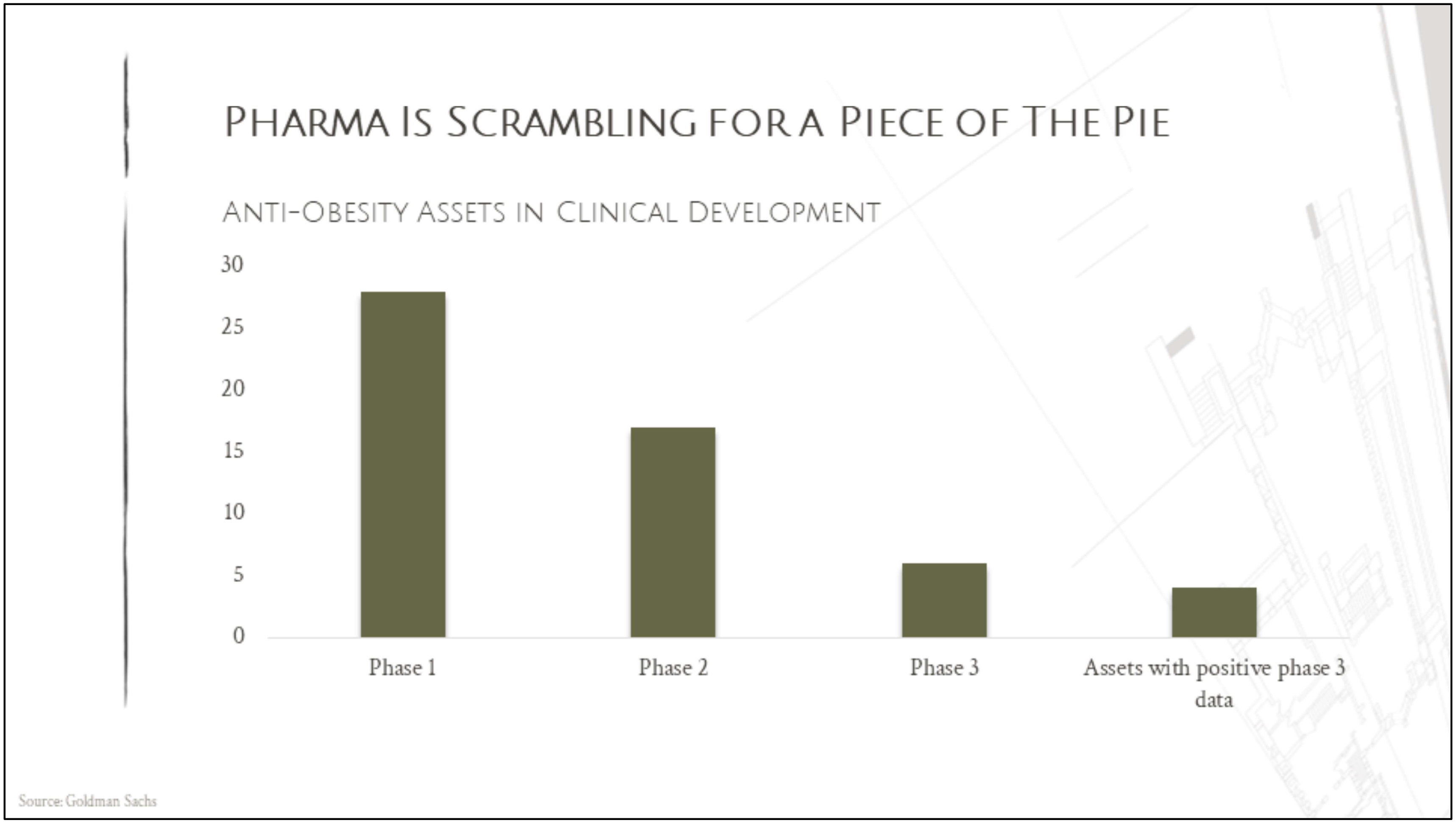
But we see little risk to the company's normalized earnings power, which should approach $5 per share over our forecast horizon.



In the near term, the renal care spin and upcoming capital markets day should serve as catalysts for shares that still trade at a hefty discount to peers.

Last but not least, after studying GLP-1's impact on so many industries, we shifted our attention to the upside potential. Don't worry. We aren't going to try to justify Lilly's valuation today. However, we do see several less obvious winners positioned to benefit from the drugs' surging demand.

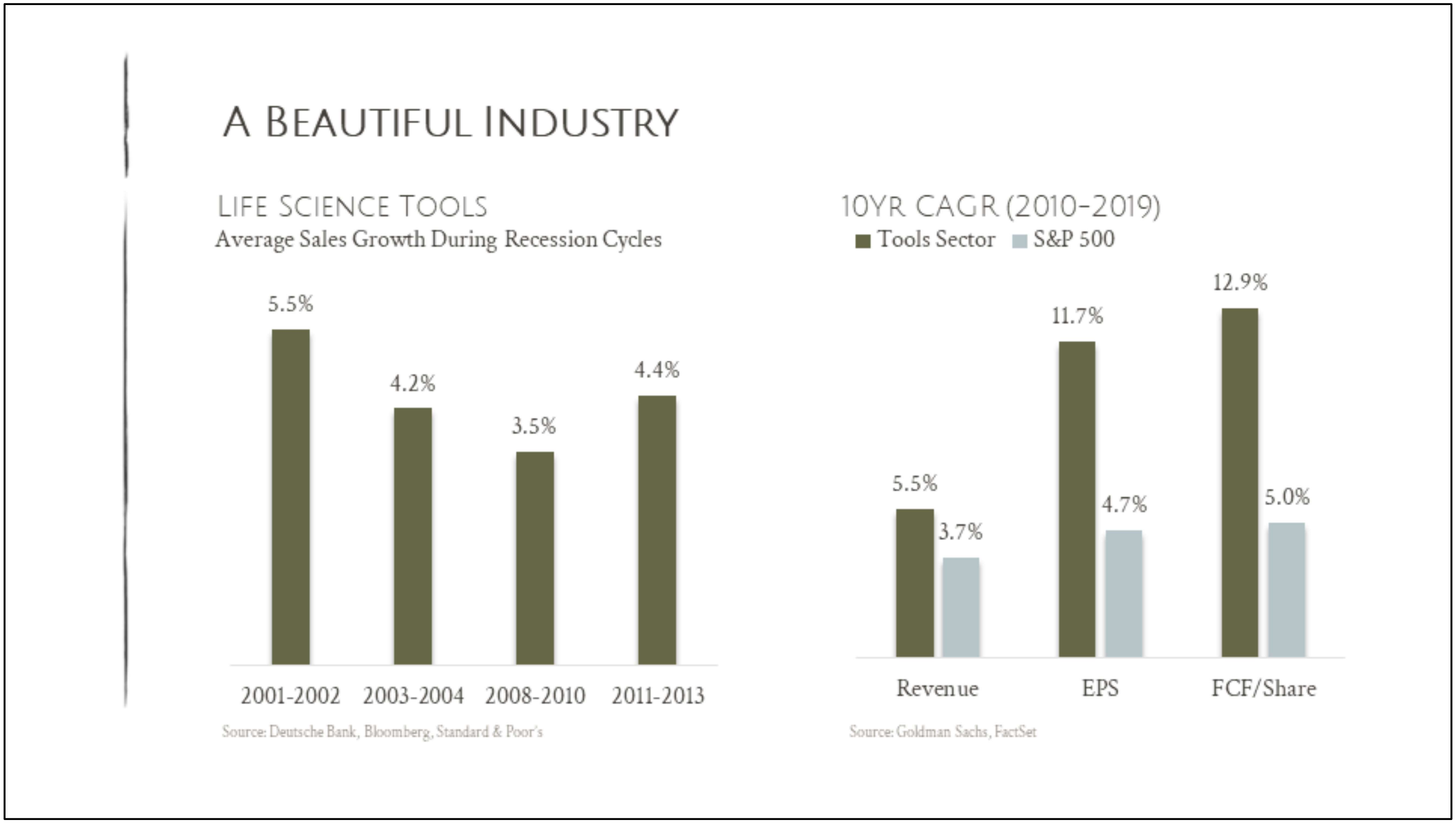
The field of Genomics is the equivalent of this century's gold rush, and the life science sector is providing the picks and shovels. Coincidentally, one of these companies literally traces its roots back to the California gold rush. VWR started as a small chemical company in San Francisco in 1852. It was acquired by Avantor in 2017 and remains at the forefront of the industry today.



Avantor is a leading provider of mission-critical lab products and services.

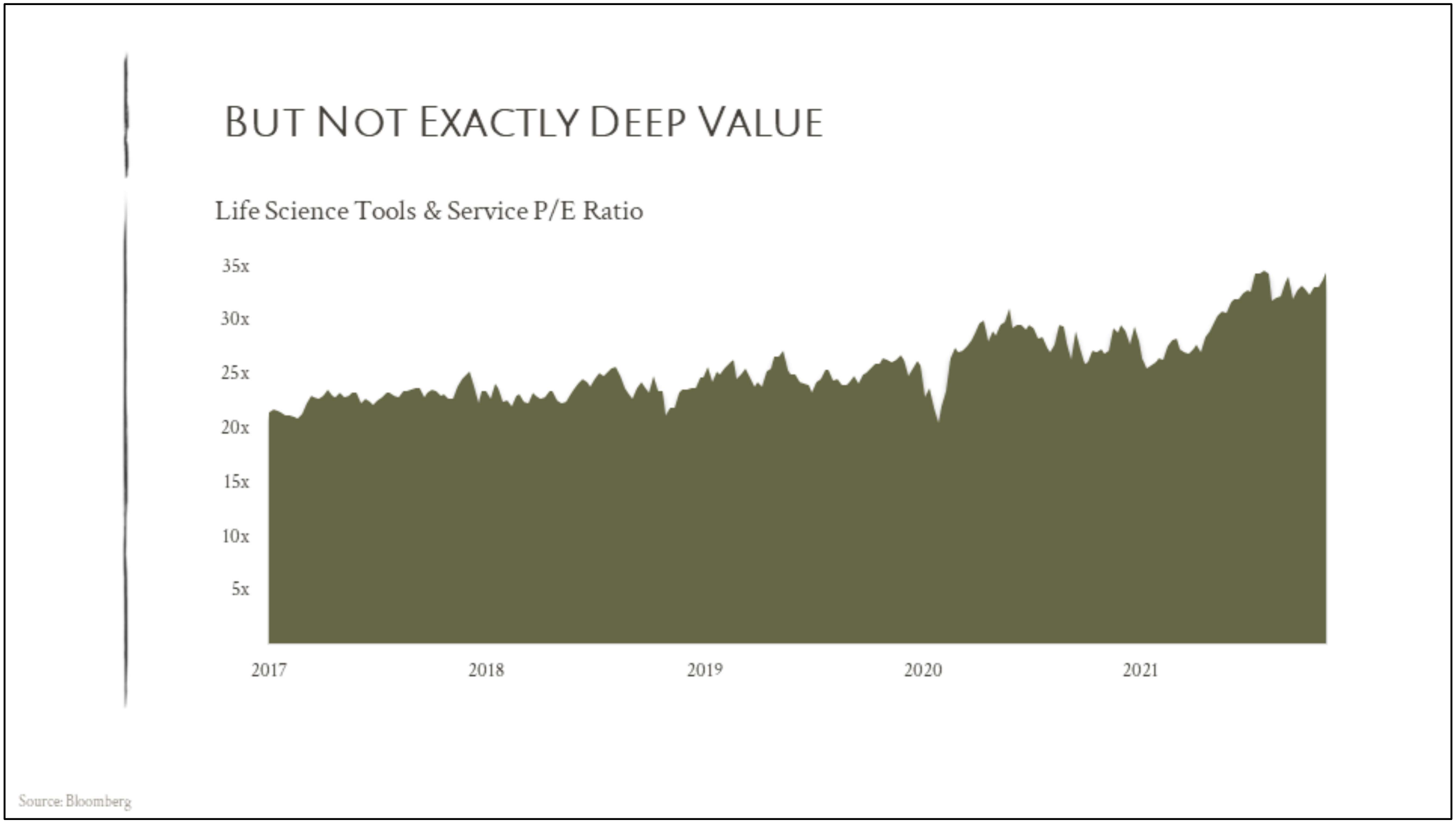
We think it's well-positioned to benefit from GLP-1 volume growth since production remains constrained by bottlenecks.

As a result, manufactures need to outsource to keep up with demand, creating a tailwind for companies like Avantor that can help them ramp.



Life Science Tools and Diagnostics is a wonderful industry, with resilient revenues underpinned by several long-term secular trends.

- It benefits from sticky relationships with products deeply embedded into customer workflows.
- It enjoys high switching costs as changing distributors can be both expensive and time-consuming.
- And it generates predictable, recurring revenues on a fixed-cost base, providing a natural tailwind to margins.

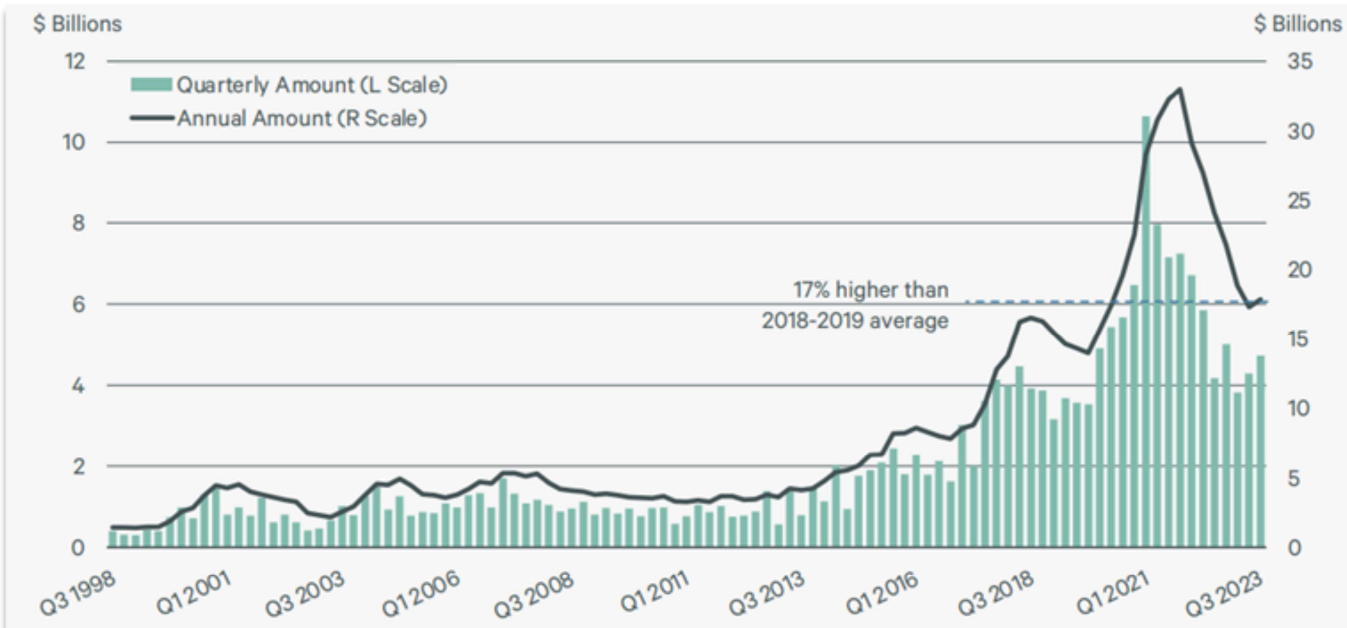


Unfortunately, at least for value investors, those wonderful characteristics were typically reflected in the price. So, prior to last year, we hadn't spent much time studying the sector.

Fortunately for us, sometimes great businesses hit a bump in the road, creating a compelling entry point.

Avantor is another example of a classic Broyhill set-up.

Life Science Funding Boom Drove Windfall Profits

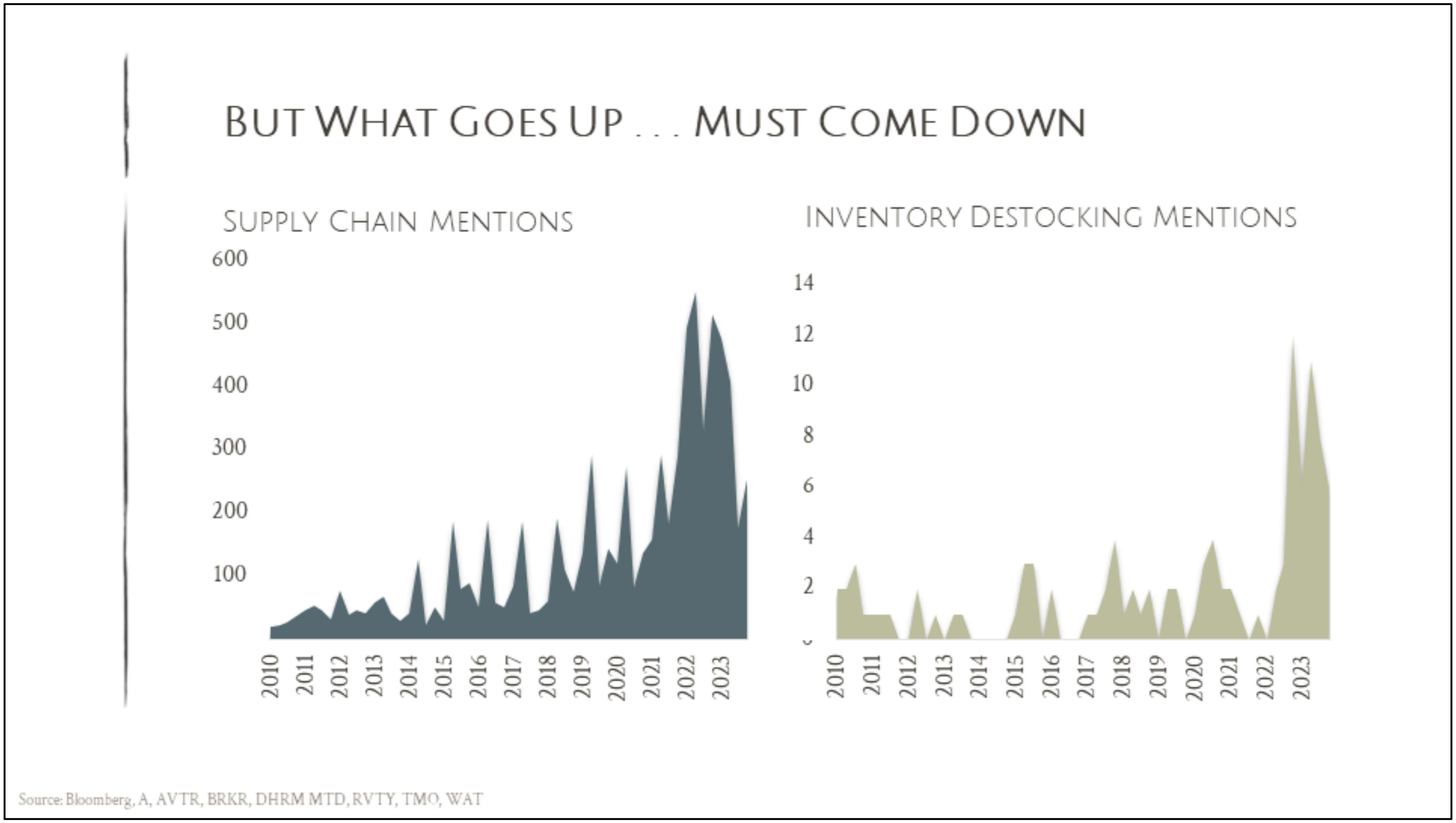


Source: CBInsights, CBRE Research, Q4 2023

After levering up for acquisitions under private equity ownership, Avantor went public in 2019, just in time for a venture-backed biotech bonanza.

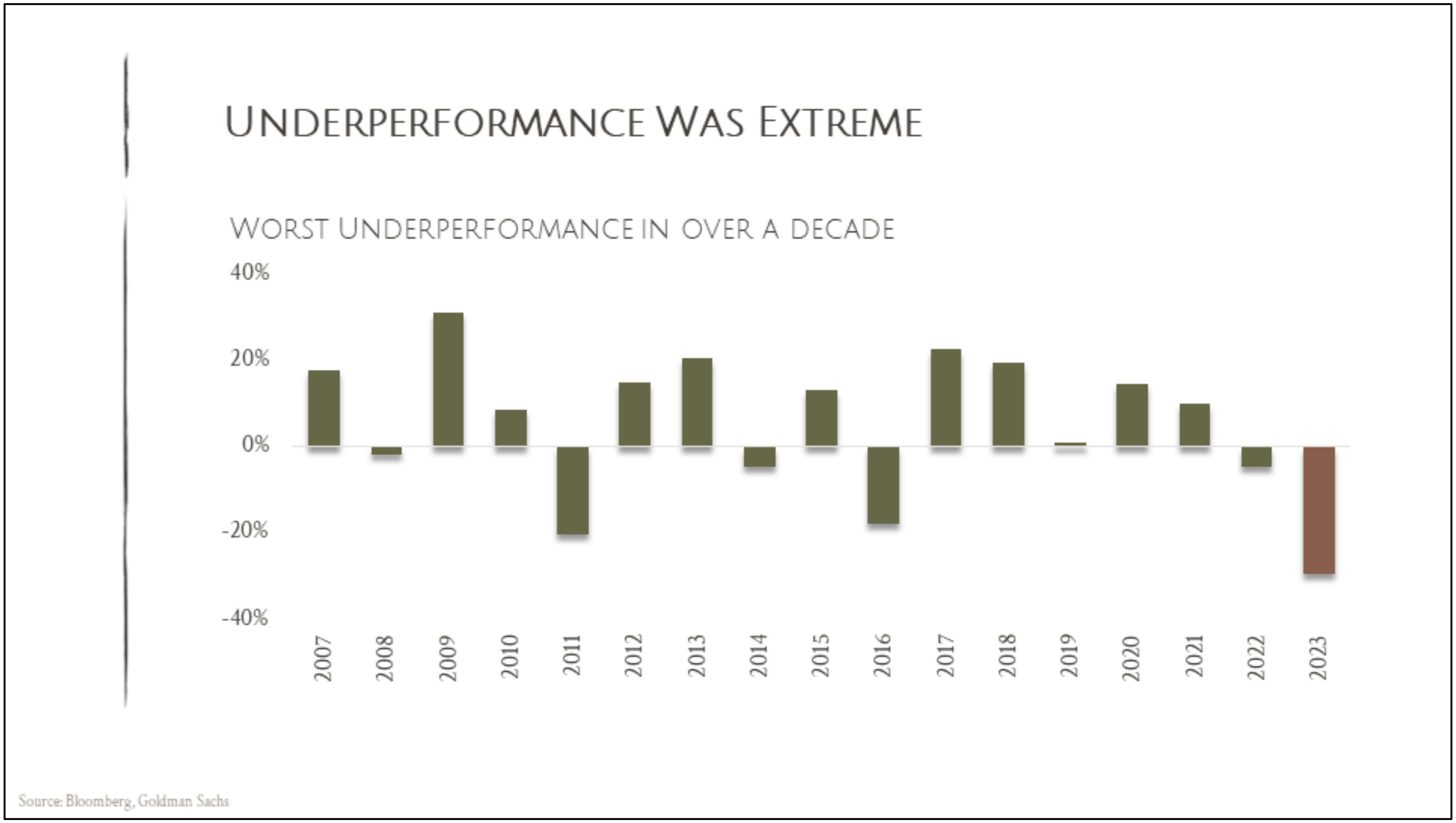
Endless pools of capital, combined with vaccine testing and development, created windfall profits across the industry.

At the same time, supply chain constraints prompted customers to overstock inventory, further inflating demand.



But after two years of printing money, every one of those trends went into reverse.

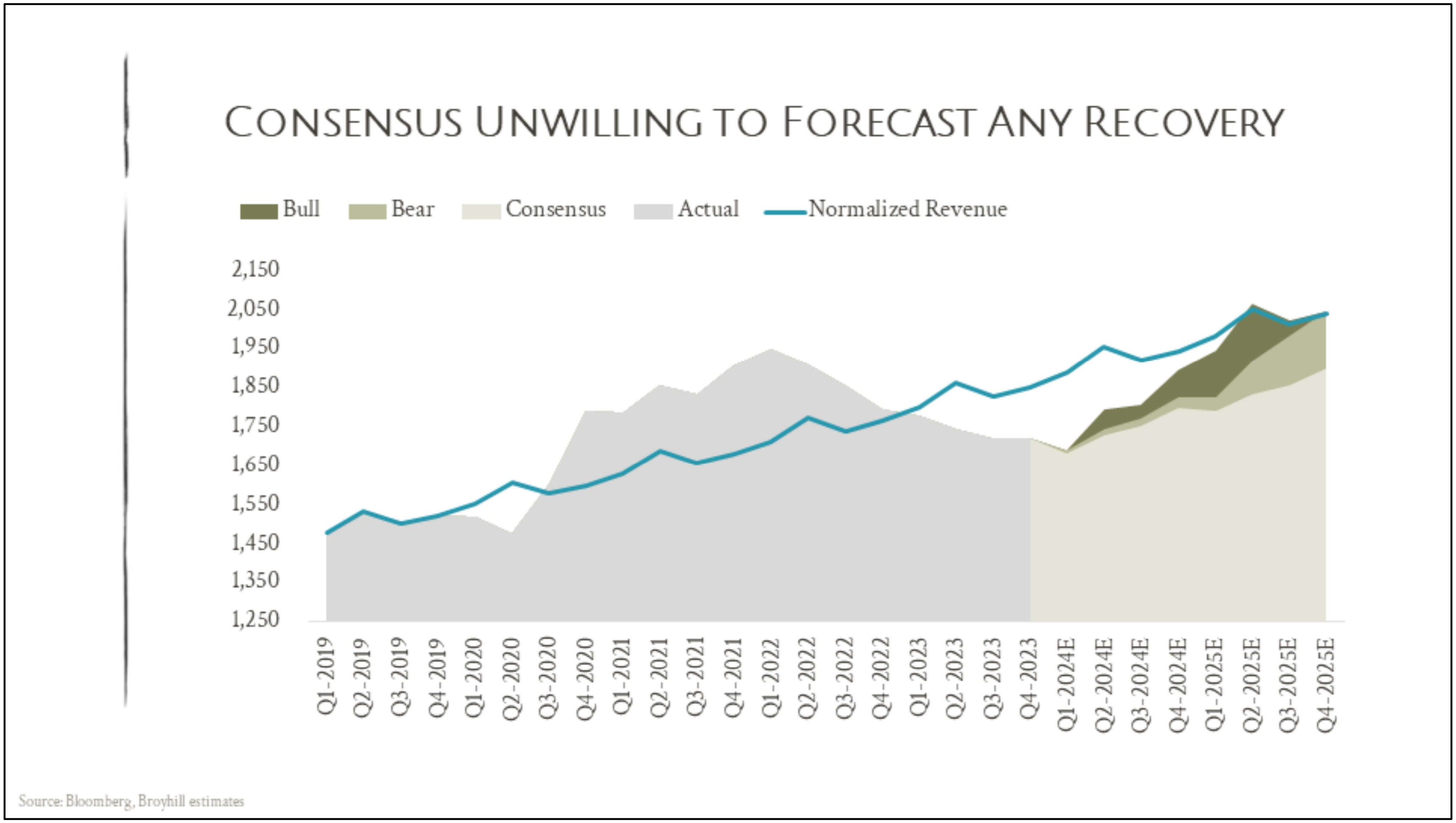
Supply chains improved, leaving customer inventories bloated at the same time that venture funding and biopharma budgets dried up.



As a result, the sector trailed the market by nearly 30% last year as negative earnings revisions drove the worst underperformance in decades.

While many value investors argue that the sector never approached trough multiples, we believe that view is misguided.

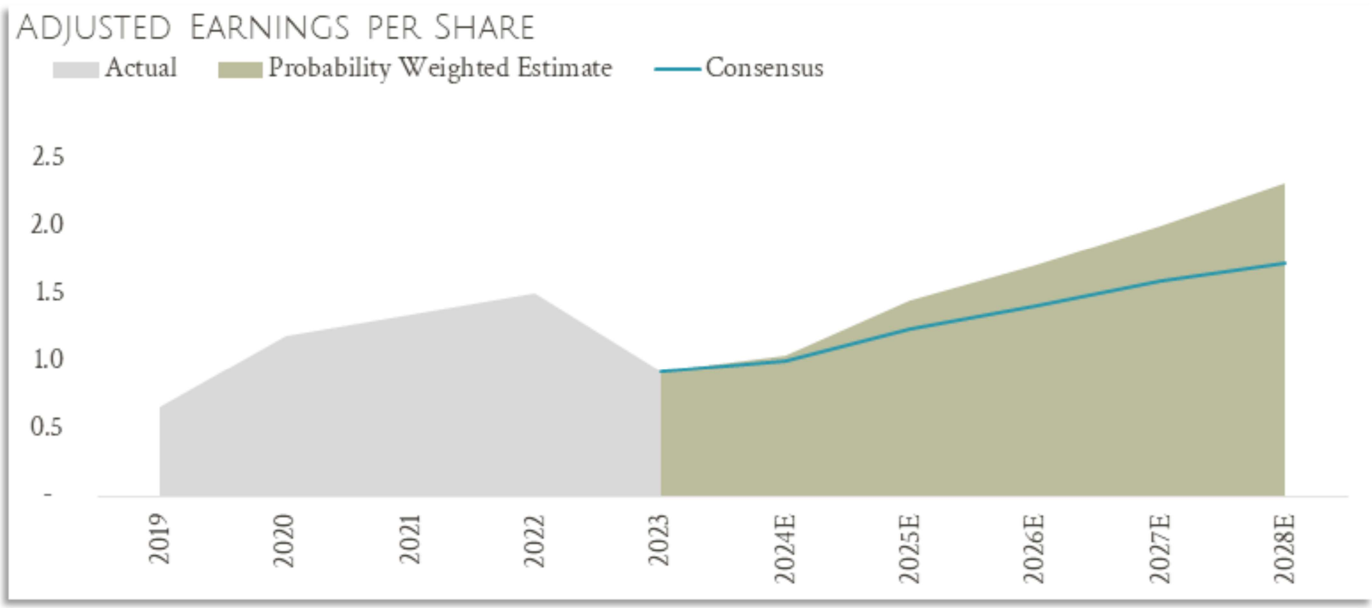
Consensus estimates remain far too low. On our numbers, Avantor looked outright cheap.



We think the bigger problem is the lack of visibility. These companies grew accustomed to predictable revenues with little economic sensitivity. They were not accustomed to semiconductor-like inventory cycles. That's the advantage of a generalist like Broyhill. We've invested across enough similar setups to know that waiting around for tangible evidence of a recovery is a sure way to miss the recovery. Our thesis boils down to a few key points:

We expect orders to bottom in the first half and recover in the second half as comps get easier and inventory destocking runs its course. When orders do inflect, we expect a sharp turn in top-line growth for several quarters as demand snaps back.

UPSIDE SURPRISES SHOULD DRIVE HIGHER PRICES



Source: Bloomberg, Broyhill estimates

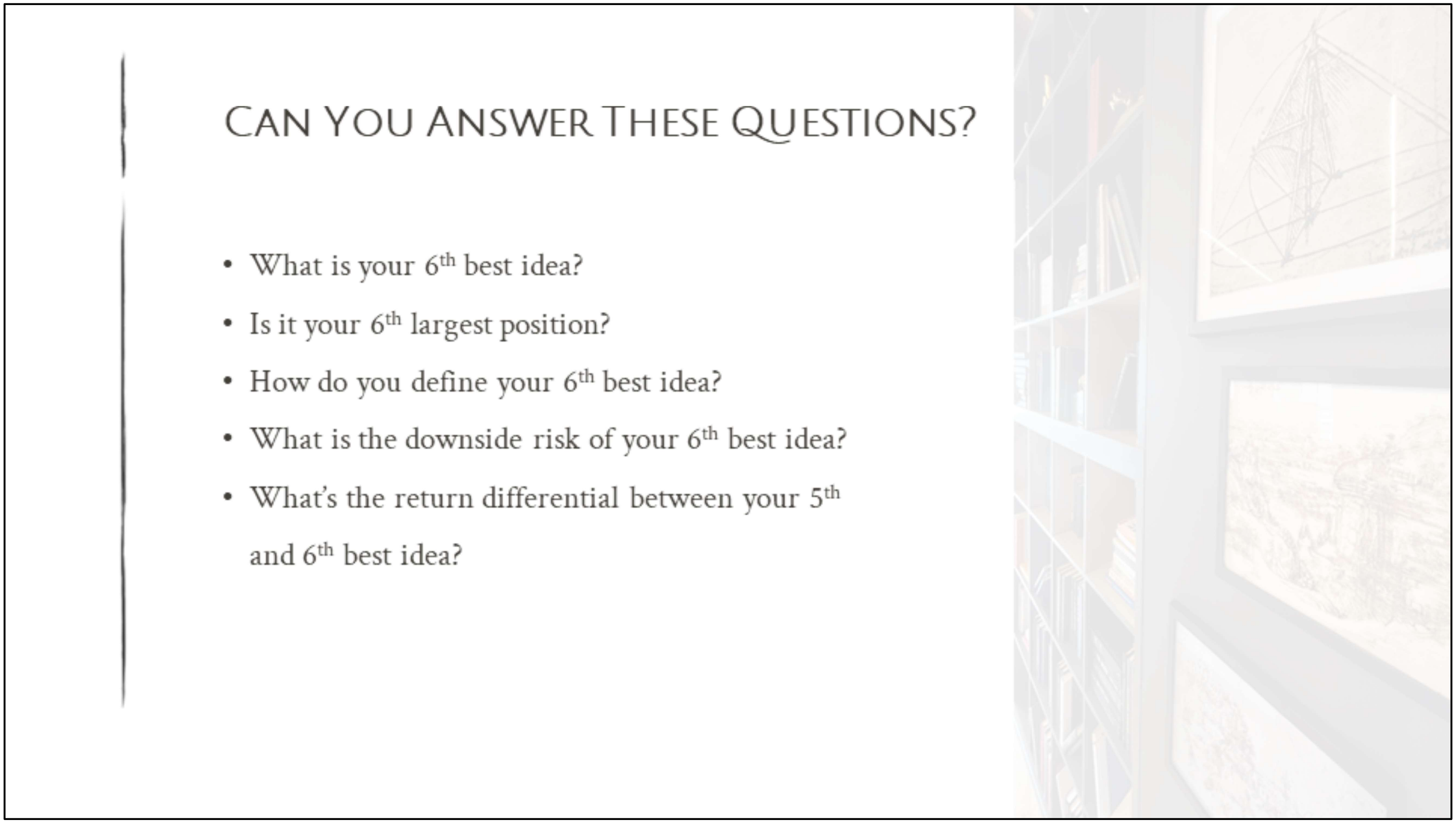
As destocking runs its course and demand normalizes, increased operating leverage on higher volumes should drive outsized margin gains. Beyond the near-term recovery, we see a long runway of mid-to-high single-digit top-line growth. Combined with 50bps – 100bps of annual margin expansion, get us to consistent double-digit earnings growth.

Estimates are still too low in the out years as analysts and management teams are too scared to forecast any recovery. So, we think upside surprises will drive upward earnings revisions, just as extreme as prior downward revisions. Bottom line: shares should continue to march higher as analysts play catch up to improving fundamentals.

Before wrapping up, I want to reinforce one point. We spent a lot of time today talking about creativity in the investment process. I think this is a key differentiator for Broyhill.

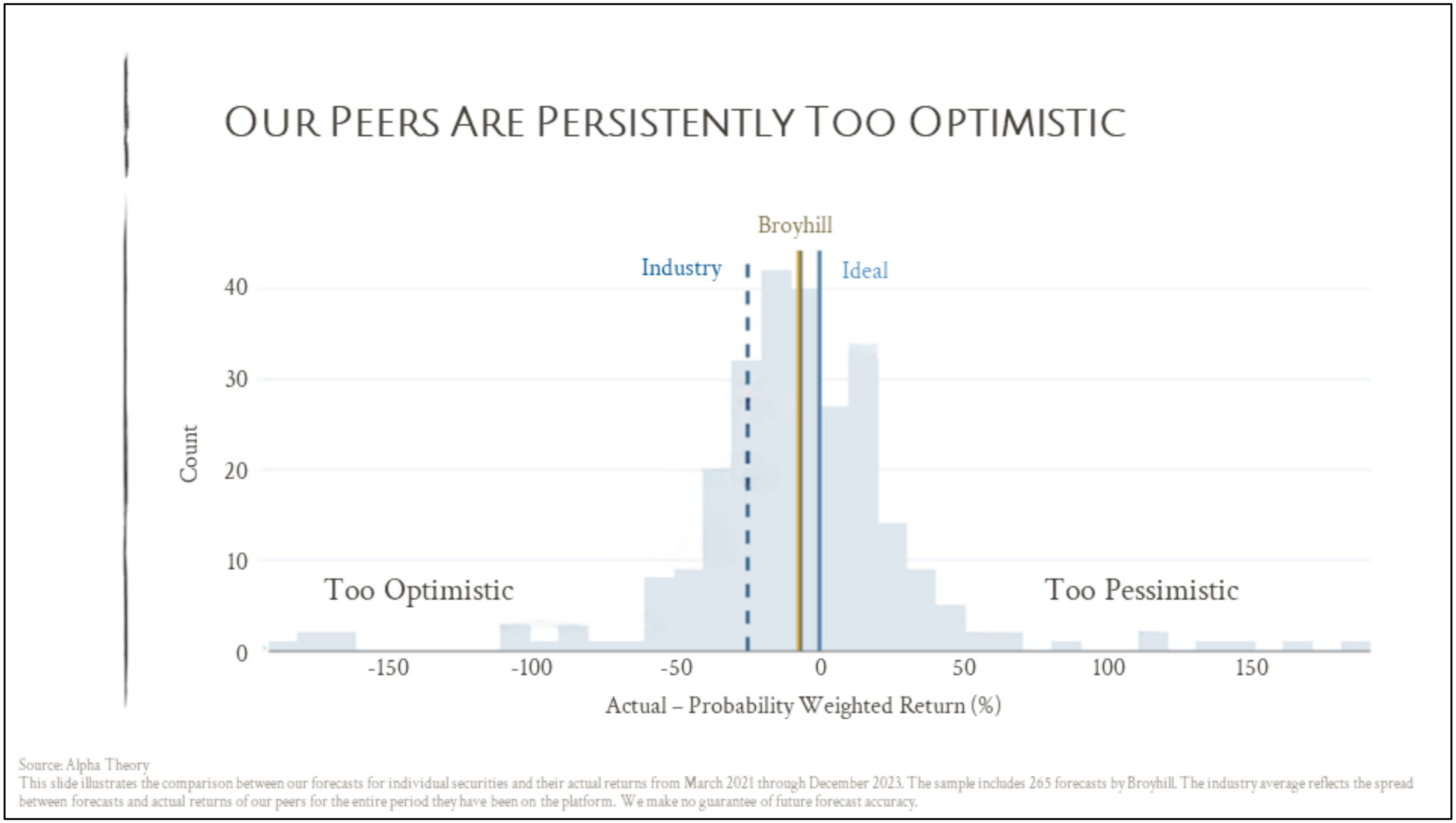
That said, I don't want to leave you with the impression that we are just a bunch of flakey artists sitting around the studio picking stocks. There is absolutely a creative aspect to this job. But creativity alone won't cut it. Eventually, it comes back to the data and the numbers.

Once again, it's the intersection of art and science.



There's no shortage of managers who can stand up here and share a great story or a compelling pitch. But I'm convinced few of them could tell you exactly how that idea translates to position sizing. Most of the time, after all that work analyzing a business, they stick a thumb in the air to size it.

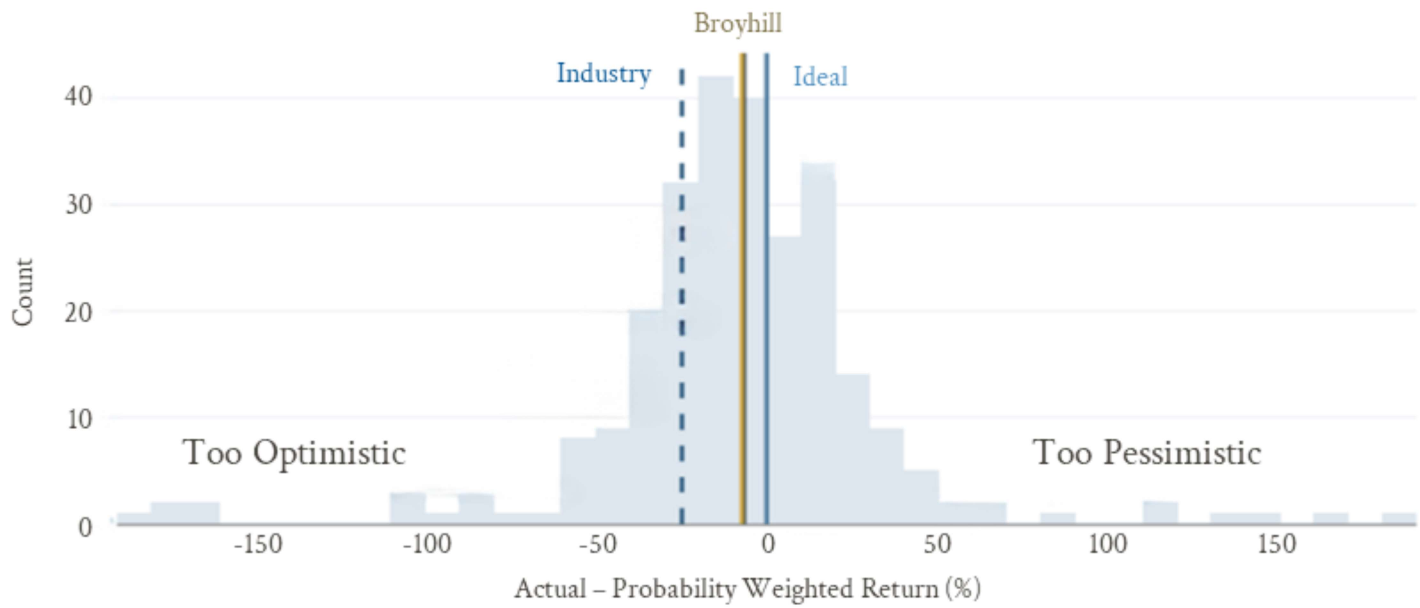
How many managers do you know that can answer these questions?



At Broyhill, analyzing businesses is just the start of our process. From there, we forecast multiple potential outcomes to arrive at a probability-weighted expected return for each stock in the portfolio.

Then, based on the parameters we set for the portfolio, we arrive at an "optimal position size." We dynamically monitor those position sizes as prices change, new information comes in, and both our estimates and our probabilities shift over time. Based on the data here, it appears we've done a decent job forecasting with our estimates equally balanced on both sides of the histogram.

OUR PEERS ARE PERSISTENTLY TOO OPTIMISTIC



Source: Alpha Theory
This slide illustrates the comparison between our forecasts for individual securities and their actual returns from March 2021 through December 2023. The sample includes 265 forecasts by Broyhill. The industry average reflects the spread between forecasts and actual returns of our peers for the entire period they have been on the platform. We make no guarantee of future forecast accuracy.

This is a very scientific process. We're reviewing our forecasts relative to actual outcomes on a regular basis to see what we can learn and how we can improve. We're also monitoring how we stack up relative to peers, who seem to chronically overpromise and underdeliver. We prefer to set more realistic expectations and work diligently to meet them. As a result, our actual returns have panned out much closer to our forecasts.

Value has been out of favor since I joined Broyhill in 2005. And yet, we've managed to outperform by just about any measuring stick. We look forward to seeing what we can do as that multi-year headwind transitions to a tailwind in the years to come.

Appendix

Organizational Chart

M. Hunt Broyhill
Chairman

Christopher Pavese, CFA
President and Chief Investment Officer

Operations

Pam Reid
Chief of Staff

Kyle Minges
Chief Operations Officer

TBD
Admin

TBD
Controller

Investments

Andrea Sefler, PhD, CFA
Director of Research

Olivia Guillebeau
Investment Analyst

Patrick Wells, CFA
Senior Portfolio Manager

Our Team

Christopher Pavese, CFA

President & Chief Investment Officer

Chris serves as President & Chief Investment Officer of Broyhill Asset Management. He leads the firm's research and investment process, focused on idea generation, investment strategy, and portfolio construction. He is a CFA Charterholder, Past President of the Board of the CFA Institute's North Carolina Society and current member of the CFA North Carolina Society Strategic Advisory Board. Chris is an official southerner-in-training and understands the importance of sweet tea and the multiple meanings of "bless your heart."

Patrick Wells, CFA

Senior Portfolio Manager

Patrick Wells started his journey with Broyhill as an analyst, fresh out of Wake Forest and amidst the rigorous CFA exams. After his tenure, spanning almost a decade with a New York investment firm, his North Carolina roots beckoned. Patrick's return to Broyhill as a Senior Portfolio Manager marks a homecoming, where he now spearheads our separately managed accounts and collaborates closely with our investment team. Patrick resides in Charlotte with his wife and son. He's often found pounding the pavement, whether it's for fitness or chasing his energetic toddler.

Andrea Sefler, PhD, CFA

Director of Research

Andrea holds a PhD in organic chemistry from the University of California, Berkeley and is a CFA Charterholder. After a rewarding scientific career at a large pharmaceutical company, Andrea transferred her analytical skills to the investment industry. Her background brings structured inquiry and scientific rigor to Broyhill's investment process. Despite her career shift, her love of science and investing are long-lasting and entwined: she bought her first stock with a cash prize from a science fair competition in grade school.

Olivia Guillebeau

Investment Analyst

Olivia has a passion for discovering important truths others choose to ignore. Her interest in financial analysis ignited at Appalachian State University where she competed as a Broyhill Fellow in the CFA Institute Research Challenge, winning the Americas' Regional Championship and finishing top five in the world. When she isn't peeling through earnings' transcripts and SEC documents, she enjoys mountains to climb, exercise and body conditioning by 'Joe,' romantic comedies and displaying the exploits of her cat, 'Mister Cowboy!'

OUR TEAM

M. Hunt Broyhill

Chairman

Hunt holds several positions within the Broyhill Family Office—the first of which began at an early age, as a Broyhill. Today, he serves as President, Chairman, and Chief Executive of BMC Fund and as Chief Executive Officer of Broyhill Asset Management. Hunt is also a former member of the Economic Development Board of the State of North Carolina where he allegedly swam across the 55' waters of the Tampa Bay for a Navy Seal Foundation Fundraiser. Hooyah!

Kyle Minges

Chief Operations Officer

A born and bred Tar Heel, Kyle earned a bachelor's degree in Business Administration and a Master's of Accounting from the University of North Carolina at Chapel Hill. His recent tenure includes stops at Lyrical Partners and Bostwick Capital, where he solidified his commitment to building institutional-quality operational structures. As the Chief Operating Officer at Broyhill, Kyle embraces each day with steadfast curiosity, driven by a genuine love for the work and an eagerness to conquer the challenges it presents.

Pam Reid

Chief of Staff

Pam brings more than two decades of experience in business operations and project management to Broyhill Asset Management. At Broyhill, Pam serves as air traffic controller managing internal operations and projects; as an integrator of continuous process improvements; as a communicator sharing the right message at the right time; as a truth teller providing a comprehensive view on situations without turf considerations; and as a confidant without an organizational agenda.

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Charlotte, North Carolina
ir@broyhillasset.com
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The performance of the Broyhill Equity Portfolio illustrated here is representative of a composite considered to be a "carve out" or "extracted performance." This composite has been verified by a third-party firm and reflects the equity returns of actual client portfolios. These results are based on the weighted average performance of the portion of individual accounts invested in the Broyhill Equity Portfolio but may not represent the performance of the entire portfolio. Since many of Broyhill's accounts are invested per a "balanced" investment model, we believe that this extracted performance composite, which includes only discretionary equity holdings of all Broyhill discretionary accounts, is the most accurate representation of Broyhill's long term equity performance. Additionally, since this performance represents a pure equity allocation, it does not include the impact of any cash allocation. Performance figures for the total portfolio composite are available upon request. This data may be useful for an investor evaluating Broyhill, although individual results may differ based on each account's investment objectives, the date of initial funding, the opportunity set available at the time, specific investment vehicles available to the accounts, and individual fee schedules.

Performance is calculated using time-weighted rates of return, net of all fees and expenses, and reflects the reinvestment of dividends and other earnings. Since the composite returns are calculated gross of fees, in order to report net returns, a 1.5% annual management fee has been subtracted from gross reported returns.

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