FINVESTMENT PERFORMANCE (%) as of September 30, 2025

	Total Return			Annualized Return		
	Qtr	YTD	1 Year	3 Year	5 Year	Inception*
Palm Valley Capital Fund	2.35%	3.77%	3.68%	7.13%	6.03%	6.85%
S&P SmallCap 600 Index	9.11%	4.24%	3.64%	12.80%	12.93%	8.10%
Morningstar Small Cap Index	7.99%	8.80%	9.15%	16.24%	12.25%	8.50%

**Inception date for the Palm Valley Capital Fund is 4/30/19*

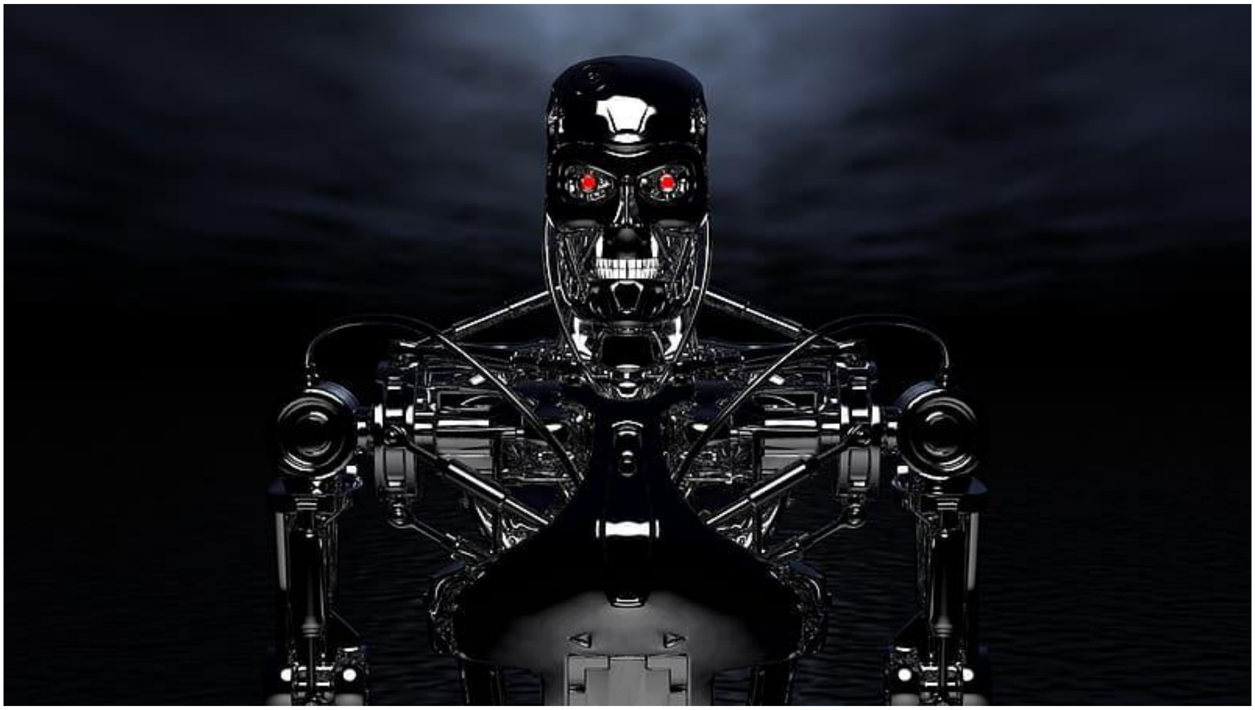
Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be higher or lower than the performance quoted. Performance of the Fund current to the most recent month-end can be obtained by calling 904-747-2345.

As of the latest prospectus, the Fund's Investor class gross expense ratio is 1.51% and the net expense ratio is 1.26%. Palm Valley Capital Management has contractually agreed to waive its management fees and reimburse Fund operating expenses through at least April 30, 2026. Performance would have been lower without waivers in place.

Rise of the Machines

"You're taking over the world, Jensen."
-President Trump to Nvidia CEO (September 2025)

October 1, 2025



Dear Fellow Shareholders,

Before James Cameron's box office megahits *Avatar* (2009) and *Titanic* (1997), he directed *The Terminator* (1984). Fresh from his lead role in *Conan the Barbarian*, Arnold Schwarzenegger was cast as a cyborg assassin sent back in time from 2029 to 1984 Los Angeles. Schwarzenegger wasn't the director's first choice to play the Terminator. The role was initially turned down by Slyvester Stallone and Mel Gibson. The film's financiers even suggested O.J. Simpson, but Cameron reportedly did not feel O.J. would be believable as a killer. Cameron later acknowledged that casting Arnold "shouldn't have worked," since the Austrian Oak would never blend into a crowd as an infiltration unit. Remarked Cameron, "But the beauty of movies is that they don't have to be logical…if there's a visceral, cinematic thing happening that the audience likes, they don't care if it goes against what's likely." As truth is often stranger than fiction, the wildly popular, implausible Wall Street epic known as *Buy the Dip* (*'cuz Number Go Up)* is the longest running, biggest blockbuster hit by a longshot. Over $60 trillion in U.S. box office receipts and counting.

The current U.S. bull market is the most enduring ever, by our reckoning. Optimists have minimized this cycle's advance by religiously adhering to a popularized bear market classification of a 20% decline from a recent peak. Under this charitable definition, the current bull run is relatively young—a mere adolescent in the chronicles of market cycles. Yet, at the latest "official" cycle trough identified on October 12, 2022, the S&P 500 was still higher than any point before two years prior, which was a period showered with remarkable fiscal and monetary accommodation. The 2022 dip wasn't a bear event because it didn't cut deep enough, like spilling a few drops from a bottle of champagne.

If not 2022, then surely 2020's lockdown plummet qualified as a bear market, right? Wrong, in our opinion. While the beginning of the pandemic produced meaningful value in many stocks, the opportunity was gone in the blink of an eye. The S&P 500 lived at a loss greater than 20% for barely more than 3 weeks and was hitting new records within 5 months! This was not a teachable moment for investors, as evidenced by the Washington-driven mania that soon followed.

 # Consecutive Trading Days S&P 500 was >20% Below its Record High

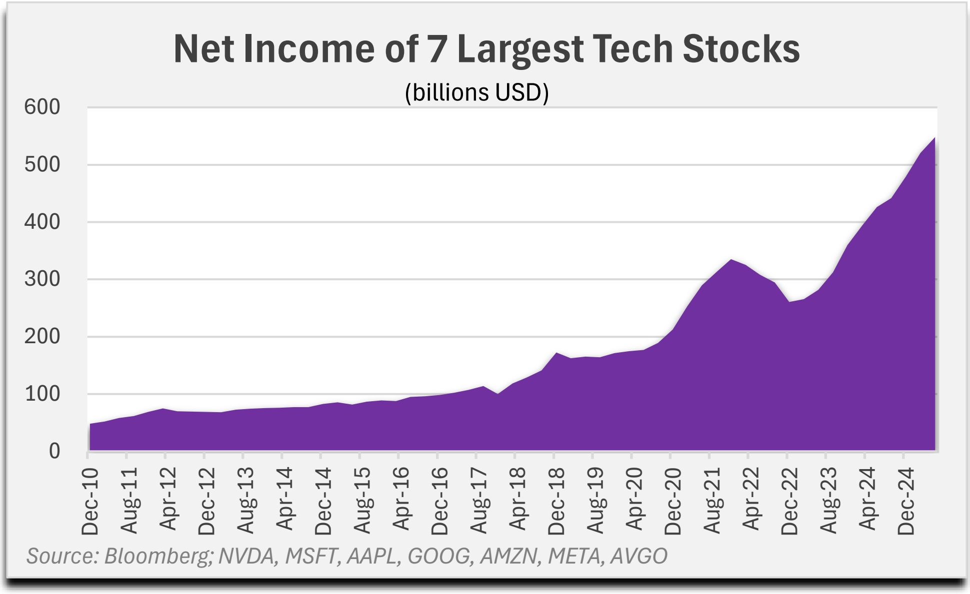
Date Range	Description	# Days in a Row	Max Drawdown*
September – October 2022	**Inflation + Tightening**	**24**	-25.4%
March – April 2020	**Pandemic**	**17**	-33.9%
Sept. 2008 – December 2010	**Housing Bubble**	**567**	-56.8%
July 2001 – March 2005	**Tech Bubble**	**919**	-49.1%
October 1987 – March 1988	Black Monday	97	-33.2%
March 1974 – January 1976	OPEC / Inflation	452	-48.2%
April 1970 – October 1970	Nifty Fifty Bust	121	-36.1%
March 1953 – January 1954	Korean War Recession	202	-28.7%
April 1930 – August 1952	Great Depression	5,567	-86.2%

**Source: Bloomberg; S&P 500 closing prices, drawdown is % change from record high; Past performance is not a guarantee of future results.*

We submit that if a bear market takes less time to play out than your next haircut, it's not a bear market. **The last time investors experienced a downturn severe and prolonged enough to maim animal**

spirits was during the 2008 Credit Crisis. Despite enormous intervention from the government and Federal Reserve, it took the market 5.5 years to recover its pre-crisis peak, which was sooner than the 7-year claw back after the dot com bubble burst. Even those cycles were truncated compared to earlier periods. In the 1970s, equities went sideways for a decade. Stocks spent *a quarter century* climbing out of the Great Depression's market crater before reasserting new highs. The current generation of investors has been conditioned to expect a painless experience. We're soft.

In fairness, the passage of time alone is not sufficient justification for stocks to take an obligatory retreat. Undoubtedly, earnings growth for the market's largest enterprises has been spectacular. Twenty years ago, one technology company was among the S&P 500's ten most profitable businesses (Microsoft). Ten years back, two made the list. Today, six out of the ten highest earning firms hail from the tech sector, and the share of S&P profits from its top ten earners has reached a record 35% compared to 23% a decade ago. **The seven largest companies in the Index by market cap, which are all technology firms, have experienced a six-fold surge in collective earnings over the last ten years to exceed half a trillion dollars annually.** We're so old we remember when windfall profits taxes on Exxon were floated during the oil price spike of 2005-2008, when the oil giant crossed $30 billion of earnings, and again in 2022, when the White House said Exxon made "more money than God."



Source: Bloomberg; NVDA, MSFT, AAPL, GOOG, AMZN, META, AVGO

Bulls have argued that valuations for the market's leaders are not as extended as in March 2000, as if being less overvalued than the tech bubble's absolute peak is a convincing position. Back then, the market was propelled by Internet and telecom exuberance, with Cisco, Intel, and Lucent Technologies among the largest U.S. companies. The aggregate market capitalization of these ten firms crested at 36% of 1999 GDP. Today, AI enthusiasm abounds, and the value of the top ten mega caps is 80% of GDP. They are much bigger cogs in the economic wheel than the cohort from 25 years ago. The current group is trading for 35x aggregate earnings (39x for just tech members), when summing the market caps of the top firms and dividing by their collective profits. This is a princely multiple under almost any scenario. **When you have the world's biggest companies accounting for the largest share of economic output in a century and with record profit margins busting at the seams, a sub 3% earnings yield feels a bit backward-looking.**

S&P 500 Ten Largest Companies by Market Capitalization

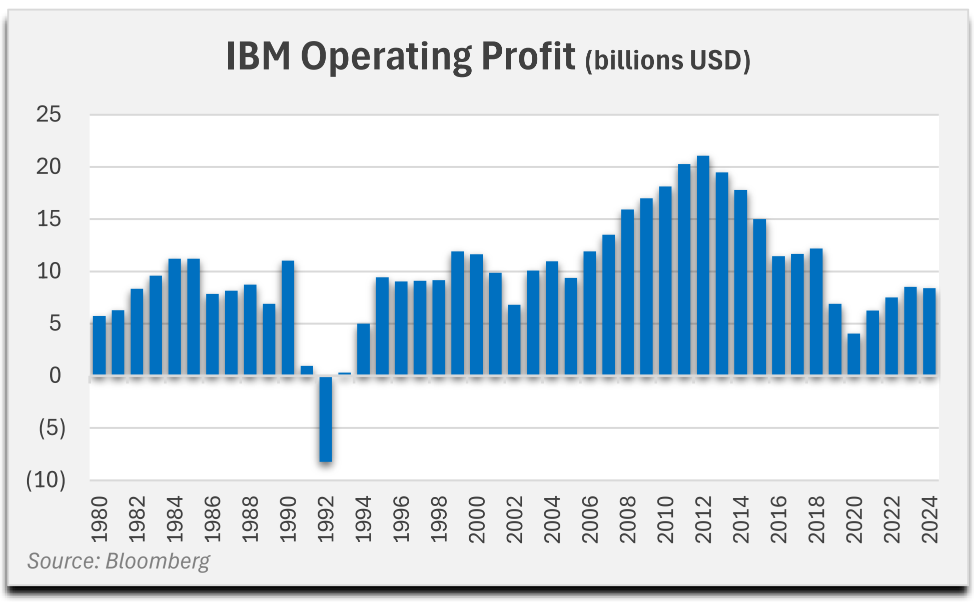
March 24, 2000: Tech Bubble Peak

	Company	Market Cap (billions)	P/E
1	Microsoft	561	64.1
2	Cisco Systems	547	215.0
3	General Electric	522	48.8
4	Intel	464	63.4
5	Exxon	269	34.0
6	Walmart	247	46.0
7	Oracle	245	128.4
8	Pfizer	220	69.2
9	IBM	215	27.9
10	Lucent Technologies	203	61.5
**Source: Bloomberg*		*Top 10 Average*	*75.8*
		Top 10 Median	*62.5*
		Top 10 Aggregate	*58.7*

September 30, 2025: Present

	Company	Market Cap (billions)	P/E
1	Nvidia	4,533	52.4
2	Microsoft	3,850	37.8
3	Apple	3,779	38.1
4	Alphabet	2,943	25.5
5	Amazon	2,342	33.2
6	Meta	1,845	25.8
7	Broadcom	1,558	82.3
8	Tesla	1,479	243.8
9	Berkshire Hathaway	1,085	17.2
10	JP Morgan	867	15.3
**Source: Bloomberg*		*Top 10 Average*	*57.1*
		Top 10 Median	*35.5*
		Top 10 Aggregate	*35.2*

Miracles do happen, we'll admit. IBM, which commercialized computing, was once not only the highest valued company in the world (1960s-80s), it was also an AI pioneer starting in the 1950s and evolving to its Deep Blue chess supercomputer in the '90s. Although IBM hasn't grown operating profit in four decades, investors are currently attaching a 22x EBITDA multiple and 45x P/E to its stagnant business. An old Big Blue advertising slogan seems apropos: IBM, *what makes you special?*



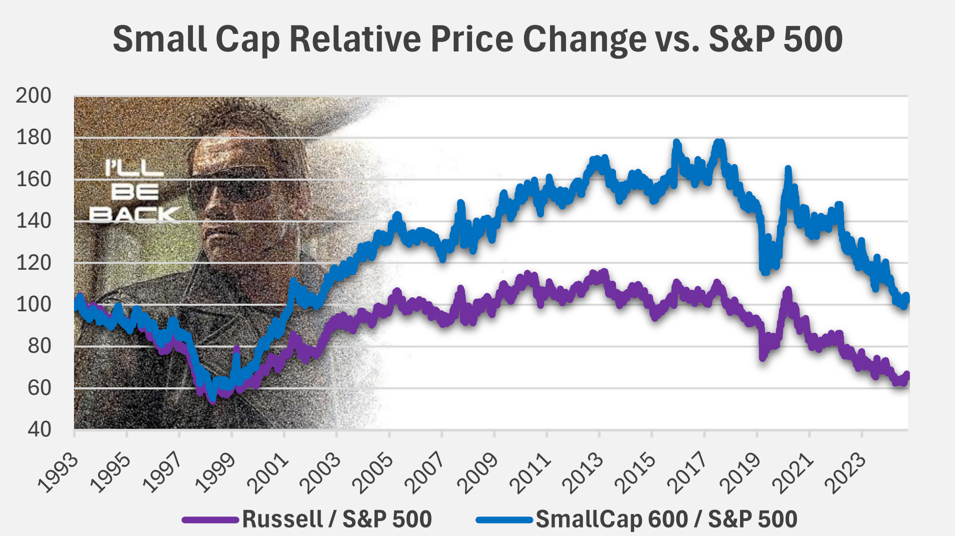
From our perspective, to have a bullish view on the largest technology stocks today, three questions must be answered affirmatively:

1) Will AI change the world?
2) Will the public company leaders in the space remain as profitable?
3) Is it not yet priced in?

For most people, *presently*, AI can best be described as something between a non-event and a radically upgraded search engine. However, even if you, like many, expect AI's impact on society to eventually be life changing, you can still be unconvinced of the investment case for the marquee AI stocks. Nvidia's torrid growth and 50%+ net profit margin, the spoils of its AI semiconductor leadership, will be exceedingly difficult to sustain in the long run, in our opinion, given the pace of technological evolution. Meta, #2 in the margin standings (40% net) among the largest firms, is a near $2 trillion tech colossus that exists primarily for entertainment, using machine intelligence to power its productivity sapping algorithms. Nevertheless, even if the AI movement continues *and* its current principal beneficiaries remain entrenched in their catbird seats, do current valuations already reflect their moats? Is Apple at 38x trailing earnings and 3% total revenue growth since 2022 leaving room for any regulatory setbacks or market share fluctuations historically experienced by consumer electronics companies? Should Oracle's value catapult higher by a quarter trillion dollars in one day, taking it to over 60x earnings, based on cloud contracts from a single, unprofitable AI frontrunner that will require massive up-front spending?

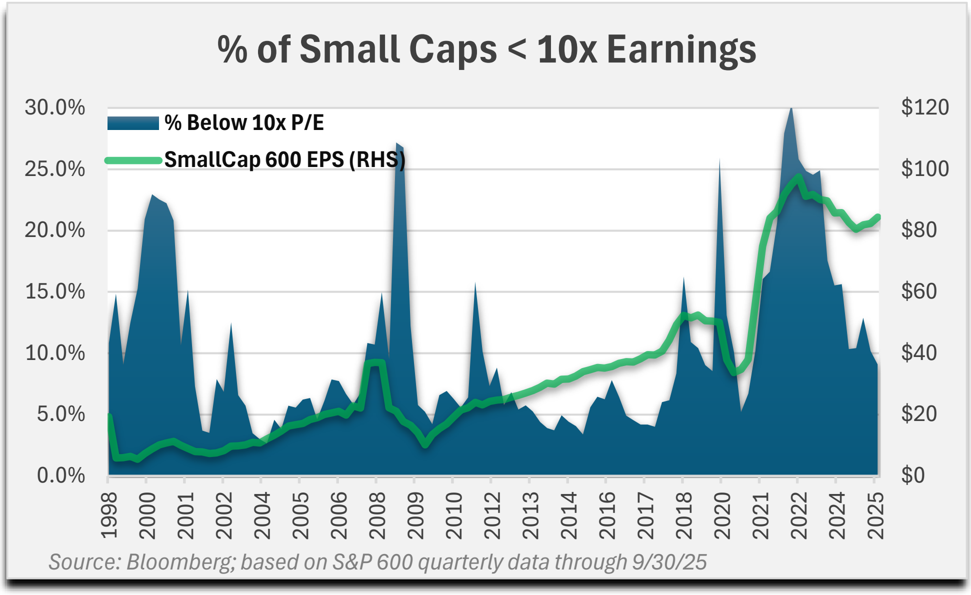
In his 2011 essay "Why Software is Eating the World," Marc Andreesen described how software was taking over large parts of the economy. He advised to stop constantly questioning the valuations of the new generation of technology companies, but instead to envision how they could impact the business world. In the 14 years since, software has further consumed not only the economy but also the investing mindshare, and the opportunity cost of questioning tech valuations has been enormous. Palm Valley's small cap focus exempts us from making portfolio calls about huge technology enterprises, and small cap success stories typically graduate from their benchmark before they leave an outsized impact. Nvidia, for example, visited the Russell 2000 for only a year after its 1999 IPO. Nevertheless, **for those focused on controlling risk, we'd suggest that actual losses are more biting than opportunity losses, and buying mature businesses at 25x-50x earnings has historically exposed you to more of the former than the latter.**

Many small cap investors have bemoaned their underperformance versus bigger companies over the last decade. With the conviction of a well-armed bodybuilder in a biker jacket and wraparound shades, they have pledged time and again, "I'll be back." Although small cap indices nearly trade at their lowest price ratio versus the S&P 500 in over two decades, there is no guarantee they will reclaim the high ground anytime soon, or ever. The Russell 2000, in particular, is populated with scores of low quality, speculative businesses that may leave a permanent scar on the benchmark as they fade away and are replaced. This is one reason for the Russell's underperformance versus the S&P SmallCap 600 in the years since the tech bubble implosion.



Source: Bloomberg; Converted price ratios to starting value of 100 on 12/31/1993; Past performance is not a guarantee of future results.

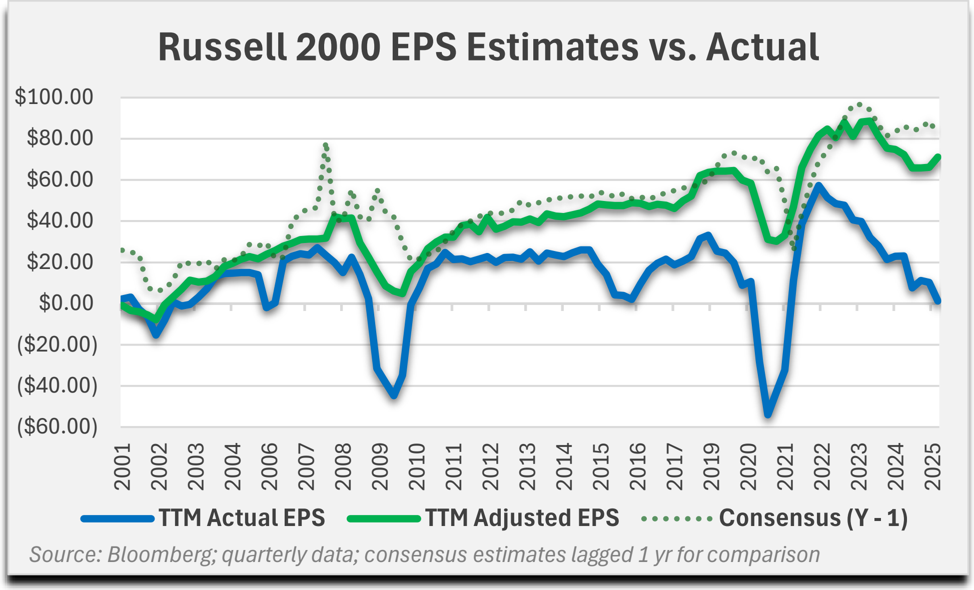
Small caps currently appear cheaper than large caps, but they aren't cheap by historical standards. The median S&P SmallCap 600 constituent is trading for 25x trailing earnings (30x ex-financials). Granted, earnings multiples tell only part of the story, and at Palm Valley, we often acquire positions with below normal profitability trading at elevated multiples. However, past periods of compelling valuations have generally coincided with a large proportion of small cap companies trading at low multiples, such as in 2000, 2008, and 2020. The cluster of low P/E stocks lingering from 2022-2023 was an exception following the pandemic's earnings tsunami, when small cap profits (S&P 600) more than doubled from deficit spending. As excess margins have waned for some businesses and investors have become more bullish on small caps, the quantity of low multiple stocks has declined.



Source: Bloomberg; based on S&P 600 quarterly data through 9/30/25

The high-pressure campaign by the Trump administration on the Fed to lower interest rates provided the catalyst for small caps to begin recovering some of the ground ceded to large caps, with the Russell 2000 hitting new records after the FOMC meeting on September 17th. We appreciate the reputation of the vaunted Fed being heckled down a notch. Cries of threats to the Fed's independence seem pointless to us, since that independence hasn't recently mattered for anything besides the freedom to inflate assets. Yet, since the Fed smear tactics are rooted in a misplaced desire for easier money, we can only enjoy the Fed's dress down halfway. Replacing Jerome Powell with the *Dow 36,000* guy isn't going to solve our wealth inequality issues. Regardless of our view that Fed rate reductions are just settling the balance for already inflated assets and will not meaningfully improve access to capital that was never that tight, pundits are once again claiming the elusive small cap rotation has commenced. It offers a convenient talking point for asset allocators. However, $3 trillion of total equity value for a couple thousand small caps can only go so far in replacing exposure to mega caps.

There's no shortage of current bullish takes that conceal a fully priced small cap market with guises of relative cheapness, such as undependable forward earnings multiples or revelations data-mined from the valuation mountaintops. **Small caps, as reflected by the Russell 2000, collectively produced essentially no GAAP profits over the trailing twelve months. When using adjusted numbers that omit anything management classifies as non-recurring, small caps failed to meet consensus estimates or produce earnings growth in three years.** This is a distinction, whether justified or not, that helps explain their divergence from large cap stocks, which are less likely to apply material non-GAAP adjustments to earnings.



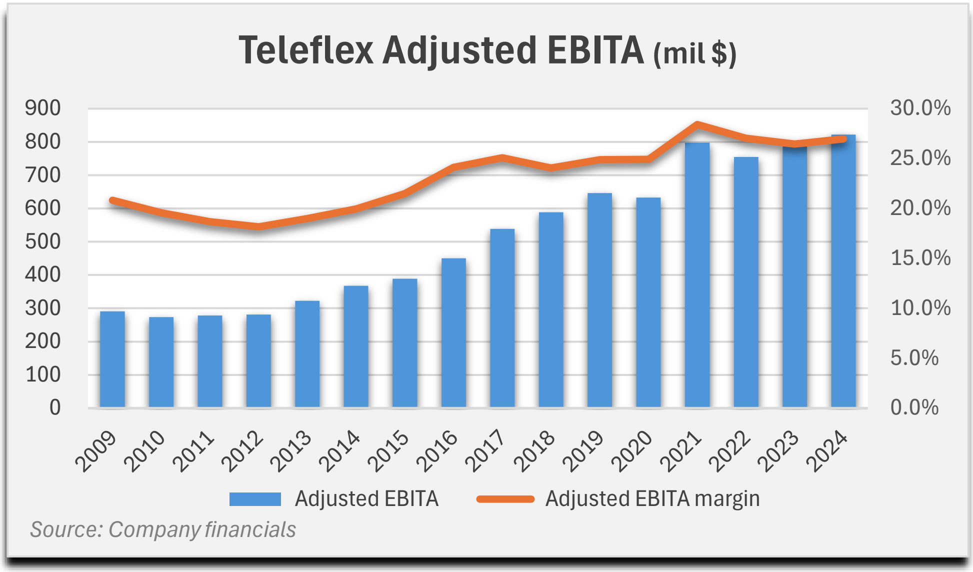
Source: Bloomberg; quarterly data; consensus estimates lagged 1 yr for comparison

Small cap profit shortfalls have not been universal, and investors have been most forgiving for higher quality companies. They seem to be assuming the profit gains accumulated since the pandemic are largely sustainable. At Palm Valley, we're avoiding businesses that have exhibited strong performance beyond historical norms and have seen their stocks rewarded for it, effectively pricing in the status quo of continued deficit spending and an environment that fosters speculation. We prefer the stocks of companies experiencing current industry pressure. Since the entire political machine is working to make the asset and profit boom a never-ending story, ours is definitely a contrarian position! **The small cap opportunities, in our judgment, exist on the neglected periphery, not in the core.**

During the quarter, the Palm Valley Capital Fund increased 2.35%, trailing the 9.11% gain for the S&P SmallCap 600 and 7.99% increase for the Morningstar Small Cap Total Return index. Small cap stocks outperformed large caps during the period on investor expectations of Fed easing and reduced concerns about the impact of tariffs on corporate profits. Performance was strongest for the more speculative parts of the market, with the Russell 2000 Index outperforming the S&P SmallCap 600 by over 300 basis points in the third quarter. The Fund held 73.5% in cash equivalents at the beginning of the quarter and 74.1% at the end. Excluding cash and the impact of fund expenses, the Fund's equity positions rose by 6.46% over the three months.

We acquired four positions during the third quarter, including three names new to the Fund—Teleflex (ticker: TFX), Robert Half (ticker: RHI), and LKQ (ticker: LKQ)—and one returning member, Avista (ticker: AVA).

Teleflex produces single-use medical devices (92% of revenue) used by hospitals and healthcare providers in critical care and surgical procedures, including catheters, stents, clips, and tools used in anesthesia,



respiratory, and urological applications. The company's stock has been punished due to short-term revenue weakness in certain categories in addition to investor uncertainty about recent major strategic decisions, including a large, debt-financed acquisition announced in February on the same day that management presented a plan to split the business into two independent companies. Teleflex offers revenue stability with high operating margins and generous free cash flow. Shares are trading near a record low valuation despite above-average business quality.

Robert Half provides staffing and consulting services through the Robert Half and Protiviti brands. The firm specializes in finance and accounting placements and also provides labor for technology and office roles. Results have been pressured by weakness in the staffing industry, which has disconnected from the greater labor market due to unique features of the post-COVID economy. Additionally, some investors have concerns about the ongoing demand for finance staffing if AI displaces certain jobs.

rh Robert Half®

While Robert Half's staffing trends have mimicked the industry, overall performance has been supported by strong trends for the Protiviti consulting segment, which has effectively leveraged Robert Half's resources into winning share against Big Four competitors. Although trailing results for the entire company are below normal, Robert Half remains profitable and cash generative. It has zero debt and offers a 7% dividend yield, which is supported by cash flow. The company's target white collar market could experience a delayed demand trough versus blue collar temporary labor, but we are confident Robert Half will be an industry survivor.

LKQ Corporation is the largest distributor of aftermarket and recycled auto parts in the United States and Europe. It's a roll-up success story. In the U.S., the company focuses on collision products (e.g., headlights, fenders, bumpers, paints). In Europe, LKQ's parts offering is mostly mechanical in nature (e.g., engines, brakes, suspension). Unlike other major auto parts distributors, LKQ sources a significant percentage of its parts by recycling old vehicles purchased from auctions and stored at the firm's junkyards. Selling auto parts for damaged vehicles has generally been a recession resistant business. Demand is driven by several factors including the number of repairable auto insurance claims, parts inflation and complexity, the aging and size of the car parc, the willingness of insurers to utilize non-OEM parts, and structural trends such as accident avoidance technology and the shift to electronic vehicles.

LKQ Pick Your Part – Tampa @ 5109 Causeway Blvd.

LKQ's stock has fallen as declines in repairable claims have negatively impacted the company's results. Management attributes the trends to a weak economy, high auto insurance rates, and elevated repair costs, which are causing vehicle owners to defer and ignore repairs. These are cyclical factors. LKQ has long outperformed industry auto claims through high service levels and share gains. The company's key competitive advantage is its extensive distribution network that results in fill rates substantially higher and faster than most competitors. Additionally, LKQ offers repair shops several options for parts, ranging from OEM to new aftermarket to recycled. While LKQ currently has 2.5x leverage, the company generates prodigious free cash flow and can delever quickly. The stock recently touched a five-year low and is trading for 10x earnings, 8.5x EBITA, and provides a 3.9% dividend yield.

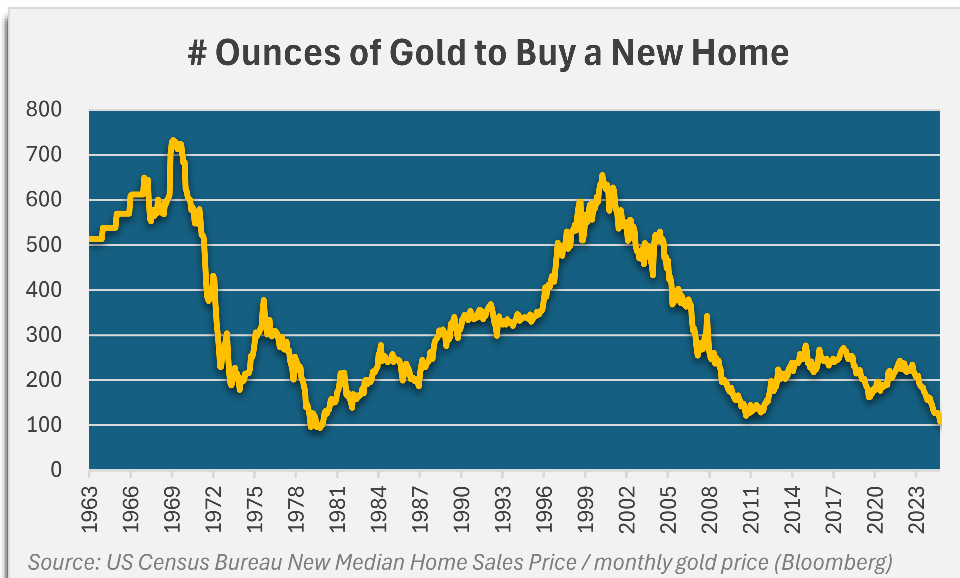
We also bought a small position in Avista Corporation during the quarter. Founded in 1889, Avista is an electric and natural gas utility operating in Washington, Oregon, Idaho, and Alaska. We repurchased its shares after a weaker than expected earnings report and a decline in its stock price. While the company has suffered impairments on some of its clean energy investments, its core utility business continues to perform well and makes up most of our valuation. We believe successful rate cases in its regulated utility business will create earnings clarity and growth in 2025 and 2026. In our opinion, Avista is currently attractively priced, trading at 14x expected earnings, 1.2x tangible book value, and offers a 5.2% dividend.

Top 10 Holdings (9/30/25)	% Assets
Sprott Physical Silver Trust	2.45%
Amdocs	2.44%
Kelly Services	1.77%
Heartland Express	1.75%
WH Group ADR	1.49%
Sprott Physical Gold Trust	1.47%
Northwest Natural	1.28%
Chord Energy	1.23%
ManpowerGroup	1.01%
Forrester Research	0.98%

During the third quarter, we sold our investment in Seaboard Corporation (ticker: SEB). Seaboard was acquired in late 2024 at a large discount to tangible book value, which increased in the first part of 2025 to nearly 50%. Although the company's operating results are volatile due to its participation in cyclical industries like hog farming, grain trading, and marine shipping, century-old Seaboard has generated profits throughout various business cycles. The asset-heavy company is aggressively deploying cash flows into modernizing and expanding its infrastructure. Seaboard's shares rallied sharply in the quarter, exceeding our valuation.

Seaboard Foods company photos

The Fund's three largest contributors in the third quarter were the Sprott Physical Siver Trust (ticker: PSLV), Seaboard, and the Sprott Physical Gold Trust (ticker: PHYS). Silver and gold catapulted higher over the three months ending September 30th, extending an impressive surge in 2025. It's the R.E.M. trade: Return to Easy Money. We've owned precious metals in the Fund for the last five years as a bulwark against inflationary policies, given our high allocation to cash equivalents. Despite significant volatility, silver and gold have extended their purchasing power during the era of rotating asset bubbles, even outpacing housing inflation. As the metals prices have shot higher this year, we've sold a portion of our shares in the Sprott Trusts to manage the weightings. This has created realized gains in the Fund, which we have partly offset by realizing losses ("tax loss trades") on portions of other positions between their scheduled quarterly financial reports.

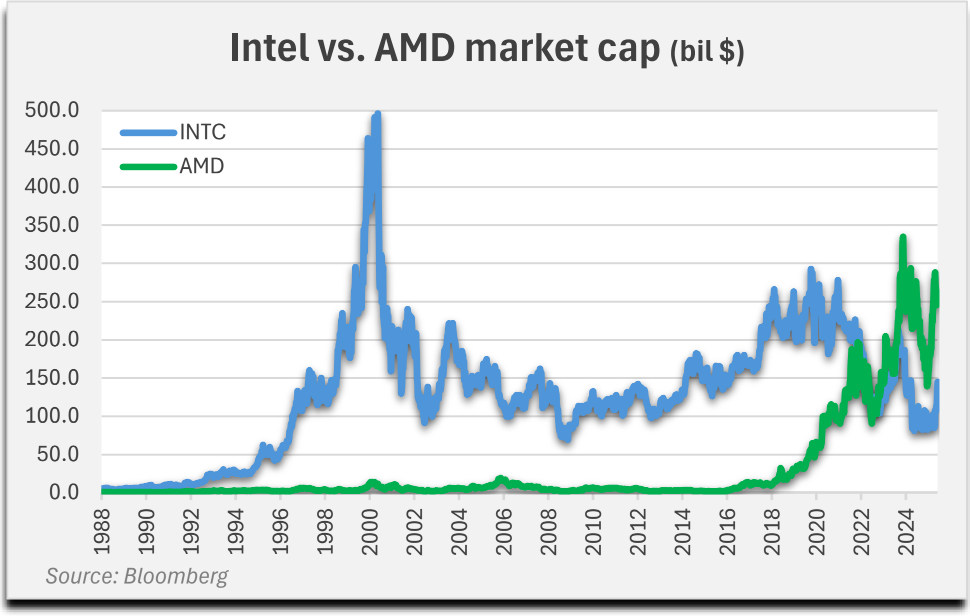


The Fund had two positions negatively impacting performance by more than 10 basis points in Q3, Flowers Foods (ticker: FLO) and Amdocs (ticker: DOX). Flowers Foods, a market leader in bread and snacks in the U.S., came under pressure during the quarter due to continued challenges in the branded bread category. As the rising cost of living weighs on middle to lower-income consumers, there has been a shift from branded to more affordable private-label breads. Additionally, broader health and wellness trends have softened demand across the traditional bread category. In response, Flowers is transitioning its portfolio through innovation and recently acquired brands, such as Simple Mills. The company is expanding into higher-growth "better-for-you" segments, where results have been encouraging for organic breads and snacks. While operating performance is likely to remain under pressure through the remainder of 2025, we believe a stabilization in core branded bread volumes—combined with continued growth in its health-oriented category—should support a return to more normalized profit margins in 2026. Flowers' stock is currently trading at 13x our estimated 2025 EPS. Despite being out of favor, Flowers has maintained its market-leading brands, generates meaningful cash flow, and has a long history of navigating through industry headwinds.

Amdocs, which is one of the Fund's largest positions, posted a modest share price decline in the period despite continuing to deliver steady gains in operating income. Investors less familiar with the company may be confused by recent decreases in the top line, which stemmed from an intentional disposition of certain no-margin, non-core businesses. Our valuation for Amdocs has increased reliably over the years. Due to the company's operating stability, excellent balance sheet, and strong competitive position in helping its customers modernize their networks, we assign the shares an above average valuation multiple.

"Come with me if you want to live."
-Terminator to Sarah Connor (*T2: Judgment Day*, 1991)
or
U.S. Government to Intel Corporation (2025)???

Intel was once the dominant force in CPUs. The company briefly attained the highest market cap in the world in August 2000, peaking at $509 billion. Missteps allowed competitors to take share in designing and manufacturing advanced chips. AMD, once a pipsqueak when Wintel reigned over the PC market, surpassed Intel in market capitalization in 2022. Nvidia claimed the rapidly growing GPU (graphics processing unit) market used for AI applications. TSMC became the leading chip foundry, manufacturing chips designed by others. Intel's profitability dived in 2022 due to underutilized capacity and write-downs, and the former chip champ posted a $20 billion net loss over the past year.



In August 2025, Uncle Sam took a 10% stake in Intel shortly after questioning whether the CEO's ties to China presented a national security threat. Since then, the business community has passed the plate to shore up Intel's shaky finances ($50 billion debt), with equity investments from Softbank ($2 billion) and competitor Nvidia ($5 billion), as well as discussions with Apple to participate in the capital raise. It's been a stunning fall from grace for a former must-own technology stock. This is not a rare occurrence.

A major U.S. investment bank recently advised clients to be "responsibly bullish" in spite of high valuations due to the AI boom and expected Federal Reserve rate cuts. That's the thing with Wall Street—valuations will never be their reason for caution. It's always a momentum trade for them, and the bull market will be supported until the bear market has already started. This is the opposite of how we think and invest.

In *Terminator 3: Rise of the Machines*, John Connor, the future leader of the resistance, said, "All I know is what the Terminator taught me: never stop fighting. And I never will." We try to reflect that determination in our management of the Fund regardless of whether that makes our independent strategy look out of touch. In the first installment of *The Terminator*, the T-800 cyborg was pelted by shotgun rounds, experienced flesh loss from a tanker truck explosion, performed a self-extraction of its damaged left eye, got blown in half by a pipe bomb, and then, with only a functioning upper torso, crawled in relentless pursuit of Sarah Connor until finally being crushed by a hydraulic press. Can't stop, won't stop.

In the sequel, Schwarzenegger's Terminator character was reprogrammed from assassin to bodyguard and was tasked with battling an advanced T-1000 shapeshifting cyborg. Any time the T-1000 incurred damage (e.g., point blank blast, explosion, subzero shattering), its viscoelastic, liquid metal body would return to its original form. It's like punching a waterfall. How do you defeat that? It reminds us of a stock market that ignores bad news and insistently powers higher by summoning the collective resources of everything around it.

The third quarter was the most active for mergers in almost four years, capped off by Electronic Arts' record setting $55 billion buyout at 28x EBITDA. Last week, the government reported that real GDP grew at the fastest pace in two years, after contracting in Q1 due to tariff uncertainty. The cognitive dissonance of demanding Fed action while touting economic strength is interesting to watch. Markets have continued to react to government data releases despite substantial evidence that they are not credible. Payrolls were recently revised down by 1.5 million over the last two years ending in March, a period during which we were previously told employment was white hot. Now, the current administration contends that widespread tariffs will be absorbed by foreign exporters with no negative consequences for Americans. Dead man walking Fed Chair Powell, in an attempt to justify lowering rates, says tariffs will likely only bring a one-time price impact. A one-time impact here, a one-time impact there, and for many people, pretty soon you're talking about real impoverishment!

Schwarzenegger's T-800 character declared in *Terminator 2*, "The more contact I have with humans, the more I learn." An LLM dressed in leather with a sawed off. For amusement, we asked AI chatbots Gemini, Chat GPT, and Grok if now is a good time to invest in the U.S. stock market. They all provided mainstream financial advice, such as it is better to invest now than to try to time the market and how missing out on the best days can erode returns dramatically. The unoriginal answers are what you'd expect from models constructed using the collective public opinion. Dig a little deeper if risk matters to you.

For those of us investing from the bottom-up, doesn't it make sense to avoid owning stocks when they trade for significantly more than we think they're worth? We aren't trying to time this mature bull market—we're maintaining our investment discipline. Unlike the Terminator, we can't travel back in time to 1984 valuations. High quality stocks appear very rich, and that can change quickly. Especially for small caps, liquidity disappears when you need it most. Since algorithms now account for the majority of U.S. equity trading volume, we expect the machines to amplify a decline once its underway. A resurrection of the full market cycle is imperative to injecting discipline back into an economy that's grown reliant on the wealth effect. You can program a robot to stop, but not a man from wanting more. Until Judgment Day, hasta la vista, baby!

Thank you for your investment.

Sincerely,
Jayme Wiggins Eric Cinnamond

Mutual fund investing involves risk. Principal loss is possible. The Palm Valley Capital Fund invests in smaller sized companies, which involve additional risks such as limited liquidity and greater volatility than large capitalization companies. The ability of the Fund to meet its investment objective may be limited to the extent it holds assets in cash (or cash equivalents) or is otherwise uninvested.

Before investing in the Palm Valley Capital Fund, you should carefully consider the Fund's investment objectives, risks, charges, and expenses. The Prospectus contains this and other important information and it may be obtained by calling 904-747-2345. Please read the Prospectus carefully before investing. Past performance is no guarantee of future results.

Dividends are not guaranteed and a company's future ability to pay dividends may be limited. A company currently paying dividends may cease paying dividends at any time. Fund holdings and sector allocations are subject to change and are not a recommendation to buy or sell any security. Earnings growth for a Fund holding does not guarantee a corresponding increase in the market value of the holding or the Fund.

The S&P SmallCap 600 Total Return Index measures the small cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable. The Morningstar Small Cap Total Return Index tracks the performance of U.S. small-cap *stocks that fall between 90th and 97th percentile in market capitalization of the investable universe.* ***It is not possible to invest directly in an index.***

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Definitions:
Adjusted EBITA margin: Adjusted EBITA divided by revenue.
Aggregate P/E: P/E derived when adding the market capitalizations of an entire group and dividing by the net income of that group.
AI: Artificial intelligence.
Car parc: The collective total of all registered vehicles in a geographic area.
CPU: Central processing unit.
Dividend yield: Expected annual dividend per share divided by stock price.
EBITA: Earnings Before Interest, Taxes, and Amortization of acquired intangibles (i.e., operating income).
EBITDA: Earnings before interest, taxes, depreciation, and amortization.
EPS (Earnings per share): Net income divided by shares outstanding.
Free Cash Flow: Equals Cash from Operating Activities minus Capital Expenditures.
GAAP: Generally Accepted Accounting Principles
GDP: Gross Domestic Product is the total value of goods produced and services provided in a country during one year.
IPO: An initial public offering is when a private company first offers shares to the public.
LLM: Large language model, a type of AI trained on massive amounts of text data.
Market capitalization: Stock prices multiplied by shares outstanding.
Net profit margin: Net income divided by revenue.
OEM: Original equipment manufacturer
Price to Earnings (P/E) Ratio: A stock's price divided by its earnings per share.
Real GDP: Gross domestic product adjusted for inflation.
Russell 2000: An American small-cap stock market index based on the market capitalizations of the bottom 2,000 companies in the Russell 3000 Index.
S&P 500: The Standard & Poor's 500 is an American stock market index based on the market capitalizations of 500 large companies.
Tangible book value: Shareholders' equity, or total assets excluding goodwill and other intangibles minus total liabilities.
TTM: Trailing twelve months