

# PRINCETON CAPITAL MANAGEMENT LLC

## Core Equity – Wealth preservation focused, conservative equity investment strategy

December 31, 2023

### Objectives

- Enhanced risk-adjusted rates of return
- Outperformance versus market benchmark over a market cycle

### Universe

- Liquid US equities:
  - Emphasis on large-to-mid cap companies with limited enterprise risk
  - A blend of growth and dividend paying equities
- Cash and equivalents employed for tactical purposes

### Investment Strategy

- Barbelled portfolio of stable growth and defensive, yield-oriented equities only
  - Utilize classic 60/40 stock/bond wealth preservation concept
- Invest with conviction on an absolute basis, not relative to a benchmark
- Focus on industries supported by long term demand drivers
- Longer term (3-5 year) investment objective – tax efficient
- Wealth preservation in stressed markets:

	Core	S&P 500
2020 Q1 (Covid-19)	-14.4	-19.6
2018	0.5	-4.4
2008	-23.8	-37.0

### Historical Performance

Calendar Year Returns (%)	QTR	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2008
Core Equity Wrap Composite-GROSS	13.7	30.0	-21.4	27.0	19.3	32.3	0.5	24.5	12.3	-4.7	10.1	-23.8
Core Equity Wrap Composite-NET*	13.1	27.0	-23.1	24.3	16.7	29.4	-1.7	21.7	9.8	-6.8	7.7	-25.5
Russell 1000 Total Return	12.0	26.5	-19.1	26.5	21.0	31.4	-4.8	21.7	12.1	0.9	13.2	-37.6
S&P 500 Total Return	11.7	26.3	-18.1	28.7	18.4	31.5	-4.4	21.8	12.0	1.4	13.7	-37.0

\* Net returns reflect the highest fee any advisor charges - most advisory clients are not charged the highest fee

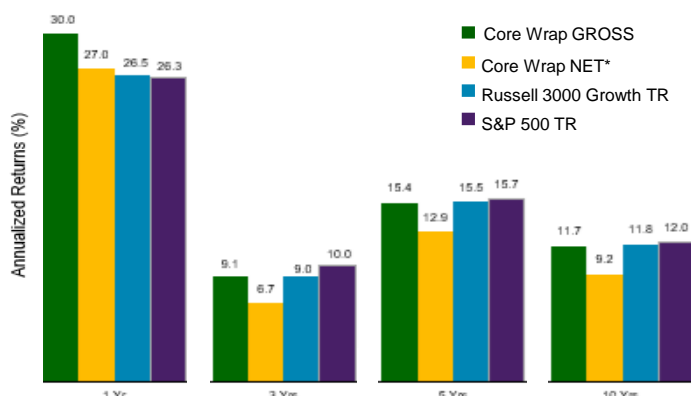
### Performance Summary (as of 12/31/23)

Annualized Returns (%)	1 Yr	3 Yrs	5 Yrs	10 Yrs
Core Equity Wrap Composite-GROSS	30.0	9.1	15.4	11.7
Core Equity Wrap Composite-NET*	27.0	6.7	12.9	9.2
Russell 1000 Total Return	26.5	9.0	15.5	11.8
S&P 500 Total return	26.3	10.0	15.7	12.0

### Portfolio Characteristics

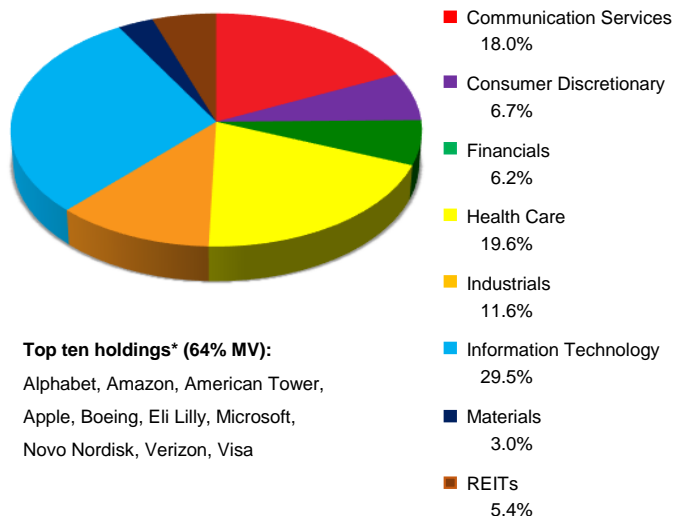
- Focused portfolio of 20 to 35 positions
- Position weightings typically 2-6%
- Diversified across 4-6 or more growth themes
- Growth bias with yield consideration
- Average annual turnover: 5-20%

### Annualized Returns (as of 12/31/23)



### Portfolio Snapshot (as of 12/31/23)

Current Yield: 1.1%



### Top ten holdings\* (64% MV):

Alphabet, Amazon, American Tower, Apple, Boeing, Eli Lilly, Microsoft, Novo Nordisk, Verizon, Visa

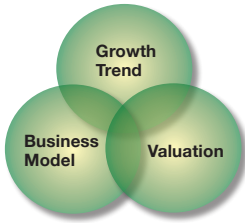
### Risk / Return Metrics

Periods ending 12/31/23	10 Years	5 Years	3 Years
Alpha	0.42	0.64	-1.74
Beta	0.89	0.86	0.91
Standard Deviation	14.12	16.69	16.87
S&P 500 TR	15.19	18.52	17.54
Sharpe Ratio	0.70	0.75	0.32
S&P 500 TR	0.71	0.74	0.45
UP Market Capture	92%	92%	92%
Down Market Capture	87%	90%	101%

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## Investment Process

- Each stock evaluated from three perspectives
  - **Growth Trend**  
Favorable socio-economic, technology transition, or supply/demand trends
  - **Business Model**  
Understandable, competitive, and sustainable
  - **Valuation**  
Attractive risk reward characteristics
- The critical consideration: **valuation relative to perceived opportunity**
- Portfolio construction emphasizes mitigation of risk



## Differentiating Characteristics

- Focus on change reflected in our view of tomorrow
- Target both growth and income oriented companies
- Emphasis on innovation and scientific achievement
- Optimal portfolio diversification
- Uncommon risk management techniques

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## NOTES ON PERFORMANCE INFORMATION

Princeton Capital Management LLC ("Princeton") is an independent investment management firm registered with the U.S. Securities and Exchange Commission.

**Core Equity Wrap Composite** (inception date February 2008). A composite of separately managed model-based wrap accounts investing strategically in large to mid capitalization companies (equities) seeking to preserve wealth in stressed markets yet provide better than market returns versus a general market benchmark over a market cycle.

The **S&P 500 Total Return Index** gauges the large-cap U.S. equity market. The **Russell 1000 Total Return Index** is an unmanaged index that measures the performance of the large-cap segment of the US equity universe. These indices are unmanaged and include the reinvestment of dividends and earnings. Inclusion of index information is not intended to suggest that its performance is equivalent or similar to that of the historical investments whose returns are presented or that investment with our firm is an absolute alternative to investments in the index (if such investment were possible). Investors should be aware that the referenced benchmark funds may have a different composition, volatility, risk, investment philosophy, holding times, and/or other investment-related factors that may affect the benchmark funds' ultimate performance results. Therefore, an investor's individual results may vary significantly from the benchmark's performance.

Performance results are calculated internally using Orion Advisor portfolio accounting software. Performance prior to 2017 was calculated using Advent portfolio accounting software. Accounts are included in each composite and its performance at the beginning of the first full calendar month in which the account is fully reflective of the investment strategy. Composite and index performance reflects the inclusion of dividends, interest and other earnings. Valuations and returns are computed and stated in U.S. Dollars. All performance figures for periods one year and greater are annualized. Returns are weighted for the size of each underlying account. Pure gross returns are shown as supplemental information and are stated gross of all fees and transaction costs. Net returns are reduced by the highest wrap fee of 2.25% 1Q08 to 3Q18, 2.20% 4Q18 to current. A client's return will be reduced by our advisory fees and other expenses a client may incur in the management of the client's portfolio. Our advisory fees are disclosed in our Form ADV 2A. Also, there is a compounding effect of advisory fees over time on the value of a client's portfolio. As an example, the deduction of investment management fees would reduce the annualized return for Core Equity for the five years ended December 2013 from 19.4% to 18.7%.

Performance results, and advisory fees, for individual client portfolios will vary due to the timing of investments, additions/withdrawals of funds, diversification guidelines, length of relationship, and size of positions, among other reasons. Past performance is not necessarily indicative of future returns and the value of investments and the income derived from them can go down as well as up. Future returns are not guaranteed and a loss of principal may occur. For additional information about the performance of the Core Equity Wrap Composite or our current fee schedules, please contact Princeton Capital Management.

The Core Equity Portfolio Snapshot and Top Ten Holdings are based on a model portfolio structured to represent the Core Equity Wrap Composite. The Top Ten Holdings securities listed have been selected as our largest holdings and on an objective and non-performance based criteria. One should not assume that an investment in any of the listed securities was or will be profitable or equal the performance of the securities listed. Princeton offers to provide a list of all recommendations for the prior one year period on request.

Views regarding the economy, securities markets or other specialized areas, like all predictors of future events, cannot be guaranteed to be accurate and may also result in economic loss to the investor. Any securities listed in this material do not represent all the investments purchased, sold or recommended for client accounts by our Firm and may only be a representative list. Our investments and recommendations may and do change from time to time or at any time.

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A GIPS Composite Report and/or the Firm's list of composite descriptions can be obtained by contacting the Firm at (609) 924-6867.

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## PRINCETON CAPITAL MANAGEMENT LLC

[www.princap.com](http://www.princap.com)

### Princeton Office

17 Hulfish Street, Suite 220  
Princeton, NJ 08542  
609-924-6867

### Red Bank Office

151 Bodman Place, Suite 101  
Red Bank, NJ 07701  
201-332-9800

### Baltimore Office

1014 West 36th Street  
Baltimore, MD 21211  
410-630-1430