

SMID Opportunities Fund



STERLING
CAPITAL FUNDS

A Shares (SMDPX)
Inception 09.30.2016

C Shares (SMDQX)
Inception 09.30.2016

Inst'l Shares (SMDOX)
Inception 09.30.2016

03.31.2023

Fund Facts

Investment Objective:

Seeks long-term capital appreciation.

Total Net Assets	\$6,420,080
Number of Holdings	37
Wtd. Median P/E	20.0x
Wtd. Median P/B	2.3x
Wtd. Average Market Cap	\$11.44B
Active Share	98.0%
Turnover	52%

Total Expense Ratio

	Net	Gross
A Shares (SMDPX)	1.04%	1.31%
C Shares (SMDQX)	1.79%	2.06%
Inst'l Shares (SMDOX)	0.79%	1.06%

The Advisor has contractually agreed to limit certain fees paid by the Fund from February 1, 2023 through January 31, 2024. Performance would have been lower without limitations in effect.

30-Day SEC Yield

	With Waivers	Without Waivers
A Shares (SMDPX)	0.43%	0.00%
Inst'l Shares (SMDOX)	0.71%	0.25%

SEC Yield is an annualization of the fund's total net investment income per share for the 30-day period ended on the last day of the month.

Investment Considerations

The Fund uses a multi-style approach and invests in both growth and value-oriented companies. A growth investment style may be particularly sensitive to market conditions. Value investing involves the risk that an investment made in undervalued securities may not appreciate in value as anticipated or remain undervalued for long periods of time. The Fund invests in small and middle capitalization companies which may be riskier, more volatile and vulnerable to economic, market and industry changes than investments in larger more established companies. As a result, share price changes may be more erratic or trade less frequently in lesser quantities.

Philosophy and Process

To pursue its investment objective of long-term capital appreciation, the Fund normally invests principally in equity securities and will invest, under normal circumstances, at least 80% of its net assets plus borrowings for investment purposes in the securities of small or middle capitalization companies (commonly referred to collectively as "SMID"). Small or middle capitalization companies are defined as companies with market capitalizations within the range of those companies in the Russell 2500 Index at the time of purchase.

Fund Performance 03.31.2023	QTR	YTD	1 Year	3 Year	5 Year	Since Inception
A Shares 5.75% Sales Charge	-6.97%	-6.97%	-19.81%	10.66%	4.25%	5.52%
A Shares without Sales Charge	-1.28%	-1.28%	-14.89%	12.88%	5.50%	6.49%
Institutional Shares	-1.25%	-1.25%	-14.69%	13.15%	5.76%	6.75%
Russell 2500™ Index	3.39%	3.39%	-10.39%	19.42%	6.65%	8.57%
Bloomberg U.S. 2500	3.24%	3.24%	-10.61%	19.97%	6.44%	8.41%
Lipper Mid-Cap Core Median	1.98%	1.98%	-6.74%	19.86%	6.68%	--

Year-End Returns	2017	2018	2019	2020	2021	2022
A Shares without Sales Charge	13.88%	-11.06%	36.41%	8.14%	18.57%	-17.75%
Institutional Shares	14.06%	-10.81%	36.76%	8.31%	18.96%	-17.53%
Russell 2500™ Index	16.81%	-10.00%	27.77%	19.99%	18.18%	-18.37%
Bloomberg U.S. 2500	16.86%	-9.90%	26.93%	19.57%	18.63%	-18.67%

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. 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 the original cost. To obtain performance information current to the most recent month end and information on other share classes, please visit www.sterlingcapital.com. Performance for periods greater than one year is annualized.

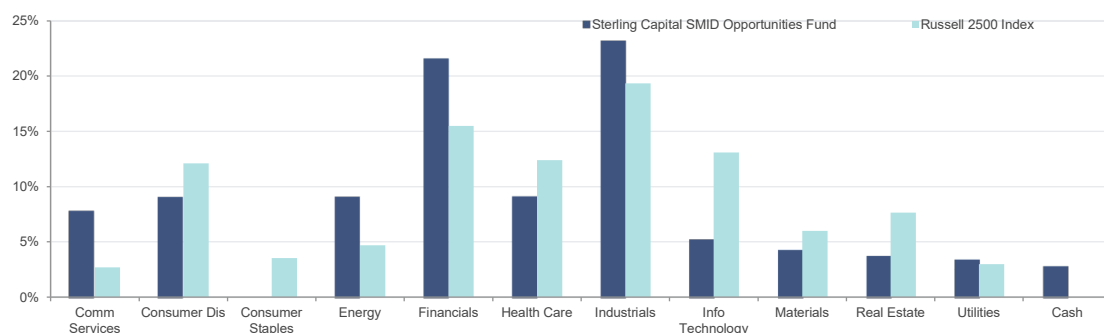
A Note on Indices: The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index.

The Russell 2500™ Index measures the performance of the small to midcap segment of the U.S. equity universe, commonly referred to as "SMID" cap. The Russell 2500™ Index is a subset of the Russell 3000® Index. It includes approximately 2500 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2500™ Index is constructed to provide a comprehensive and unbiased barometer for the small to mid-cap segment. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small to mid-cap opportunity set.

The Bloomberg U.S. 2500 Index is a float market-cap-weighted benchmark of the lower 2500 in capitalization of the Bloomberg U.S. 3000 Index.

The Lipper Mid-Cap Core Index reflects the average time-weighted rate of return of a representative group of mid-cap core funds over time. Refinitiv™ Lipper® defines a mid-cap core fund as a fund that, by portfolio practice, invests at least 75% of its equity assets in companies with market capitalizations (on a three-year weighted basis) below Refinitiv Lipper's USDE large-cap floor. Mid-cap core funds have more latitude in the companies in which they invest. These funds typically have average characteristics compared with the S&P MidCap 400® Index. The funds that comprise the index are intended to be employed as a good representation of combined peer group performance, acting as relevant benchmarks to measure single fund manager performance and rankings within that peer group. Lipper ensures that no restricted track record extensions are permitted, meaning only real histories represent the independently collected data. Source: Refinitiv Lipper.

Sector Allocation



Allocations are based on the current weight to funds in the cited Sector. The composition of the fund's holdings is subject to change.

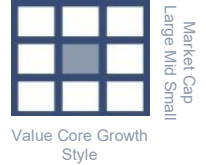
Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus or summary prospectus with this and other information about the fund, please call 888.228.1872 or visit our website at www.sterlingcapital.com. Read the prospectus carefully before investing.



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Morningstar Style Box



03.31.2023



Portfolio Management

Lee D. Houser, CFA®

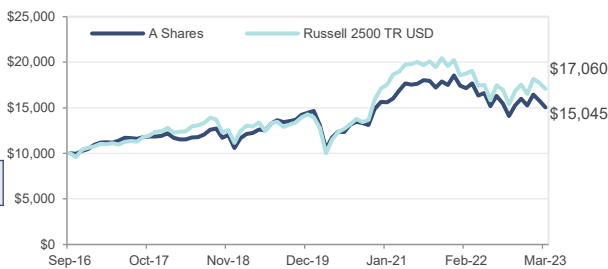
Executive Director | Co-Portfolio Manager
Lee joined SCM in 2006 and has investment experience since 1999. He received a B.S. in Mathematics and Economics from James Madison University, where he was a summa cum laude graduate, and a M.B.A. from Duke University. He holds the CFA® designation.

James L. Curtis, CFA®

Director | Co-Portfolio Manager
Jim first worked at SCM from 1999-2001 and rejoined the firm in 2020. He has investment experience since 1996. Jim received his B.S.B.A. in Finance from the University of North Carolina at Chapel Hill's Kenan-Flagler Business School and his M.B.A. in Finance from Emory University's Goizueta Business School. He holds the CFA® designation.

The Chartered Financial Analyst® (CFA) charter is a graduate-level investment credential awarded by CFA Institute, the largest global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

Growth of \$10,000



The Growth of \$10,000 chart is hypothetical based upon the performance of A Shares without sales charge for the period ended 03.31.2023. It includes the reinvestment of dividends and capital gains.

Top Ten Equity Holdings

1. Cable One, Inc.	4.17%
2. Waste Connections, Inc.	4.15%
3. Global Payments, Inc.	3.98%
4. Encompass Health Corp	3.75%
5. Take-Two Interactive Software, Inc.	3.71%
6. Arch Resources, Inc.	3.66%
7. Gentex Corp	3.53%
8. Nextera Energy Partners Lp	3.52%
9. Callon Petroleum Co.	3.43%
10. F5 Networks, Inc.	3.16%

Current and future portfolio holdings are subject to change and risk. Based on Market Value of securities.

Lipper Mid Cap Core Category

Based on Total Return as of 03.31.2023

	1 Year	3 Year	5 Year
Lipper Ranking / Number of Funds in Category	342 / 366	339 / 353	237 / 337
Lipper Quartile (Percentile)	4th (94%)	4th (96%)	4th (71%)

Morningstar Mid-Cap Blend Category

Based on Risk-Adjusted Returns as of 03.31.2023

	Overall Rating	1 Year	3 Year	5 Year
Institutional Shares Morningstar Rating™	★★	--	★	★★
Morningstar Ranking / Number of Funds in Category	375	383 / 413	351 / 375	273 / 351
Morningstar Quartile (Percentile)		4th (96%)	4th (93%)	4th (79%)

Ratings and Rankings would have been lower for Class A shares due to fees and expenses. Lipper and Morningstar rankings are based on total return, including the reinvestment of dividends and capital gains but do not include sales charges for the periods indicated. Rankings shown are for Class I Shares and may be lower for Class A Shares due to higher fees and expenses. Mutual funds are assigned a rank within a universe of funds, relative to a peer group and similar in investment objective as determined by Lipper and Morningstar. The lower the number rank, the better the fund performed compared to other funds in the classification group. Lipper and Morningstar also calculate a percentile measure for each fund ranging from 1% (best) to 100% (worst).

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. ©2023 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Technical Terms: **Active Share** measures the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. **Alpha** measures the performance of an investment as compared to a suitable benchmark index. An alpha of one (the baseline value is zero) shows that the return on the investment during a specified time frame outperformed the overall market average by 1%. A negative alpha number reflects an investment that is underperforming as compared to the market average. **Beta** measures the volatility of returns relative to the entire market. It is used as a measure of risk and is an integral part of the capital asset pricing model. A company with a higher beta has greater risk and also greater expected returns. **Portfolio Turnover Rate** measures a fund's annual trading activity. It is a percentage used to demonstrate how many holdings in a mutual fund were replaced within the year. **R-Squared** represents what amount of a fund's movements can be explained by movements in its benchmark index. A high R-Squared (between 85 and 100) indicates the fund's performance patterns have been in line with the index. **Sharpe Ratio** is commonly used to gauge the performance of an investment by adjusting for its risk. The higher the ratio, the greater the investment return relative to the amount of risk taken, and thus, the better the investment. The ratio can be used to evaluate a single stock or investment, or an entire portfolio. **Standard Deviation** measures the magnitude of deviations between the values of the observations contained in the dataset. From a financial standpoint, the standard deviation can help investors quantify how risky an investment is and determine their minimum required return on the investment. **Upside/Downside Capture Ratio** represents fund's cumulative return divided by its benchmark's cumulative return during positive and negative market periods. **Weighted Average P/B** compares the book value of fund's stocks with their market value. The price to book ratio indicates how much an investor is paying for a company's assets based on historical valuations. It does not reflect current market value. **Weighted Median P/E** compares the price of a fund's stocks with their per-share earnings, with a higher ratio indicating the market believes that a company has the ability to increase its earnings. (Sources: Corporate Finance Institute; Investopedia.)

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Not a deposit • Not FDIC insured • May lose value • Not guaranteed by the bank • Not insured by any government agency