Longleaf Partners Funds

Quarterly Summary Report

For the Quarter Ended
March 31, 2023

Longleaf Partners Funds

LLP001425 Expires 7/31/2023

Longleaf Partners Fund

Longleaf Partners Funds

Summary – March 31, 2023

1Q23

Longleaf Partners Fund

(800) 445-9469 / southeasternasset.com

Longleaf Partners Funds

Long-Term / Concentrated / Engaged / Value

Founded in 1975, Southeastern Asset Management is an independent, global investment firm managing $5.8 billion. Partnership is core to all that we do, and Southeastern's employees and related entities are the largest investors across the Longleaf Partners Funds. Our 15-person global investment team are generalists, tasked with finding the best bottom-up opportunities across the globe.

The Fund seeks to own a concentrated portfolio of our best 18-22 ideas that meet our Business, People, Price investment criteria. We invest with a 3-5 year investment horizon and take advantage of short-term volatility to own high quality businesses, run by capable management teams, whose stock prices are trading temporarily at a discount. Our extensive, global network allows us to engage with our management partners to help drive long-term value creation.

Fund Profile

Ticker	LLPFX
Inception Date	April 8, 1987
Net Assets	$1.3 billion
Expense Ratio (Gross)	1.00%
Expense Ratio (Net)	0.79%
Turnover (5 yr avg) at 12/31/22	31%
Weighted Average Market Cap	$71.6 billion

Holdings (22)

	Activity*	Weight
MGM Resorts	-	6.3%
PVH		6.1
FedEx	-	6.0
Warner Bros Discovery	-	5.9
CNX Resources	+	5.8
Mattel	-	5.8
IAC		5.3
Affiliated Managers Group		5.2
Fairfax Financial		5.2
Hyatt	-	5.0
General Electric	-	4.8
Liberty Broadband		4.7
Fiserv	-	3.9
CNH Industrial		3.7
Undisclosed	NEW	3.4
Alphabet	-	3.4
Warner Music Group		3.0
Undisclosed	NEW	3.0
Undisclosed	NEW	3.0
Lumen	-	2.4
Undisclosed	NEW	1.5
Undisclosed	NEW	1.3
Cash		5.3
Total		100.0%

*Full eliminations include the following positions: Douglas Emmett, GE Healthcare, and Stanley Black & Decker

Holdings are subject to change and discussion of holdings are not a recommendation to buy or sell any security. Holdings are subject to risk. Funds distributed by ALPS Distributors, Inc.

Effective August 12, 2019, Southeastern has contractually committed to limit operating expenses (excluding interest, taxes, brokerage commissions and extraordinary expenses) to 0.79% of average net assets per year. This agreement is in effect through at least April 30, 2024 and may not be terminated before that date without Board approval.

LLP001408 expires 07/31/2023

Sector Composition

Communication Services	26.0%
Consumer Discretionary	24.7
Industrials	17.5
Financials	17.3
Energy	5.8
Consumer Staples	3.4
Information Technology	--
Health Care	--
Utilities	--
Materials	--
Real Estate	--
Cash	5.3

Performance Contribution

Top Three	Portfolio Contribution	Return
Warner Bros Discovery	2.83%	59%
General Electric	2.81	48
MGM Resorts	1.93	33

Bottom Three	Portfolio Contribution	Return
Lumen	-2.61%	-49%
Affiliated Managers Group	-0.63	-10
Douglas Emmett	-0.27	-28

Performance at 3/31/2023

	Total Return (%)		Average Annual Return (%)				
	1Q	One Year	Five Year	Ten Year	15 Year	20 Year	Since Inception
Partners Fund	11.67	-13.84	2.51	4.48	4.61	6.00	9.27
S&P 500	7.50	-7.73	11.19	12.24	10.06	10.37	9.99

Returns reflect reinvested capital gains and dividends but not the deduction of taxes an investor would pay on distributions or share redemptions. Performance data quoted represents past performance; past performance does not guarantee future results. The investment return may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting southeasternasset.com.

Before investing in any Longleaf Partners fund, you should carefully consider the Fund's investment objectives, risks, charges, and expenses. For a current Prospectus and Summary Prospectus, which contain this and other important information, visit southeasternasset.com/account-resources. Please read the Prospectus and Summary Prospectus carefully before investing.

RISKS - The Fund is subject to stock market risk, meaning stocks in the Fund may fluctuate in response to developments at individual companies or due to general market and economic conditions. Also, because the Fund generally invests in 15 to 25 companies, share value could fluctuate more than if a greater number of securities were held. Mid-cap stocks held may be more volatile than those of larger companies.

S&P 500 Index – An index of 500 stocks are chosen for market size, liquidity and industry grouping, among other factors. The S&P is designed to be a leading indicating of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe. An index cannot be invested in directly.

April 2023

Longleaf Partners Fund Commentary

1Q23

Longleaf Partners Funds

Fund Characteristics

P/V Ratio	Low-60s%
Cash	5.3%
# of Holdings	22

	1Q (%)	Annualized Total Return 1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)
Partners Fund	11.67	-13.84	18.06	2.51	4.48	9.27
S&P 500	7.50	-7.73	18.60	11.19	12.24	9.99
Russell 1000 Value	1.01	-5.91	17.93	7.50	9.13	9.53

* Inception date 4/8/1987

Longleaf Partners Fund added 11.67% in the first quarter, ahead of the S&P 500, which returned 7.50%. Two large factors dominated markets in the quarter – 1) the banking crisis in the wake of Silicon Valley Bank's (SVB) collapse and 2) a near-term rebound in tech/growth businesses that had begun to fall from grace in 2022. The Partners Fund portfolio has no direct exposure to banks and limited exposure to Information Technology stocks, and our returns varied materially from the Index.

Returns reflect reinvested capital gains and dividends but not the deduction of taxes an investor would pay on distributions or share redemptions. Performance data quoted represents past performance. Past performance 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 lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting southeasternasset.com. The prospectus expense ratio before waivers is 1.00%. The Partners Fund's expense ratio is subject to a fee waiver to the extent the Fund's normal operating expenses (excluding interest, taxes, brokerage commissions and extraordinary expenses) exceed 0.79% of average net assets per year. This agreement is in effect until at least April 30, 2024 and may not be terminated before that date without Board approval.

As of March 9th (the day before the collapse of SVB), Finance was 20% of the Russell 1000 Value, while banks as a subset comprised 7%. We have historically had difficulty owning banks given the high leverage and lack of transparency that make these businesses difficult to understand and value over the long term. Today, there are undoubtably good banks being unfairly thrown out, as well as yield-chasing banks that are likely to be exposed. We suspect that this market dislocation will ultimately create compelling investment opportunities, and we will continue to stick to our discipline as we assess them. We have also had limited exposure to some of the heavy growth technology stocks that drove markets over the last decade because we felt that the valuations were too rich. This was a large relative drag on the Fund's performance until 2022, when we saw many (but not all) technology stocks decline precipitously. In the first quarter, we saw a revival, with Apple and Microsoft in particular driving the S&P 500. We believe this is likely a short-term bounce as some of the larger market favorites are still overvalued in our view.

Our largest performance drivers in the quarter came from some of the prior years' largest detractors that were overly punished. We have been pleased to see solid performance at these businesses but believe that there is significant additional upside from here. Our appraisal values continued to grow nicely across most of our businesses.

We encourage you to watch our video with Portfolio Managers Ross Glotzbach and Staley Cates for a more detailed review of the quarter.

Contribution To Return

1Q Top Five

Company Name	Total Return (%)	Contribution to Return (%)	Portfolio Weight (%) (3/31/23)
Warner Bros Discovery	59	2.83	5.9
General Electric	48	2.81	4.8
MGM Resorts	33	1.93	6.3
FedEx	33	1.83	6.0
PVH	26	1.42	6.1

1Q Bottom Five

Company Name	Total Return (%)	Contribution to Return (%)	Portfolio Weight (%) (3/31/23)
Lumen	-49	-2.61	2.4
AMG	-10	-0.63	5.3
Douglas Emmett	-28	-0.27	0.0
CNX Resources	-5	-0.26	5.8
CNH Industrial	-5	-0.18	3.7

- Warner Bros Discovery – Media conglomerate Warner Bros Discovery (WBD) was the top contributor in the quarter. WBD was a top detractor last year in the face of concerns over management's ability to effectively merge two businesses with different cultures, high leverage and exposure to cord cutting. In 2023, a solid plan is emerging for the integration of the businesses. This management team has a strong track record of integrating assets and growing free cash flow (FCF) per share, which is beginning to happen at WBD. Management has guided that the company will likely be below 4 times net debt to EBITDA by the end of 2023 and to 3x or less by the end of 2024, taking WBD out of the penalty box. We have seen this management team successfully execute this playbook before when Discovery bought former Southeastern holding Scripps in 2017. We are also finally beginning to see industry price rationality across the streaming world.

- General Electric – Industrial conglomerate General Electric (GE) was a top performer as it began to execute its plan to split the company into three businesses. GE spun its Healthcare business in the quarter, and we sold GE Healthcare as it traded at our value. We believe the remaining company is still undervalued, while CEO Larry Culp has reduced leverage, cut costs, streamlined operations and improved overall morale. In 1Q 2024, GE will separate Aviation and Power, which we believe will highlight the underlying values of each as the strong, defensive growth businesses they are.

- MGM Resorts – Casino and online gaming company MGM was a strong performer in the quarter, driven by double-digit revenue growth and strong 2023 bookings in Las Vegas, defying assumptions that the post-COVID travel rebound would ease this year. Vegas margins remain at pre-pandemic levels in the high-30's, though we assume these numbers will not last forever. The Macau business is coming back strongly, and licenses have been renewed for all players. BetMGM, the online gaming business jointly owned by MGM and Entain, continues to grow revenues, maintaining its strong market share position. Management confirmed in the quarterly earnings call that rumors of MGM buying all of Entain were not true, causing MGM's share price to rally and Entain's to fall on the news. MGM bought back 20% of discounted shares in 2022 and continues to repurchase at a double-digit annualized pace in 2023.

- **FedEx** – Global logistics company FedEx was a top contributor in the quarter. FedEx was another 2022 top detractor after a widely publicized earnings shortfall on the back of a disappointing economic report in the second half. In 1Q 2023, the stock rebounded after revenues were weak as forecasted, but FedEx was able to maintain strong pricing power in the face of rising inflation to improve earnings vs. expectations. FedEx's important Ground business also beat guidance by a large margin due to effective cost control. Even with weak overall revenues, margins increased by 200 basis points. FedEx aggressively bought back discounted shares, indicating management's confidence. We believe the company's earnings power is well over $20 longer term vs. current estimates of $15-16 per share, with additional potential upside. After quarter end, FedEx hosted an investor meeting on its DRIVE program which will improve operations and enable the company to achieve double-digit operating income margins in the near future. FedEx will consolidate Express, Ground and Services into one unified operating company.

- **PVH** – Apparel company PVH, which owns brands Tommy Hilfiger and Calvin Klein, was another strong performer in the quarter. PVH was a new purchase in 2022 when it was thrown out with industry weakness driven by inferior companies, and this was exacerbated when the company was kicked out of the S&P 500. CEO Stefan Larsson, whom we previously got to know at Ralph Lauren, is doing a great job streamlining the company and growing margins and FCF per share. Tommy Hilfiger and Calvin Klein are strong global brands, though they are not earning what they should in the US. The stock has significant additional upside from the current single-digit multiple of FCF power for a company that is relatively resistant to fashion trend risk with a management team that we believe will continue to deliver on operating margin growth from here.

- **Lumen –** Global fiber company Lumen was the top detractor in the quarter on the back of disappointing guidance. Revenues remained weak, and the company surprised negatively by cutting guidance by an additional $500 million in the quarter. New CEO Kate Johnson reiterated the potential for strong enterprise sales improvement, but this will require further selling, general, and administrative (SG&A) investment. Additionally, the company is spending to accelerate the automation of its middle market business, while also running off its declining legacy business. We still believe the key to unlocking the price-to-value gap is a strategic sale or separation of the consumer business, but the current financial pressure likely extends that timeline. To the positive, Lumen retired over $600 million debt in an exchange of new senior debt to retire existing unsecured debt. We reduced our Lumen position in the quarter and remain actively engaged with management and the board.

Portfolio Activity

The Fund saw higher-than-average activity in the quarter, as we initiated five new positions, sold three businesses and trimmed nine positions. In our 4Q22 letter, we discussed some portfolio management process improvements, based on lessons learned, that we put in place to limit overweight investments in the portfolio and to be more cautious of leverage and holding companies. We believe these changes, coupled with strong idea generation by the research team, have already led to a better portfolio. We used proceeds from sales and trims (due to a combination of positive performance and rebalancing to the new rules limiting position sizes to 6.5%) to buy multiple companies we have been patiently watching for a long time. Volatility in the first quarter finally allowed us to initiate positions. The new holdings cover a broad range of industries, spanning financial services/information technology (not banks), consumer discretionary, building products, consumer branded goods and media and entertainment. We are finding interesting opportunities in consumer businesses that are classified as discretionary and discounted over recession fears, but that are strong, long-term franchise businesses with staying power and margins that are not at peak levels.

Outlook

We were pleased to see strong performance across the majority of our businesses in a quarter that was not favorable to the value investing style and following a challenging year of global uncertainty in 2022. While many top-down macro questions and pressures remain, we continue to see solid progress and value growth across our businesses. Our management teams are focused on using financial strength to their advantage to get the underlying value of their businesses recognized. We believe we are in the beginning stages of longer-term outperformance.

See following page for important disclosures.

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P/V ("price to value") is a calculation that compares the prices of the stocks in a portfolio to Southeastern's appraisal of their intrinsic values. The ratio represents a single data point about a Fund and should not be construed as something more. P/V does not guarantee future results, and we caution investors not to give this calculation undue weight.

Free Cash Flow (FCF) is a measure of a company's ability to generate the cash flow necessary to maintain operations. Generally, it is calculated as operating cash flow minus capital expenditures.

EBITDA is a company's earnings before interest, taxes, depreciation and amortization.

As of March 31, 2023, the top ten holdings for the Longleaf Partners Fund: MGM Resorts, 6.3%; PVH, 6.1%; FedEx, 6.0%; Warner Bros Discovery, 5.9%; CNX Resources, 5.8%; Mattel, 5.8%; IAC, 5.3%; Affiliated Managers Group, 5.2%; Fairfax Financial, 5.2% and Hyatt Hotels, 5.0%. Fund holdings are subject to change and holdings discussions are not recommendations to buy or sell any security. Current and future holdings are subject to risk.

Longleaf Partners Small-Cap Fund

Longleaf Partners Funds

Summary - March 31, 2023

1Q23

Longleaf Partners Small-Cap Fund

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Longleaf Partners Funds

Long-Term / Concentrated / Engaged / Value

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Fund Profile

Investment Style	US small-cap value
Ticker	LLSCX
Inception Date	February 21, 1989
Net Assets	$1.2 billion
Expense Ratio (Gross)	0.97%
Expense Ratio (Net)	0.95%
Turnover (5 yr avg) at 12/31/22	28%
Weighted Average Market Cap	$3.4 billion

Holdings (19)

	Activity*	Weight
GRUMA	-	6.3%
CNX Resources	+	6.3
Eastman Kodak		6.3
Liberty Braves Group	-	6.2
Oscar	-	6.2
Mattel	-	6.2
Westrock Coffee	-	6.1
White Mountains	-	6.0
LANXESS	-	5.8
Hyatt	-	4.9
Graham Holdings		4.7
Empire State Realty		4.7
Lazard	-	4.0
Masonite		3.2
Undisclosed	NEW	3.1
Anywhere Real Estate	+	3.1
MSG Sports	-	2.8
Lumen	-	2.6
Vimeo	-	2.1
Cash		9.4
Total		100.0%

*Full eliminations include the following positions: No Full Eliminations

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LLP001409 expires 07/31/2023

Sector Composition

Financials	16.2%
Consumer Discretionary	15.8
Consumer Staples	15.5
Communication Services	13.7
Real Estate	7.8
Information Technology	6.3
Energy	6.3
Materials	5.8
Industrials	3.2
Health Care	--
Utilities	--
Cash	9.4

Performance Contribution

Top Three	Portfolio Contribution	Return
Oscar	4.93%	169%
Hyatt	1.03	24
GRUMA	0.69	11

Bottom Three	Portfolio Contribution	Return
Lumen	-2.61%	-49%
Anywhere Real Estate	-0.61	-17
Westrock Coffee	-0.46	-8

Performance at 3/31/2023

	Total Return (%)		Average Annual Return (%)				
	1Q	One Year	Five Year	Ten Year	15 Year	20 Year	Since Inception
Small-Cap Fund	4.24	-16.49	1.95	5.82	7.26	9.48	9.52
Russell 2000	2.74	-11.61	4.71	8.04	8.10	9.76	8.96

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The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 10% of the total market capitalization of the Russell 3000 Index. An index cannot be invested in directly.

April 2023

Longleaf Partners Small-Cap Fund Commentary

1Q23

Longleaf Partners Funds

Fund Characteristics

P/V Ratio	Low-60s%
Cash	9.4%
# of Holdings	19

	Annualized Total Return					
	1Q (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)
Small-Cap Fund	4.24	-16.49	15.00	1.95	5.82	9.52
Russell 2000	2.74	-11.61	17.51	4.71	8.04	8.96
Russell 2000 Value	-0.66	-12.96	21.01	4.55	7.22	9.74

*Inception date 2/21/1989

Longleaf Partners Small-Cap Fund added 4.24% in the first quarter, ahead of the Russell 2000, which returned 2.74%. Two large factors dominated markets in the quarter – 1) the banking crisis in the wake of Silicon Valley Bank's (SVB) collapse and 2) a near-term rebound in tech/growth businesses that had begun to fall from grace in 2022. The Small-Cap Fund portfolio has no direct exposure to banks and is relatively underweight Information Technology stocks, and our return drivers varied meaningfully from the Index.

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As of March 9th (the day before the collapse of SVB), Finance was 27% of the Russell 2000 Value, while banks as a subset comprised 17%. We have historically had difficulty owning banks given the high leverage and lack of transparency that make these businesses difficult to understand and value over the long term. Today, there are undoubtably good banks being unfairly thrown out, as well as yield-chasing banks that are likely to be exposed. We suspect that this market dislocation will ultimately create compelling investment opportunities, and we will continue to stick to our discipline as we assess them. We have also had limited exposure to some of the heavy growth technology stocks that drove markets over the last decade because we felt that the valuations were too rich. This was a large relative drag on the Fund's performance until 2022, when we saw many (but not all) technology stocks decline precipitously. In the first quarter, we saw a revival of tech companies driving markets. We believe this is likely a short-term bounce as some of the larger market favorites are still overvalued in our view.

Some of our largest performance drivers in the quarter came from some of the prior years' largest detractors that were overly punished. We have been pleased to see solid performance at these businesses but believe that there is significant additional upside from here. Our appraisal values continued to grow nicely across most of our businesses.

We encourage you to watch our video with Portfolio Managers Ross Glotzbach and Staley Cates for a more detailed review of the quarter.

Contribution To Return

1Q Top Five

Company Name	Total Return (%)	Contribution to Return (%)	Portfolio Weight (%) (3/31/23)
Oscar Health	169	4.93	6.2
Hyatt	24	1.03	4.9
GRUMA	11	0.69	6.3
Eastman Kodak	11	0.61	6.3
Masonite	13	0.35	3.2

1Q Bottom Five

Company Name	Total Return (%)	Contribution to Return (%)	Portfolio Weight (%) (3/31/23)
Lumen	-49	-2.61	2.6
Anywhere	-17	-0.61	3.1
Westrock Coffee	-8	-0.46	6.1
Empire State Realty	-3	-0.28	4.7
CNX Resources	-5	-0.23	6.3

- Oscar Health – Health insurance and software platform Oscar Health was the top contributor in the quarter after the stock returned over 150% in the period. While tech businesses and other speculative stocks saw a rally in the first quarter, Oscar's stock price move was a direct result of announcing a new CEO, Mark Bertolini. He has a fantastic track record as the long-time CEO of Aetna, which he shifted to be a more consumer-oriented plan and ultimately sold to CVS for $69 billion. Bertolini has been a strategic advisor to Oscar for the last year and knows the company well. He noted on the call announcing his appointment that he "believes in the mission" and the ability to "create significant shareholder value…as either a health plan or as a service to others." His first priority is getting the health plan segment to positive adjusted EBITDA this year. The company reiterated at the end of the quarter that it is on track to achieve this metric. Not only does Bertolini taking the job provide validation of the business, but his compensation package uniquely aligns him in creating shareholder value. It consists of 10.3 million restricted shares, three-quarters of which only vest at stock price hurdles of $11, $16 and $39. Even after the large increase in the quarter, the stock trades at nearly half of the $11 threshold where Bertolini starts really getting paid.

- Hyatt – Global hotel franchisor and owner Hyatt was also a top performer in the quarter, continuing its positive performance from 2022. While we are likely in the later stages of the hotel cycle that may be facing more economic worries from here, Hyatt uniquely skews towards group properties that still have room to rebound further post-COVID. It is also much less skewed to more volatile owned property cash flow than its previous years as a public company. Hyatt benefited in the quarter from leaked news that the company is likely to sell more assets and to use proceeds to buy back shares and build balance sheet strength.

- Lumen – Global fiber company Lumen was the top detractor in the quarter on the back of disappointing guidance. Revenues remained weak, and the company surprised negatively by cutting guidance by an additional $500 million in the quarter. New CEO Kate Johnson reiterated the potential for strong enterprise sales improvement, but this will require further selling, general, and administrative (SG&A) investment. Additionally, the company is spending to accelerate the automation of its middle market business, while also running off its declining legacy business. We still believe the key to unlocking the price-to-value gap is a strategic sale or separation of the consumer business, but the current financial pressure likely extends that timeline. To the positive, Lumen retired over $600 million debt in an exchange of new senior debt to retire existing unsecured debt. We reduced our Lumen position in the quarter and remain actively engaged with management and the board.

Portfolio Activity

In the quarter, we initiated a new purchase, increased two attractively discounted existing holdings and trimmed 12 positions. In our 4Q22 letter, we discussed some portfolio management process improvements, based on lessons learned, that we put in place to limit overweight investments in the portfolio and to be more cautious of leverage and holdings companies. We believe these changes, coupled with strong idea generation by the research team, have already led to a better portfolio. The Small-Cap Fund ended the quarter with a 9% cash balance, but today it is already lower. We used proceeds from the trims in the quarter (due to a combination of positive performance and rebalancing to the new rules limiting position sizes to 6.5%) to buy a new company that we have been patiently watching for a long time. This business offers one of the finest sets of consumer brands we have found in the small-cap world in a long time, and it remains undisclosed as we are building out the position. We also initiated another position in early April that is a high-quality, defensive business we have successfully owned before.

Outlook

We were pleased to see strong performance across the majority of our businesses in a quarter that was not favorable to the value investing style and following a challenging year of global uncertainty in 2022. While many top-down macro questions and pressures remain, we continue to see solid progress and value growth across our businesses. Our management teams are focused on using financial strength to their advantage to get the underlying value of their businesses recognized. The Russell 2000 and its value part in particular have already moved in and out of favor to start the year, and we like the opportunity set that is emerging. We are taking advantage of price dislocation to invest in high-quality small-cap businesses and are highly convicted in the compelling upside opportunity embedded in the portfolio today. We believe we are in the beginning stages of longer-term outperformance.

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The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3,000 Index, which represents approximately 10% of the total market capitalization of the Russell 3000 Index. The Russell 2000 Value index is drawn from the constituents of the Russell 2000 based on book-to-price (B/P) ratio. An index cannot be invested in directly.

EBITDA is a company's earnings before interest, taxes, depreciation and amortization.

P/V ("price to value") is a calculation that compares the prices of the stocks in a portfolio to Southeastern's appraisal of their intrinsic values. The ratio represents a single data point about a Fund and should not be construed as something more. P/V does not guarantee future results, and we caution investors not to give this calculation undue weight.

As of March 31, 2023, the top ten holdings for the Longleaf Partners Small-Cap Fund: GRUMA, 6.3%; CNX Resources, 6.3%; Eastman Kodak, 6.3%; Liberty Braves Group, 6.2%; Oscar, 6.2%; Mattel, 6.2%; Westrock Coffee, 6.1%; White Mountains, 6%; LANXESS, 5.8% and Hyatt, 4.9%. Fund holdings are subject to change and holdings discussions are not recommendations to buy or sell any security. Current and future holdings are subject to risk.

Funds distributed by ALPS Distributors, Inc.
LLP001413
Expires 7/30/2023

Longleaf Partners International Fund

Longleaf Partners Funds

Summary – March 31, 2023

1Q23
Longleaf Partners International Fund

(800) 445-9469 / southeasternasset.com

Fund Profile

Investment Style	International Value
Ticker	LLINX
Inception Date	October 26, 1998
Net Assets	$749.4 million
Expense Ratio (Gross)	1.17%
Expense Ratio (Net)	1.15%
Turnover (5 yr avg) at 12/31/22	30%
Weighted Average Market Cap	$32.3 billion

Holdings (25)

	Activity*	Weight
EXOR		6.0%
Glanbia		5.7
Accor		5.3
Applus Services		5.3
GRUMA		5.2
Richemont	-	4.9
Alibaba		4.9
Premier Foods		4.5
Prosus	-	4.4
Millicom		4.2
LANXESS		4.2
Domino's Pizza Group (UK)		4.0
Fairfax Financial	-	3.9
Jollibee		3.8
WH Group		3.7
Melco International		3.7
Kering		3.5
Lazard	-	3.2
CK Hutchison	-	3.0
Juventus		2.9
Becle		2.6
Undisclosed	NEW	2.5
HDFC		2.5
GREE		2.3
Eurofins	+	1.9
Cash		1.9
Total		100.0%

*Full eliminations include the following positions: No Full Eliminations

Holdings are subject to change and discussion of holdings are not a recommendation to buy or sell any security. Holdings are subject to risk. Funds distributed by ALPS Distributors, Inc.

The total expense ratio for the Longleaf Partners International Fund is 1.17% (Gross) and 1.15% (net). The International Fund's expense ratio is subject to a contractual fee waiver to the extent the Fund's normal annual operating expenses exceed 1.15% of average annual net assets.

LLP001410 expires 07/31/2023

Longleaf Partners Funds

Long-Term / Concentrated / Engaged / Value

Founded in 1975, Southeastern Asset Management is an independent, global investment firm managing $5.8 billion. Partnership is core to all that we do, and Southeastern's employees and related entities are the largest investors across the Longleaf Partners Funds. Our 15-person global investment team are generalists, tasked with finding the best bottom-up opportunities across the globe.

The Fund seeks to own a concentrated portfolio of our best 18-22 ideas that meet our Business, People, Price investment criteria. We invest with a 3-5 year investment horizon and take advantage of short-term volatility to own high quality businesses, run by capable management teams, whose stock prices are trading temporarily at a discount. Our extensive, global network allows us to engage with our management partners to help drive long-term value creation.

Sector Composition

Consumer Discretionary	36.8%
Consumer Staples	21.7
Financials	15.6
Industrials	8.3
Communication Services	7.1
Materials	6.7
Health Care	1.9
Information Technology	--
Energy	--
Utilities	--
Real Estate	--
Cash	1.9

Regional Composition

Europe Ex-UK	48.3%
Asia Ex-Japan	23.9
North America	14.9
UK	8.5
Japan	2.5
Cash	1.9

Performance Contribution

Top Three	Portfolio Contribution	Return
Millicom	1.68%	50%
Accor	1.31	30
Richemont	1.16	25

Bottom Three	Portfolio Contribution	Return
Eurofins	-0.07%	-3%
Domino's Pizza Group	-0.02	0
Lazard	-0.01	-3

Performance at 3/31/2023

	Total Return (%)		Average Annual Return (%)				
	1Q	One Year	Five Year	Ten Year	15 Year	20 Year	Since Inception
International Fund	12.30	3.81	-0.06	2.69	1.71	5.78	6.13
FTSE Developed ex North America	8.05	-2.58	3.15	4.95	3.08	7.94	5.37

Inception date 10/26/98. Net returns for the FTSE Developed ex-North America Index are not available for calendar years 1998 – 2003; therefore the 20 YR, since inception and 1998 – 2003 calendar year Index returns are gross returns. All other periods presented for this index are net returns.

Returns reflect reinvested capital gains and dividends but not the deduction of taxes an investor would pay on distributions or share redemptions. Performance data quoted represents past performance; past performance does not guarantee future results. The investment return may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting longleafpartners.com.

Before investing in any Longleaf Partners fund, you should carefully consider the Fund's investment objectives, risks, charges, and expenses. For a current Prospectus and Summary Prospectus, which contain this and other important information, visit southeasternasset.com/account-resources. Please read the Prospectus and Summary Prospectus carefully before investing.

RISKS - The Fund is subject to stock market risk, meaning stocks in the Fund may fluctuate in response to developments at individual companies or due to general market and economic conditions. Also, because the Fund generally invests in 15 to 25 companies, share value could fluctuate more than if a greater number of securities were held. Investing in non-U.S. securities may entail risk due to non-U.S. economic and political developments, exposure to non-U.S. currencies, and different accounting and financial standards. These risks may be higher when investing in emerging markets.

The FTSE Developed ex North America Index comprises Large and Mid-cap stocks providing coverage of Developed markets, excluding the US and Canada. The index is derived from the FTSE Global Equity Index Series (GEIS), which covers 98% of the world's investable market capitalization.

April 2023

Longleaf Partners International Fund Commentary

1Q23

Longleaf Partners Funds

Fund Characteristics

P/V Ratio	Mid-60s%
Cash	1.9%
# of Holdings	25

	Annualized Total Return					
	1Q (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)*
International Fund	12.30	3.81	9.62	-0.06	2.69	6.13
FTSE Developed ex North America	8.05	-2.58	12.78	3.15	4.95	5.37

*Inception date 10/26/1998

Longleaf Partners International Fund added 12.30% in the first quarter, ahead of the FTSE Developed ex North America Index, which returned 8.05%. Essentially the whole portfolio delivered solid results in the quarter, with our European holdings performing particularly well. After a very challenging year of macro and geopolitical headwinds in Europe in 2022, we saw individual business fundamentals reflected in strong stock price performance in the quarter. As Asia emerges from three years of lockdown, consumer sentiment is rebounding strongly. China is arguably the only economy of size that is easing on a regulatory, fiscal and monetary perspective, while the rest of the world is tightening. We believe the region offers compelling upside from both an

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economic and valuation perspective. Our management teams across Europe and Asia are taking positive steps to create value and to crystallize value recognition in the market via strategic actions, effective capital allocation decisions and governance improvements. This is driving positive performance, including across many of the prior year's detractors that were overly punished.

Contribution To Return

1Q Top Five

Company Name	Total Return (%)	Contribution to Return (%)	Portfolio Weight (%) (3/31/23)
Millicom	50	1.68	4.2
Accor	30	1.31	5.3
Richemont	25	1.16	4.9
Kering	29	0.86	3.5
Glanbia	15	0.85	5.7

1Q Bottom Five

Company Name	Total Return (%)	Contribution to Return (%)	Portfolio Weight (%) (3/31/23)
Eurofins	-3	-0.07	1.9
Domino's Pizza Group (UK)	0	-0.02	4.0
Lazard	-3	-0.01	3.2
Jollibee	0	0.00	3.8
HDFC	1	0.01	2.5

- Millicom - Latin American wireless and cable company Millicom was the top contributor in the quarter after being a top detractor in 2021/2022. Millicom returned almost 50% in the quarter amid news of two interested third parties. In January, rumors broke (and were later substantiated) that Apollo Global Management and former SoftBank executive Marcelo Claure were exploring a potential acquisition. Separately, French billionaire Xavier Niel, founder of French broadband Internet provider Iliad, built a 21% ownership stake over the last several months via his investment vehicle Atlas Investissement. As a long-term, large, potentially anchor holder, he took a seat on the Nomination Committee, where Southeastern also has a seat. The Nomination Committee's primary responsibilities are to identify potential board members, propose the compensation for all directors and present proposals on the election and compensation of the statutory auditor. Niel is asking for multiple board seats as well, highlighting his active interest in the business. Millicom sells for an incredibly low multiple of discretionary cash flow before cable and fiber growth capital expenditure. We believe Millicom offers significant potential upside from today's still overly discounted price.

- Accor - French hospitality company Accor was another strong performer in the quarter after reporting operational results well above market expectations. Accor sold its residual stake in Chinese hotel group Huazhu (now H World) with a $1 billion capital gain on the original investment. CEO Sébastien Bazin has a strong capital allocation record and is actively pursuing other opportunities to grow free cash flow (FCF), strengthen the balance sheet and crystallize value across the business. Management is separating Accor into two businesses – Luxury and Lifestyle, where they have already sold a 10% stake at 18x earnings before interest, taxes, depreciation and amortization (EBITDA), and the Economy and Mid-Scale business, which is a franchise cash cow. Market peers are trading anywhere between 16 to 20x EBITDA, a 40%+ premium to Accor on a look-through basis. We see significant potential upside in the hands of an aligned and proven management team.

- Richemont and Kering – Our two luxury goods companies, Richemont and Kering, were both strong performers with similar drivers in the quarter. Both businesses benefited from the anticipation of China reopening, although the continued strength in demand for their brands has been driven globally. Both businesses, Richemont in particular, put up solid results throughout the year. Richemont's jewelry maisons (Cartier and Van Cleef & Arpels) delivered 8% like for like sales growth in 4Q, despite the negative impact from Russia and China lockdowns, demonstrating their continued underlying strength. Going forward, we expect to see tailwinds for both businesses and ongoing strong performance from their market-leading luxury brands.

Portfolio Activity

We initiated a new position in the quarter, added to an existing discounted holding and trimmed five companies on the back of positive price appreciation. The new position is a high-quality Japanese company with a global footprint, pricing power and improving margin profile. The value-per-share-focused CEO is actively optimizing the business portfolio and the balance sheet by selling non-core businesses at attractive valuations, trimming crossholdings, improving cash conversion and buying back discounted shares. We are increasingly seeing an improvement in management teams taking the right strategic decisions, particularly in Southern Europe and in Asia-ex-China, creating compelling investment opportunities.

Portfolio Manager Update

We are excited to announce an update to the International Fund Portfolio Management (PM) team that we believe will improve our stock-selection, focus and accountability, leading to better long-term returns. Singapore-based Manish Sharma, who joined Southeastern in 2010, and London-based John Woodman, who joined in 2016, have been named Co-Portfolio Managers of the Fund. Ken Siazon, Staley Cates and Josh Shores will roll off as PMs on the Fund. Southeastern's Founder Mason Hawkins remains a PM and continues to provide insight from his nearly five decades of experience.

We have worked over the last decade to develop our local presence on the ground in Asia and Europe, which has led to a deeper network, stronger local expertise and increased idea generation. John and Manish have demonstrated strong stock-picking ability, and they each have years of PM experience on Southeastern's Europe and Asia Pacific strategies. Staley will continue in his role as Co-PM of the Partners, Small-Cap and Global Funds, concentrating more on the Americas. Ken will focus on his role as PM of the Asia Pacific strategy. Josh came to the difficult decision to leave Southeastern. After 16 years at the firm, he is stepping back to identify his next challenge. Josh worked closely with the team to ensure a smooth transition and remains a close friend of Southeastern.

We encourage you to watch our video with Manish and John for an overview of their professional background, investment philosophy and outlook for the portfolio.

Benchmark Update

We have changed the benchmark for the International Fund from MSCI EAFE to FTSE Developed ex North America. As long-term, bottom-up, fundamental investors, we are benchmark agnostic and have never managed portfolio construction against an index. The change in benchmark does not impact our return goal (proactively or retroactively). The two indices are similarly constructed, and annualized performance between the two indices has differed by only 38 basis points since inception of the

Fund. The FTSE indices are in the same index family as Russell, which are indices we already use extensively. Consolidating to FTSE/Russell allows us to realize economic efficiencies without a material change to our reporting.

Outlook

We were pleased to see strong performance across the majority of our businesses in a quarter that was not favorable to the value investing style and following a challenging year of global uncertainty in 2022. While many top-down macro questions and pressures remain, we continue to see solid progress and value growth across our businesses. Our management teams are focused on using financial strength to their advantage to get the underlying value of their businesses recognized. Today the portfolio has less than 2% cash, and we are focused on systematically reviewing our existing portfolio companies against new on-deck opportunities to ensure we own the best possible portfolio of businesses. Senior management at Southeastern is excited for John and Manish to lead the International Fund going forward and remains the largest collective investor in the Fund via their personal and charitable foundation investments. We believe we are in the beginning stages of longer-term outperformance.

See following page for important disclosures.

Before investing in any Longleaf Partners Fund, you should carefully consider the Fund's investment objectives, risks, charges, and expenses. For a current Prospectus and Summary Prospectus, which contain this and other important information, visit https://southeasternasset.com/account-resources. Please read the Prospectus and Summary Prospectus carefully before investing.

RISKS
The Longleaf Partners International Fund is subject to stock market risk, meaning stocks in the Fund may fluctuate in response to developments at individual companies or due to general market and economic conditions. Also, because the Fund generally invests in 15 to 25 companies, share value could fluctuate more than if a greater number of securities were held. Investing in non-U.S. securities may entail risk due to non-US economic and political developments, exposure to non-US currencies, and different accounting and financial standards. These risks may be higher when investing in emerging markets.

The FTSE Developed ex North America Index comprises Large and Mid cap stocks providing coverage of Developed markets, excluding the US and Canada. The index is derived from the FTSE Global Equity Index Series (GEIS), which covers 98% of the world's investable market capitalization.

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Free Cash Flow (FCF) is a measure of a company's ability to generate the cash flow necessary to maintain operations. Generally, it is calculated as operating cash flow minus capital expenditures.

As of March 31, 2023, the top ten holdings for the Longleaf Partners International Fund: EXOR, 6.0%; Glanbia, 5.7%; Accor, 5.3%; Applus Services, 5.3%; GRUMA, 5.2%; Richemont, 4.9%; Alibaba, 4.9%; Premier Foods, 4.5%; Prosus, 4.4% and Millicom, 4.2%. Fund holdings are subject to change and holdings discussions are not recommendations to buy or sell any security. Current and future holdings are subject to risk.

Longleaf Partners Global Fund

Longleaf/ Partners Funds

Summary – March 31, 2023

1Q23
Longleaf Partners Global Fund

(800) 445-9469 / southeasternasset.com

Longleaf Partners Funds

Long-Term / Concentrated / Engaged / Value

Founded in 1975, Southeastern Asset Management is an independent, global investment firm managing $5.8 billion. Partnership is core to all that we do, and Southeastern's employees and related entities are the largest investors across the Longleaf Partners Funds. Our 15-person global investment team are generalists, tasked with finding the best bottom-up opportunities across the globe.

The Fund seeks to own a concentrated portfolio of our best 18-22 ideas that meet our Business, People, Price investment criteria. We invest with a 3-5 year investment horizon and take advantage of short-term volatility to own high quality businesses, run by capable management teams, whose stock prices are trading temporarily at a discount. Our extensive, global network allows us to engage with our management partners to help drive long-term value creation.

Fund Profile

Investment Style	Global Value
Ticker	LLGLX
Inception Date	December 27, 2012
Net Assets	$253.0 million
Expense Ratio (Gross)	1.31%
Expense Ratio (Net)	1.15%
Turnover (5 yr avg) at 12/31/22	37%
Weighted Average Market Cap	$73.7 billion

Holdings (27)

	Activity*	Weight
EXOR		6.2%
Prosus	-	5.8
Warner Bros Discovery	-	5.7
CNX Resources	+	5.7
Millicom	-	5.4
FedEx	-	5.4
MGM Resorts		5.2
Affiliated Managers Group		5.0
IAC		5.0
Mattel		4.3
General Electric	-	4.3
Glanbia	-	4.2
Fairfax Financial	-	3.5
Undisclosed	NEW	3.4
Alphabet	-	3.4
Hyatt	-	3.2
Warner Music Group		2.8
PVH		2.6
Undisclosed	NEW	2.5
Melco International	-	2.3
Accor	-	2.3
CK Hutchison	-	2.1
Lumen	-	1.9
Undisclosed	NEW	1.2
Undisclosed	NEW	1.1
Undisclosed	NEW	0.3
Undisclosed	NEW	0.0
Cash		5.2
Total		100.0%

*Full eliminations include the following positions: GE Healthcare and Kering

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The total expense ratio for the Longleaf Partners Global Fund is 1.31% (Gross) and 1.15% (net). The Global Fund's expense ratio is subject to a contractual fee waiver to the extent the Fund's normal annual operating expenses exceed 1.15% of average annual net assets.

LLP001411 expires 07/31/2023

Sector Composition

Consumer Discretionary	26.8%
Communication Services	24.2
Financials	18.4
Industrials	11.8
Consumer Staples	7.6
Energy	5.7
Materials	0.3
Information Technology	--
Health Care	--
Utilities	--
Real Estate	--
Cash	5.2

Regional Composition

North America	66.2%
Europe Ex-UK	23.9
Asia Ex-Japan	4.4
Japan	0.3
Cash	5.2

Performance Contribution

Top Three	Portfolio Contribution	Return
Warner Bros Discovery	2.83%	59%
General Electric	2.50	47
Millicom	2.26	50

Bottom Three	Portfolio Contribution	Return
Lumen	-2.62%	-49%
Affiliated Managers Group	-0.61	-10
CNX Resources	-0.24	-5

Performance at 3/31/2023

	Total Return (%)		Average Annual Return (%)				
	1Q	One Year	Five Year	Ten Year	15 Year	20 Year	Since Inception
Global Fund	14.84	-7.48	-0.04	4.15	--	--	4.43
FTSE Developed	7.62	-7.05	7.65	8.68	--	--	9.23

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The FTSE Developed Index is a market-capitalization weighted index representing the performance of large and mid-cap companies in Developed markets. The index is derived from the FTSE Global Equity Index Series (GEIS), which covers 98% of the world's investable market capitalization.

April 2023

Longleaf Partners Global Fund Commentary

1Q23

Longleaf Partners Funds

Fund Characteristics

P/V Ratio	Low-60s%
Cash	5.2%
# of Holdings	27

	Annualized Total Return					
	1Q (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)
Global Fund	14.84	-7.48	11.33	-0.04	4.15	4.43
FTSE Developed	7.62	-7.05	16.07	7.65	8.68	9.23

*Inception date 12/27/2012

Longleaf Partners Global Fund added 14.84% in the first quarter, ahead of the FTSE Developed Index, which returned 7.62%. Two large factors dominated markets in the quarter – 1) the banking crisis in the wake of Silicon Valley Bank's (SVB) collapse and 2) a near-term rebound in tech/growth businesses that had begun to fall from grace in 2022. The Global Fund portfolio has no direct exposure to banks and limited exposure to Information Technology stocks, and our returns varied materially from the Index.

As of March 9th (the day before the collapse of SVB), Financials were 23% of the MSCI World Value, while banks as a subset comprised 11%. We have historically had difficulty owning banks given the high leverage and lack of transparency that make these businesses difficult to understand and value over the long term. Today, there are undoubtably good banks being unfairly thrown out, as well as yield-chasing banks

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that are likely to be exposed. We suspect that this market dislocation will ultimately create compelling investment opportunities, and we will continue to stick to our discipline as we assess them. We have also had limited exposure to some of the heavy growth technology stocks that drove markets over the last decade because we felt that the valuations were too rich. This was a large relative drag on the Fund's performance until 2022, when we saw many (but not all) technology stocks decline precipitously. In the first quarter, we saw a revival, with Apple and Microsoft in particular driving the S&P 500. We believe this is likely a short-term bounce as some of the larger market favorites are still overvalued in our view.

Our largest performance drivers in the quarter came from some of the prior years' largest detractors that were overly punished. We have been pleased to see solid performance at these businesses but believe that there is significant additional upside from here. Our appraisal values continued to grow nicely across most of our businesses.

We encourage you to watch our video with Portfolio Managers Ross Glotzbach and Staley Cates for a more detailed review of the quarter.

Contribution To Return

1Q Top Five

Company Name	Total Return (%)	Contribution to Return (%)	Portfolio Weight (%) (3/31/23)
Warner Bros Discovery	59	2.83	5.7
General Electric	47	2.50	4.3
Millicom	50	2.26	5.5
FedEx	33	1.81	5.4
MGM Resorts	32	1.40	5.2

1Q Bottom Five

Company Name	Total Return (%)	Contribution to Return (%)	Portfolio Weight (%) (3/31/23)
Lumen	-49	-2.62	1.9
Affiliated Managers Group	-10	-0.61	5.0
CNX Resources	-5	-0.24	5.7
Warner Music Group	-4	-0.10	2.8
Undisclosed	3	0.00	0.0

- Warner Bros Discovery – Media conglomerate Warner Bros Discovery (WBD) was the top contributor in the quarter. WBD was a top detractor last year in the face of concerns over management's ability to effectively merge two businesses with different cultures, high leverage and exposure to cord cutting. In 2023, a solid plan is emerging for the integration of the businesses. This management team has a strong track record of integrating assets and growing free cash flow (FCF) per share, which is beginning to happen at WBD. Management has guided that the company will likely be below 4 times net debt to EBITDA by the end of 2023 and to 3x or less by the end of 2024, taking WBD out of the penalty box. We have seen this management team successfully execute this playbook before when Discovery bought former Southeastern holding Scripps in 2017. We are also finally beginning to see industry price rationality across the streaming world.

- General Electric – Industrial conglomerate General Electric (GE) was a top performer as it began to execute its plan to split the company into three businesses. GE spun its Healthcare business in the quarter, and we sold GE Healthcare as it traded at our value. We believe the remaining company is still undervalued, while CEO Larry Culp has reduced leverage, cut costs, streamlined operations and improved overall morale. In 1Q 2024, GE will separate Aviation and Power, which we believe will highlight the underlying values of each as the strong, defensive growth businesses they are.

- Millicom - Latin American wireless and cable company Millicom was also a top contributor in the quarter after being a top detractor in 2021/2022. Millicom returned almost 50% in the quarter amid news of two interested third parties. In January, rumors broke (and were later substantiated) that Apollo Global Management and former SoftBank executive Marcelo Claure were exploring a potential acquisition. Separately, French billionaire Xavier Niel, founder of French broadband Internet provider Iliad, built a 21% ownership stake over the last several months via his investment vehicle Atlas Investissement. As a long-term, large, potentially anchor holder, he took a seat on the Nomination Committee, where Southeastern also has a seat. The Nomination Committee's primary responsibilities are to identify potential board members, propose the compensation for all directors and present proposals on the election and compensation of the statutory auditor. Niel is asking for multiple board seats as well, highlighting his active interest in the business. Millicom sells for an incredibly low multiple of discretionary cash flow before cable and fiber growth capital expenditure. We believe Millicom offers significant potential upside from today's still overly discounted price.

- FedEx – Global logistics company FedEx was a top contributor in the quarter. FedEx was another 2022 top detractor after a widely publicized earnings shortfall on the back of a disappointing economic report in the second half. In 1Q 2023, the stock rebounded after revenues were weak as forecasted, but FedEx was able to maintain strong pricing power in the face of rising inflation to improve earnings vs. expectations. FedEx's important Ground business also beat guidance by a large margin due to effective cost control. Even with weak overall revenues, margins increased by 200 basis points. FedEx aggressively bought back discounted shares, indicating management's confidence. We believe the company's earnings power is well over $20 longer term vs. current estimates of $15-16 per share, with additional potential upside. After quarter end, FedEx hosted an investor meeting on its DRIVE program which should improve operations and enable the company to achieve double-digit operating income margins in the near future. FedEx will consolidate Express, Ground and Services into one unified operating company.

- MGM Resorts – Casino and online gaming company MGM was a strong performer in the quarter, driven by double-digit revenue growth and strong 2023 bookings in Las Vegas, defying assumptions that the post-COVID travel rebound would ease this year. Vegas margins remain at pre-pandemic levels in the high-30's, though we assume these numbers will not last forever. The Macau business is coming back strongly, and licenses have been renewed for all players. BetMGM, the online gaming business jointly owned by MGM and Entain, continues to grow revenues, maintaining its strong market share position. Management confirmed in the quarterly earnings call that rumors of MGM buying all of Entain were not true, causing MGM's share price to rally and Entain's to fall on the news. MGM bought back 20% of discounted shares in 2022 and continues to repurchase at a near double-digit annualized pace in 2023.

- Lumen – Global fiber company Lumen was the top detractor in the quarter on the back of disappointing guidance. Revenues remained weak, and the company surprised negatively by cutting guidance by an additional $500 million in the quarter. New CEO Kate Johnson reiterated the potential for strong enterprise sales improvement, but this will require further selling, general, and administrative (SG&A) investment. Additionally, the company is spending to accelerate the automation of its middle market business, while also running off its declining legacy business. We still believe the key to unlocking the price-to-value gap is a strategic sale or separation of the consumer business, but the current financial pressure likely extends that timeline. To the positive, Lumen retired over $600 million debt in an exchange of new senior debt to retire existing unsecured debt. We reduced our Lumen position in the quarter and remain actively engaged with management and the board.

Portfolio Activity

The Fund saw higher-than-average activity in the quarter, as we initiated six new positions, sold two businesses and trimmed 13 positions. In our 4Q22 letter, we discussed some portfolio management process improvements, based on lessons learned, that we put in place to limit overweight investments in the portfolio and to be more cautious of leverage and holding companies. We believe these changes, coupled with strong idea generation by the research team, have already led to a better portfolio. We used proceeds from sales and trims (due to a combination of positive performance and rebalancing to the new rules limiting position sizes to 6.5%) to buy multiple companies we have been patiently watching for a long time. Volatility in the first quarter finally allowed us to initiate positions. The new holdings cover a broad range of industries, spanning financial services/information technology (not banks), consumer discretionary, building products, consumer branded goods and media and entertainment. We are finding interesting opportunities in consumer businesses that are classified as discretionary and discounted over recession fears, but that are strong, long-term franchise businesses with staying power and margins that are not at peak levels.

Benchmark Update

We have changed the benchmark for the Global Fund from MSCI World to FTSE Developed. As long-term, bottom-up, fundamental investors, we are benchmark agnostic and have never managed portfolio construction against an index. The change in benchmark does not impact our return goal (proactively or retroactively). The two indices are similarly constructed, and annualized performance between the two indices has differed by only 20 basis points since inception of the Fund. The FTSE indices are in the same index family as Russell, which are indices we already use extensively. Consolidating to FTSE/Russell allows us to realize economic efficiencies without a material change to our reporting.

Outlook

We were pleased to see strong performance across the majority of our businesses in a quarter that was not favorable to the value investing style and following a challenging year of global uncertainty in 2022. While many top-down macro questions and pressures remain, we continue to see solid progress and value growth across our businesses. Our management teams are focused on using financial strength to their advantage to get the underlying value of their businesses recognized. We believe we are in the beginning stages of longer-term outperformance.

See following page for important disclosures.

Before investing in any Longleaf Partners Fund, you should carefully consider the Fund's investment objectives, risks, charges, and expenses. For a current Prospectus and Summary Prospectus, which contain this and other important information, visit https://southeasternasset.com/account-resources. Please read the Prospectus and Summary Prospectus carefully before investing.

RISKS

The Longleaf Partners Global Fund is subject to stock market risk, meaning stocks in the Fund may fluctuate in response to developments at individual companies or due to general market and economic conditions. Also, because the Fund generally invests in 15 to 25 companies, share value could fluctuate more than if a greater number of securities were held. Investing in non-U.S. securities may entail risk due to non-US economic and political developments, exposure to non-US currencies, and different accounting and financial standards. These risks may be higher when investing in emerging markets.

The FTSE Developed Index is a market-capitalization weighted index representing the performance of large and mid cap companies in Developed markets. The index is derived from the FTSE Global Equity Index Series (GEIS), which covers 98% of the world's investable market capitalization.

The MSCI World Value Index captures large and mid-cap securities exhibiting overall value style characteristics across 23 Developed Markets countries. An index cannot be invested in directly.

P/V ("price to value") is a calculation that compares the prices of the stocks in a portfolio to Southeastern's appraisal of their intrinsic values. The ratio represents a single data point about a holding and should not be construed as something more. P/V does not guarantee future results, and we caution investors not to give this calculation undue weight.

Free Cash Flow (FCF) is a measure of a company's ability to generate the cash flow necessary to maintain operations. Generally, it is calculated as operating cash flow minus capital expenditures.

EBITDA is a company's earnings before interest, taxes, depreciation and amortization.

As of March 31, 2023, the top ten holdings for the Longleaf Partners Global Fund: EXOR, 6.2%; Prosus, 5.8%; Warner Bros Discovery, 5.7%; CNX Resources, 5.7%; Millicom, 5.4%; FedEx, 5.4%; MGM Resorts, 5.2%; Affiliated Managers Group, 5%; IAC, 5% and Mattel, 4.3%. Fund holdings are subject to change and holdings discussions are not recommendations to buy or sell any security. Current and future holdings are subject to risk.

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