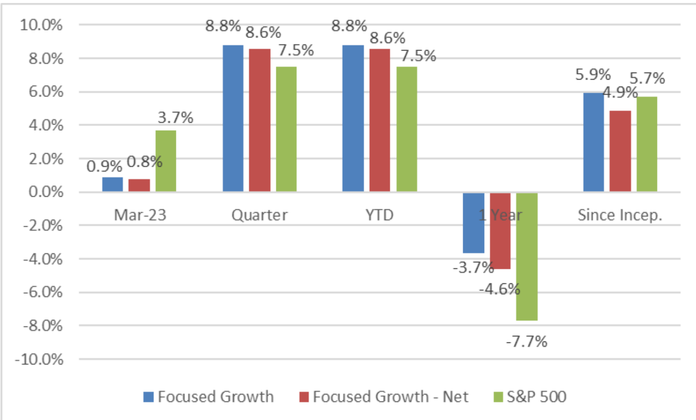
The View from Decatur 1st Qtr. 2023

Chart 1: DCM Focused Growth Composite Trailing Performance March 31, 2023



1. Focused Growth Composite is comprised of 20-30 equity securities with market capitalization of $5 Billion or more that pass our quantitative selection process and can be acquired at a reasonable price. The strategy focuses on growth of earnings and key valuation metrics. The benchmark is the S&P 500 Index. The minimum account size for this composite is $1,000,000.
2. Portfolio characteristics are similar to the benchmark, the S&P 500 index.
3. Returns are presented gross and net of management fees and include the reinvestment of all income..
4. The investment strategy of the composite has not changed during the investment period.
5. This table reflects weights in a representative portfolio, and actual client portfolios may have differing weights.
6. Past performance does not represent future results and current returns may be higher or lower than return data depicted.
7. The Focused Growth Composite was created on December 31, 2021.

Chart 2: Performance Attribution by Economic Sectors, 1st Qtr. 2023

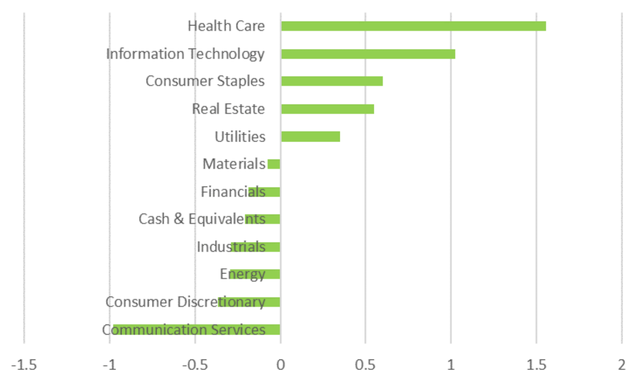
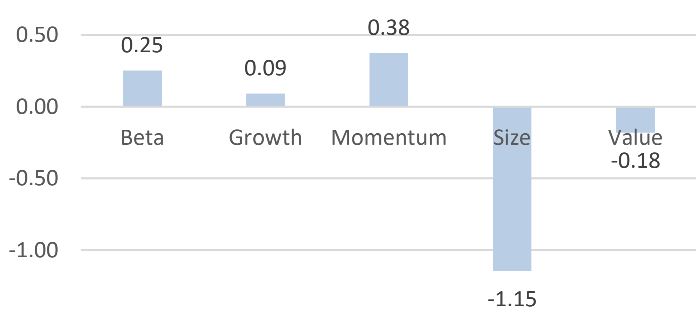


Chart 3: Active Factor Exposure, 1st Qtr. 2023



DCM Strategy: Focused Growth Equity

Decatur Capital's strategy is focused on finding companies in the U.S. whose characteristics meet our high conviction quantitative selection process.

Portfolio Manager Commentary

The net-of-fees performance for the quarter of the U.S. Focused Growth Strategy was 8.60% (unaudited), compared to the S&P 500 Index return of 7.5%.

Performance Analysis

Chart 2 presents the results of the quarterly portfolio performance attribution based on economic sectors. Our selections in the healthcare sector provided positive returns.

The positive performance in healthcare was due to stock selections in the healthcare equipment industry. IDEXX (IDXX) experienced positive returns during the quarter. IDXX's competitive advantage is its concentration in diagnostic tools for animal care and water treatment. IDXX is benefiting from increasing global growth in these areas. The company has a 60% cash return on invested capital. Also, the valuation is in line with its pre-pandemic historical average at 45X EBITDA. We continue to forecast above market performance for the firm.

The performance lag was primarily due to not having exposure to communication services, primarily Meta Platforms (META), in the portfolio. We are evaluating the role of companies like META in our larger themes of infrastructure, growth, and disruption.

We would be remiss if we did not address the financial sector performance. During the quarter, the global banking industry was rocked with the closures of Silicon Valley (SIVB) and Signature (SIG) banks. Our holding of KeyCorp (KEY), a regional bank, was adversely impacted by the resulting negative market sentiment. KEY has a different profile than SIVB and SIG. KEY has uninsured deposits that are below the average for regional banks, and its stressed leveraged ratio- a solvency measure- was above the regional bank target. We are seeing a recovery of its stock price and we will continue to monitor the banking situation.

Factor Analysis

Chart 3 reflects our exposure to common factors. The concentrated portfolio has additional risk relative to the benchmark's beta, S&P 500. The portfolio is focused on growth and momentum opportunities with relative higher active exposures of 0.09 and 0.38, respectively. The average market capitalization of the portfolio is $36B, which is below the benchmark average of $515B. We believe that there may be greater opportunities at the smaller end of the capitalization range. Lastly, we have less of a tilt to value as indicated with a -0.18 active exposure. We will monitor the performance leadership to determine how best to position the portfolio.

Outlook

The failure of Silicon Valley Bank is that 'unknown-unknown' that we have mentioned in our earlier notes. We are forecasting that the impact on markets may be short term. However, we believe that there will be greater regulation on the smaller regional banks which may result in a repricing within the bank sector.

The Federal Reserve (Fed) continues to hike rates but we may be getting closer to the pause. We forecasted that the S&P 500 may reach 4200 by year end and we are well in sight of that level now. Earnings will continue to be a driver for the companies that will do well in this market. We will remain resolute in our pursuit of companies that meet our requirements on competitive advantage, profitability, returning value to shareholders, and reasonable price.

Note: Returns are measured in U.S. dollars net of fees. Decatur Capital Management, Inc. (DCM) is a registered investment advisor specializing in quantitative growth oriented investment management. The benchmark is the S&P 500 which is designed to measure the large cap firms within the U.S. The benchmark is market cap weighted. DCM claims compliance with the Global Investment Performance Standards (GIPS). To receive a list of composite descriptions of DCM and/or presentation that complies with the GIPS standards, contact Ralph J. Bryant, CPA at (404) 270-9838 or ralphb@decaturcapital.com or write to DCM, 150 E Ponce De Leon Avenue, Suite 150, Decatur, GA 30030.