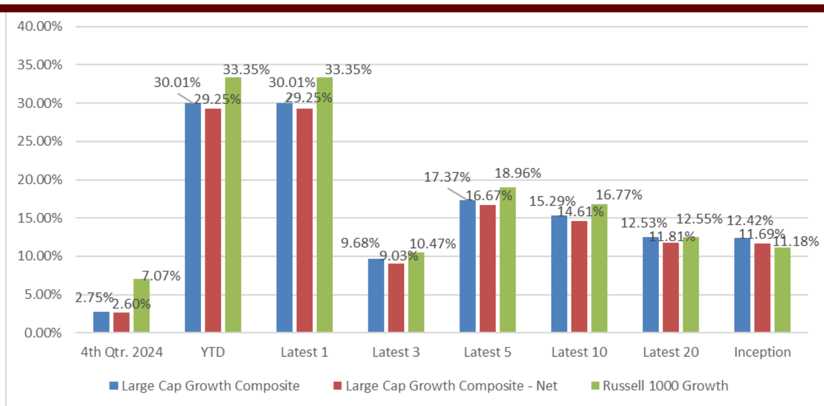
The View from Decatur — 4th Qtr. 2024

Chart 1: DCM Large Cap Growth Composite Trailing Performance December 31, 2024



1. Large Cap Growth Composite is comprised of 40-60 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 Russell 1000 Growth Index. The Russell 1000 Growth Index represents the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The minimum account size for this composite is $1,000,000.
2. Portfolio characteristics are similar to the benchmark, the Russell 1000 Growth index.
3. Returns are presented gross and net of management fees and include the reinvestment of all income. Performance prior to 7/31/12 is shown net of other fees including custody fees. Performance post October 2012 is shown gross of other fees. Net of fee performance was calculated using the highest management fee as noted in the composite fee schedule. Performance was calculated using a highest fee of 0.75% prior to July of 2011 and 0.60% as of July 2011.
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 Large Cap Growth Composite was created on February 28, 2002.

Chart 2: Performance Attribution by Economic Sectors, 4th Qtr. 2024

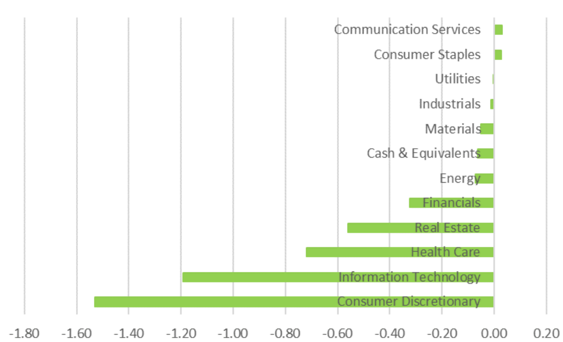
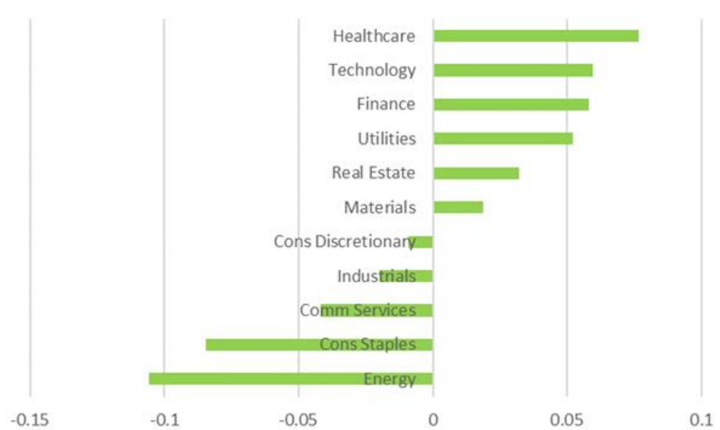


Chart 3: Forecasted Profit Margins 2024 v 2023 Difference



DCM Strategy: U.S. Large Cap Growth

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

Portfolio Manager Commentary

The net-of-fees performance for the quarter of the U.S. Large Cap Growth Strategy was 2.60% (unaudited), compared to the Russell 1000 Growth Index return of 7.07%. The net-of-fees performance for the year to date was 29.25% compared to the index return of 33.35%.

Performance Analysis

Chart 2 presents the results of the quarterly portfolio performance attribution based on economic sectors. Our selections in the consumer discretionary sector resulted in negative relative return while our selections in communication services provided positive performance during the quarter.

The negative performance in the consumer discretionary was due to our lack of holding Tesla (TSLA). We sold TSLA earlier in the year and TSLA experienced a strong surge following the presidential election. TSLA's price puts it in the lower half of stocks for valuation. Plus, earning revisions have declined 30% since last year but are improving since last quarter. Given the market sentiment, we have added TSLA exposure.

The positive performance in the communication services was due to Netflix (NFLX). NFLX is focused on content, live events -NFL and boxing- and streaming series. Plus, the addition of ad tier subscriptions is adding to the bottom line. We rank NFLX in the top quintile of companies for future performance and we will continue to hold it.

Factor Analysis

Chart 3 shows the difference between the average US forecasted 2024 profit margin and 2023 profit margin. This measure provides a snapshot of market sentiment on the direction of profits. The forecasted profit margin measures forecast of earnings scaled by the forecast of revenues.

The outlook for the overall market's projected profit margin has slightly increased since the end of 2023. The sectors with higher average forecasts are healthcare, technology, finance, utilities, real estate and materials.

Outlook

The Atlanta Federal Reserve developed a model that forecasts one quarter forward U.S. GDP growth, which is referred to as GDPNow. The GDPNow forecasts that the 4th quarter will have a 12-month growth rate of 2.2% which is down from the 3rd quarter 3.1%. The growth in GDP continues to be positive, but the growth is starting to ease. This is the early signs of a slowing expansion. This phase of the business cycle may rotate from large technology sectors to consumer staples and healthcare. We will monitor the sector rotation into 2025.