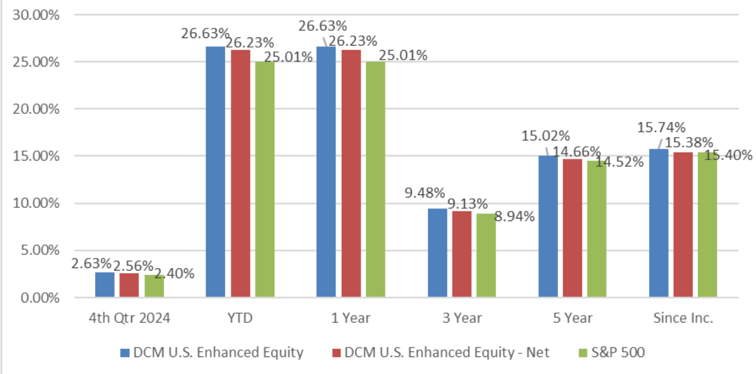
The View from Decatur 4th Qtr. 2024

Chart 1: DCM US Enhanced Composite Trailing Performance December 31, 2024



1. U.S. Enhanced Equity is comprised of 200-3-- 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 has a positive allocation to those firms with higher profitability, valuation and expectations characteristics. The minimum account size for this composite is $100,000.
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. As of October 31, 2023, the ESG Rank, which used ESG sentiment analysis to rank stocks, was replaced with the Decatur Alpha Rank that uses quantitative modeling of profitability, valuation, and expectations with the same allocation methodology.4. The investment strategy of the composite has not changed during the investment period.
5. As of October 31, 2023, the US. ESG Enhanced Composite was renamed the U.S. Enhanced Equity Composite.
6. Past performance does not represent future results and current returns may be higher or lower than return data depicted.
7. The U.S. Enhanced Equity Composite was created on March 2019 and a complete listing and description of all composites is available on request.

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

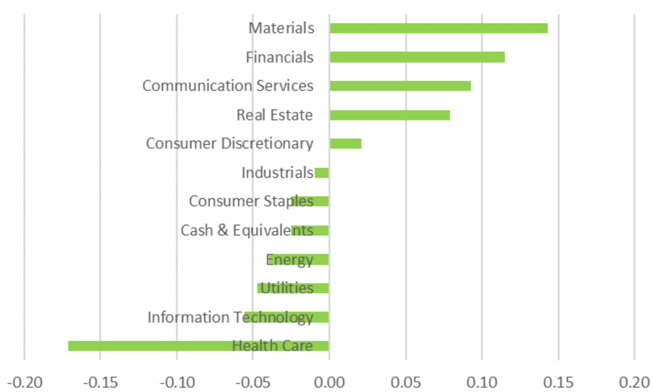
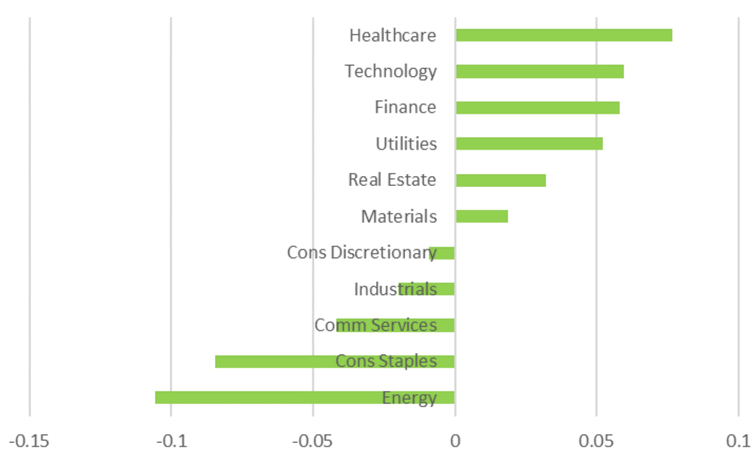


Chart 3: Forecasted Profit Margins 2024 v 2023 Difference



DCM Strategy: U.S. Enhanced

The DCM U.S. Enhanced composite is comprised of 200-300 equity securities with market capitalization similar to the S&P 500 Index and uses the Decatur Alpha Rank allocation methodology. The strategy has a positive allocation to those firms with higher profitability, valuation and expectations characteristics.

Portfolio Manager Commentary

For the quarter, U.S. Enhanced return, net of fees, was 2.56% compared to the S&P 500 of 2.40%. For the year to date, U.S. Enhanced return, net of fees was 26.23% compared to the index return of 25.01%

Performance Analysis

Chart 2 presents the results of the quarterly portfolio performance attribution based on economic sectors. Our allocation and selection within the healthcare sector resulted in negative relative return while our allocation to materials provided positive performance during the quarter.

The strategy's healthcare's allocation was 10.7% compared to the benchmark at 10.0%. This allocation and selection weighting resulted in -0.17% lag in performance. The model allocation to CVS Health (CVS), a healthcare benefit company, was 0.19% compared to the benchmark weighting of 0.11%, a slight overweight. These model decisions contributed to some of the underperformance during the quarter.

The strategy's materials allocation was 1.1% compared to the benchmark at 1.9%. This allocation decision resulted in 0.15% of positive relative performance since benchmark materials sector underperformed the overall benchmark. The model allocation to Corteva (CTVA), an agricultural chemical and seed company was 0.14% compared to the benchmark weighting of .08%, a slight overweight. These model decisions contributed to some of the positive performance during the quarter.

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 how the model picks up these signals into 2025.

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 Russell 1000 Growth which is designed to measure the large cap growth firms within the U.S. The benchmark is market cap weighted. DCM claims compliance with the Global Investment Performance Standards (GIPS). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To receive a list of composite descriptions of DCM and/or GIPS Composite Report, contact Ralph J. Bryant, CPA at (404) 270-9838 or ralphb@decaturcapital.com or write to DCM, 160 Clairemont Avenue, Suite 200, Decatur, GA 30030.