

JSC Active Management – Income Generating Strategy



Q4 '24 | As of 12.31.24

CHARACTERISTICS

Objective: JSC's Income Generating Strategy provides reliable investment income without sacrificing the potential for growth of principal. Like all actively managed strategies at JSC, every portfolio is carefully tailored to each individual investor.

Methodology: A multi-asset strategy is deployed based on a framework developed by Andrew Graham, CFA over a 30 year timespan.

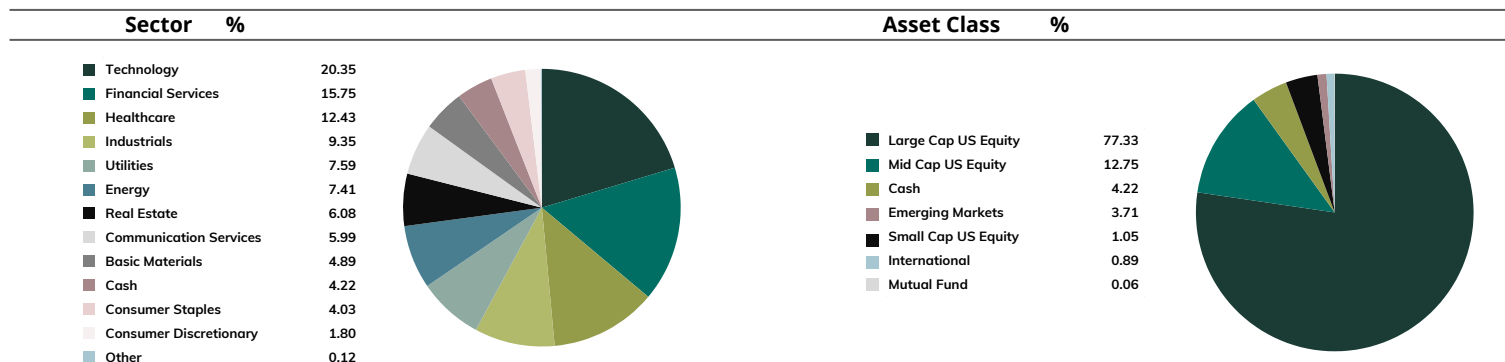
- **Investment selection** focuses on reliable income and sustainable growth. Portfolios typically feature holdings with less price volatility than those held in our growth portfolios, and can leverage tax advantages like qualified dividends to deliver strong after-tax returns.
- **Timing** is critical. Fundamentally attractive securities are bought at technically oversold levels when constructing a new portfolio, meaning all investments are not uniformly held across Income Generating Portfolios. Sell decisions are also made at the individual level, contributing to tax-efficient returns.
- **Protection** is as important as growth. Per-position loss limits are a key component of JSC's pragmatic approach to active management. Fees and taxes are limited in order to control two factors that degrade real returns.

Benchmark: 70% Russell 1000 Value Index, 30% Bloomberg Barclays US Aggregate Index

Total Assets in Strategy: \$51,584,122

HOLDINGS

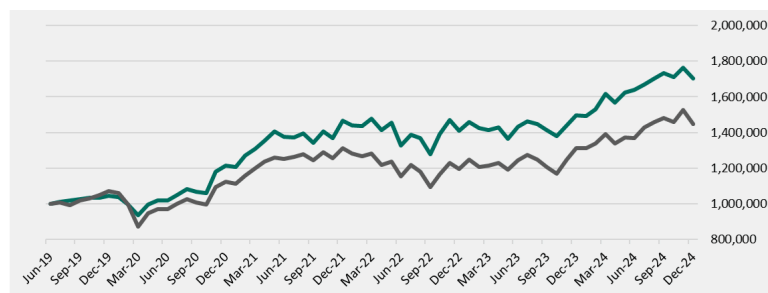
Sector and Asset Class Distribution



PERFORMANCE

Growth of \$1,000,000 Net of Fees

■ JSC Income Generating ■ Benchmark



Average Annual Total Returns (%) Net of Fees

	QTD	YTD	1yr	3yr	5yr	since inception*
JSC Income Generating	-1.77%	13.88%	13.88%	5.18%	10.30%	10.18%
MSCI US IM HDY	-2.38%	14.31%	14.31%	4.87%	7.26%	8.24%
Benchmark	-2.25%	10.40%	10.40%	3.33%	6.23%	6.95%

*Inception date 7/1/2019.

TEN LARGEST HOLDINGS

Broadcom Inc.	AbbVie Inc.
Eli Lilly & Co.	Western Alliance Bancorp.
AT&T Inc.	NextEra Energy Inc.
Taiwan Semicond. Mfg. Co. Ltd.	Cisco Systems Inc.
Caterpillar Inc.	Bristol-Myers Squibb Co.

Top 10 as % of net total assets: 36.48%

CONTACT THE TEAM

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Composite performance inception date 7/1/19; Data courtesy of MSCI, Orion Advisor Solutions, and Longs Peak Advisory Services. Investment advisory services provided through Jackson Square Capital, LLC an SEC registered investment adviser.

To learn more about Jackson Square Capital's Active Strategies visit <https://jacksonsquarecap.com/investment-management>

STRATEGY METRICS

Statistics Presented Net of Fees

	1yr				since inception			
	JSC IG vs. MSCI US IM HDY	MSCI US IM HDY	JSC IG vs. Benchmark	Benchmark	JSC IG vs. MSCI US IM HDY	MSCI US IM HDY	JSC IG vs. Benchmark	Benchmark
Alpha (%)	2.67	0	4.71	0	3.72	0	3.81	0
Beta	0.66	1.00	0.77	1.00	0.70	1.00	0.88	1.00
St. Deviation	8.78	11.90	8.78	10.49	12.78	16.74	12.78	13.52
Sharpe Ratio	0.95	0.76	0.95	0.52	0.65	0.42	0.65	0.40
Upside Capture	0.81	1.00	0.95	1.00	0.82	1.00	1.00	1.00
Downside Capture	0.62	1.00	0.63	1.00	0.66	1.00	0.81	1.00
Max Drawdown	(3.30)	(6.58)	(3.30)	(5.28)	(13.62)	(25.53)	(13.62)	(18.39)

JSC INCOME GENERATING PORTFOLIOS IN ACTION

Largest Position Changes

Buys

Bristol-Myers Squibb Co.	Cisco Systems Inc.
Gap Inc.	MetLife Inc.
TC Energy Corp.	Ares Management LP

Sells

Best Buy Inc.	AES Corp.
DuPont De Nemours Inc.	ProLogis Inc.
Anglo American PLC	Vici Properties Inc.

Case Study: Bristol-Myers Squibb Co. (BMY)

Bristol-Myers Squibb Co. (BMY)

July 1, 2024 - December 31, 2024



BMY is in the midst of its major launch of Cobenfy, an FDA-approved medication used for the treatment of schizophrenia in adults. The adult schizophrenia TAM opportunity is >\$20B and BMY is the clear leader following competitor ABBV's Emraclidine phase 2 trial failure. BMY has an improving new product pipeline with a number of registrational studies to start next year in the Alzheimer's, bipolar disorder, and autism spectrum disorder irritability categories.

BMY is traded at a cheap, depressed multiple of 8.5x 2025E P/E which is well below pharma names historically which trade at 8-10x peak and 14-17x trough. The company currently yields an attractive 4.19% annual dividend.

Bristol-Myers Squibb Co. (BMY) chart courtesy of FactSet.

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