

High Risk Stock Portfolio

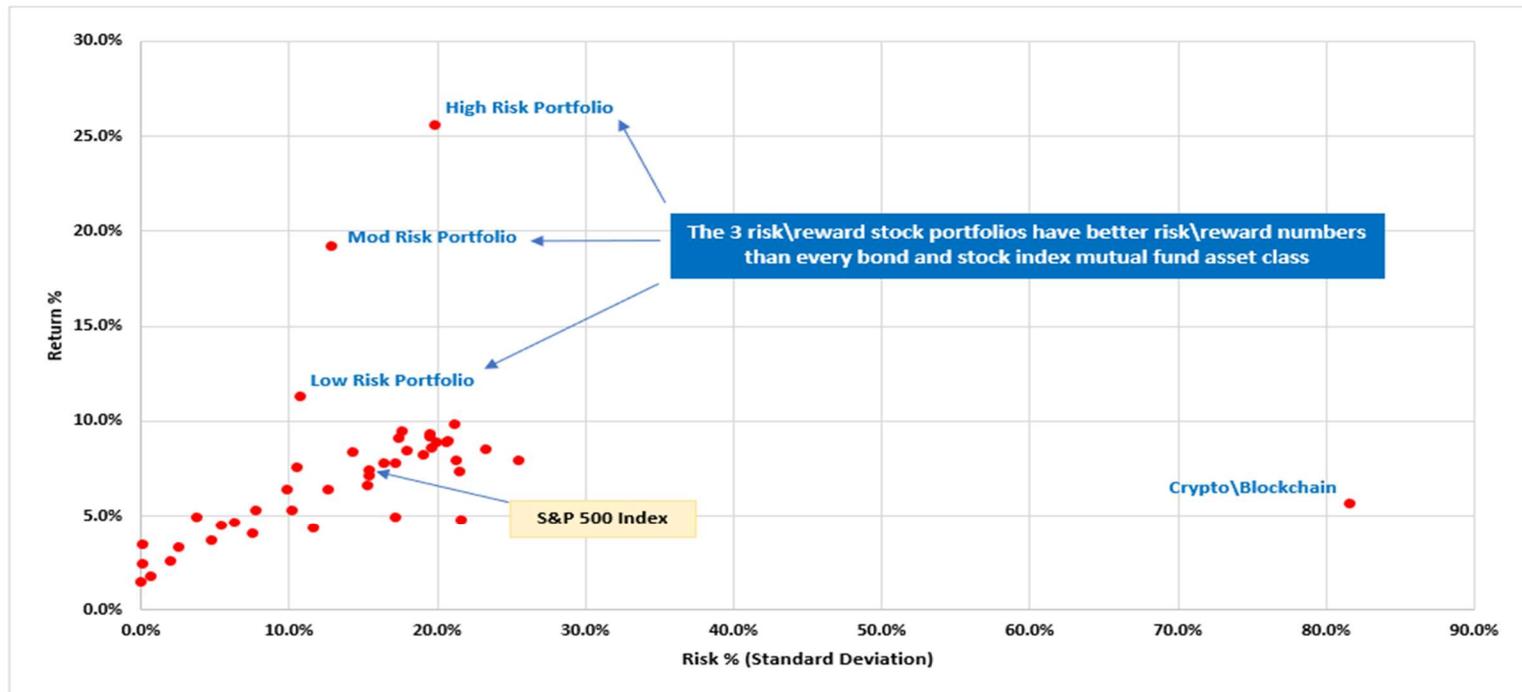
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Data Source: Morningstar as of 12.31.23

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Bond & Stock Index Funds vs. 3 Risk/Reward Stock Portfolios - Last 25 Years



Source: www.morningstar.com
Data as of 12.31.23

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High-Risk Stock Portfolio - Criteria for Inclusion & Purchase

40 companies that meet strict criteria for inclusion, with very few exceptions:

- In business a long time (avg 46 years)
- Risk statistics are not important to high-risk investors
- Minimum long term CAGR > 16%
- Financial health grade A or B
- Must be profitable
- Dividend income is not important to high-risk investors

Strict requirements for purchase:

- PE ratio is not important to high-risk investors
- High % below 52-week high price is not important to high-risk investors

High-Risk Stock Portfolio – Sample Buy Report

Ticker\Name	Year Founded	Industry	% Below 52-Week High	P/E Ratio	\$ EPS TTM	25 Year Max Drawdown	Std Dev	Beta	Financial Health Grade	Owned by Funds %	Div Yield %	Div Payout Ratio %	Div Growth Rate %	25 Year CAGR
Company 1*	1966	Credit Services	0.43	29.94	11.47	(18.47)	22.69	1.13	A	31.14	0.53	19.18	11.36	36.6%
Company 2*	1995	Software - Application	4.44	31.65	24.87	(18.47)	22.69	1.14	A		0.16	16.08		36.6%
Company 3*	1958	Credit Services	0.58	28.57	8.68	(27.28)	20.77	0.91	A	17.40	0.68	21.54	20.00	22.9%
Company 4*	1961	Semiconductors	3.09	23.92	32.98	(31.70)	29.06	1.12	A		1.71	55.79	12.20	37.2%
Company 5	1997	Waste Management	0.41	22.83	3.21	(34.49)	23.25	0.58	A	83.75	0.70	31.78	11.83	18.5%
Company 6*	2000	Software - Infrastructure	27.95	34.84	1.44	(41.06)	36.93	1.14	B					28.5%
Company 7	1934	Trucking	7.47	30.21	11.24	(42.03)	32.56	1.21	A	43.13	0.39	13.35	50.00	28.9%
Company 8*	2001	Software - Infrastructure	2.28	104.83	1.68	(42.22)	31.63	0.57	A					27.9%
Company 9*	2003	Software - Application	1.97	55.87	7.74	(45.88)	30.98	0.87	A					33.3%
Company 10*	1993	Aerospace & Defense	0.68	30.77	22.03	(50.23)	28.21	1.11	A	20.19				30.5%
Company 11	2000	Medical Devices	19.63	27.70	2.34	(50.81)	27.22	1.16	A	65.59				18.7%
Company 12	1923	Medical Instruments	15.30	40.32	7.42	(50.86)	26.65	1.13	A	68.27	0.22	10.24	5.80	18.9%
Company 13	1983	Diagnostics & Research	2.33	55.25	9.81	(51.98)	34.99	1.45	A	47.67				22.8%
Company 14*	1997	Auto Parts	38.43	30.34	1.78	(53.27)	64.96	1.97	B					38.5%
Company 15	1945	Industrial Distribution	1.09	28.65	15.15	(57.06)	30.51	1.16	A	53.96	2.29	63.04	12.13	17.0%
Company 16*	1998	Internet Content	2.10	20.96	5.22	(58.56)	28.43	1.15	A	39.86				19.4%
Company 17*	1969	Financial Data	1.34	38.17	11.99	(59.82)	29.00	1.39	A	33.99	0.98	44.95	25.82	19.1%
Company 18	1945	Wineries & Distilleries	11.66	17.57	8.51	(60.81)	28.25	0.78	B	35.00	1.44	39.72	5.26	16.9%
Company 19	1938	Specialty Retail	14.39	20.37	10.25	(63.72)	36.96	0.73	A	59.30	1.92	39.12	76.92	26.0%
Company 20	1957	Aerospace & Defense	5.30	40.65	2.91	(65.14)	34.44	1.13	A	29.97	0.14	6.87	11.11	17.6%
Company 21	1935	Beverages - Non-Alcoholic	4.72	31.55	1.48	(66.38)	41.78	0.65	A	42.13				34.7%
Company 22*	1993	Restaurants	2.62	42.74	42.15	(67.53)	36.98	1.17	A	32.86				24.3%
Company 23*	2003	Auto Manufacturers	16.98	70.92	3.10	(67.72)	62.43	2.66	B					46.2%
Company 24	1973	Footwear & Accessories	3.35	30.03	27.67	(75.16)	30.35	1.06	A	54.42				31.4%
Company 25*	2004	Internet Content	2.19	20.75	11.33	(75.44)	36.19	1.09	A					26.5%
Company 26	1956	Software - Application	1.81	47.17	16.93	(75.86)	33.98	1.23	A	59.54				19.8%
Company 27	1966	Software - Application	2.04	46.95	3.70	(76.17)	37.23	0.93	A	34.48				19.8%
Company 28	1971	Restaurants	16.86	23.20	3.58	(76.35)	29.72	0.99	A	35.98	2.25	59.22	8.16	16.7%
Company 29	1990	Software - Application	6.63	60.98	2.65	(78.88)	59.11	1.05	A	56.20				21.9%
Company 30*	1976	Consumer Electronics	3.55	29.15	6.13	(79.18)	38.86	1.37	A	35.69	0.49	15.33	4.44	25.8%
Company 31*	1997	Entertainment	2.80	30.67	10.02	(79.90)	56.58	1.67	B	49.82				35.8%
Company 32*	1960	Restaurants	0.86	26.39	14.61	(80.33)	35.88	1.13	B	9.91	1.17	32.38	17.02	22.8%
Company 33	1993	Semiconductors	2.03	25.06	7.58	(87.20)	60.43	2.11	A	36.57	0.03	2.11		30.1%
Company 34	1996	Health Information Services	15.07	68.03	0.49	(87.33)	60.36	0.81	A	1.92	0.54	48.98		22.1%
Company 35*	1981	Medical Instruments	10.54	93.46	2.03	(87.66)	68.39	1.03	B	24.74				18.4%
Company 36*	1993	Aerospace & Defense	0.91	62.11	1.96	(88.53)	67.51	1.10	A	14.68				27.9%
Company 37*	1999	Medical Devices	11.08	71.94	0.91	(92.05)	55.31	1.24	B	42.08				21.5%
Company 38*	1994	Internet Retail	2.37	39.53	1.91	(92.16)	45.07	1.35	B	41.33				16.6%
Company 39*	2004	Beverages - Non-Alcoholic	20.93	55.25	0.48	(98.13)	95.41	1.85	B					27.9%
Averages	1978	In business average 46 years	7.39	40.75		(62.97)	40.30	1.19		40.05	0.40	13.33	16.00	25.8%
		good stat for purchase now		concerned stat		bad stat								*(CAGR not 25 yrs, full trading history)

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High-Risk Stock Portfolio - Sample Stock Descriptions for Client Meetings

Aerospace & Defense Industry – Do you think the US military will ever go out of business?

TransDigm Group (TDG) – Founded 1993, manufactures and services commercial and military aircraft parts.
www.transdigm.com/about-us

Heico Corp (HEI) – Founded 1957, makes aerospace and electronic equipment for aircraft and spacecraft defense.
www.heico.com/about-us

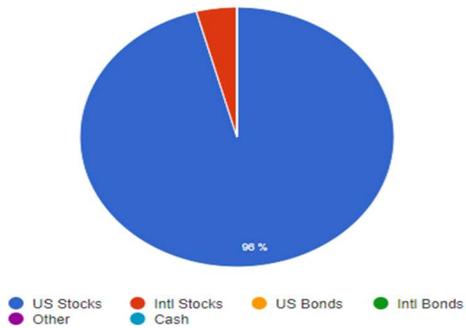
Axon Enterprise (AXON) – Founded 1993, makes weapons for law enforcement: tasers, cameras, and evidence software.
www.axon.com/company

Notes:

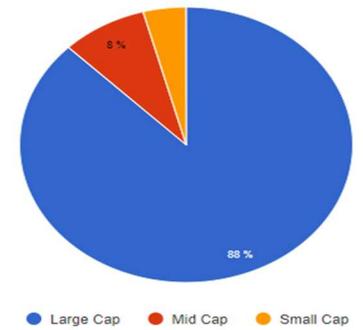
- HEI data goes back to 1999, includes 2 big bear markets to analyze potential risk of capital loss
- AXON data goes back to 2002, only 1 big bear market to analyze potential risk of capital loss
- TDG data goes back to 2007, only 1 big bear market to analyze potential risk of capital loss
- TDG has highest CAGR going back to 2007
- AXON has a higher long-term CAGR vs. HEI going back to 2002
- AXON has largest worst year and max drawdown than TDG and HEI

High-Risk Stock Portfolio Sectors & Market Cap Breakdown

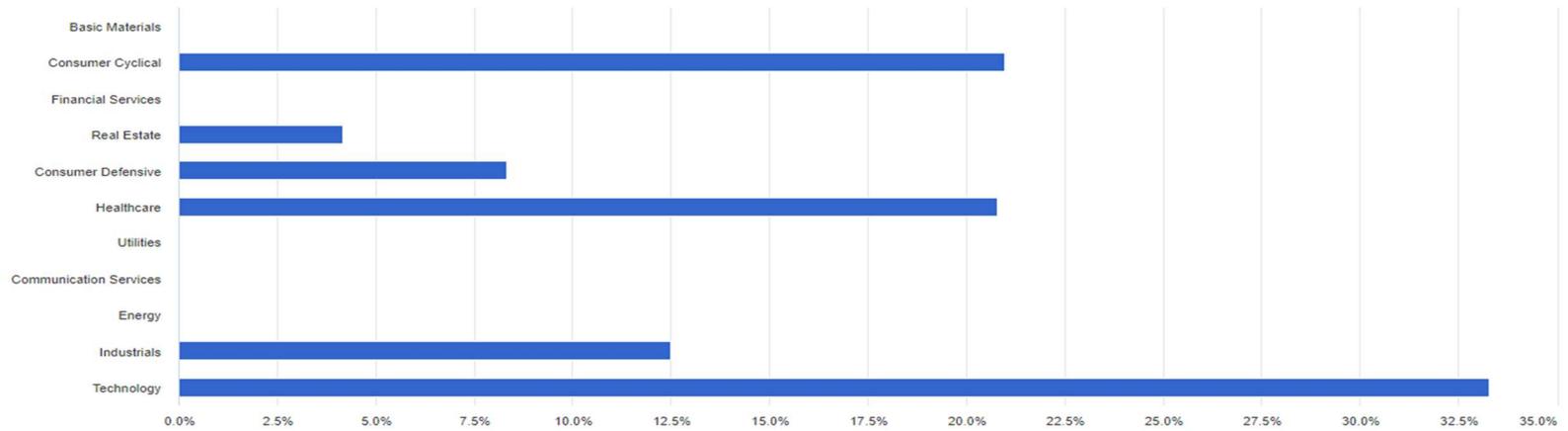
Asset Allocation



Equity Market Capitalization



Equity Sectors



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High-Risk Portfolio vs. Largest Stock Fund - Last 25 Years

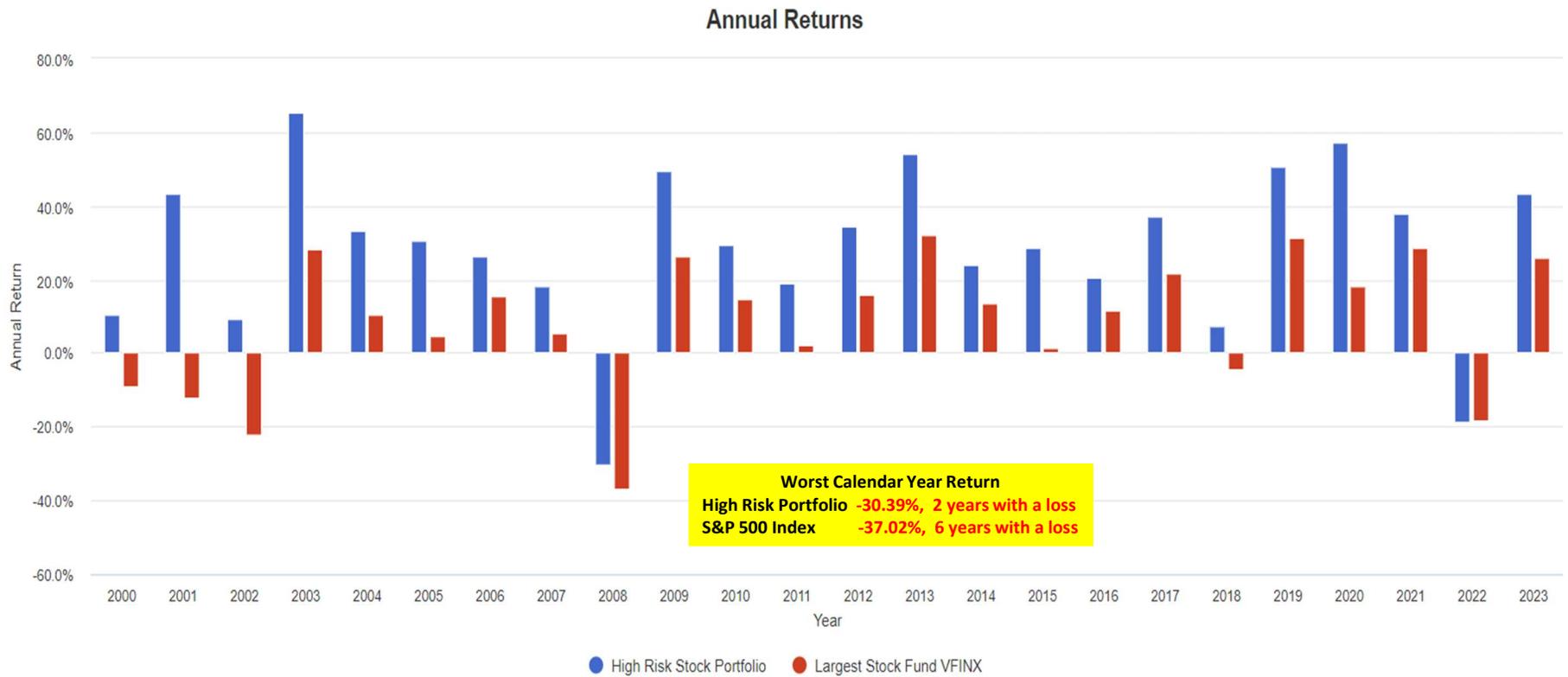
Portfolio	Initial Balance	Final Balance	CAGR	Stdev	Best Year	Worst Year	Max. Drawdown	Sharpe Ratio	Sortino Ratio	Ma
High Risk Stock Portfolio	\$1,000,000	\$268,943,499 ⓘ	26.25% ⓘ	20.09%	65.23%	-30.39%	-42.63% ⓘ	1.19	2.05	
Largest Stock Fund VFINX	\$1,000,000	\$4,969,639 ⓘ	6.91% ⓘ	15.46%	32.18%	-37.02%	-50.97% ⓘ	0.40	0.58	

Portfolio Growth



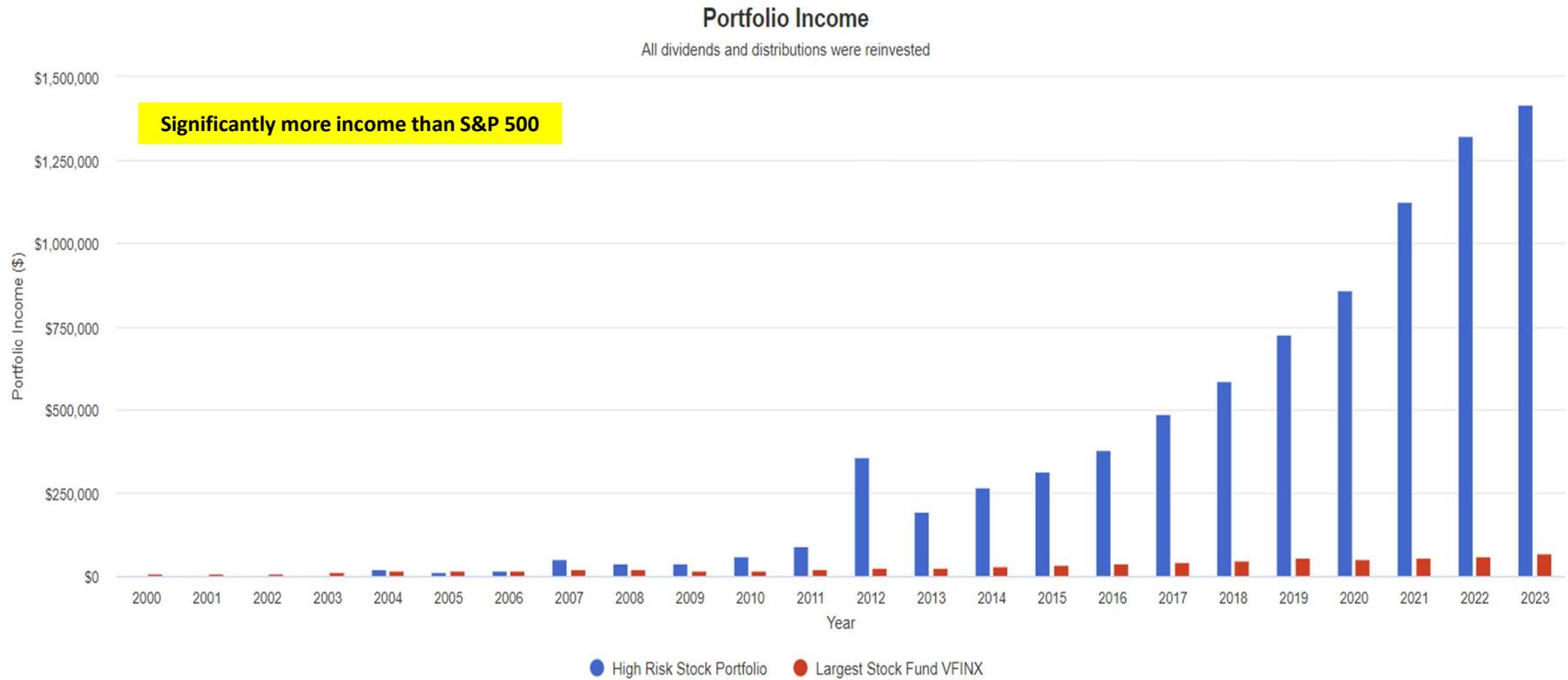
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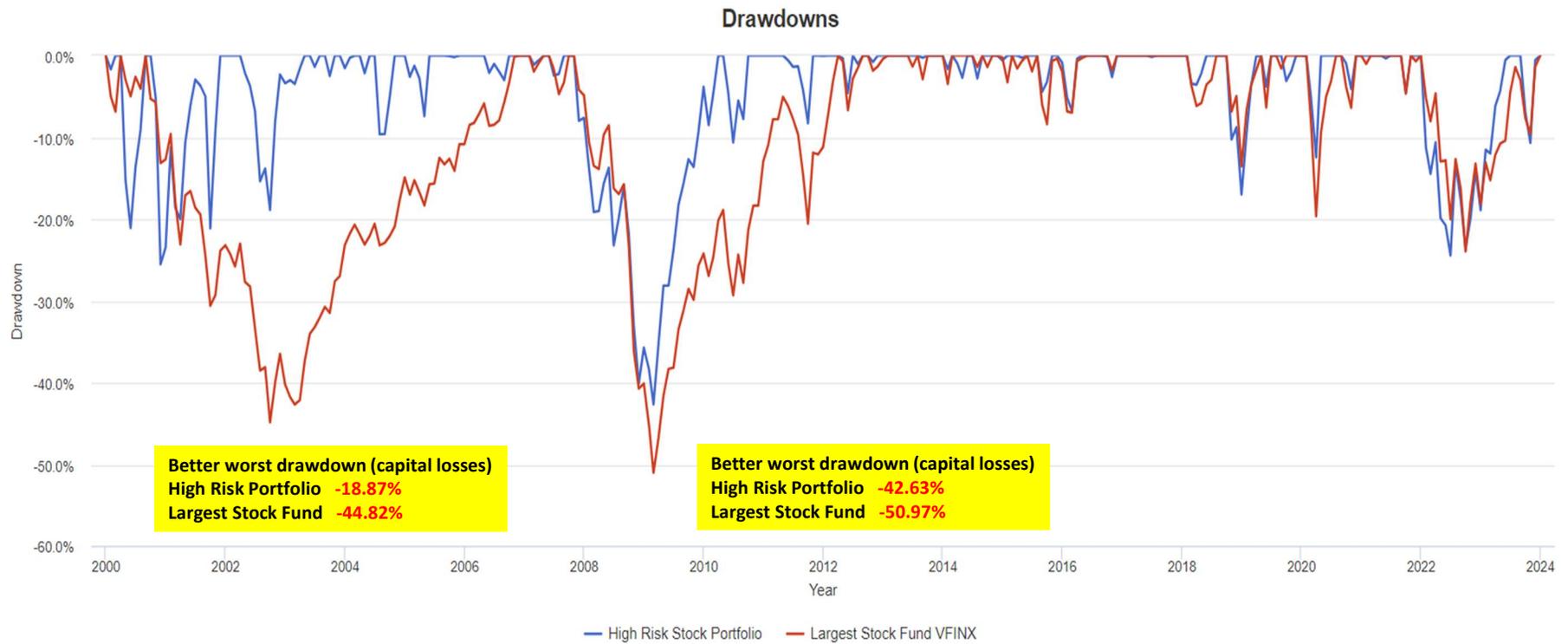
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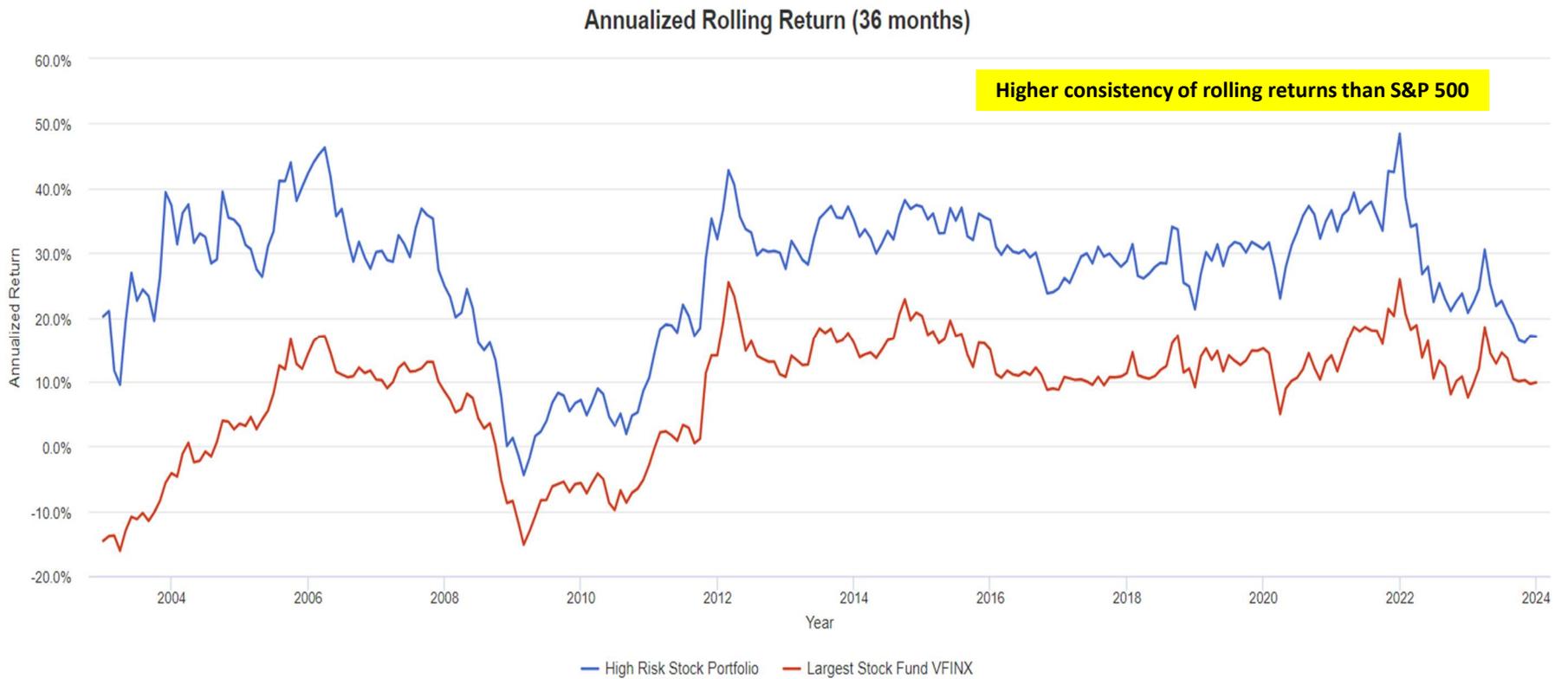
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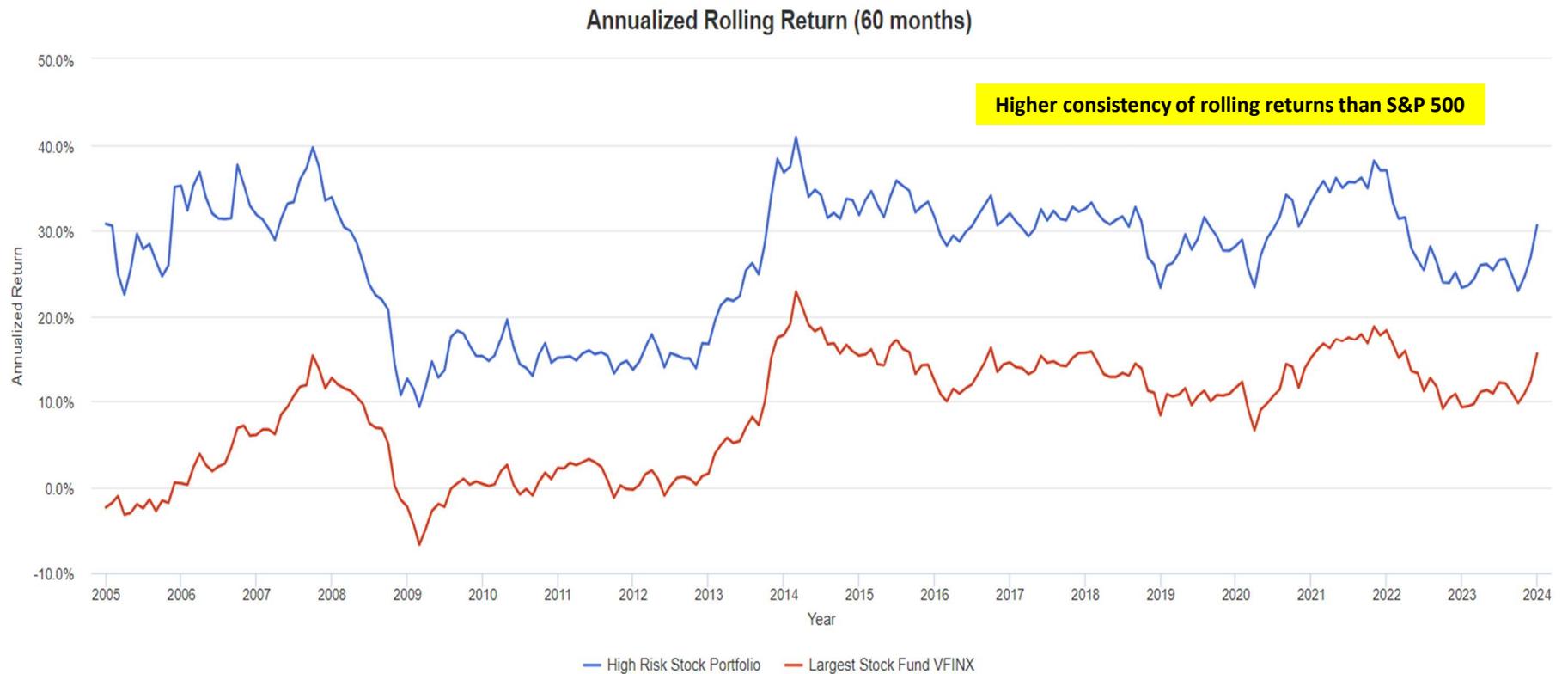
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