



**STEWART ASSET
MANAGEMENT**

First Quarter 2024

Performance

For the quarter ended March 31, 2024, our Flagship portfolio advanced 16.64%, net of fees. The S&P 500 Index, our benchmark, appreciated 10.56%.

Review

Share prices gained smartly in the first quarter. Earnings helped. Fourth quarter and year-end 2024 were reported throughout the first quarter and for the most part, investors were encouraged. In addition, the Federal Reserve Bank held short-term interest rates steady, and Chairman Powell said in January that “good progress has been made...inflation has eased without a significant increase in unemployment.” In February he spoke expansively about the inevitability of a decrease in short-term rates.

The inflation readings for the first two months of the year show a modest increase in inflation. Depending on what measures one favors, inflation is arguably between 3% and 3.5% - not disturbing certainly but our central bankers have commented that they are intent on reducing inflation to their goal of 2%.

One would have to be a hermit not to have heard about Nvidia and AI (artificial intelligence.) It is hard to remember a time when one company has been the focus of so much investor enthusiasm and concern. The company has established itself as a clear winner in the field of AI and, while new entrants are showing promise, our analysis leads us to conclude that Nvidia will continue to lead the pack in terms of growth and innovation.

Our clients have owned Nvidia shares for about six years. The shares have risen 13X during that period and the earnings have grown 9X. This kind of price appreciation and explosive earnings growth is rare, and the shares contributed strongly to your portfolio’s gains this quarter.

It is important to point out however that we have six additional holdings whose share price gains outpaced the S&P 500 Index in the quarter just ended. Among them were Amazon, Dominos Pizza and Intuitive Surgical. Last year, Amazon reported strong earnings and we expect this trend to continue in 2024. Dominos Pizza’s management has shared with investors their confidence about strong earnings

growth over the next few years. Intuitive Surgical, another leader in your portfolio which we have owned for going-on five years, had superb earnings in the last quarter. Last month Intuitive announced a next-generation product which will ensure its competitive position for some time.

We made no significant changes to the portfolios.

Prospects

We continue to be encouraged by the earnings growth behind the portfolio. Last year the Look-through Earnings of our clients' portfolios grew by 19.8%, a rate of growth that was a little better than what we were projecting at the beginning of 2023. We anticipate another strong year of earnings growth in 2024. We expect to see particularly strong earnings growth from some of the larger holdings such as Amazon, Mastercard and Nvidia.

We have written continually that it is positive that we are returning to a more "normal" interest rate environment in which inflation declines, albeit now slowly, towards the Federal Reserve Bank's goal of 2%. If in addition the Fed cuts short-term rates that should put a sturdy floor under the share price improvement we have seen over the past twelve months.

Conclusion

Many are concerned about the timing and pace of interest rate cuts. We are less concerned because we feel that the combination of lower interest rates and strong earnings gains in the leading companies you own may lead to higher share prices as the year continues despite occasional consolidations that will no doubt occur.

My colleagues and I hope that everyone's spring will be a fulfilling and fruitful time.

Thomas M. Valenzuela
Chief Investment Officer

Performance Disclosures

The returns for the fourth quarter of 2025 is the performance of an account ("Flagship Portfolio") that the Firm believes fairly represents the performance of the Stewart Asset Management Team's ("SAM") strategy ("Strategy"). The "net" returns presented are after the deduction of management fees as well as other expenses, including costs associated with brokerage. The year to date return stated for 2024 is based on performance of the Flagship Portfolio starting from January 1, 2024, to March 31, 2024.

SAM is a team at Ingalls & Snyder, LLC ("INGS"), an investment advisor registered with the Securities & Exchange Commission and a FINRA member broker dealer. SAM is not affiliated with W.P. Stewart & Co. ("WPS"). More information including the firm's Form ADV Brochure and Form CRS can be found at <https://www.ingalls.net/important-information>.

The information presented herein is for educational purposes only and is not intended to make an offer or solicitation for the sale or purchase of any specific securities, investments, or investment strategies. Investments involve risk and, unless otherwise stated, are not guaranteed. Be sure to first consult with a qualified financial advisor and/or tax professional before implementing any strategy discussed herein. Net performance from 1/1/2019 onwards reflects a

1% annual client management fee. All performance numbers for SAM prior to 1/1/2019 are shown net of its 0.80% annual client management fee and transaction costs associated with the Flagship portfolio.

The performance numbers reflect the transactions for certain Flagship accounts of SAM, representative client accounts from which other clients' accounts of SAM are modeled. The results for periods from inception of the SAM strategy until 12/31/2022 are the actual results for SAM's initial Flagship account, and results for periods since 1/1/2023 are the actual results for SAM's second Flagship account. Results presented during the periods shown were only adjusted for fees, and there were no other material additions or withdrawals from the Flagship accounts during the periods they were used for performance measurement. There are two Flagship accounts because the original Flagship account took on a margin loan during 2023, which no longer made its unadjusted performance results comparable to other client accounts thereafter. The stocks in the second Flagship account have been managed in a substantially identical manner to those in the original Flagship account during all relevant periods.

The comparison to the S&P is to provide a comparable large capitalization index to the SAM flagship accounts which are invested mainly in large capitalization equities. The SAM Flagship accounts are concentrated U.S. equity portfolios with less positions than the S&P 500 index. Performance charts in and of themselves cannot be the sole determinant in making an investment decision. Due to the timing of clients' investments in the SAM strategy, which is patterned after the model, clients' returns may be more or less than the actual performance of the flagship accounts. The performance of the Flagship accounts do not reflect actual client performance as fees and transactions costs may be higher. Past performance is not indicative of future performance.

The performance for a 5-year period from April 1, 2019, to March 31, 2024, is 17.18%, net of fees. Annualized returns provided herein are based on performance of the Flagship Portfolio as described above. Performance returns reflect the average annual rates of return. Performance from January 1, 2019, to March 14, 2024, reflects SAM's investment performance as a team at Stewart Asset Management, LLC, which was a period prior to SAM's move to and continued management of the Strategy at Ingalls & Snyder, LLC ("Ingalls"). Generally, the Strategy maintains an allocation ranging from 1% to 4% in cash.

Flagship Portfolio represents how SAM generally implements its investment process under normal market conditions. Past performance is not an indication of future results. The performance of each client's managed account may differ due to specific investment guidelines, restrictions and time period which the account has been open and under the management of SAM. Accordingly, individual results will vary.

Additional Disclosures

This Strategy are subject to market risk, which is the possibility that the market values of securities owned in an account will decline. Accordingly, you can lose money investing in this Strategy. Please be aware that this Strategy may be subject to certain additional risks. In general, equity securities' values also fluctuate in response to activities specific to a company. Investments in foreign markets entail special risks such as currency, political, economic, and market risks. American Depositary Receipts (ADRs) represent an ownership interest in securities of foreign companies and involve many of the same risks as those associated with direct investment in foreign securities, including currency, political, economic and market risks. The Strategy may, from time to time, invest in stocks of small- and medium-capitalization companies which entail special risks, such as limited product lines, markets and financial resources, and greater market volatility than securities of larger, more established companies.

The Flagship Portfolio has employed the investment strategy in a similar manner to that employed in the SAM's separately managed accounts ("SMAs"). However, portfolio management decisions made for the Flagship Portfolio may differ. The holdings and portfolio activity in the Flagship Portfolio may not be representative of some SMAs managed under this Strategy due to differing investment guidelines, client restrictions, and the time period the account was opened and managed by SAM.

There is no guarantee that any investment strategy will work under all market conditions, and each investor should evaluate their ability to invest for the long-term, especially during periods of downturn in the market. Please consider the investment objectives, risks and fees of the Strategy carefully before investing.