



Core Momentum Strategy

Separately Managed Account

PORTFOLIO MANAGEMENT TEAM

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QUICK FACTS

Firm AUM	\$850M
SMA Inception Date	1/1/2019
Benchmark	iShares MSCI USA Momentum Factor ETF (MTUM)
Strategy AUM	\$23.20M
Investment Minimum	Negotiable
Fees	Negotiable

Market & Economic Review

Strong earnings growth in 2025 and strategic Fed rate cuts propelled US equity indices to another year of double-digit returns. Markets maintained this positive momentum into early 2026, shaking off a volatile year-end. Despite initial concerns over early-year stability, investors have remained resilient, buoyed by robust economic data and an unexpected geopolitical shift in Venezuela. The prospect of a new regime managing the world's largest oil stockpiles has been viewed as a net positive, though the situation remains fluid.

While domestic economic indicators and OECD earnings stories appear strong, potential headwinds remain. Upcoming Supreme Court rulings on tariffs could reignite the volatility seen last year. Although the "Liberation Day" shock has subsided as the administration shifts its negotiating tactics, an adverse legal ruling would force the White House to find alternative trade policy avenues. Conversely, the pivot toward individual-country agreements has already sparked investor enthusiasm and a relief rally, while the competitive threat from DeepSeek in the AI space proved short-lived.

A sustained technology capex cycle and recent fiscal stimulus have fostered a consensus that 2026 growth will remain above trend. This outlook supports expectations for double-digit earnings growth within the S&P 500, which is forecast to broaden beyond the technology sector. As economic data normalizes following the US government reopening, the Federal Reserve is closely monitoring inflation and labor markets. Despite a slight disappointment in headline employment numbers, higher average hourly wages and a declining unemployment rate suggest the Fed will likely pause in January, even as the market anticipates two additional cuts later this year.

Core Momentum SMA Product Review

Major contributors

Google parent **Alphabet (GOOG)** was a top contributor for the quarter as its AI platform, Gemini, outperformed early skeptical forecasts. The recently announced integration of Gemini into Apple's revamped Siri has further solidified Alphabet's position as a leader in AI deployment. Power solutions company **Cummins Inc (CMI)** was also a positive contributor, benefiting from record demand for backup power generators required for massive AI-driven data center expansions. We view CMI as one of the more underappreciated AI infrastructure plays. Finally, **Alamos Gold (AGI)** contributed positively for the quarter, capitalizing on high precious metal prices and

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strong operational discipline. Investors increasing view AGI as a premier mid-tier producer due to its focus on safe jurisdictions (Canada and Mexico) and its Phase 3+ Expansion at Island Gold, which will likely drive production to 900,000 ounces annually by the end of the decade.

Major detractors

Software company **Varonis Systems (VRNS)** collapsed following a disappointing update where management lowered annual recurring revenue (ARR) guidance and announced workforce reductions, causing a sharp reset in investor sentiment. We have since exited the position, awaiting more clarity on its Microsoft 365 Copilot rollout before revisiting the stock. **AeroVironment (AVAV)** also detracted from the performance of the strategy in 4Q25, with its shares pulling back sharply as investors worried that the long government shutdown might lead to delays in Department of Defense (DoD) discretionary spending. Shares did start to recover at the end of December, and we believe there is a lot of future growth for their products as the company transitions from a “maintenance” defense contractor to a high-growth consumption-based tech play. Finally, **Netflix Inc. (NFLX)** shares gave back some earlier gains as the company became embroiled in a high stakes bidding war for Warner Brothers Discovery (WBD). While Netflix’s aggressive offer aims to secure a massive library of “prestige” IP, the emergence of a counterbid from Paramount Global sparked fears of a costly “winner’s curse.”

Current industry/sector overweights/underweights

Beginning in 2026, the Core Moat SMA was positioned with its largest overweight versus its benchmark (the MSCI USA Momentum Index) in the Materials sector led by positions in Alamos Gold (AGI), Agnico Eagle Mines (AEM) and Steel Dynamics (STLD). The strategy was also overweight the Health Care sector, where we have emphasized companies with exposure to the demographic “silver tsunami” with baby boomers driving demand for chronic disease management (oncology, cardiology, diabetes). Examples include McKesson Corp (MCK), Quest Diagnostics (DGX), and Teva Pharmaceuticals (TEVA). Finally, the strategy was overweight the Energy sector where we have emphasized companies with exposure to the growing power requirements of data center expansion, with stocks including Cameco Corp (CCJ) and Baker Hughes (BKR).

The strategy’s largest sector underweights included Information Technology where we have emphasized stocks that are well-positioned to monetize AI, including Apple (AAPL), Broadcom (AVGO), and Microsoft (MSFT), Consumer Discretionary where our sole positions are in Amazon.com (AMZN) and Booking Holdings (BKNG), and Financials, where we have focused on companies that are utilizing blockchain technology to improve the digital plumbing of the global financial system, including Figure Technology (FIGR) and Mastercard (MA).

Market & Economic Outlook

We continue to monitor the global economic situation as we move through global changes in trade, monetary policy, and the political and economic turbulence that an aggressive Russia, conflict in the Middle East, and now military action in Venezuela has brought to an already challenging geopolitical backdrop. We will also be on the lookout for any information, positive or negative, about the AI space and the spending anticipated to further the buildout. We expect that, as in 2025, these could add volatility to equity markets, and if recent past is prologue, any dips or scares may well be bought. Recent commentary on the housing market focuses on affordability issues. Still, the recent escalation of tensions with the Federal Reserve and its Chair, Jay Powell, seems to be muddying the waters for interest rates just after a drop in mortgage rates as a result of policies intended to have government housing agencies pick up where the Fed's balance sheet has left off. How this plays out is not yet clear but is likely to also increase volatility.

While we remain somewhat cautious, we will continue to look for exceptional opportunities to purchase stocks with disruptive technologies, innovative management teams and a bias towards profitable, cash generative growth, all with the current administration in mind. While we cannot know for certain what 2026 will bring, we will continue to emphasize companies that are both emerging and established masters of their respective industries, with strong and improving fundamental and price momentum.

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PERFORMANCE (AS OF 12/31/25)

	Annualized Performance			
	1 Year	3 Year	5 Year	Since Inception
Gross	8.12%	16.84%	10.83%	16.75%
Net (Composite)	7.10%	15.82%	9.93%	15.80%
Net (Composite 3%)	5.23%	13.74%	7.87%	13.65%
Benchmark	22.15%	20.99%	10.42%	15.31%

Past performance does not guarantee future results.



COMPOSITE TIME-WEIGHTED RETURN REPORT

Core Momentum

	Gross Return	Net Return	Bench Return	3 Yr Std Dev Gross of Fees	3 Yr Bench Std Dev	Number Portfolios	Internal Dispersion	Composite AUM (\$MM)	Firmwide AUM (\$MM)	Percent Non-Fee
CY 2024	26.08%	25.05%	32.89%	14.45%	19.32%	7	12.55%	21.1	818.8	0.00%
CY 2023	17.06%	16.05%	9.16%	14.66%	18.25%	6	8.49%	6.2	734.1	0.00%
CY 2022	-13.33%	-14.07%	-18.26%	19.14%	21.98%	6	6.18%	5.4	801.2	0.00%
CY 2021	20.92%	20.23%	13.37%	16.00%	17.17%	7	8.19%	7.1	1,048.8	5.44%
CY 2020	32.29%	31.23%	29.85%	N/A	N/A	5	N/A	5.3	894.2	6.21%
CY 2019	33.72%	32.60%	27.25%	N/A	N/A	1	N/A	0.3	832.7	100.00%

Alpine Saxon Woods, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Alpine Saxon Woods, LLC has been independently verified for the periods January 1, 2019, through December 31, 2024.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm’s policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Core Momentum composite has had a performance examination for periods beginning January 1, 2019, through December 31, 2024.

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Alpine Saxon Woods, LLC is an independent, majority women-owned asset management firm established in 2022 and based in Purchase, NY. The firm history begins in 2019 with the predecessor firm, Alpine Woods L.P. Alpine Saxon Woods is the parent company of two registered investment advisors, Alpine Woods Capital Investors LLC and Saxon Woods Advisors, LLC. The firm takes a thematic and tailored approach to investing, with a focus on underappreciated growth.

Composite Inception Date: 11/1/18 Composite Creation Date: 10/10/18

Composite Description: The Core Momentum strategy invests in companies with a sustained record of positive revenue and earnings momentum coupled with strong volatility-adjusted price momentum. The strategy targets 1) companies with durable economic moats, high levels of profitability, dominant market positions and superior growth prospects, 2) stocks in earlier-stage companies with disruptive technologies enabling them to rapidly gain market share and 3) turnaround candidates that are believed to be at or near positive inflection points. The strategy is market capitalization agnostic and sector agnostic but given the style tends to skew towards larger capitalization companies.

The composite uses the iShares MSCI USA Momentum Factor ETF (MTUM). MTUM invests in US stocks that are currently showing strong upward price movement.

Internal dispersion is calculated as the equal-weighted standard deviation of annual gross returns for those portfolios that were included in the composite for the entire year.

Fees include management fee and transaction fees only. The management fee is 1%.

Reporting currency used is USD

AVAILABLE UPON REQUEST:

List of composite descriptions

Policies for valuing investments, calculating performance and preparing GIPS reports

From inception through 9/30/23, the composite used monthly dollar weighted returns, adjusting for capital inflows and outflows through Eze Investor Accounting (formerly Penny-It-Works). From 10/1/23 to 12/31/2024, the composite uses daily time-weighted returns from Orion Advisor Technology LLC, which measures performance as a percent of capital at work on each trading day and links them together to produce a return for a stated period.

Results prior to June 30, 2022, are from a predecessor firm, Alpine Woods LP.

Past Performance Does Not Guarantee Future Results