Mid Cap Quarterly Commentary
2025: First Quarter

Argent

Performance Summary

In the first quarter of 2025, the Argent Mid Cap strategy returned -7.76% versus -3.40% for the Russell Midcap Index, underperforming the benchmark by 436 basis points net of fees.

Performance Summary as of March 31, 2025		1Q25	1 Year	3 Year*	5 Year*	10 Year*	Since Inception*
Argent Mid Cap	Net (%)	-7.76	-7.96	6.45	19.23	10.87	10.88
Russell Midcap		-3.40	2.59	4.61	16.28	8.82	9.26
Excess Return		**-4.36**	**-10.56**	**1.83**	**2.95**	**2.05**	**1.62**

*Annualized for periods longer than one (1) year. Strategy inception date is 03/31/2014.
For comparison purposes, the strategy is measured against the Russell Midcap Index. Past performance is no guarantee of future results. Data is as of 03/31/25 and is supplied as supplemental information to the composite disclosures presented later in this document. Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. This presentation was prepared by Argent Capital Management and may contain confidential information. Unauthorized use, disclosure, copying, dissemination or redistribution of this presentation is strictly prohibited.

It was a tale of two halves for mid-cap stocks to start the year. Until the middle of February, mid-cap stocks, particularly mid-cap growth, were leading broad early-year gains. That changed dramatically when the second Trump administration began in a direction entirely different from what investors expected.

The anticipated pro-business platform was overshadowed by a focus on fiscal austerity, immigration actions, and aggressive trade policies as the primary policy initiatives. Consumer confidence plummeted, and business leader confidence followed suit as sentiment worsened throughout the quarter.

The opposite of uncertainty in the stock market is not certainty, which is impossible in this business, it is confidence. There were suddenly too many unknowns to maintain it. Stocks tied to the better-than-expected economy and resilient earnings growth were sold, along with the momentum leaders.

Investors rotated as they typically do into traditional defensives, including utilities, consumer staples, and real estate, which all finished the quarter positive. Energy was the leader, owing to the tailwinds for companies exposed to natural gas and liquified natural gas (LNG).

Argent Mid Cap early year underperformance aligns with a historical pattern: our strategy tends to lag during abrupt shifts in the market's outlook, such as changes in economic policy or investor sentiment (positive or negative). These events typically occur every few years and often cause short-term dislocation for our investing style.

First-quarter underperformance was driven by three key themes:

1. **Policy-driven weakness** in companies impacted by the newly formed Department of Government Efficiency (DOGE) caused a sharp selloff in several of our long-held, high-quality government services businesses like Booz Allen Hamilton, ICF International, and Tetra Tech.
2. **Cyclical pressure** from slowing growth and rate-driven fears, including trucker TFI International and housing-related D.R. Horton and Builders FirstSource.
3. **Speculation** in cryptocurrency-related and other crowded momentum stocks we do not own due to the lack of business characteristics we demand.

Argent

We remain committed to owning enduring businesses with strong free cash flow, durable competitive advantages, and proven management teams. These businesses are built to compound value through full economic cycles. While the market may reward hype or react to policy noise in the short run, long-term outperformance comes from disciplined, patient investing that is evident in our long-term track record.

Quarterly Attribution Analysis, March 31, 2025
Argent Mid Cap Strategy vs. Russell Midcap Index*

	Argent Mid Cap			Russell Midcap			Variation			Attribution Analysis		
	Average Weight	Total Return	Contribution to Return	Average Weight	Total Return	Contribution to Return	Average Weight	Total Return	Contribution to Return	Allocation Effect	Selection + Interaction	Total Effect
Comm. Services	--	--	--	3.69	-4.32	-0.17	-3.69	4.32	0.17	0.03	--	0.03
Cons. Discretionary	16.52	-4.13	-0.74	10.47	-8.48	-0.93	6.05	4.35	0.19	-0.31	0.72	0.41
Consumer Staples	--	--	--	4.72	1.95	0.08	-4.72	-1.95	-0.08	-0.24	--	-0.24
Energy	1.87	7.94	0.16	5.51	7.25	0.43	-3.64	0.69	-0.26	-0.36	0.01	-0.34
Financials	18.46	-5.49	-1.06	16.81	-2.02	-0.34	1.65	-3.47	-0.72	0.03	-0.64	-0.61
Health Care	10.69	-7.45	-0.71	9.39	-3.32	-0.31	1.31	-4.13	-0.40	-0.05	-0.43	-0.48
Industrials	28.21	-12.38	-3.41	16.91	-6.60	-1.08	11.29	-5.78	-2.33	-0.35	-1.71	-2.07
Technology	18.52	-7.11	-1.51	13.98	-9.93	-1.40	4.55	2.82	-0.11	-0.45	0.61	0.15
Materials	--	--	--	5.29	-3.46	-0.18	-5.29	3.46	0.18	0.00	--	0.00
Real Estate	4.44	-9.44	-0.42	7.49	1.81	0.10	-3.04	-11.25	-0.52	-0.15	-0.49	-0.64
Utilities	--	--	--	5.74	6.82	0.37	-5.74	-6.82	-0.37	-0.55	--	-0.55
Cash	1.28	1.00	0.01	--	--	--	1.28	1.00	0.01	0.08	--	0.08
Total	**100.00**	**-7.67**	**-7.67**	**100.00**	**-3.41**	**-3.41**	**--**	**-4.25**	**-4.25**	**-2.32**	**-1.93**	**-4.25**

*This analysis is based on the holdings history of a representative portfolio of the Argent Mid Cap Strategy. The information provided in this report should not be considered a recommendation to purchase or sell any particular security. You should not assume that investments in any securities within these sectors were or will be profitable. A list of stocks recommended by Argent in the past year is available upon request. Past performance is no guarantee of future results.

Attribution Commentary

Russell Mid Cap industrials underperformed in the fourth quarter, and Argent Mid Cap lagged on our overweight allocation and stock selection. During the resilient but uneven economic growth over the last couple of years, there has been an underappreciated recession in freight volumes. Trucker TFI International has built an excellent business through accretive acquisitions, an enviable service model, and operational efficiency, but the stock suffered from the lack of recovery in shipments. In addition, the DOGE impact weighed on government service firms that were collectively sold off while investors tried to evaluate the impact on their businesses. Booz Allen Hamilton, ICF International, and Tetra Tech suffered significant declines. Thus far, specific cuts and details that can be applied to fundamental expectations have been fleeting. That has not stopped negative estimate revisions, more specifically for Tetra Tech and ICF than Booz Allen, but at this point, sentiment is the driving force behind the weakness in the stocks.

The rotation to defensive positioning led the Russell Mid Cap real estate sector higher in the first quarter, but Colliers International Group and FirstService Corp. lagged. This was mainly due to investor caution regarding their transaction-driven businesses and ongoing integration costs from acquisitions. Colliers, in particular, experienced softer capital market activity in select geographies, which slowed brokerage revenue growth relative to expectations.

Simultaneously, FirstService faced labor market constraints in several service lines, especially in its restoration and home-improvement businesses, creating capacity bottlenecks that dampened top-line momentum. Although both companies maintain strong market positions and benefit from recurring services, the combination of uncertain commercial real estate transaction volumes and cost pressures resulted in weaker relative share-price performance during the quarter. Stock selection was a drag.

Investor preference for more defensive characteristics impacted the performance of Russell Mid Cap financials in the first quarter. Asset managers Victory Capital and The Carlyle Group benefit from positive capital markets activity, and both firms encountered challenges that overshadowed their strengths in early 2025. Victory Capital continued to suffer from persistent net outflows, particularly in its higher-fee equity products, which hindered revenue growth even as it managed to keep expenses under control. Meanwhile, Carlyle Group experienced slower fundraising in private equity and underwhelming fee-related earnings growth compared to peers, despite slightly better performance in certain credit strategies. Similar headwinds related to the increasing economic uncertainty weighed on multiple holdings, including the negative flow trends at Victory and weaker-than-expected fee momentum at Carlyle, and it led to financials sector underperformance on stock selection.

Our expectation is to drive long-term outperformance through stock selection of a concentrated but diverse portfolio of enduring businesses. The first quarter outperformance in consumer discretionary is a good example. Somnigroup, formerly Tempur-Pedic, completed its Mattress Firm acquisition, which provides the company an expanded retail footprint, strong synergy prospects, and immediate scale advantages. Fundamentally, the company generated improved earnings and sales, demonstrating its ability to thrive even in a slower consumer spending environment. Service Corp. is North America's largest funeral and death care service provider. The more defensive characteristics were a benefit, but the company is also growing fundamentally due the large baby boomer generation and expanded services for its Asian and Mexican customer base. Selection drove positive attribution in the consumer discretionary sector.

Market Commentary

The U.S. equity market entered 2025 with significant optimism. Mid-cap stocks enjoyed a robust start to the year, capitalizing on investor interest in companies poised to benefit from a continually growing economy. However, as the quarter progressed, sentiment shifted dramatically, reflected in the Russell Midcap Index's fall from a mid-single-digit gain in February to a nearly 3.5% decline by the quarter's end.

The driver was the unexpected policy developments in the early stages of the new Trump administration. It began with the establishment of the Department of Government Efficiency, which aimed to streamline federal operations but led to concerns about widespread budget cuts. For example, President Trump has endorsed proposals to sharply cut Medicaid funding, creating new headwinds for some health companies.

The pace and scope of these measures increased all quarter, heightening fears of an abrupt reduction in government spending, particularly among firms that rely on federal contracts or public-sector investment. While some perceived potential long-term benefits from cutting wasteful expenditures, the administration's focus on fiscal austerity contradicted investors' earlier expectations.

An equally potent headwind was the administration's aggressive immigration and trade policies. Shortly after taking office, the Trump administration reevaluated existing agreements and proposed imposing higher tariffs on key trading partners. Global supply chains and the threat of retaliatory measures heightened business uncertainty, particularly for companies that rely on imported components or export a significant portion of their products.

This trade tension fueled renewed inflation concerns, already elevated after several hotter-than-expected data points, as tariffs often increase input costs and pressure margins. The resulting specter of persistent price pressures cast doubt on the likelihood of near-term interest rate cuts by the Federal Reserve, undermining one of the factors that had propelled mid caps in early January.

Consumer and business leader confidence fell dramatically, leading investors to rotate into traditionally defensive stocks and safe havens. The consumer staples, utilities, and real estate sectors all recorded positive finishes for the first quarter. For the first time, the price of gold crossed above $3,000 per ounce. Stocks tied to economic expansion, consumer spending, and growth lost favor, with the consumer discretionary and technology sectors leading the decline, falling nearly 10%.

There was a significant decline in mood, yet the data remains mixed. Surveys and other "soft" data fell sharply, while "hard" data displayed some weaknesses but showed more stability. It is reasonable to assume that, at the very least, management teams would pause to reassess spending, investment, hiring, and other capital expenditure priorities until there is more clarity. Numerous companies voiced these concerns when providing forward earnings guidance.

Still, the fourth quarter reporting season was decent, showing an 8% earnings growth for the Russell Mid Cap index. Negative revisions, particularly for the first quarter, have lowered full-year 2025 expectations to 10%. However, this figure remains notable and exceeds the 8.5% expected for the S&P 500. Earnings growth continues to be a tailwind for now.

With the continued underperformance of mid-caps compared to the S&P 500, relative valuation remains near historical lows. On an absolute basis, the Russell Mid Cap index is trading at 17.5x forward earnings, 1x below the 10-year median multiple. It is reasonable to view the mid-cap universe as inexpensive and oversold, characterized by extremely negative sentiment.

The risk-reward setup for positive surprises is skewed favorably.

Argent Mid Cap Strategy Top Contributors and Detractors for Quarter Ending March 31, 2025*					
Top Contributors	Avg. Weight	Total Effect	Top Detractors	Avg. Weight	Total Effect
HCA Healthcare Inc	2.62	0.46	Tetra Tech, Inc.	1.18	-0.30
Cintas Corporation	3.62	0.45	Booz Allen Hamilton	2.19	-0.34
RLI Corp.	1.42	0.26	Addus HomeCare	2.04	-0.40
Somnigroup International Inc.	2.35	0.19	ICF International, Inc.	1.56	-0.42
Fortinet, Inc.	3.84	0.19	TFI International Inc.	1.73	-0.90

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Top Contributors

HCA Healthcare Inc. (HCA) outperformed despite a challenging macro and policy backdrop. The company reported better-than-expected admissions and pricing, with same-facility inpatient cases up 2.8% and revenue per admission rising 4.4%, supported by favorable commercial payor mix and sustained strength in exchange enrollment. HCA also demonstrated robust free cash flow generation and returned significant capital to shareholders, repurchasing over 5% of its share count in 2024 and signaling plans for continued buybacks in 2025. Hospital stocks have been weighed down by policy uncertainty, particularly related to potential Medicaid cuts, that pressured valuation across the group. Still, the most draconian figures were not expected to pass in Congress. In the meantime, its stable earnings guidance, improving cost control, and strong balance sheet contributed to investor confidence and relative outperformance in the quarter.

Cintas Corp. (CTAS) outperformed on strong execution across its core segments and continued market share gains. As a leading provider of uniform rental, facility services, safety products, and fire protection services to over a million North American businesses, Cintas benefits from a wide customer base and recurring revenue streams. The company leveraged volume growth and operational efficiencies to expand margins. Despite a tougher pricing environment, Cintas sustained momentum through cross-selling, disciplined cost control, and its consistent beat-and-raise cadence. The macro backdrop remained uncertain, but customer retention and new business trends held firm, reinforcing Cintas' reputation as a high-quality compounder with a resilient business model.

RLI Corp. (RLI) benefited from exceptional underwriting performance, disciplined rate execution, and strong investment income growth. As a specialty property and casualty insurer, RLI focuses on niche markets across three core segments—casualty, property, and surety—where it selectively underwrites complex and less commoditized risks. The company posted a consolidated combined ratio of 78.5%, reflecting especially strong profitability in the property segment, which benefitted from favorable development and low catastrophe losses. Premiums grew 13% year-over-year, led by robust growth in personal umbrella and transportation within casualty and continued strength in marine. The company's nimble underwriting approach, conservative reserving, and consistent capital return via special dividends have continued to differentiate it in a volatile insurance market, contributing to its outperformance.

Somnigroup International Inc. (SGI), formerly Tempur-Sealey International, completed its Mattress Firm acquisition, which provides the company an expanded retail footprint, strong synergy prospects, and immediate scale advantages. Fundamentally, the company generated improved earnings and sales, demonstrating its ability to thrive even in a slower consumer spending environment. It also announced at least $100 million in anticipated annual run-rate cost synergies by 2028. Analysts and investors were encouraged by Somnigroup's capacity to quickly execute the integration, showing early operational alignment and conservative synergy targets that excluded any potential revenue gains.

Fortinet, Inc (FTNT), a leading cybersecurity software provider, outperformed in the first quarter of 2025, largely due to sustained product revenue momentum bolstered by a hardware refresh cycle contributing to higher services revenue. Recent acquisitions, combined with the complete integration of Linksys, fueled robust billings growth and helped expand Fortinet's addressable market. Meanwhile, margin performance remained a highlight, driven by normalizing inventory costs, disciplined operating expenses, and favorable currency movements. Fortinet also added a record number of new clients, underscoring its competitive positioning and reinforcing investor confidence in the company's long-term growth trajectory.

Top Detractors

Tetra Tech Inc. (TTEK) is a global provider of consulting and engineering services to government and commercial clients. It underperformed due to growing investor concerns regarding reduced U.S. government spending and policy shifts under the early Trump administration. While the company delivered solid operational results and maintained its strong backlog, sentiment declined amid increasing fears of fiscal austerity and the administration's Department of Government Efficiency (DOGE) initiatives. These initiatives exerted pressure on key funding sources for Tetra Tech, particularly the U.S. Agency for International Development (USAID), which accounts for over 10% of revenue but operates at significantly lower margins. Uncertainty surrounding the broader federal spending trajectory led investors to de-risk across the government services sector.

Booz Allen Hamilton Inc. (BAH) underperformed with other government service providers as the newly established Department of Government Efficiency (DOGE) initiated a broad cost-cutting campaign that subjected federal contracts to intense scrutiny. With approximately 98% of its revenue linked to government work, Booz Allen was particularly vulnerable to abrupt terminations and renegotiations prompted by DOGE's mandate to justify or eliminate consulting projects deemed nonessential. These reforms introduced significant uncertainty regarding future budgets and contract structures. Nonetheless, Booz Allen excels in areas that continue to be priorities: defense, cybersecurity, and advanced technology for government. If agencies reduce full-time staff, firms like Booz may encounter additional contract opportunities to fill the gap, albeit with likely pressure to deliver value at a reduced cost. Despite the challenges, Booz Allen's scale, long-term contracts, and strong client relationships position it well to adapt to the efficiency mandate driven by DOGE.

Addus HomeCare Corp. (ADUS) underperformed as headlines regarding potential Medicaid budget reforms and federal funding cuts overshadowed what was otherwise a decent quarter on an adjusted basis. While management confirmed generally stable organic growth in personal care and hospice, investor concerns grew over the risk of stricter Medicaid caps that could strain state budgets and affect in-home care reimbursement. Coupled with weaker home health volumes and market apprehension about DOGE-related cuts to government programs, the near-term uncertainty impacted Addus' share price despite its strong balance sheet, operational discipline, and advantageous long-term position in cost-effective in-home care.

ICF International, Inc. (ICFI) is a consulting and technology services provider focused on government and commercial clients. ICF underperformed as investors focused on the company's lowered 2025 guidance that contemplates a steeper-than-expected decline in federal government work related to President Trump's DOGE and other austerity measures. Management pointed to ongoing uncertainties around new government budgets, including lost USAID work and possible further cutbacks, even though commercial and state/local segments continued to grow at a double-digit rate. With backlog down slightly and visibility constrained by evolving federal priorities, ICF's otherwise stable fundamentals and recent share buybacks were eclipsed by fears of a prolonged slowdown in government demand.

TFI International Inc. (TFII) is a leading trucking and logistics company operating across North America. The stock underperformed primarily due to soft demand across freight markets, which weakened revenue growth and pressured margins. Additionally, lingering inflationary pressures on fuel and labor costs constrained the company's profitability more than anticipated, magnifying the impact of reduced shipment volumes. Although management continued to pursue acquisitions and operational efficiencies, these initiatives did not counterbalance the near-term headwinds in its less-than-truckload (LTL) segment.

Portfolio Positioning

The first quarter of 2025 experienced significant market volatility, driven by factors ranging from persistent inflation and recession concerns to contentious budget debates in Washington. These rapid policy shifts have injected uncertainty into the market, but they have also created opportunities.

In the first quarter, we made several portfolio adjustments.

We exited four holdings: American Financial Group (AFG), Molina Healthcare (MOH), Exponent (EXPO), and TFI International (TFII)

American Financial Group is a specialty property & casualty insurance company. The company has a solid history of above peer group returns on equity (ROE) and capital returns, including routine special dividends. Strong operating results were reflected in a premium valuation. More recently, adverse events and catastrophe losses such as the California wildfires have weighed on results and pressured the combined ratio. Slower premium growth and higher costs have led to negative revisions, bringing vulnerability to the multiple, and we elected to sell.

Molina Healthcare is a managed-care insurer focusing on Medicaid and other government-sponsored health plans. We sold Molina after key metrics such as the medical care ratio (MCR) across Medicaid, Medicare, and Marketplace segments came in worse than anticipated. Despite management's expectation of flat MCR in 2025 due to offsetting cost and reimbursement increases, we were concerned about persistently elevated utilization trends which are likely to pressure margins. Molina's updated 2025 guidance also pointed to decelerating earnings growth below internal targets. Coupled with headline risk from the new administration's focus on government efficiency and potential Medicaid funding scrutiny, we viewed the risk/reward as no longer favorable. Though valuation remained attractive, the weak outlook and policy uncertainty led us to exit the position.

Exponent is an engineering and scientific consulting firm recognized for its accident analysis and technical expertise. Although Exponent has consistently been a high-quality business providing mission-critical services, its growth and margin performance have fallen below trend in a weak demand environment. The company has reduced its workforce to align its business size with utilization, but that rate has tracked slightly below its long-term target, and management expects this trend to persist in 2025. Historically, the company has commanded a premium valuation; however, with limited visibility into a growth recovery, the valuation appears full.

TFI International is a leading trucking and logistics company in North America. We divested from TFI due to ongoing operational challenges and declining execution, particularly within its U.S. LTL segment. Despite initial optimism surrounding the turnaround efforts, the company's U.S. LTL operations faced recurrent setbacks, including high accident-related costs, a reversal in claims improvements, and substantial customer churn, especially among high-margin accounts. While TFI continued generating solid cash flow and upheld disciplined capital allocation, the absence of near-term clarity, a second consecutive quarter of underperformance, and management's refusal to provide 2025 guidance indicated limited visibility and increased uncertainty. Although the stock's valuation remained reasonable, we decided to exit the position due to macroeconomic pressures still impacting freight volumes and internal initiatives failing to achieve expected results.

We trimmed our position in Cintas (CTAS).

Cintas is the leading provider of uniform rental and workplace services, holding an estimated 30–40% share of the U.S. uniform rental marketand boasting industry-leading margins. Its stock has performed strongly, reflecting consistent earnings growth and efficiency gains. We adjusted our Cintas position primarily to right-size the holding after its outperformance. This profit-taking measure helps manage single-stock risk and maintain portfolio diversification. We remain invested in Cintas, as we have high confidence in its resilient business model- businesses will always require uniforms and facility services, even in challenging economic conditions, but at a slightly lower weight.

We redeployed capital into high-conviction ideas by adding to five positions: Tyler Technologies (TYL), ICF International (ICFI), Booz Allen Hamilton (BAH), HCA Healthcare (HCA), and Comfort Systems USA (FIX).

Tyler Technologies is a software provider for local governments, offering solutions ranging from court case management to municipal finance systems. We recognize a timely opportunity for Tyler to capitalize on the government modernization trend. With DOGE urging agencies to upgrade outdated systems and operate more efficiently, Tyler's solutions that enhance efficiency and productivity for public institutions are highly sought after. The company has significant growth potential through consistent contract wins and a substantial portion of recurring revenue from software maintenance and subscriptions. Investing in Tyler increases our exposure to a technology-driven government efficiency theme, aligning the portfolio with favorable policy developments while leveraging Tyler's established track record in its field.

ICF International is a consulting and technology services firm that assists federal, state, and commercial clients in implementing complex projects in areas such as IT modernization, public health, and disaster recovery. We increased our ICF position due to its strong position in a time when government agencies are likely to outsource more work. As the federal workforce undergoes reductions due to austerity measures, agencies will rely on trusted contractors like ICF to achieve their missions. ICF's backlog is near record levels, bolstered by multi-year government contracts in healthcare, energy, and defense. Estimate revisions have been negligible, and valuation had compressed substantially, providing an attractive price to add to our position.

We increased our allocation to another government servicer, Booz Allen, because we expect sustained demand for its services even as Washington tightens its belt. Booz Allen specializes in areas that remain government priorities: defense, cybersecurity, and advanced technology. Booz Allen's scale, long-term contracts, and deep client relationships position it well to navigate the DOGE-driven efficiency mandate. Estimates have not contracted at all, and valuation was attractive.

We added to our HCA position to increase our exposure to the defensive healthcare sector through a proven operator. Healthcare demand tends to be durable regardless of economic cycles, and HCA has demonstrated an ability to grow its cash flows through both expansion and operational improvements. The stock had faced some volatility amid industry-wide concerns (labor costs, Medicare reimbursement changes, potential cut to Medicaid), providing what we saw as an attractive entry point to buy more. Despite uncertainties around public health policy, large hospital networks like HCA can often adapt, for example, by focusing on cost efficiency and service mix, and even benefit if insurance dynamics drive more patients into their facilities. Strengthening our stake in HCA adds stability and growth to the portfolio, as the company's scale and strong balance sheet should help it thrive in a changing healthcare landscape.

Comfort Systems is a leading mechanical contractor specializing in commercial HVAC (heating, ventilation, and AC) installation and maintenance. We increased our investment in Comfort Systems on the heels of consistent execution and bright prospects in its end markets. The company is benefiting from several trends: businesses upgrading HVAC systems for energy efficiency, robust demand for data center construction (which requires extensive cooling systems), and tailwinds from infrastructure and stimulus projects that include building improvements. Comfort Systems has a record backlog and a history of steady revenue growth, which gives us confidence in its earnings visibility. The company's focus on critical building systems means it should see continued orders even if the broader economy slows, as maintenance and upgrades often cannot be deferred for long.

We initiated three new positions: RLI Corp (RLI), Federal Signal (FSS), and Manhattan Associates (MANH).

RLI is a specialty insurer writing a diverse mix of property, casualty, and surety insurance. We initiated a position in RLI to maintain exposure to the insurance industry with what we view as a best-in-class operator. RLI has a long record of disciplined underwriting, evidenced by a combined ratio consistently around 90–95%, supporting strong profitability in its core insurance operations. The company also boasts high returns on equity and has opportunistically returned capital to shareholders (often via special dividends) when excess capital builds. In the current environment of higher interest rates, RLI stands to earn more on its invested float, adding to its earnings power. We see RLI as an *"enduring business"* that compounds cash flows by insuring niche risks more profitably than peers, and its addition should improve the portfolio's overall quality of earnings and capital efficiency.

Federal Signal manufactures specialized vehicles and equipment for municipal, industrial, and emergency uses. It makes street sweepers, sewer cleaners, and safety signal devices. We initiated a position in Federal Signal because it fits our theme of investing in companies with durable competitive advantages and clear growth drivers. Federal

Signal holds a leading market share (often 30–50% in its product lines) with well-known brands, and it enjoys a lucrative aftermarket business for parts and services. Importantly, infrastructure spending in the wake of recent federal bills has boosted its key end markets, many city and state governments are currently flush with funding for upgrading essential equipment. Management has proven adept with capital allocation, making accretive acquisitions, and streamlining operations (through an 80/20 efficiency program) to expand margins. Federal Signal checks the boxes of an Argent "enduring business": a strong moat, solid balance sheet, growing cash flows, and savvy management.

Manhattan Associates is a leading provider of supply chain management and omnichannel commerce software. Its platforms help companies manage their supply chains, inventory, and fulfillment across channels– capabilities that have become mission-critical in the retail and logistics world. In recent years, many enterprises learned the hard way that efficient supply chains are a competitive necessity, and Manhattan has been a key beneficiary of that mindset shift. The company is transitioning its software offerings to a cloud-based subscription model, which is widening its competitive lead and improving revenue visibility. The company boasts high-profit margins and zero debt, reflecting a high-quality financial profile. By adding this new name, we infuse the portfolio with a high-growth, high-margin business that will benefit from continued investment in logistics and e-commerce infrastructure worldwide.

We remain guided by Argent's Enduring Business framework, companies with durable competitive advantages, growing cash flows, and wise capital allocation. By investing in high-quality businesses and holding them for the long run, we harness the most powerful force in investing: the compounding of cash flows over time. Each decision was made to enhance the portfolio's ability to compound value for our clients.

Argent Mid Cap portfolio turnover was 7% in the first quarter of 2025 and 25% for the trailing twelve months.

Sincerely,
Argent Mid Cap Team

Argent Capital Management, LLC

ARGENT MID CAP COMPOSITE

March 31, 2014 through March 31, 2025

For the period ending December 31,	Composite Return (%) Gross-of-Fees	Composite Return (%) Net-of-Fees	Russell Mid Cap Return (%)	Composite 3-Yr St. Dev (%)	Russell Mid Cap 3-Yr St. Dev (%)	Number of Composite Accounts	Composite Assets ($ millions)	Firm Assets ($ millions)	Internal Dispersion (%)
2024	13.27	12.87	15.34	22.66	19.96	62	279	3,710	0.34
2023	31.63	31.23	17.23	21.58	19.11	40	186	3,269	0.22
2022	-22.73	-22.97	-17.32	25.90	23.62	38	132	2,828	0.31
2021	35.98	35.59	22.58	21.55	20.55	68	162	3,517	0.31
2020	21.24	20.92	17.10	23.36	21.82	45	102	2,874	0.84
2019	34.33	33.96	30.54	14.40	12.89	31	57	3,019	0.61
2018	-11.37	-11.63	-9.06	13.40	11.98	25	41	2,542	0.40
2017	25.55	25.14	18.52	11.24	10.36	19	27	2,898	0.27
2016	13.12	12.77	13.80	N/A	N/A	17	20	2,604	0.70
2015	-0.79	-1.28	-2.44	N/A	N/A	11	14	2,357	N/A
2014 (3-31-14 to 12-31-14)	9.98	9.43	9.36	N/A	N/A	1	1	2,817	N/A
Information for period(s) March 31, 2025									
1st Quarter 2025	-7.68	-7.76	-3.40	22.61	19.83	65	257	3,382	
Rolling 1 – Year	-7.62	-7.96	2.59						
Rolling 3 – Year	6.80	6.45	4.61						
Rolling 5 - Year	19.61	19.23	16.28						
Rolling 10 - Year	11.22	10.87	8.82						
Since Inception Annualized	11.27	10.88	9.26						

Disclosures:

1. Argent Capital Management, LLC ("Argent") is a registered investment adviser with United States Securities and Exchange Commission in accordance with the Investment Advisers Act of 1940. As of October 2022, Argent was redefined to exclude the wrap division. Argent claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Argent has been independently verified for the periods January 1, 2003 through December 31, 2023. 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 Argent Mid Cap Composite has had a performance examination for the periods March 31, 2014 through December 31, 2023. The verification and performance examination reports are available upon request. 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.

2. This composite represents investment performance for portfolios in U.S. equities with strong earnings and mid-capitalization, for which Argent has sole investment discretion. Portfolios typically include 40-50 equity holdings and cash targeted to be less than 10% of total portfolio value. This composite inception date is March 2014 and was created in April 2016. A list of composite descriptions and broad distribution pooled funds are available upon request.

3. The benchmark is the Russell Mid Cap® Index which measures the performance of the mid-cap segment of the U.S. equity universe. It includes approximately 800 of the smallest securities in the Russell 1000 Index. Russell Investment Group is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a presentation of Argent. Russell Investment Group is not responsible for the formatting or configuration of this material or for any inaccuracy in Argent's presentation thereof.

4. Valuations are computed and performance reported in U.S. currency. Performance results are total return, (i.e. include the reinvestment of all income, including but not limited to dividends received). Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Past performance is no guarantee of future results. There is no guarantee that strategies, systems, indicators, or signals will result in profits or that they will not result in a full loss or losses. All investors are advised to fully understand all risks associated with any kind of investing they choose to do.

5. Gross-of-fee returns are presented before management and certain custodial fees, but after all trading expenses except where commissions have been waived or for accounts with asset-based-pricing fees. Net-of-fee performance is calculated by reducing gross performance by actual management fees incurred and any asset-based pricing fees for applicable portfolios as asset-based-pricing fees are considered a trading expense. The composite includes portfolios that pay a fee based on a percentage of assets under management. The composite included accounts with asset-based-pricing fees which represented approx. 4% (2016, 2017), 2% (2018), 1% (2019), and <1% (2020) of composite assets. The composite included portfolios where commissions were waived representing approx. 17% (2019), 18% (2020), 30% (2021), 34% (2022), 14% (2023), and 18% (2024) of composite assets.

6. Standard annual advisory fees are calculated as a percentage of assets under management according to the following schedule: 1% on the first $1M, .80% on the next $2M, .65% on the balance thereafter, although fees may be negotiated or waived in certain circumstances. Non-fee-paying accounts are reduced by a model fee derived by applying the standard fee schedule in effect for the respective period.

7. Internal dispersion is calculated using the asset-weighted standard deviation of all portfolios that were included in the composite for an entire year, net of fees. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The external deviation is based on the 36-month gross-of-fees returns of the composite and the benchmark.