

## Sabrient Baker's Dozen Model Portfolio – 4th Quarter 2020

| Ticker | Company Name | Industry                     | Mkt Cap (\$B)                        | NTM EPS Growth | Fwd. PE | Fwd. PEG | Div. Yield | Notes |   |
|--------|--------------|------------------------------|--------------------------------------|----------------|---------|----------|------------|-------|---|
| 1      | ABBV         | AbbVie, Inc.                 | Biotechnology                        | 148.8          | 22.7%   | 7.4      | 0.33       | 5.5%  | ABBV develops, produces, and sells pharmaceutical drugs to treat a wide range of conditions including cancer, cystic fibrosis, and hepatitis C. The company recently acquired Allergan, which is expected to enhance the company's growth potential over the long term. The Botox brand, which was included in the Allergan acquisition, provides ABBV new opportunities in the neuroscience and aesthetics markets. The company is also currently working on new treatments for patients with moderate to severe COVID-19.   |
| 2      | AMD          | Advanced Micro Devices, Inc. | Semiconductors                       | 96.3           | 64.3%   | 58.1     | 0.90       | 0.0%  | AMD manufactures semiconductors primarily for computing and graphics devices. Demand for the company's processors continues to be strong as HP and Lenovo recently announced new PCs that will be powered by AMD chips. The company's processors are also a favorite among miners in the cryptocurrency space. Chromebooks, which are also powered by AMD chips, are gaining popularity in the commercial market as retail, healthcare, and financial companies are using them to power their businesses. Both Sony and Microsoft have new gaming consoles to be released in November that are going to use AMD graphics chips.   |
| 3      | APPS         | Digital Turbine, Inc.        | Application Software                 | 3.2            | 66.7%   | 78.1     | 1.17       | 0.0%  | APPS provides digital advertising and targeted media delivery services, along with mobile communications solutions for mobile operators and original equipment manufacturers. The company offers advanced advertising analytics to extract the exact benefit an advertiser receives from different social media platforms. This allows companies to focus ads on the platforms that provide the best return, leading to companies spending more on digital advertising due to increased effectiveness. The shutdown economy is also benefiting APPS as social media usage is significantly higher than last year. The recent acquisition of Mobile Posse is expected to add T-Mobile, to go along with other major carriers such as Verizon and AT&T, as customers of APPS communication services business. |
| 4      | BCC          | Boise Cascade Company        | Forest Products                      | 1.5            | 61.7%   | 10.3     | 0.17       | 5.0%  | BCC manufactures building products primarily used in new home construction, home repair & remodeling, and light commercial construction. The company is benefitting from a strong housing industry as demand for single-family housing exceeds supply, and current homeowners take on more remodeling projects. Lumber prices remain historically elevated and are expected to remain so for the next several years due to increased demand, benefitting the company as it works to increase production.  |
| 5      | CHTR         | Charter Communications, Inc. | Cable and Satellite                  | 126.6          | 61.8%   | 35.1     | 0.57       | 0.0%  | CHTR offers cable and internet services to both individuals and businesses, primarily on a subscription basis. The company has shifted its priority to acquiring new internet customers instead of cable subscribers over the last year. This shift positions CHTR to capitalize on the rapid growth in data consumption as the work-from-home trend continues to grow at-home data usage. Video consumption continues to transition to internet platforms, creating demand for higher speeds and CHTR's higher tiers of products.  |
| 6      | FDX          | FedEx Corporation            | Air Freight and Logistics            | 74.0           | 36.5%   | 18.3     | 0.50       | 0.9%  | FDX provides transportation, business, and e-commerce solutions around the world. FDX is a major beneficiary of the transition from brick-and-mortar retail to e-commerce accelerating due to COVID-19. The company has seen massive growth in shipping volumes and revenues due to strong residential volume growth. FDX will also benefit from a holiday season where e-commerce continues to overtake brick-and-mortar spending. FDX is also making plans to distribute vaccines on a large scale, worldwide, once a vaccine is approved.  |
| 7      | GDDY         | GoDaddy, Inc.                | Internet Services and Infrastructure | 12.9           | 45.9%   | 18.6     | 0.40       | 0.0%  | GDDY offers domain name registration and hosting, as well as cloud-based technology products for small businesses. As the company continues to grow its user base, it has also found ways to increase its average revenue-per-user by offering more products and services. GDDY now offers products to help entrepreneurs with e-commerce and digital marketing. The company is well positioned to provide valuable website creation services to the many unemployed workers who are opting to start their own businesses.  |
| 8      | GTN          | Gray Television, Inc.        | Broadcasting                         | 1.2            | 43.9%   | 4.9      | 0.11       | 0.0%  | GTN is a broadcaster that owns and operates television stations and digital assets in 93 markets across the country. The company has benefitted from massive political ad spending during this highly contentious election season. GTN currently has stations in 9 states that fall into either the toss-up or lean category for the presidential election and are expected to receive large political ad buys. The COVID-19 pandemic and recent civil unrest are leading to increased interest in local news, benefitting GTN. The company also expects to grow retransmission revenues over the next several years due to new contract negotiations following the merger with Raycom.   |

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| 9      | MDC          | M.D.C. Holdings, Inc.            | Homebuilding             | 3.1            | 39.7%   | 8.6      | 0.22       | 2.6%  | MDC is a homebuilder that sells single-family detached homes primarily to first-time and first-time move-up buyers. The company is experiencing a tailwind from increased demand for single-family homes as people begin to move out of high density housing and millennials reach prime home-buying age. MDC focuses on the more affordably-priced end of the market, which is seeing strong demand as people relocate outside the city center to buy their first home. The company also offers a build-to-order model that is attractive to millennial buyers because of the ability to personalize a home with the choice of finishes and selections.  |
| 10     | OMI          | Owens & Minor, Inc.              | Health Care Distributors | 1.9            | 295.7%  | 9.4      | 0.03       | 0.0%  | OMI provides healthcare solutions such as supply chain management and manufactures medical supplies including personal protective equipment (PPE). The company is a major beneficiary of the prolonged impact of the COVID-19 pandemic. The company continues to increase production of N95 masks as demand for PPE reaches an all time high due to the surge in hospital patients. The return of elective surgeries in many states is also adding to the increased demand for PPE. OMI expects demand to remain high for several years as hospitals and the federal government will need to replenish stockpiles that have been exhausted over the last few months.  |
| 11     | QDEL         | Quidel Corporation               | Health Care Supplies     | 10.8           | 426.6%  | 10.2     | 0.02       | 0.0%  | QDEL creates testing solutions for infectious diseases, including COVID-19. The FDA has approved the company's COVID-19 rapid testing system that can provide results in 15 minutes. The continued rise in active cases is leading to increasing demand for tests across the country, benefiting QDEL. As testing is expected to play a critical role in the continued reopening plan, the company continues to expand capacity to produce more tests. QDEL recently received approval for a test that can detect COVID-19 and two types of influenza from one sample. The company also produces cardiovascular and toxicology testing systems that are expected to drive growth over the next several years. |
| 12     | TPX          | Tempur Sealy International, Inc. | Home Furnishings         | 4.7            | 38.8%   | 14.1     | 0.36       | 0.0%  | As a manufacturer and distributor of bedding products, TPX operates an omni-channel distribution system with retail stores and a robust e-commerce platform. The company is experiencing strong growth for its Tempur-Pedic brand after the launch of new innovative products which received the number one rankings from J.D. Power in 2019. TPX produces most of the products it sells in North America in the U.S., giving the company an advantage over competitors that produce in China and have experienced supply chain disruptions due to COVID-19 and tariffs.  |
| 13     | VECO         | Veeco Instruments, Inc.          | Semiconductor Equipment  | 0.6            | 88.8%   | 13.8     | 0.16       | 0.0%  | VECO designs and manufactures the thin film process equipment that plays a critical role in the production of high-tech electronic devices, including data storage and 5G equipment. As more corporations commit to remote working over the long term, demand for storage at off site data centers remains strong. VECO also benefits from the continued growth of big data and cloud computing. The 5G upgrade cycle is expected to provide significant growth for VECO for the next several years.  |

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|-----------------|---------------|----------------|---------|----------|------------|
| <b>Average:</b> | 37.4          | 99.5%          | 22.1    | 0.22     | 1.1%       |
| <b>Median:</b>  | 4.7           | 61.7%          | 13.8    | 0.22     | 0.0%       |

**DEFINITIONS:**

**NTM EPS Growth** = Next 12 months earnings per share year-over-year expected growth rate, based on consensus of sell-side analysts as reported by S&P Capital IQ

**Fwd. PE** = Forward (or expected) Price/Earnings ratio, based on consensus of sell-side analysts' earnings per share estimates for the next 12 months as reported by S&P Capital IQ

**Fwd. PEG** = Fwd. PE divided by NTM EPS Growth rate (i.e., Ratio of Forward P/E to Forward Growth)

Numbers shown were calculated using data as of market close on 10/19/2020

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