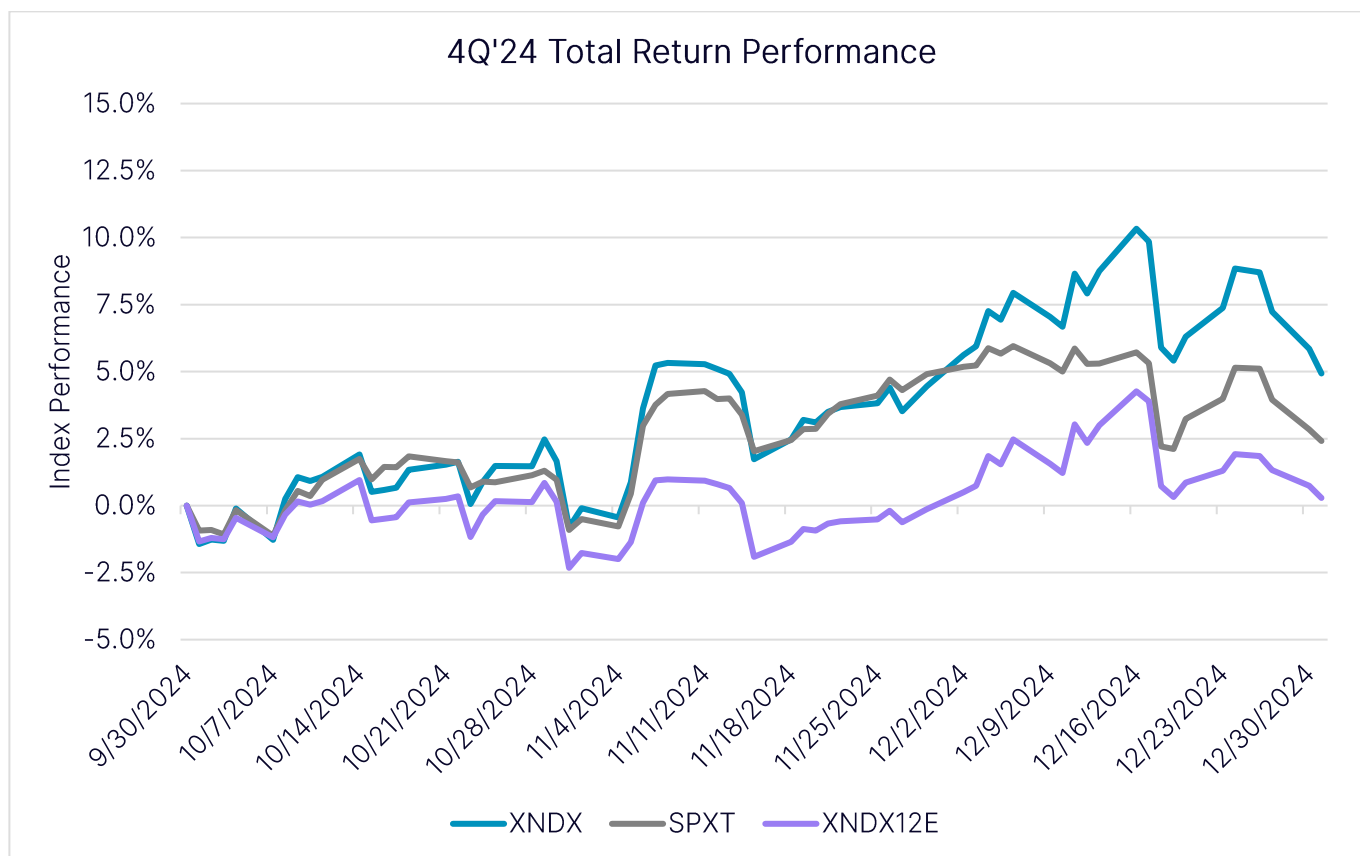


Nasdaq-100 Volatility Control 12%™ Index: 4Q'24 Performance & Fundamentals Review

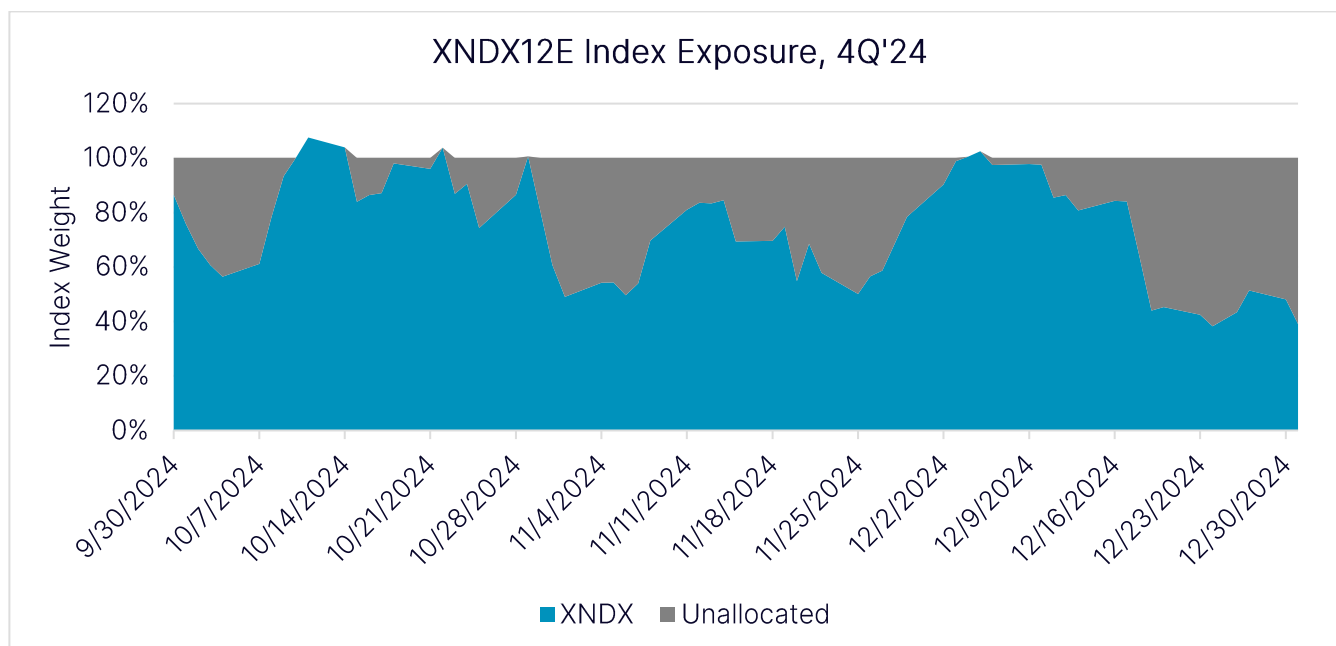
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The Nasdaq-100 Volatility Control 12% Index (XNDX12E™) is designed to deliver an excess return exposure to the Nasdaq-100 Total Return Index® (XNDX®), while targeting a constant 12% level of volatility. XNDX12E uses the truVol® Risk Control Engine (RCE) to dynamically allocate between the index and non-renumerating cash (i.e., “unallocated” exposure) to achieve the volatility target. As XNDX12E is an excess return index, it is important to keep in mind not only the constantly changing level of equity exposure (by design, to meet the 12% volatility target), but also the impact of financing costs on final index returns. With an average Fed Funds rate of 4.66% through December 2024, the drag on index returns from financing costs alone was approximately 1.16% during the quarter.

In the fourth quarter of 2024, XNDX12E delivered a return of 0.29%. XNDX experienced a total return of 4.93% in the quarter, outperforming the S&P 500 (SPXT) which was up 2.41%.



As of December 31, XNDX12E maintained an allocation of 39.1% to the Nasdaq-100®, with the rest unallocated. This was a decrease in its equity exposure compared to an allocation of 86.6% as of September 30. Average exposure to XNDX throughout the quarter was 74.6%, with the rest unallocated.



Nasdaq-100 Performance Drivers & Fundamentals Update

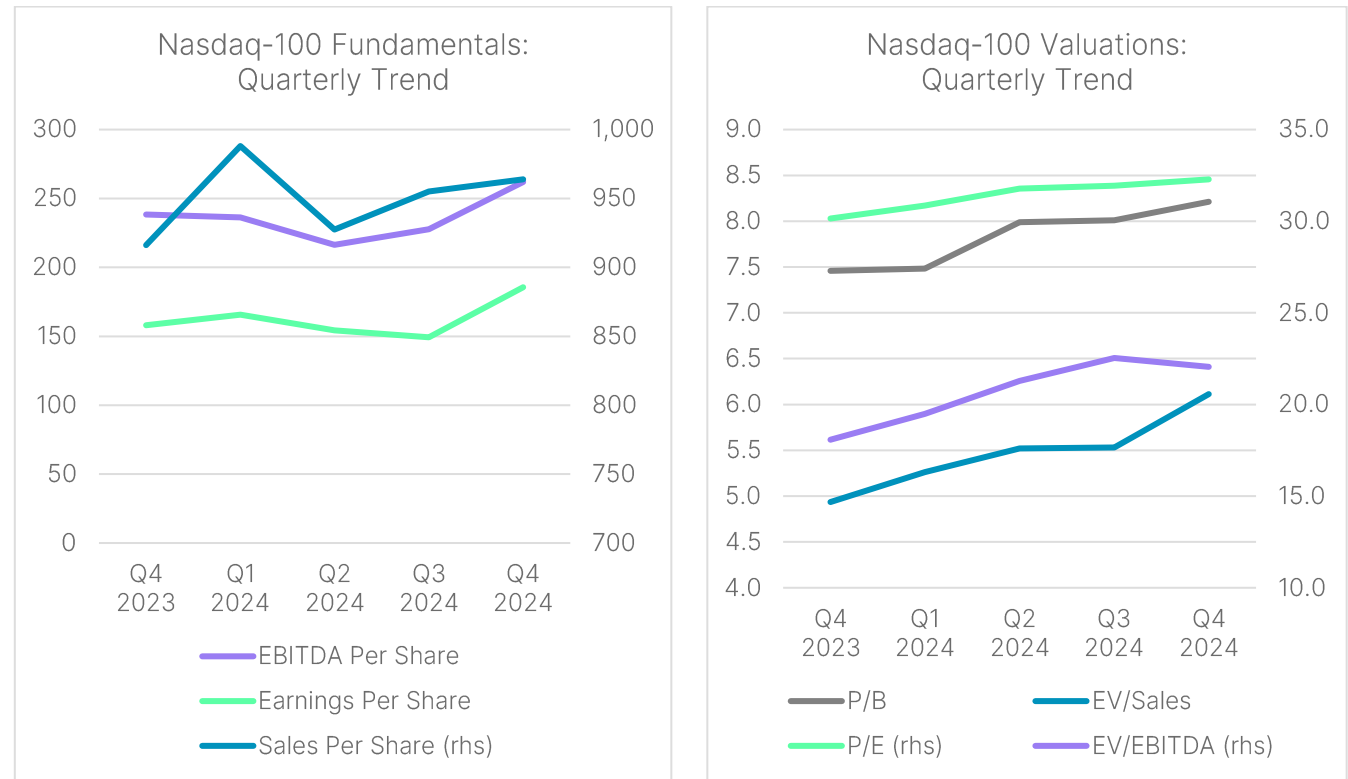
In 2024, the Nasdaq-100 continued its upward trajectory despite mild corrections in April and December and modestly sharper ones in July and August, driven by continued strength in index fundamentals with full-year earnings on pace to grow by another ~20% YoY. With total returns of 25.9% for the year, the index just notched its best back-to-back calendar years of performance since 1998-1999. Earnings growth among the Magnificent 7 was especially strong, on track for 34% YoY growth; looking ahead to 2025, consensus expectations are for growth to accelerate and broaden out across many of the remaining index constituents. The intense new secular growth driver of artificial intelligence shows no signs of slowing down, as technological advancements continue to propel its use cases into the emerging realms of Agentic and Physical AI.

Overall, Nasdaq-100 companies beat their revenue and earnings estimates for the quarter on average by 2.7% and 10.3%, respectively, with the majority of the index exceeding on both top and bottom line. Among the Magnificent 7, only Apple missed its earnings estimate on its most recent report, due to paying a one time income tax charge of \$10.2 billion to Ireland off of a reversal of a tax break. Tesla had a very slight miss on revenues, but an impressive (23%) beat on earnings. Meta Platforms beat its consensus estimates for EPS by 15%, while Nvidia continued its streak of surprising investors to the upside, beating EPS estimates by 8.3%. The rate of beats (by index constituent count and index weight) on top-line was nearly unchanged vs. prior quarter, while ticking down a bit on bottom-line. Although a greater number of companies missed EPS estimates, they did so at unchanged magnitudes compared to the previous quarter.

Fundamental Metric	# of Beats / % Weight	# of Misses / % Weight	Average Beat %	Average Miss %
3Q'24 Revenues	71 / 77.9%	28 / 21.9%	2.7%	(1.5%)
3Q'24 Earnings	85 / 83.9%	14 / 15.8%	10.3%	(20.6%)

In terms of overall fundamental growth, the index-weighted Sales per Share for the quarter ending 12/31/24 grew by 0.9% vs. prior quarter, and was up by 5.2% vs. one year ago. Index-weighted EPS was up by 15.0% vs. prior quarter, and grew 9.9% YoY. EBITDA was up by 24.3% QoQ, and increased 17.4% YoY.

In terms of index valuations, the index-weighted P/E ratio rose to 32.3 by the end of 4Q'24, marginally up from 31.9 at end of 3Q'24. P/B rose from 8.0 to 8.2, EV/Sales rose from 5.5 to 6.1, while EV/EBITDA fell from 22.5 to 22.



Sources: Nasdaq Global Indexes, FactSet, Bloomberg, Salt Financial.

About Salt Financial and their award-winning approach to volatility control:

Salt Financial LLC is a leading provider of index solutions and risk analytics, powered by the patent-pending truVol® Risk Control Engine (RCE). We leverage the rich information contained in intraday prices to better estimate volatility to develop index-based investment products for insurance carriers, investment banks, asset managers, and fund sponsors. Salt is committed to collaborating with industry leaders to empower the pursuit of financial outperformance for investors worldwide. For more information, please visit www.saltfinancial.com.

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