

# Value and Prudent Growth Model Portfolio

## Investment Objectives and Rigorous Screening Process

The Value and Prudent Growth Portfolio is appropriate for investors who seek **capital appreciation, increasing income, and peace of mind** through a disciplined, long-term value investment strategy. **We strive to achieve superior risk-adjusted returns.** We invest for significant growth and income, but always try to protect against the downside first. In order to achieve growth, some risk must be taken, but discipline, patience, good judgment and common sense can significantly reduce risk to principal.

We invest in industry-leading, time-tested companies at sensible prices. Large capitalization U.S. companies in vital industries whose business, profit models and balance sheets are transparent and able to be analyzed and evaluated. **Much of successful investing is buying the right companies at the right price.**

Of equal importance is knowing which companies and industries to avoid where the risks are not easily understood. We look for bargains and opportunities with the highest quality companies in which we understand all the ingredients. **We are optimistic about the companies we own, but at the same time, always cautious.**

### We perform a rigorous financial screening process that requires our companies have:

- ▲ A long-term track record of creating shareholder value
- ▲ Attractive price-to-earnings, price-to-earnings growth and return on invested capital ratios relative to the market and their peer group
- ▲ High free cash flows and low debt ratios relative to industry averages and their peers
- ▲ A history of increasing dividends
- ▲ High safety and financial strength rankings

### MoneyMorality - We perform a rigorous moral screening process that examines:

- ▲ Industries
- ▲ Business practices
- ▲ Financial practices

### We want to be proud of the companies that we own and what they stand for.

The world is filled with many excellent investment opportunities in companies that are trying to do the right thing by their shareholders and society, every day. They provide good jobs, necessary products and services, innovate, and improve our way of life. These are the companies that we always strive to own.

**Low Fee Structure:** Kondracki Advisory, LLC is a fee-only investment manager. We receive no commissions for our work. By maintaining an annual management fee of 75 basis points (.0075 of assets managed) and investing directly in individual common stocks for our clients' accounts, we are able to keep total client fees very low. A low fee structure is an important component of generating superior long-term total returns. All client accounts are held at Custodian, Charles Schwab & Co., Inc

**In summary:** Our approach allows us to focus on **50 to 75 equity holdings** at any given time. Because we are judiciously opportunistic and also looking to protect against the downside, we may at times maintain a significant cash and U.S. Treasury Notes and Bills position.

## Performance as of 12/31/2025 (average annual composite return net of fees)\*

YTD	1 yr.	3 yr.	5 yr.	10 yr.	Since Inception 1/03/2013
11.70	11.70	11.83	10.79	10.78	10.51

2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	Avg. Annual Return 01/03/2013 inception
11.70	11.20	12.70	(2.98)	22.70	11.35	18.2	(4.23)	19.33	11.43	(6.0)	10.51

Kondracki Advisory, LLC is a registered investment adviser. Information presented is for educational purposes only and not intended as 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 adviser and/or tax professional before implementing any strategy discussed herein. \*Composite Return Performance is net of all fees and charges. The Composite is comprised of 100% of the accounts managed by Kondracki Advisory, LLC meeting the minimum initial investment requirement and fully invested in the KA Value and Prudent Growth Model Portfolio Strategy over the measured time frame. \*\*Alpha vs. iShares 60/40 Benchmark. The performance calculations have not been audited by any third party. Actual performance of client portfolios may differ materially due to the timing related to additional client deposits or withdrawals and the actual deployment and investment of a client portfolio, the length of time various positions are held, the client's objective and restrictions, and fees and expenses incurred by any specific individual portfolio. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.



## Portfolio Risk Meter



## Portfolio Characteristics

Number of Equity Holdings	75
Average Weighted Market Cap	375B
P/E Ratio (Forward)	20.2
Total Portfolio Distribution Yield	2.87%
Portfolio Beta vs. S&P 500	.51
Alpha (since inception)**	3.35

## Top Ten Equity Holdings

Microsoft Corp.
Nvidia Corp
Amazon.com Inc.
Apple Inc.
McDonald's Corp.
Broadcom Inc.
Goldman Sachs Group Inc.
Wells Fargo & Co.
JP Morgan Chase & Co.
IBM Corp.

## Top 10 Industry Allocations

Technology and Business Services
Consumer Defensive
Financial Services
Industrials/Manufacturing
Energy
Healthcare
Consumer Discretionary
Consumer Cyclical
Logistics/Road and Rail
Aerospace and Defense