



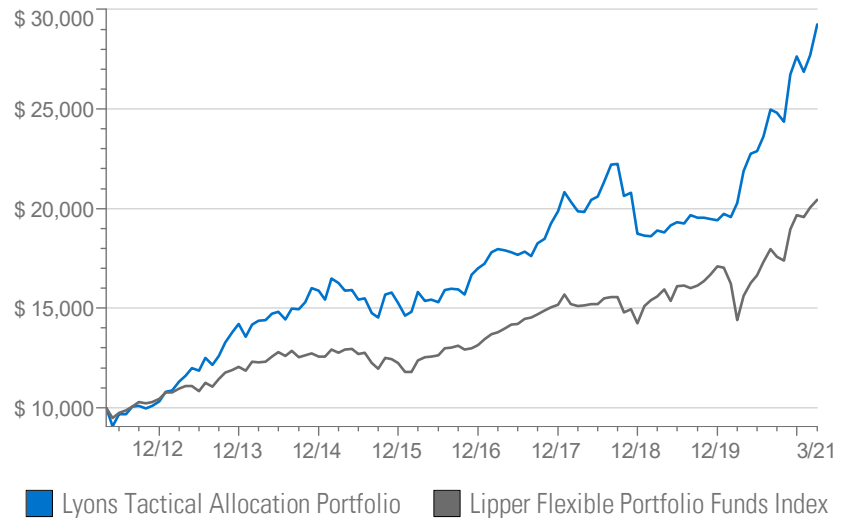
## KEY OBJECTIVES

- Greater upside capture through sustained bull market participation and full equity allocations for long-term, continuous time periods
- Less whipsaw by making fewer defensive shifts
- Capital preservation in bear markets
- Risk hedging against short-term weakness and whipsaw
- Alpha potential from active stock selection

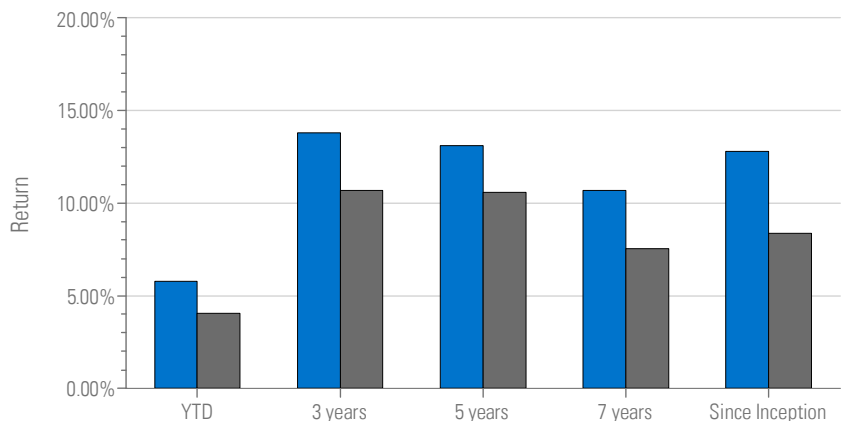
## PORTFOLIO DETAILS

<b>Inception Date</b>	April 30, 2012
<b>Lipper category</b>	U.S. Tactical Allocation
<b>Account Type</b>	Separately Managed Account
<b>Minimum Investment</b>	\$ 100,000
<b>Benchmark</b>	Lipper Flexible Portfolio Funds Index

## GROWTH OF \$10,000: April 30, 2012 - March 31, 2021



## PERFORMANCE: as of March 31, 2021 (annualized if greater than 1 year)



## PERFORMANCE: as of March 31, 2021 (annualized if greater than 1 year, unless otherwise noted)

	YTD	3 Yrs	5 Yrs	7 Yrs	Since Inception		2012*	2013	2014	2015	2016	2017	2018	2019	2020
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<b>LTAP</b>	5.78%	13.77%	13.08%	10.68%	12.79%	192.47%	3.04%	37.90%	11.67%	-3.82%	11.40%	16.74%	-5.59%	3.59%	42.45%
<b>Benchmark</b>	4.05%	10.67%	10.58%	7.55%	8.36%	104.53%	4.33%	15.55%	4.31%	-2.53%	7.16%	15.47%	-6.10%	20.01%	15.01%

\*Partial year beginning 4/30/2012

## STRATEGY

The Lyons Tactical Allocation Portfolio offers a different approach to tactical investing by focusing on offense first, defense next. We seek to remain fully invested in equities for longer time periods than typical tactical allocation strategies, using a slow-moving, proprietary quantitative risk model each month to measure market risk and determine portfolio allocation. While fully invested, we own a concentrated portfolio of U.S. dividend-paying stocks selected for various characteristics including company performance and relative valuation. Full equity allocations are expected to remain continuous for multi-year periods. If our risk model generates a defensive signal, indicating the expectation of prolonged and extreme market risk, we shift fully to a portfolio of U.S. Treasuries. Defensive shifts are expected to be rare, but may be held longer than typical tactical allocation strategies.



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4.21.2020-LWM-01

## INVESTMENT PROCESS

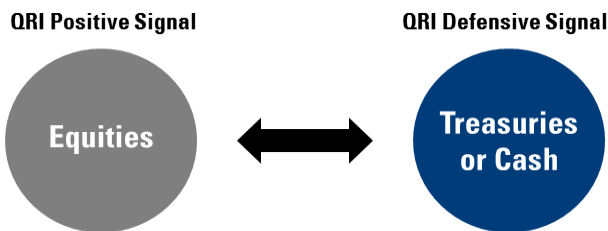
### STEP 1: PORTFOLIO CONSTRUCTION

Our systematic stock selection process begins with a universe of domestic stocks. We rank the stocks by relative value and earnings efficiency, and select a concentrated basket of stocks to construct our portfolio. When remaining invested in equities long-term, the portfolio is rebalanced quarterly by repeating the stock selection process.

### STEP 2: APPLY DEFENSE

Each month the Quantitative Risk Indicator (QRI) generates a tactical signal that determines asset allocation to equities or bonds. The objective of the QRI is to help the portfolio navigate sustained changes in market risk, rather than short-term periods where market risk is expected to remain high. When the QRI signals positive, we maintain our equity allocation. If the QRI signals defense, we shift the portfolio fully to U.S. Treasuries. Short-term risk is addressed with index option hedging.

## PORTFOLIO ALLOCATIONS



## RESEARCH - DEFENSIVE SIGNALS PRIOR TO PORTFOLIO INCEPTION



Hypothetical QRI defensive periods based on our research. You cannot invest directly in an index.

## IMPORTANT DISCLOSURES

Lyons Wealth Management ("LWM") began formally tracking its portfolio performance as of April 30th, 2012. Portfolio composite returns are preliminary and are presented on a time-weighted, size-weighted total return basis using monthly portfolio valuations. The composite returns presented herein include all eligible LWM accounts. To be eligible for inclusion in the LWM composite, an account must be fee paying, fully discretionary, and not part of a broker wrap program. New portfolios that are managed to the Tactical Allocation Portfolio investment strategy and meet the composite definition will be added to the composite when fully invested. The composite is not representative of all accounts managed by LWM. All returns are expressed in U.S. Dollars and are presented net of all fees and expenses. The returns reflect the reinvestment of all dividends and interest. Past performance does not guarantee future results.

No current or prospective client should assume future performance in any specific investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Changes in investment strategies, contributions or withdrawals may cause performance results of your portfolio to differ materially from the reported composite return. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client's investment portfolio. Historical performance results for market indices and/or categories generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. Economic factors, market conditions, and investment strategies will affect the performance of any portfolio and there are no assurances that it will match or outperform any particular benchmark.

The QRI is a quantitative approach to risk management based on market and economic factors. Such data may not accurately predict price movements. No system or methodology has ever been developed that can guarantee profits or ensure freedom from losses. No representation or implication is being made that using the QRI as discussed in this presentation will generate profits or ensure freedom from losses.

Lyons Wealth Management officially changed the benchmark of the Lyons Tactical Allocation Portfolio strategy ("LTAP") from the S&P 500 Index to the Lipper Flexible Portfolio Funds Index during the 2nd quarter of 2017. Lyons believes this Index is a more appropriate and accurate benchmark against which to compare the strategy's performance. The Lipper Index measures the unweighted average total return performance, net of fund management fees, of the thirty largest share classes (as available) of funds in the Flexible Portfolio Funds classification. The Flexible Portfolio Funds classification serves as the Lipper peer group for LTAP's mutual fund counterpart. Unlike the S&P 500 Index and similar all-equity indexes, the Lipper Index accounts for LTAP's monthly tactical allocation decision and ability to shift asset classes from stocks to Treasuries, based on its inclusion of managers that employ similar allocation strategies and which allocate across a range of asset classes. The full list of Lipper Index components is available directly from Lipper. Lipper Indices are unmanaged.

## PORTFOLIO MANAGERS

**Alexander Read** - CEO, CIO

**Matthew Ferratusco, CIPM** - Portfolio Manager & Analyst

## PORTFOLIO DATA: As of 03/31/21

Months on Offense:	95
Months on Defense:	13
Defensive Shifts	1
Weighted Avg Market Cap (Bil)	\$217.2
Average Dividend Yield	1.45%
Up Capture	116.5%
Down Capture	81.7%
Alpha	6.14%
Information Ratio	0.49
Sharpe Ratio	1.04
Sortino Ratio	1.80

## TOP EQUITY HOLDINGS: As of 03/31/21

Stock	Weight
Darden Restaurants	6.2%
HCA Healthcare	5.7%
Ubiquiti Inc.	5.0%
Target Corporation	4.8%
KLA Corporation	4.6%
Starbucks Corporation	4.4%
UnitedHealth Group	4.4%
Honeywell International	4.2%
Expedia Group	4.1%
Dollar General	4.0%

Portfolio holdings are subject to change and should not be considered to be investment advice



LYONS WEALTH MANAGEMENT, LLC