

ZEVENBERGEN GROWTH EQUITY REVIEW & PERSPECTIVE

Breathe In, Breathe Out: Broad indexes staged a considerable reversal from 1Q25 bear market woes with several reaching or approaching new market highs during the quarter. In hindsight, “Liberation Day” on April 2nd marked a year-to-date bottom in sentiment, as stocks rallied upon the U.S. administration’s subsequent decision to delay reciprocal tariffs with most trading partners. Diminishing fears of stagflation, along with strong corporate earnings and resilient consumer spending, compelled a rotation from “safe havens” (such as dividend paying stocks and fixed income securities) back into risk-oriented assets. Further momentum was supported by a wide range of companies issuing better-than-expected financial outlooks, a sign that demand trends and profit margins may endure elevated uncertainty. Management teams, battle-tested by recent market volatility, have displayed an intense focus on variables under their control, such as hiring, product development, and capital allocation. This operational discipline should position these companies well, if and when operating conditions become clearer. The Zevenbergen Growth Equity Strategy performance reflected an increased investor appetite for growth equities and outperformed its Russell 3000[®] Growth benchmark for the quarter. Security selection in industrials and consumer discretionary contributed positively to relative quarterly returns, while financials and real estate were modest headwinds.

Top 5 Contributors 2Q25		
Ticker	Company	Average Portfolio Weight
AXON	Axon Enterprise, Inc.	7.45 %
NVDA	NVIDIA Corporation	8.05 %
MELI	MercadoLibre, Inc.	8.00 %
NFLX	Netflix, Inc.	4.35 %
TSLA	Tesla, Inc.	7.51 %
Top 5 Total		35.36 %

Bottom 5 Detractors 2Q25		
Ticker	Company	Average Portfolio Weight
CWAN	Clearwater Analytics Holdings, Inc.	0.83 %
Z	Zillow Group, Inc. Class C	1.81 %
TMDX	TransMedics Group, Inc.	0.12 %
PCOR	Procore Technologies, Inc.	0.35 %
RGEN	Repligen Corporation	0.53 %
Bottom 5 Total		3.64 %

The holdings identified do not represent all the securities purchased, sold, or recommended. Reader should not assume that investments in the securities identified were or will be profitable. This material is for informational purposes only.

Contributors:

Axon Enterprise, Inc. (AXON):

The public safety technology company Axon Enterprise, Inc. reported 31% year-over-year revenue growth, with solid performance across software and hardware offerings. Management spoke to a robust sales pipeline as governments, and increasingly businesses, view public safety as an ecosystem, requiring comprehensive suites of technology (solving potential integration headaches) that offer attractive returns on investment. Despite Department of Government Efficiency budget cut worries, the U.S. federal government presents an attractive long-term sales opportunity. Given the strength of improving fundamentals year-to-date, the company raised its 2025 revenue and operating profit targets. Management called out strong interest in their AI offerings, including real-time language translation for field officers wearing the company's body cameras.

NVIDIA Corporation (NVDA):

The AI-enabler NVIDIA Corporation increased revenue 69% from a year ago and remains the leading provider of accelerator chips and systems used in machine learning software development. Ahead of the earnings report, analysts expressed concern about the ramifications of adverse trade relations between the U.S. and China, particularly for semiconductors. Out of prudence, management wrote-off over \$5 billion worth of product designed for the Chinese market. Founder-CEO Jensen Huang expressed willingness to work with both U.S. and Chinese regulators on a viable resolution noting that approximately half of the world's AI researchers are either based in China or are of Chinese heritage, underscoring the global scale and interdependence of AI development. Huang also remarked that U.S. national security interests are best served when American companies play a leading role in supplying the foundational infrastructure of innovation, a view that aligns with NVIDIA's strategic positioning in the global AI landscape. Although NVIDIA's China business is in flux, the company's latest Blackwell product architecture is fielding significant demand from enterprises and sovereign entities around the world. The proliferation of AI agents (akin to digital labor) could support sales of the company's AI infrastructure over time.

MercadoLibre, Inc. (MELI):

Latin America's leading e-commerce and FinTech company MercadoLibre, Inc. delivered another robust quarter, with consistent execution resulting in significant year-over-year revenue and earnings growth (37% and 44%, respectively). The company has remained largely unaffected by ongoing global trade discussions, showcasing its resilience and strategic progress in a dynamic region. The market leader stands to potentially gain further share as foreign competitors are forced to navigate increasingly complex trade policies. MercadoLibre continues to invest from a position of strength by leaning into free-shipping and FinTech initiatives in regions characterized by low credit penetration and improving economic conditions.

Detractors:

Clearwater Analytics Holdings, Inc. (CWAN):

The asset management software company Clearwater Analytics Holdings, Inc. reported 24% year-over-year organic revenue growth and strong margin expansion, but shares corrected during the quarter amid a string of recent acquisitions. Advancing Clearwater's vision to become a trusted, end-to-end data platform for its diverse customer base, the purchase of investment management software provider Enfusion adds robust front-office capabilities spanning portfolio management, order execution, accounting, and risk, with a focus on hedge fund clients. The acquisitions of Beacon (risk modeling) and Bistro (visual reporting tools) bring advanced solutions for cross-asset modeling, risk analytics, and portfolio visualization, enhancing the platform's appeal to allocators active in private credit, derivatives, and other alternatives. While management highlighted an expanded market opportunity, cross-sell potential, and confidence in sustaining 20% organic growth, deal-related uncertainties weighed on sentiment.

Zillow Group, Inc. Class C (Z):

Online real estate company Zillow Group, Inc. saw relatively flat stock performance for the quarter, despite mostly solid fundamental execution. While the company continues to navigate a housing market pressured by mortgage rates and limited supply, the standout story for the year has been the growth in Zillow's rentals segment. The company has successfully scaled its multi-family portfolio to over 60,000 properties and total segment revenues (now 20% of company revenue) are projected to accelerate to a 40% growth rate for the full year. The company continues to position itself as a housing "Super App," prioritizing high-quality partnerships and services to reduce friction in transactions and drive outsized participation in any housing recovery.

TransMedics Group, Inc. (TMDX):

A new addition to the strategy this quarter, TransMedics Group, Inc. is a founder-led, full-service provider of organ preservation technology and transplant services with the potential to become the standard of care for organ transplants. The company's flagship Organ Care System (OCS™) is the only FDA-approved portable, multi-organ warm perfusion platform, replicating the natural state of hearts, livers, and lungs outside the body. This technology prolongs organ viability, increasing the number of transplantable organs and removing distance as a barrier to optimal matches. The company's differentiated product continues to gain market share while its vertical integration (dedicated aviation services), and expansion into new markets (kidney and international markets) position it well for long-term growth potential. Shares detracted from strategy performance following the news that a competitor received FDA approval allowing its liver perfusion device to be used in air transport. However, this competitor's device has been available in the U.S. since 2021 and has largely failed to gain traction against TransMedics' multi-organ system and full-service procurement model.

Perspective:

With Eyes Wide Open: Equity markets displayed impressive resilience during headline turmoil so far this year, rebounding from early-quarter lows to reach or approach all-time highs by quarter end. Durable trends in economic hard data (GDP, unemployment, inflation) and corporate earnings have largely outweighed stressed soft indicators (consumer sentiment at historic lows). Whether this dynamic holds is uncertain, as the implications of evolving trade, economic, and monetary policy remain unclear. Forecasting each macro data point and news headline is often a futile exercise, as shocks that rattle or ignite markets are typically just that - major surprises few saw coming. This reality underscores ZCI's steadfast commitment to focus research efforts on the long-term trajectories of companies. Management teams will always face shifting landscapes, but through forward-thinking ambition and adept day-to-day execution, corporate outcomes become increasingly shaped by internal levers rather than external forces. Given the accelerating pace of change and volume of discourse, we urge investors to sift the 24-hour news cycle through a colander of long-term optimism and anchor their sights on the ultimate fundamental drivers of shareholder returns: revenue, earnings, and free cash flow growth.

Zevenbergen Growth Equity Composite Performance

Returns as of 06/30/2025	2Q 2025	YEAR TO DATE	ONE YEAR	THREE YEAR*	FIVE YEAR*	TEN YEAR*	SINCE INCEPTION**
Zevenbergen Growth Equity (Gross of Fees)	31.6%	12.6%	32.9%	34.3%	9.1%	16.0%	13.3%
Zevenbergen Growth Equity (Net of Fees)	31.3%	12.1%	31.6%	33.0%	8.1%	14.8%	12.1%
Russell 3000® Growth	17.6%	5.8%	16.9%	25.1%	17.6%	16.4%	11.4%

*Annualized Return ^ 12/31/1986

Important Disclosures

Investing involves risk, including the possible loss of principal and fluctuation of value. The strategy typically contains high growth companies of any market capitalization, which at times can exhibit substantially greater volatility than the stock market as a whole.

The information presented relating to portfolio holdings is from a representative account in the Zevenbergen Growth Equity Composite (Strategy), which reflects the typical portfolio management style of the strategy. Other accounts in the strategy may vary due to assets, client guidelines, and other factors. The Strategy contains fully discretionary, tax-exempt, fee-paying accounts managed in the Zevenbergen Growth Equity investment style. The Strategy is capital appreciation characterized by concentrated portfolios (generally 30-50 securities) and limited income generation and is generally fully-invested at all times. Portfolios in the Strategy typically invest in high-growth companies of any market capitalization which at times can exhibit substantially greater volatility than the stock market as a whole. The Russell 3000® Growth Index (Benchmark) has been chosen as the performance benchmark by virtue of its similar capitalization ranges and fundamental growth characteristics when compared to the Strategy. The Benchmark measures the performance of those Russell 3000 Index companies with higher price-to-book ratios and higher forecasted growth values. The Strategy inception date is December 31, 1986.

The S&P 500 Total Return Index is comprised of the top 500 U.S. corporations measured by their market capitalization and is generally considered representative of the U.S. equity market.

The NASDAQ Composite Index is a market capitalization-weighted index that includes almost all stocks listed on the NASDAQ stock exchange. It covers more than 3,000 stocks, both domestic and international, and is heavily weighted towards the technology sector.

Performance data quoted represents past performance; past performance does not guarantee future results.

All returns are net of transaction costs and reflect the reinvestment of dividends and other earnings. Gross of fees performance is shown prior to the deduction of realized management fees, and composite net of fees performance reflects the deduction of a model management fee of 1.00% applied monthly. Foreign withholding taxes and other expenses may be incurred in the management of an account which will reduce all returns. Actual investment advisory fees incurred by clients may vary. All composite returns presented are time-weighted and reflective of realized and unrealized gains and losses. ZCI's standard fee schedule for separately managed accounts begins at 1.00% for both Wealth Management and Institutional clients. Advisory fees are further described in Part 2A of ZCI's Form ADV. Unless otherwise noted, performance for the referenced indices do not include investment management fees, brokerage commissions and other expenses associated with investing in equity securities.

Investors should recognize the limitations inherent in composites and should consider all information regarding the firm's investment management capabilities.

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