

ZEVENBERGEN INCOME GROWTH

2Q25 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 Income Growth strategy posted positive returns for the quarter. Technology was the most influential sector, accounting for both the top two contributors and the largest detractor. Stock selection within financials and health care were relative positives, helping to partially offset headwinds from select holdings.

Top 5 Contributors 2Q25

Ticker	Company	Average Portfolio Weight
MSFT	Microsoft Corporation	8.33 %
APH	Amphenol Corporation	4.19 %
JPM	JPMorgan Chase & Co.	6.04 %
INTU	Intuit Inc.	4.36 %
MPWR	Monolithic Power Systems, Inc.	4.10 %
Top 5 Total		27.02 %

Bottom 5 Detractors 2Q25

Ticker	Company	Average Portfolio Weight
AAPL	Apple Inc.	6.74 %
BDX	Becton, Dickinson and Company	1.22 %
PGR	The Progressive Corporation	5.02 %
AMGN	Amgen Inc.	1.62 %
JNJ	Johnson & Johnson	2.06 %
Bottom 5 Total		16.66 %

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:

Microsoft Corporation (MSFT):

Shares of Microsoft Corporation trended higher throughout 2Q25 following healthy quarterly results and renewed investor optimism in the technology sector. Microsoft Azure showed particularly strong results with sales increasing 35% year-over-year as the cloud computing platform continues to benefit from growing demand for both AI and non-AI workloads. These demand tailwinds are expected to continue as evidenced by management's guidance next quarter of 34-35% revenue growth year-over-year for Azure. Given management's continued focus on the buildout of their AI and cloud infrastructure, including investments in data centers, Microsoft remains uniquely positioned to capitalize on accelerating enterprise usage of AI models that require significant compute capacity.

Amphenol Corporation (APH):

The global supplier of electrical sensors, cables, and interconnect components, Amphenol Corporation, delivered a standout quarter with 30% year-over-year organic revenue growth, significantly ahead of expectations. Strength was broad-based, with the IT Datacom segment more than doubling from the prior year as customer investments in high-speed AI data center and networking infrastructure accelerated. Additionally, sequential growth of 30% in the segment eased concerns about potential near-term moderation of AI spend. Revenues from defense, mobile devices, and communications markets each posted double-digit gains, while demand in industrial and commercial aerospace proved better-than-feared. With a 58% increase in orders signaling strong future demand, and a favorable mix of secular and cyclical tailwinds, management expressed confidence in continued revenue and earnings growth.

JPMorgan Chase & Co. (JPM):

JPMorgan Chase & Co., the nation's largest bank (by assets under management), exceeded top and bottom-line expectations, fueled by higher asset management fees and a surge in trading revenue. Loan growth remained muted, but higher client deposits offset relative softness, benefitting net interest income. While management increased the bank's net reserves given the evolving macroeconomic environment, share buybacks topped estimates and the dividend was increased, reflecting underlying confidence in JPMorgan's ability to weather potential near-term uncertainty.

DETRACTORS:

Apple Inc. (AAPL):


Apple Inc. remained a highly debated stock in 2Q25, as shares underperformed amid ongoing concerns about supply chain exposure and future growth potential. While the company worked to alleviate investors' tariff worries by shifting U.S. iPhone production to India and other devices to Vietnam, continued softness in Chinese sales kept sentiment cautious. Additionally, Apple's AI strategy has faced scrutiny, with the much-anticipated Siri overhaul delayed until at least 2026, raising questions about its pace in delivering next-generation technologies. Despite these challenges, Apple announced a \$100 billion share buyback, the second largest in its history, underscoring management's confidence in the enduring strength and resilience of the business and brand.

Becton, Dickinson and Company (BDX):

Following mixed quarterly results and negative revisions to full-year guidance, Becton, Dickinson and Company's shares saw their largest single-day decline in more than two decades. The sharp sell-off reflected elevated concerns around the company's growth profile challenged by external factors such as cuts in funding for scientific research and unfavorable pricing policies in China. Disappointed in management's struggle to effectively forecast and communicate such headwinds, and lacking conviction in reaccelerating growth via product innovation, the position was exited to fund more compelling risk-reward opportunities.

The Progressive Corporation (PGR):

The leading auto and home insurance provider, The Progressive Corporation, kicked off the year with a significant boost in advertising spend that fueled strong insurance policy demand amid a surge in U.S. vehicle sales ahead of anticipated tariffs. However, shares detracted from strategy performance during 2Q25 as policy growth moderated from peak levels. In addition, speculation around margin degradation from tariff impacts on replacement auto parts turned some investors more cautious. Focusing on what the company can control, management plans to continue flexing their historically strong advertising and underwriting muscles to fend off competition and alluded to pricing flexibility should the environment dramatically shift.



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 Income Growth Composite Performance

Returns as of 06/30/2025	2Q 2025	YEAR TO DATE	ONE YEAR	THREE YEAR*	FIVE YEAR*	TEN YEAR*	SINCE INCEPTION**
Zevenbergen Income Growth Equity (Gross of Fees)	13.6%	10.9%	14.7%	19.8%	16.6%	14.3%	14.9%
Zevenbergen Income Growth Equity (Net of Fees)	13.3%	10.4%	13.6%	18.6%	15.4%	13.2%	13.7%
S&P 500 (SPY)	10.9%	6.2%	15.2%	19.7%	16.6%	13.7%	14.6%

*Annualized Return ^ 08/31/2011

Important Disclosures

Investing involves risk, including the possible loss of principal and fluctuation of value. The strategy typically consists of companies across various market capitalizations, which can sometimes exhibit volatility comparable to the S&P 500 Index.

The information presented relating to portfolio holdings is from a representative account in the Zevenbergen Income Growth 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, fee-paying accounts managed in a capital appreciation and income growth investment strategy. The Strategy utilizes individual equity securities, mutual funds, Exchange Traded Funds (ETFs) and/or other securities as appropriate. Since its inception, the Composite has been managed consistently for both taxable and tax-exempt accounts. Effective July 1, 2013, the Composite was redefined to include both account types, expanding beyond the originally included taxable accounts only. Effective July 1, 2016, the Composite was refined to include only accounts managed strictly in this strategy. This update narrowed the composition focus, which permitted inclusion of some mixed-strategy accounts, to better reflect the performance of the intended strategy. The SPDR® S&P 500 ETF (SPY) has been chosen as the performance benchmark for this Strategy. The SPY seeks to provide investment results before advisory expenses, that generally correspond to the price and yield performance of the S&P 500 Index. The S&P 500 Index is comprised of the top 500 U.S. corporations measured by their market capitalization and is generally representative of the U.S. stock market. The Strategy inception date is August 31, 2011. The SPY is used as a benchmark for performance comparison purposes only. The inclusion or reference to SPY, a product of State Street Global Advisors, does not imply any endorsement or sponsorship of our firm's products or strategies by State Street Global Advisors.

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.

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

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