

Round Trip

Weeks before any ceasefire was signed between the U.S. and Iran, U.S. equity markets had already begun to climb out of their first quarter drawdown. By the end of June, the S&P 500[®] gained over 15%, its best quarter since the pandemic rebound of 2020, and the NASDAQ Composite Index[®] returned nearly 22%. Semiconductor stocks, the physical foundation of the AI buildout, gained more than 80% as a group, marking the best quarter in the history of the Philadelphia Semiconductor Index.

Earnings drove much of the repricing, with S&P 500 profits increasing by approximately 25% year over year, well ahead of expectations. The rally also broadened as the quarter progressed. Small-capitalization stocks posted one of their strongest quarters on record, while value and equal-weight versions of the S&P 500 reached new highs. Within the technology sector, market leadership shifted from the mega-cap companies developing AI platforms to those building the critical semiconductors, software, and data center infrastructure powering the AI ecosystem.

While the recovery was sharp, conditions were far from calm. Inflation rose to a three-year high, the newly installed Federal Reserve Chair, Kevin Warsh, signaled that additional interest rate hikes remained a possibility, and June's sharp technology selloff tested investors' conviction. Despite these headwinds, markets remained supported by resilient consumer and business spending, along with early evidence of AI-driven corporate productivity gains.

The Zevenbergen Income Growth Strategy generated a high single-digit return during the quarter, trailing the S&P 500 Index. Portfolio detractors were companies primarily focused on software products and select pharmaceutical holdings while contributors were concentrated in technology, particularly semiconductors and AI infrastructure, along with financial firms and processors.

Newly Established Performance Objective

The S&P 500 was chosen as the Zevenbergen Income Growth Strategy's benchmark at a time when the index offered more equal-weighted representation across sectors and market capitalizations, aligning well with the strategy's income-oriented approach. As the S&P 500's composition has evolved and become increasingly concentrated, its relevance as a benchmark for the Zevenbergen Income Growth Strategy has diminished. Over the years, the index's returns have become increasingly driven by a handful of mega-cap technology companies, making the index much more weighted towards high-growth stocks, and a less useful point of comparison for a more balanced portfolio constructed for long-term appreciation and income. The strategy's objective is to compound ZCI clients' wealth through the ownership of businesses capable of delivering enduring growth in earnings and dividends.

Going forward, we will compare the Zevenbergen Income Growth Strategy's returns to the S&P 500 benchmark, as well as a newly established performance objective comprised of inflation, as measured by the Consumer Price Index (CPI), plus 4%; a widely recognized hurdle designed to generate returns above inflation over time. Unlike the S&P 500, this measurement tool is not influenced by changes in index composition and more closely reflects the strategy's goal of compounding capital over full market cycles rather than tracking short-term market performance.

Bottom 5 Detractors

Ticker	Security Name	Average Portfolio Weight (%)
INTU	Intuit Inc.	1.8
ZTS	Zoetis Inc.	1.0
TSCO	Tractor Supply Company	1.4
ROL	Rollins, Inc.	0.7
ABT	Abbott Laboratories	2.3
Bottom 5 Total		7.2

Intuit Inc. (INTU):

Shares of tax and financial software provider Intuit Inc. fell following its fiscal third quarter results in which revenue growth decelerated to 10%, marking its slowest growth rate in several quarters. Intuit's revenue deceleration, along with the announcement of a 17% workforce reduction, exacerbated investor concerns about the company's value proposition in an increasingly AI-driven world. Management also reduced their full-year TurboTax revenue forecast, supporting the bear narrative regarding AI disintermediation in the do-it-yourself tax channel. These concerns outweighed Intuit's increased revenue guidance for the Global Business Solutions and Credit Karma business segments.

Zoetis Inc. (ZTS):

Animal health and livestock company Zoetis Inc. declined meaningfully after first quarter results fell short of expectations, with adjusted earnings per share missing consensus by 6%. The shortfall was driven by a decline of 8% in U.S. revenues, as increased price sensitivity of pet owners and intensifying competition weighed on key companion animal franchises, including dermatology (Apoquel[®]) and parasiticides (Simparica TRIO[®]). International markets partially offset the weakness, delivering 10% organic operational growth led by strength in livestock-related revenues. Additionally, management lowered their full-year earnings guidance, citing a more prolonged period of rationalization in U.S. companion animal spending and competitive headwinds. While international and livestock franchises continue to perform well, the deceleration in the company's core U.S. companion animal business represents a shift in its near-term growth trajectory.

The holdings are from a representative account in the composite. Reader should not assume that investments in the securities identified were or will be profitable. Please see Important Disclosures page for additional information.

Tractor Supply Company (TSCO):

Shares of rural lifestyle retailer Tractor Supply Company declined after first quarter results fell short of expectations. Comparable store sales grew by less than 1% year-over-year, held back by a more than 3% decline in the Companion Animal category as pet owners reduced discretionary spending. Total transactions declined as customers consolidated trips and prioritized essentials, further pressuring sales and margins. Management reaffirmed full-year guidance, though cautious consumers, elevated fuel prices, and soft farm income leave the potential recovery weighted toward the second half of the year. Near-term initiatives, including mobile veterinary services, expanded fresh food offerings, and prescription fulfillment, offer potential support as the discretionary side of the rural business recovers.

Top 5 Contributors

Ticker	Security Name	Average Portfolio Weight (%)
DELL	Dell Technologies Inc.	4.2
MPWR	Monolithic Power Systems, Inc.	6.1
CSCO	Cisco Systems, Inc.	3.4
APH	Amphenol Corporation	3.1
AAPL	Apple Inc.	7.0
Top 5 Total		23.8

Dell Technologies Inc. (DELL):

Dell Technologies Inc. (DELL) continued its year-to-date rally as the IT hardware, software, and networking solutions provider exceeded expectations, with revenue up 88% year-over-year on surging AI-related orders. Share gains were further supported by a five-year, \$9.7 billion Department of Defense contract naming the company the Pentagon's primary for purchasing Microsoft software licenses, a highly competitive win validating Dell's position as a trusted technology partner. Management raised the company's full-year AI server revenue target from \$50 billion to \$60 billion, citing demand across a broad swath of customers in addition to large contracts. The quarter reflected a notable transformation from a business long associated with slower-growing personal computers and legacy enterprise hardware to a direct beneficiary of AI spending.

Monolithic Power Systems, Inc. (MPWR):

Shares of the semiconductor company Monolithic Power Systems, Inc. rose after first quarter results topped expectations, fueled by persistent demand for the company's power management solutions in AI infrastructure buildouts. Sales in the company's largest end market, Enterprise Data, rose 98% year-over-year, and a robust order backlog gave management the confidence to meaningfully raise their full-year growth outlook for the segment. The Communications end market also surprised to the upside, notching 33% growth from the prior quarter on demand for optical components that enable high-speed data transmission between chips and

servers. Underpinned by favorable order visibility and new product qualifications, the company announced capacity expansion plans to meet accelerating demand.

Cisco Systems, Inc. (CSCO):

Shares of networking equipment provider Cisco Systems, Inc. climbed after the company reported double-digit revenue and earnings growth that exceeded guidance. A sharp acceleration in orders from large cloud computing customers bolstered results, with management noting a triple-digit increase in order demand from service providers and large technology companies (hyperscalers). In an even stronger signal of continued momentum, management raised their fiscal 2026 AI infrastructure order guidance from \$5 billion to \$9 billion. Reflecting Cisco's role as a critical supplier for the AI era and a revenue base that extends beyond the hyperscalers, management highlighted significant demand from emerging AI cloud companies, and enterprises.

Top 10 Holdings

Ticker	Security Name
AAPL	Apple Inc.
DELL	Dell Technologies Inc.
MPWR	Monolithic Power Systems, Inc.
JPM	JPMorgan Chase & Co.
MSFT	Microsoft Corporation
V	Visa Inc.
DE	Deere & Company
APH	Amphenol Corporation
CSCO	Cisco Systems, Inc.
JNJ	Johnson & Johnson

Zevebergen Income Growth Composite Performance

Returns as of 06/30/2026	Zevebergen Income Growth (Gross of Fees) (%)	Zevebergen Income Growth (Net of Fees) (%)	SPDR S&P 500 ETF (SPY) (%)	Consumer Price Index (CPI) +4% (%)
2Q2026	8.1	7.9	15.1	2.1
YTD	1.1	0.6	10.1	5.1
One Year*	4.5	3.5	22.2	7.7
Three Year*	15.0	13.9	20.5	7.1
Five Year*	10.3	9.2	13.3	8.4
Ten Year*	14.8	13.7	15.4	7.4
Since Inception^*	14.1	13.0	15.0	6.8

*Annualized Return ^08/31/2011

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Perspective

Builders & Users: Spectacular demand (and share price appreciation) for semiconductors and technology equipment has fueled proclamations of a market bubble, akin to the conditions observed in the late 1990s internet buildout. Despite the absence of extreme valuations seen in the Dot-com era, some analysts have called the peak of the cycle for earnings growth, suggesting a tougher journey ahead for AI building block stocks. We believe these debates are healthy, as controversy and skepticism limit excesses and often provide opportunities for fundamental investors to demonstrate judgement and skill.

Based on our nearly 40 years of research and pattern recognition of past innovation cycles (ship canals, railroads, electricity, air travel, fiber optics, etc.), users, not builders, have historically benefited the most from infrastructure developments. AI will likely follow the same script; however, for now, we remain in a building phase that has surprised many investors with its magnitude and duration.

As the market navigates technological and political change, it is fair to expect a volatile environment to continue, particularly as levered products, which are focused more on daily stock trading strategies rather than long-term, fundamentally based investing, become more popular. We are evaluating the near-term implications of persistently high inflation and financing costs, along with the possibility of a retrenchment in AI capital expenditure. As always, we remain convicted in our view that long-term and patient investors should consider price swings not as a risk, but as an opportunity. We seek to identify and partner with management teams that strive to deliver value to their customers and earn returns on their investments, regardless of macro conditions. By focusing on their main objectives and competitive advantages, companies can compound daily actions into sustainable revenue growth and margin expansion, which form the ultimate drivers of shareholder wealth creation.

Thank you for your continued trust and partnership.

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Important Disclosures (as of 06/30/2026)

Top 10 Holdings as of 06/30/2026. Top and bottom contributors and detractors are for the quarter ending 06/30/2026.

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 SPDR[®] S&P 500 ETF 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 Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. CPI +4% is referenced as a performance objective for the strategy and general economic indicator of inflation, not as a formal benchmark for the strategy and is not intended to represent the risk or investment profile of the strategy's portfolio.

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.

The holdings identified were obtained from a representative client portfolio in the Strategy, and do not represent all the securities purchased and sold. Holdings are subject to change and should not be considered a recommendation to buy or sell any security. A complete list of ZCI's holdings over the preceding 12 months is available upon request. Reader should not assume that investments in the securities identified were or will be profitable. This material is for informational purposes only.

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