

Darden Capital Management



UNIVERSITY
of VIRGINIA

DARDEN SCHOOL
of BUSINESS

Richard A. Mayo
Center for Asset Management

THE ADVISOR

2025-2026

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A LETTER FROM THE CEO & CIO

April 30, 2026

To our Stakeholders,

We are thrilled to present the 2025–2026 edition of The Advisor, brought to you by the Darden Capital Management Class of 2026. Our six Senior Portfolio Managers have shared insights into our fund activity and highlighted a select number of investment ideas that reflect the hard work and dedication of our team throughout the year

For the twelve-month period from April 1, 2025 to March 31, 2026, DCM generated a return of 17.3% for the total portfolio compared to 16.1% for our blended benchmark. Four of our funds outperformed their strategy-specific benchmarks, and we grew the entire DCM pool to new highs of roughly \$36M.

The 365 days of our tenure were a real test of the resilience of our investment approach and had more in store than anyone could have anticipated. The entire DCM team navigated one of the more volatile and impactful periods in recent history with an environment not only characterized by cyclical economic changes, but also by fundamental structural shifts that redefined the nature of risk, alpha, and geographic capital allocation. Over the last 12 months we faced a market backdrop that was characterized by regime changes forced through geopolitics, monetary policy, technology adoption, and historical shocks to commodity markets. Individual events that historically defined years occurred simultaneously and in rapid fashion.

Our tenure as portfolio managers was defined by six key themes that fundamentally shaped our approach to portfolio construction and risk management:

1. Geopolitics

The geopolitical landscape underwent a seismic transformation that was initiated by Trump's Liberation Day and the following erupting bilateral trade wars. While there might be good reasons for some protectionism, we witnessed the beginning of a historic reversal of globalization and the unwinding of the very economic architecture that had allowed for extraordinary wealth creation over the past three decades. The resulting deglobalization premium was expressed by elevated risk spreads as investors recalibrated their understanding of American exceptionalism. Additional shocks could materialize in higher inflation and a less connected world.

2. Federal Reserve Independence

The assault on Fed independence introduced a new dimension of policy uncertainty that fundamentally altered the risk-free rate framework upon which most of our financial markets depend. The erosion of institutional credibility is a key worry for investors worldwide. Negative examples such as Turkey have shown the damage a controlled central bank can have to the local economy. While the question around Fed independence is already a major shock on its own, this was compounded by the longest government shutdown in recent history, creating an unprecedented data void that forced market participants to navigate without the informational infrastructure they had long taken for granted. The resulting opacity magnified volatility across all risk assets and elevated the premium investors demanded for duration exposure.

3. AI revolution

What started as a speculative fervor moved quickly to a market-restructuring reality that took most investors by surprise. The term 'SaaSocalypse' exemplified the indiscriminate nature of this technological disruption and described the repricing of entire industries, ignoring current fundamentals and mere speculation on the impact unproven AI models might eventually have on existing business models. This shock represented a dramatic departure from traditional asset pricing, as markets assigned near-zero value to established and cash flow generating companies that are deeply ingrained in large enterprises. The absurdity of this market trend reached new levels when even trucking and logistics companies faced sell-offs on fears that AI could decrease demand for the industry's services.

4. U.S. conflict with NATO allies

Deteriorating relations between the U.S. and its NATO allies, caused by confrontations on strategic commitments and threats

of taking over Greenland, exacerbated the geopolitical shock already caused by Liberation Day and triggered a fundamental reorientation of global capital flows and structural behavior changes among its European partners. European assets emerged as genuine safe-haven alternatives to U.S. Treasuries as investors sought more stability. The flight of capital across the Atlantic reflected not just a tactical repositioning, but a strategic reassessment of risk and locations where institutional capital could find genuine sanctuary in an increasingly multipolar world.

5. *FX markets and USD depreciation*

Exchange markets experienced dislocation as the U.S. dollar underwent sustained depreciation against major currencies, forced by a government that wants to see a weaker USD and capital that was rotated out of dollar denominated assets into different currencies. The broader confidence erosion represented a reversal of the multi-decade dollar hegemony that had underpinned global trade and capital markets.

6. *Iran conflict*

Operation Epic Fury led to what can only be described as the largest oil shock in history and reshuffled Iran's strategic power and dominance on global oil flows. The resulting energy price dislocations created second order effects across every sector of the global economy, from transportation and manufacturing to agriculture and services. The real impact of the ongoing freeze of oil-flows can only be conservatively estimated currently as the oil intensive months are still ahead and strategic reserves are quickly running dry.

These six major themes did not just influence our tactical positioning but demanded the entire team to rethink strategic asset allocation, even with the backdrop of long-term investments. Our navigation of this environment required both the discipline to ignore noise and stick to fundamental investment principles and the flexibility to adapt to a reality that requires new approaches and is changing faster than ever before.

In addition to a stellar year of investment performance driven by rigorous and disciplined underwriting, we are equally excited to report another strong year for DCM in its role as a club at Darden. Membership remains robust, with 148 paying members demonstrating sustained enthusiasm for DCM and its mission. We received a record-breaking 54 applications from first-year students seeking class credit for managing the funds, underscoring the continued appeal of DCM as one of Darden's most distinctive experiential learning opportunities. We also sent five teams of students to four stock pitch competitions hosted by top MBA programs across the U.S. 12 first-year students participated in our internal stock pitch competition in September, and we are pleased that most of those participants are now members of the DCM Class of 2027.

One of the key priorities throughout our tenure was expanding access to DCM's educational resources for students beyond the class and club, and we are especially proud to have seen non-DCM students pitch stock ideas for the first time in several years. We also organically developed a volunteer advisor program with Adam Holt, a former investment banker and Charlottesville-based investor and entrepreneur. Adam met regularly with the Cavalier and Rotunda funds to provide professional-level feedback on our theses and underwriting, helping us sharpen both our analytical rigor and our investing discipline. Importantly, Adam remains deeply committed to preserving DCM as a student-led, experiential learning environment. As such, he does not advise on buy or sell decisions, nor does he assist in sourcing investment ideas. Following the success of this pilot model, DCM hopes to move toward establishing a consistent volunteer mentor for each fund. We warmly welcome any alumni interested in giving back to DCM to reach out directly to members of either the incoming or outgoing team to continue the conversation.

We were also proud to host the 14th Annual Darden at Virginia Investing Challenge (DVIC), DCM's premier event, in early November and are pleased to report another successful iteration of the competition. Participation increased significantly, with 13 teams from top MBA programs in the U.S., up from 8 last year. This year's winning pitch was A.O. Smith (NYSE: AOS), presented by the team from Columbia Business School. We are grateful to our judges Dick Mayo ('68), Bob Smith ('87), Peter Grant ('86), Adam Holt, Charles Perkins ('20), Neil Kansari ('08), Teeja Boye ('19), Jeff Henriksen, Abanikash Rayaji ('24), Divyaunsh Divatia, Peter Wilson ('18), Kyle Rose ('19), Nick Kapur, Sarah Silke ('21), and Malcolm Stewart ('24). We would also like to thank our corporate sponsors The London Company, Tenzing Memo, Brown Advisory, J.P. Morgan Private Bank, and Harris Associates once more for their generous support in helping us host this fantastic event.

It has been the honor and highlight of our experiences at Darden to learn alongside and from such a wonderful group of classmates. In addition to extending our deepest gratitude to all of our portfolio managers, whose commitment, curiosity, and countless hours of work made this year possible, we would like to recognize the exceptional contributions of the 2026 DCM Leadership Team. CIO Christoph Bischoff, CFO Ross Williams, CRO Kyesha Robertson, and Senior Portfolio Managers Nate Ingram, Lizzie Pettee, Hampton McFadden, Dachi Gubadze, Carter Love, and Nate Mancini represent some of the brightest members of our MBA class, and it has been a distinct pleasure to work, learn, and grow with each of them this year.

We would also like to extend our appreciation to our faculty advisors, Pedro Matos and George Craddock, for their invaluable guidance and support this year. After a decade of dedication and service shaping DCM into one of the most established student-managed experiential learning opportunities among the top MBA programs, Pedro will transition the faculty advisor role to fellow Darden finance professor Ian Appel. Pedro, we sincerely thank you for all that you have given to DCM.

We wish the Class of 2027 the very best as they assume stewardship of the funds. The new team remains laser-focused on DCM's mission to manage the capital entrusted to us with prudence, discipline, and care, and we have the utmost confidence that they will continue to strengthen both the funds and the broader DCM experience in the year ahead.

As we sign off for the final time, we would like to emphasize once again that your feedback and engagement are invaluable to DCM. We warmly invite our fellow students, faculty, and alumni to reach out with any questions, suggestions, or opportunities to connect. It has been an absolute privilege for our class to play a small role in DCM's remarkable legacy, and we thank you again for your continued support.

Sincerely,

Liz Paterra
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Christoph Bischoff
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CLASS OF 2026 DARDEN CAPITAL MANAGEMENT

	CEO	CIO	CFO	COO
Executive	Liz Pattera	Christoph Bischoff	Ross Williams	Kyesha Robertson
	SPM	PM	PM	PM
Cavalier (Long/Short)	Nate Ingram	Julian Alexander	Xavier Vecchio	Matt Roma
Jefferson (Value)	Hampton McFadden	Chris Holland	Martha House	Jake Busby
Darden (Small Cap)	Lizzie Pettee	Nick Garrett	Annalise Franchina	Adam Tivey
Monticello (Global)	Dachi Gubadze	Huan Wang	Perna Chiripal	Santiago Marvan
Rotunda (ESG)	Carter Love	Tyler Sudbrink	Catie Nolan	Alec Bartimer
Colonnade (RE)	Nate Mancini	Micah Kiser	David Kerr	Andrew Richman

PORFOLIO UPDATES

CAVALIER FUND

To the Partners of the Cavalier Fund,

I am pleased to present this update on the performance and activities of the Cavalier Fund for the year ending March 31, 2026. As always, we are grateful for your continued trust in our stewardship of this unique investment vehicle. During the year, the Cavalier Fund returned 14.23% after fees, underperforming the benchmark S&P 500 Index by 210 bps, which returned 16.33% over the same period. When adjusted for our lower risk, the underperformance gap closes to 118 bps.

As a reminder, the Cavalier Fund is a long/short equity fund focused on domestic equities across the market capitalization spectrum with a target net long exposure of 80%. Using a bottom-up strategy, the fund seeks to identify undervalued companies with strong competitive advantages and long-term earnings potential while leveraging short positions to reduce volatility and enhance returns. The portfolio typically includes 15-25 long positions and invests opportunistically across sectors. Our portfolio is constructed with the objective of achieving strong absolute returns while managing risk through thoughtful position sizing and sector diversification.

For the last year, the AI-driven tech rally was still a dominant theme, with valuations remaining high in companies with any relationship to AI, whether it's microchips, energy, infrastructure, or the hyperscalers themselves. Disruptions like Liberation Day, worries about private credit, the SaaS-pocalypse, and the war with Iran all posed us unique challenges for picking stocks. Despite these uncertainties, we have remained focused on the long-term.

Throughout the period, we executed trades designed to align the portfolio with our strategic priorities and understanding of the environment. While select trades are outlined below, I'd like to first highlight the performance of several holdings that significantly influenced our results.

Top Contributors

- Alphabet (GOOGL): +4.54% contribution (6.93% average weight, 74.84% total return)
- NVIDIA (NVDA): +3.47% contribution (7.98% average weight, 36.24% total return)
- Rolls-Royce Holdings PLC (RYCEY): +2.90% contribution (4.66% average weight, 49.72% total return)

Bottom Contributors

- Apollo Global (APO): -0.58% contribution (1.99% average weight, -12.02% total return)
- KKR (KKR): -1.15% contribution (4.49% average weight, -23.58% total return)
- Flutter (FLUT): -2.42% contribution (1.27% average weight, -47.13% total return)

New Positions

- Flutter (FLUT) is a global sports betting and gaming company that operates major brands like FanDuel, Paddy Power, and PokerStars. Its future success relies heavily on the continued legalization and expansion of online sports betting in the U.S., where its FanDuel brand holds a dominant market share and is positioned to capture massive revenue growth as more states open up to mobile wagering
- Cava (CAVA) is a rapidly expanding fast-casual restaurant chain specializing in customizable Mediterranean

cuisine, often compared to the "Chipotle of Mediterranean food." The company is poised for success due to its highly profitable unit economics, strong brand loyalty among health-conscious younger consumers, and a massive runway for nationwide expansion far beyond its current footprint.

- Vulcan Materials (VMC) is the largest producer of construction aggregates (primarily crushed stone, sand, and gravel) in the United States, alongside asphalt and ready-mixed concrete. It is well-positioned for long-term success due to the pricing power inherent in its localized, hard-to-replicate asset base, combined with a multi-year tailwind of sustained federal and state infrastructure spending.
- Fiserv (FISV) is a leading global provider of financial technology and payments processing, supplying essential core banking infrastructure and operating the widely used Clover point-of-sale system for merchants. It is poised for a turnaround under new CEO Mike Lyons, who is aggressively streamlining its outdated legacy tech stack (consolidating 16 platforms down to 5) while leaning into the high-growth SaaS and digital payments expansion of its Clover ecosystem.
- Apollo Global Management (APO) is one of the world's largest alternative asset managers, specializing in credit, private equity, and real estate, alongside its massive Athene retirement services business. It is poised for success as it continues to capitalize on the secular shift of capital away from traditional banks and into private credit, using its massive insurance balance sheet to originate and structure complex, high-yielding investments that competitors cannot easily match.

I would like to extend my deepest gratitude to our Portfolio Managers, Julian Alexander, Matt Roma, and Xavier Vechio, for their tireless dedication and exceptional work in driving the Cavalier Fund's success. Their commitment to rigorous research, disciplined decision-making, and collaborative learning has been instrumental in delivering strong performance and upholding the fund's mission. I'd also like to personally thank Adam Holt, who is a Charlottesville-based investor who has spent hours with us helping us refine our ideas and providing insights from his years in the industry.

We remain deeply grateful for your support and confidence in the Fund's mission. Your guidance and trust empower us to continually learn and deliver results. Looking ahead, we are excited about next year's class and know they are committed to navigating the markets with diligence and discipline while seeking to deliver long-term value for the Fund.



Sincerely,
Nate Ingram
Senior Portfolio Manager, Cavalier Fund
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COLONNADE FUND

To Our Friends and Partners:

As of March 31st, the Colonnade Fund returned 7.2% for the twelve-month period commencing on April 1, 2025 compared to the FTSE NAREIT Equity REITs Index which returned negative 20 basis points over the same period. While a large portion of was driven by Data Center and Senior Housing tailwinds, our concentrated positions also contributed meaningfully, positively and negatively. We have highlighted a few positions below that both contributed to returns and created much of the drag.

We elected to shift our focus away from some of the previous subsectors emphasized by previous leadership and focused on the flight to quality, finding the best operators in the best markets with the best assets. We believe these changes provide us with the opportunity to find assets that have a strong ability to appreciate over our tenure and position the fund for success moving forward.

With the Fund now fully deployed, capital allocation has become a key constraint for Colonnade. New positions require exiting or resizing existing holdings. This creates tension between long investment horizons in real estate investing and our shorter horizon as managers of the Fund. Recent flexibility from DCM around exit/sell requirements has improved our ability to manage position sizing and rotate capital more efficiently.

A summary and highlight of certain positions in our portfolio is below:

- **SL Green (SLG):** Last year, we increased our position in SL Green, in-line with the Fund's conviction on Office rebound and picking a best-in-class operator in a best-in-class market of NYC Office. Unfortunately, macroeconomic headwinds and the political uncertainty around the mayoral administration battered the stock, and we are now evaluating exiting the position as it hovers around our 25% stop-loss mandate.
- **Applied Digital (APLD):** Applied Digital designed, develops and operates data centers within the United States. Initially, their business model revolved around providing data center and computing services to bitcoin miners. However, with the explosion of demand in the data center sector involving AI services, the firm has pivoted towards these customers. APLD reflects both our strongest gains and a key execution miss. After generating significant returns, we increased exposure but failed to re-evaluate our exit framework as the stock continued to set all-time highs. We are still up significantly on this investment but left 50% return on the table earlier this spring. This highlighted the need for clearer valuation discipline and predefined exit triggers, particularly in volatile, momentum-driven sectors.
- **Welltower (WELL):** Welltower invests in health care infrastructure particularly in senior housing operating partnerships (SHOP). Despite analyst recommendations this Fall suggesting WELL upside was limited, the Fund sized up our position, generating 10% on that investment this Fall. The aging demographics of the United States provide long-term structural tailwinds for the firm. The Fund is bullish on Healthcare and will be pitching a few more names this Spring.
- **Equinix (EQIX):** The Fund already had exposure to DLR last year and has increased its positions in DLR as well. However, we felt that EQIX was diversification from DLR's hyperscale model whereas EQIX specializes in Interconnectivity. With xScale and other off balance sheet items, the line is blurring between the two somewhat. EQIX was novel in that the stock was battered in June 2025 but has since rebounded to be one of our best performers, up 20%+ since taking our position.
- **American Healthcare REIT (AHR):** Senior housing was a strong subsector this year, largely outperforming the Index. However, since Senior Housing REITs are no longer a well-kept secret, some companies such as WELL and VTR are trading 50-100%+ of their NAV. This creates a real challenge when investing in real assets. Thankfully,

upstart SHOP operators such as AHR and NHI are relatively cheaper for similar upside as blue-chips such as WELL and VTR. Our position in AHR, initiated in late January, is already up 8%.

While rate expectations remain a key driver of REIT performance, we focus on identifying businesses with durable structural advantages rather than attempting to forecast macro outcomes. We currently maintain high conviction in Digital Infrastructure and Senior Housing, while selectively evaluating opportunities in multifamily where valuations remain below NAV.

I would like to thank my Portfolio Managers: David Kerr, Micah Kiser, and Andrew Richman. It has been a pleasure to learn from these three talented gentlemen this year. Additionally, I would like to thank the Darden Class of 2027 members who contributed this year, making 2025-2026 the best year yet for the Colonnade Fund. I look forward to what this talented group of students does with the Fund next year.

As always, our team gladly welcomes any feedback or advice from alumni, endowment sponsors, or any other readers of this publication.



Sincerely,

Nate Mancini
SPM Colonnade Fund
Darden Capital Management
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DARDEN FUND

To Our Friends and Partners,

As of March 31, 2026, the Darden Fund's assets under management reached \$5,214,917, generating a return of +25.3% for the fiscal year as DCM's top performing fund, and outperforming the S&P SmallCap 600 benchmark by 682 bps. By doubling down on high-conviction ideas and maintaining discipline through a turbulent macro environment, the fund delivered strong full-year results.

From April 2025 through April 2026, the macro environment for U.S. small-cap equities has been characterized by a cyclical rebound driven by improving economic expectations, easing financial conditions, and historically discounted valuations. Investors rotated toward domestically-oriented companies expected to benefit from stronger U.S. growth and potential monetary easing. This period coincided with moderating inflation, early Federal Reserve rate cuts, and improving economic momentum, all of which disproportionately support smaller firms that are more sensitive to borrowing costs and domestic demand. However, the environment has remained volatile: small-caps continue to face higher interest expenses, uneven profitability, and elevated leverage relative to large-caps, which has periodically pressured valuations and required companies to demonstrate credible earnings growth to sustain the rally. Despite these risks, the asset class still trades at a notable valuation discount to large caps and is expected to benefit from potential tailwinds including reshoring, infrastructure spending, and a broader market rotation away from mega-cap technology, making stock selection and balance sheet strength particularly important in the current cycle.

Portfolio Strategy and Stock Spotlight

Our strategy centered on identifying high-quality businesses in faster-growing industry segments where we believed the market was underappreciating the durability of earnings growth. A consistent theme was "picks and shovels" investing – businesses providing essential infrastructure or services to high-CAGR end markets, without taking on the volatility of direct exposure to those markets. This led us to concentrate meaningfully in AI infrastructure, energy services, and healthcare biotech, sectors where secular tailwinds gave us confidence to hold through short-term noise.

A key discipline throughout the year was intentional position sizing. Higher-risk names – where the thesis was more speculative or the entry price less certain – were sized smaller to limit their drag on overall portfolio returns in the event the thesis did not play out on schedule. This asymmetric sizing approach proved important: our three largest detractors together subtracted only approximately 3% from returns, while our top five contributors added over 35%.

- **Powell Industries (POWL):** Entered in April 2025 on the thesis that tightening electrical grid infrastructure, combined with demand from AI data centers and domestic reshoring, would drive growth for Powell's switchgear and power control equipment. The stock rallied from approximately \$165 to \$541 (+227%), with consistent earnings beats and backlog expansion. With a 4.5% average weight, POWL was our largest contributor at +10.2%.
- **Solaris Energy Infrastructure (SEI):** Inherited as an existing position, the fund maintained conviction and held through the full fiscal year. The thesis – that AI data centers face 18–36 month delays accessing utility grid power, creating a compelling rental generator opportunity – continues to play out as AI capex accelerated and Solaris nearly tripled rental capacity to ~1,400MW, securing a long-term agreement with a hyperscaler believed to be xAI. The position delivered +136% from a ~5.0% average weight (+6.8% contribution).
- **Syndax Pharmaceuticals (SNDX):** Entered in October 2025 on the thesis that revumenib, Syndax's menin inhibitor, was poised for accelerating commercial uptake in relapsed/refractory acute leukemia following FDA approval. With a ~9.5% average weight over the holding period and a +73% return, Syndax was the fund's largest position by average weight during the period it was held, contributing +6.9% to full-year returns.
- **Innodata (INOD):** Entered September 2024 and carried into the fiscal year; the thesis that data labeling for AI model training was structurally under-monetized continued to play out. Revenue growth exceeded 150% on an annualized basis and the position delivered +75% over the fiscal year from a 7.3% average weight (+5.5% contribution).
- **Vital Farms (VITL):** Entered April 2025 on the thesis that the premium pasture-raised egg and butter category

would benefit from consumer trade-up toward animal welfare and clean-label products. Despite strong brand fundamentals, the position underperformed (-57%) as premium consumer spending softened, private label competition intensified, and a viral social media controversy around seed oils created reputational headwinds that management was slow to address. Thesis partially impaired — position actively monitored.

- Oddity Tech (ODD): Entered in February 2026; the thesis on the company's direct-to-consumer beauty platform did not have sufficient time to play out before year-end. The position detracted -1.8% from returns.

Closing Remarks

Managing the Darden Fund has been the defining professional experience of my time at Darden. The responsibility of stewarding real capital on behalf of the Board of Trustees – making decisions under uncertainty, holding conviction through volatility, and owning our mistakes with intellectual honesty – mirrors what investment management demands at the professional level. I am deeply grateful to Nick Garrett, Annalise Franchina, and Adam Tivey for their dedication, rigor, and camaraderie throughout the year. Their commitment to the fund made every pitch sharper and every decision more disciplined. I would also like to thank Liz Pattera, Christoph Bischoff, and the broader DCM leadership team for creating an environment where rigorous debate and genuine intellectual challenge were not just encouraged but expected. And to Pedro Matos, George Craddock, and the Board of Trustees – thank you for the trust you place in us each year. This experience will stay with me throughout my career in asset management.



Sincerely,

Lizzie Pettee
SPM Darden Fund
Darden Capital Management
PetteeL26@darden.virginia.edu

JEFFERSON FUND

To Friends and Partners:

It has been a privilege and an honor to serve as the senior portfolio manager of the Jefferson Fund for the past year. First, I'd like to thank Chris, Martha, and Jake for making the Jefferson Fund such a collaborative team and for pushing each other to think critically about our investment process. The four of us argued openly about names, sizing, and timing, and that willingness to push back on each other did more for the fund and our own growth as investors than any single thesis or stock pitch. I'd also like to thank the executive team for giving us both the guidance and the discretion to shape the fund on our own terms, and the prior PM team for handing over a strong foundation to build on. As we look ahead to the coming year, we are confident that the structural changes made this year have left the fund better aligned with the benchmark and well-positioned to weather the current market volatility.

Performance

For the 12 months ending March 31, 2026, the Jefferson Fund returned +3.95% versus +13.83% for the Russell 1000 Value Index, trailing the benchmark by 988 bps. The fund finished the year with a total value of \$7.36mm, including \$430K (5.8%) in cash. The path was uneven: we outperformed through August on the back of our Technology overweight, peaking at +10.97% cumulative return, before giving back gains during the Q1 2026 software selloff.

Stock selection within our holdings was strong. Alphabet (+86.6%) contributed 684 bps, Tapestry (+103.3%) contributed 465 bps, HCA Healthcare (+37.9%) contributed 208 bps, McKesson (+29.1%) contributed 137 bps, and our newly added Merck position (+53.8%) contributed 108 bps. These were partially offset by five main detractors: Constellation Software (-41.6%, -225 bps), Broadridge (-31.8%, -130 bps), Salesforce (-29.8%, -89 bps), T-Mobile (-19.9%, -68 bps), and LVMH (-11.9%, -39 bps).

Strategy

Our mandate hasn't changed: quality businesses with deep moats, large or growing addressable markets, disciplined capital allocation, and a margin of safety relative to fair value. The philosophy is sound. What this year showed us, however, is that thesis quality and stock selection are only part of the story. Active sector tilts drive tracking error, and our most consequential tilts this year moved against us: a persistent underweight in Industrials, Energy, and Consumer Staples, and an overweight in Technology. Those tilts moved against us as the value rotation accelerated in Q1 2026, and they account for the bulk of our shortfall against the benchmark.

Portfolio Changes

Mid-year, we rebalanced to address the sector misalignment. We added:

- **Walt Disney (DIS)** on streaming inflection and park recovery
- **Exxon Mobil (XOM)** for diversified Energy exposure and capital returns
- **Merck (MRK)** for their durable Keytruda franchise and defensive Healthcare exposure
- **JPMorgan Chase (JPM)** for best-in-class banking and a flagship Financials holding

- **Comcast (CMCSA)** for cash-flow stable media and broadband.

To fund these additions, we sold **Qualcomm (QCOM)** after the Apple-chip thesis played out, with limited conviction in further upside; **Copart (CPRT)** at full valuation after multi-year appreciation; and **PayPal (PYPL)** amid competitive pressure from Apple Pay and Block. We also trimmed our position in **Alphabet (GOOGL)** to crystallize gains and moderate the Technology overweight. The result is a portfolio meaningfully closer to the benchmark on Healthcare, Financials, Energy, and Technology, with a more balanced base for the next team to build from.

Closing Thoughts

We're handing over a portfolio that has addressed the structural sector misalignment behind this year's underperformance. Stock selection within our names worked; our task was to pair it with disciplined portfolio construction, and the rebalancing we executed leaves the fund well-positioned to execute on its mandate going forward. Managing the Jefferson Fund tested our judgment in ways a classroom never could, and we're better investors for it. We're confident the next team will take the work further. Thank you all for your partnership this year.



Sincerely,

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MONTICELLO FUND

To Our Friends and Partners,

It has been an honor to serve as Senior Portfolio Manager of the Monticello Fund over the past twelve months. I would like to thank Huan Wang, Prerna Chiripal, and Santiago Marvan for their partnership, and Danna Wang and her team for the well-managed portfolio they handed off in April 2025. Our priorities were to anchor the portfolio in high-quality global leaders, selectively add higher-upside ideas, and exit inherited positions where conviction had faded.

PERFORMANCE OVERVIEW

As of 31 March 2026, the Monticello Fund's market value stood at approximately \$8.8 million across 28 holdings. From 1 April 2025 to 31 March 2026, the Fund returned +25.06% versus the MSCI ACWI's +18.35%, an excess return of +671 bps. The largest contributors were Alphabet (+85.9%), Broadcom (+84.6%), ASML (+99.3%), and TSMC (+100.4%), reflecting our overweight to the secular AI and semiconductor build-out. The largest detractors were Viridian Therapeutics (-37.8%), Berkshire Hathaway (-10.2%), and Xiaomi (-21.9%). U.S.-domiciled names represented approximately 57% of the portfolio at period end, within the Fund's 65% mandate cap.

OUTLOOK

We do not believe equity markets are in a bubble. We are living through a once-in-a-generation economic revolution - comparable in scale only to the First and Second Industrial Revolutions, but compressed into roughly a decade. Standard market-temperature gauges support this view: the [Nasdaq 100 forward P/E](#) sits below its 10-year average, [FINRA margin debt as a share of market capitalization](#) is well below the 1999–2000 and 2007 peaks, and [capex as a share of operating cash flow](#) at the largest U.S. technology companies remains far below 1999–2000 levels - today's build-out is being funded by internally generated cash, not balance-sheet leverage.

We recommend the next team identify the rotating bottleneck within the AI supply chain (Energy → Chips → Infrastructure → Models → Applications) and own the companies best positioned to relieve it. In 2025 the bottleneck was memory; we believe the next bottleneck is energy, which is the logic behind the OKLO call option, the nVent position, and continued exposure to TSMC, ASML, and Broadcom.

The principal risk we flag is geopolitical. The Fund holds four positions with material China–Taiwan exposure - TSMC, BYD, Xiaomi, and BeOne / BeiGene - and China's leadership reportedly wants the PLA to have the capability to take Taiwan by 2027. Conviction in each business remains high; we view TSMC as the single most important company in the AI supply chain after NVIDIA. We recommend the next team monitor this situation continuously and be prepared to exit all four positions if the probability of armed conflict rises materially.

PORTFOLIO ADJUSTMENTS (April 2025 - March 2026)

New Positions

- **BeOne Medicines / BeiGene (ONC), May 2025:** value-driven global oncology platform
- **BYD Company (BYDDY), May 2025:** global EV and battery leader
- **Xiaomi Corporation (XIACY), October 2025:** value-driven China consumer-tech
- **Amazon.com (AMZN), December 2025:** high-quality compounder with durable AWS, advertising, and e-commerce drivers.
- **Viridian Therapeutics (VRDN), December 2025:** biotech with a differentiated thyroid eye disease pipeline.
- **nVent Electric (NVT), February 2026:** industrial leverage to electrification and data-center infrastructure.

Exited

- **Halliburton (HAL), September 2025:** cyclical oilfield services exposure outside our preferred mix of secular compounders.
- **Lululemon (LULU), September 2025:** growth deceleration and rising competitive intensity.
- **Novo Nordisk (NVO), September 2025:** GLP-1 thesis fully priced; competitive position weakening versus Eli Lilly.
- **PT Bank Mandiri (PPERY), May 2025:** limited upside, EM and FX risk.
- **Thermo Fisher (TMO), November 2025:** bioprocessing destock and post-COVID demand normalization.
- **LVMH (LVMUY), December 2025:** softening luxury demand, particularly in China.

Options Activity

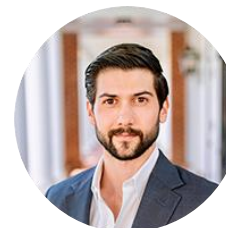
- **TSMC Covered Call, September 2025:** sold 15 contracts at a \$285 strike, 3 October expiry, collecting ~\$5.5K in premium; assigned at expiry; 903 shares rebuilt at \$275 in December.
- **OKLO Call Option, February 2026:** bought 10 contracts at a \$75 strike, 18 December 2026 expiry, for ~\$20.1K in premium; asymmetric exposure to advanced nuclear and AI-driven electricity demand.

CLOSING REMARKS

We thank everyone at Darden Capital Management and the Darden School of Business for the trust placed in us throughout the year. Managing the Monticello Fund has been one of the most rewarding experiences of our time at Darden. We hand off a portfolio we believe is well-positioned and aligned with the Fund's long-term, global mandate. We wish the next portfolio management team great success.

Sincerely,

Dachi Gubadze
Senior Portfolio Manager, Monticello Fund
Darden Capital Management
GubadzeD26@darden.virginia.edu



ROTUNDA FUND

To our Friends and Partners,

Managing the Rotunda Fund over the past year has been an absolute joy. It was a blast to share the experience with true friends; Alec, Catie, and Tyler – they set the bar high for next year’s team. Additionally, we’re blessed to have been joined by Adam Holt, special advisor to DCM, for several meetings. His depth and breadth of knowledge was a massive uplift on our team.

Our team took it upon ourselves to self-define what we wanted our guiding principles to be as it relates to ESG. We determined that ESG/sustainable investing is “investing in a company engaged in an economic activity that contributes positively to an environmental or social objective while being mindful and deliberate about the long-term stakeholders in its downstream”. We wanted to have an in-depth conversation on how we believe the company adheres to this framework; as opposed to outsourcing that line of thinking to an “ESG Score” or another similar metric. This led us to some exciting conversations, starting with uranium miner Cameco, which is a great example of the nuanced conversations that we want to be tackling.

As of March 31, 2026, the market value of the Rotunda Fund stood at \$6,139,512. Between April 1, 2025, and March 31, 2026, the fund achieved a return of +24.37%, outperforming the S&P 500's +16.33% by +804 basis points. This outperformance was primarily driven by an overweight position in the industrials and energy sector, notably in GE Vernova (+181%), Vertiv (+276%), and Cameco (+76%), which collectively represented ~9% of the fund’s holdings as of March 31, 2025. We had our laggards, however, which included Salesforce (-30%), Intuit (-27%), and Adobe (-25%), accounted for ~10% of the fund’s weight. The well-timed exit from Occidental Petroleum in the midst of the Iran War and the strategic trimming on Amazon and Alphabet helped crystallize some gains and take some chips off the table. We transitioned the fund to the new management with ~20% cash, representing our generally risk-off position as it stands in mid-2026. This is a constant source of conversation between Dachi and myself (and most of the world), but I believe we are in bubble territory – perhaps not in the Mag 7 as valuations aren’t heinous, but there has been a general uplift of the rest of the market (comprised of lower-caliber companies) that is scary to deploy capital into. Time will tell who is right

We took the general stance that we would be ultra-selective in our decision making as a fund. When valuations are extended, you’re fighting an uphill battle as-is, and you want to only deploy into your highest conviction ideas. Since taking over the portfolio in April, the fund has purchased Cameco, American Express, Kenvue, Honeywell, Adobe and Intuit, and while fully exiting positions in ULTA, Natera, Occidental Petroleum and some selective selling of winners. This approach reflects the fund's overarching strategy of increasing positions in quality, bellwether names that have a foundational impact on our world.

Since taking over the portfolio in April 2025, the fund has made the following trades:

Portfolio Adjustments

Bought: Cameco (NYSE: CCJ), April 2025

On April 1, 2025, the fund invested 3% in CCJ. CCJ is one of the largest and highest quality uranium miners in the world and is a "pure play" into the growing demand for nuclear energy globally, supplemented by their recent acquisition (49% interest) of Westinghouse. We acknowledged that the stock is highly correlated to CEG but occupies a totally different position in the value chain and is better positioned to capture the growing demand for global nuclear energy. We ultimately exited this position ~90 days later to crystalize an 76% profit.

Bought: Kenvue (NYSE: KVUE), September 2025 and October 2025

The team bought ~1.5% of the portfolio in Kenvue upon the recommendation from a PM, Catie Nolan. This is likely the most “opportunistic” trade that occurred at DCM this year; where the idea was surfaced in a meeting, the collective team

worked all night on it, and we transacted the following morning. The basic thesis, surfaced by Catie and then supported by the team, was that the Trump assault on Tylenol was a) unfounded and b) not as detrimental to the stock as the market was assigning. With the stock so depressed, we identified an acquisition from a strategic or a sponsor as a likely route forward. As the stock continued to slide, we bought another 1.5%, lowering our average cost. Sure enough, a few days after, Kimberly-Clark announced they were acquiring Kenvue in a stock/cash transaction, causing the stock to appreciate greatly. As opposed to waiting for the transaction to close, we sold shortly thereafter, capitalizing on a modest, but quick, gain.

Bought: American Express (NYSE: AXP), November 2025 and January 2026

Tyler pitched American Express on the thesis that their data moat, customer loyalty, and premium positioning will continue to give them compounder status for the long-term. AmEx was our first time where the Fund got comfortable with serial outperformer, where we normally had a bias for stocks that had experienced recent dislocations. AmEx will never feel “cheap”, but Tyler did a successful job in noting that they are truly best-in-class, and worth owning in a long-term endowment portfolio. We ended up Dollar-Cost-Averaging into a 4% position.

Bought: Honeywell (NYSE: HON), November 2025

Carter pitched Honeywell at the MIT Sloan Stock Pitch Competition, and brought it to the Rotunda Fund as well. This was an interesting story of an activist-led spinoff of a conglomerate into 3 distinct business units, and the thesis was that the spinoff would evaporate the “conglomerate discount” and leave the RemainCo as a “pure-play” into the world of industrial automation, sensor technology, and IoT. This is counter to most analysts’ reason for owning the stock, which is their crown-jewel Aerospace business. We went in with a 2.5% position with the hopes of DCA’ing into a larger position, but quick appreciation left us unable to do so.

Bought: Adobe (NASDAQ: ADBE), November 2025

Alec pitched Adobe in the midst of the first “software meltdown” that started as Claude began causing turmoil in the markets. The thesis was that their entrenchment into modern-day enterprises will bolster its defenses against AI, not to mention benefit from it with its development of Firefly and other applications. Additionally, we got excited about its stellar cash generation and the opportunity that affords, especially as it relates to bolt-on M&A moving forward. We deployed 4% of the fund into Adobe.

Bought: Intuit (NASDAQ: INTU), January 2026

Tyler pitched Intuit, owner of TurboTax, QuickBooks, CreditKarma, and other consumer technology, as a similar thesis to AXP. Data moat, better product offerings, better understanding of their consumer, better targeted advertising. This was compelling given their biggest product, QuickBooks, holds a captive market amongst an extremely fragmented user base, mostly small businesses and sole proprietors. The stock had experienced an extreme pullback in 2H25, and we thought the entry point of the mid-600’s was extremely attractive. Since then, the stock has imploded to under \$400 on concerns that AI will erode its moat and companies will be able to spin up proprietary technology to fit their needs.

Exited Positions

The fund was thoughtful about strategic selling in 2025-2026, especially because valuations were so extended. We add detail here because we are proud of our selling activity and are leaving the new fund with ~20% cash to reflect our “risk off” sentiment.

- **April 2025:** We began our tenure by selling our entire ULTA position because we weren’t convinced with the large-format, brick & mortar strategy. We quickly learned that they are entrenched in the female consumer’s buying habits, and the stock has since appreciated.
- **May 2025:** We sold half of our Accenture holdings at an immense profit, unsure of AI’s impact on its core business. We had to trim Microsoft & Google twice to stay below the 10% max individual holding threshold because of their

rapid appreciation.

- **July 2025:** Sold Cameco due to rapid appreciation and reduced confidence in the go-forward returns.
- **September 2025:** Sold Natera near breakeven due to its extreme valuation and a tilt towards quality. Company is not profitable and we weren't confident in the timeline.
- **October 2025:** Sold half of our Constellation Energy position to crystallize gains and reduce energy exposure.
- **November 2025:** Sold a third of our Eli Lilly exposure to crystallize gains at an extended valuation. We were also beginning to question our alignment with Lilly's overall brand ethos and alignment with our fund's vision.
- **January 2026:** Sold a third of our Visa exposure and half of our JP Morgan exposure to reduce Financials tilt as we cycled into AXP. Also sold a third of Vertiv as it continued to appreciate extremely rapidly. Locked in our cost basis return of cash, now all invested is "house money"
- **February 2026:** Sold half of our Waste Connections position as we right-sized our industrial portfolio, and sold all of our Kenvue position as we lost confidence in the value creation potential of waiting for the merger to complete.
- **March 2026:** Liquidated our entire Occidental Petroleum position. The stock had moved away from his giant carbon capture project in the wake of IRA rollbacks, so we were waiting for the right time to exit. The Iran War gave us a chance to capitalize on major short-term appreciation.

To wrap up, our team sincerely thanks Darden, DCM, and the Board of Trustees for the opportunity to contribute to this rewarding journey. We deeply value your ongoing trust, support, and commitment. Please feel free to reach out with any questions or suggestions; we look forward to sharing our continued progress with you.

Sincerely,



Carter Love
SPM Rotunda Fund
Darden Capital Management
LoveC26@darden.virginia.edu

FEATURED INVESTMENTS

VULCAN MATERIALS CO. (NYSE: VMC)

TARGET PRICE: \$343.56

Nate Ingram – Cavalier Fund

Company Data	
Price (11/14/2025)	\$280.58
52 Week High-Low	\$215.08-\$309.17
Market Cap	\$40.0bn
Enterprise Value	\$45.2bn
EV/EBITDA	17.27x

Business Description:

Vulcan Materials Company produces and supplies construction aggregates in the United States. The company provides crushed stone, sand and gravel, sand, riprap and jetty stones, and other aggregates for use in construction and maintenance of highways, streets, and other public works, as well as in the construction of housing and commercial, industrial, and other non-residential facilities; asphalt mix; asphalt construction paving services; and ready-mixed concrete products.

Investment Thesis:

- Strong, varied, and consistent base line demand segments (highways, infrastructure, residential, and non-residential) support aggregates business
- The aggregates business benefits from secular tailwinds spurred by the IIJA, continued urbanization, and pricing trends, which will provide outsized benefits to the scaled players
- Vulcan Materials has corporate scale that provides dominant market position in much of the country, providing wide and widening structural competitive advantages over competitors
 - Vulcan has the largest supply of aggregate reserves and its geographic footprint in the east, south, and west is strategically located for the future
- Vulcan's capabilities are perfectly positioned for overcoming key constraints and navigating future uncertainty in the construction aggregates space
 - Their vast footprint, local monopolies, and transportation network gives them flexibility and a moat that rivals can't replicate
- Vulcan's focus on aggregates will allow them to take share over the long term against their closest scaled rival Martin Marietta
 - In contrast to Vulcan's focus on aggregates, MLM still engages in higher cost finished materials businesses
 - MLM's footprint is less well suited for the future, with large reserves stranded in low growth mid-western markets
- Vulcan has a disciplined business approach, driven by pushing price, controlling costs, and generating new business, and it is disciplined in capital allocation

What Happened:

- CEO transition
 - The biggest corporate development was a planned CEO succession announced October 13, 2025, just weeks before the fund entered the position. Long-time Chairman and CEO Tom Hill transitioned to Executive Chairman, with Ronnie Pruitt, formerly COO, taking over as CEO effective January 1, 2026. The market broadly viewed this as an orderly, well-telegraphed transition

- Hill and Pruitt had long co-developed Vulcan's "aggregates-led" strategy, and Pruitt was widely seen as a continuity choice rather than a disruptive change.
- Underlying business remains strong
 - Full-year 2025 revenues reached \$7.94 billion, up from \$7.42 billion in 2024
 - Adjusted EBITDA grew 13% to \$2.3 billion, with EBITDA margins expanding 160 basis points to 29.3%
 - Operating cash flow surged 29% to \$1.8 billion, and free cash flow grew over 40%
 - Aggregates shipments rose 3% for the full year, with pricing up meaningfully
 - Vulcan also strategically divested its Houston asphalt construction services and announced the sale of its California ready-mixed concrete operations, doubling down on its pure-play aggregates model
- Despite strong performance on these metrics, they missed EPS in Q4 and failed to assuage analysts' concerns with 2026 guidance, leading the stock to underperform
 - Despite the miss, the fund still believes in the long-term thesis and believes that new management is well-suited to outperform these now lower expectations

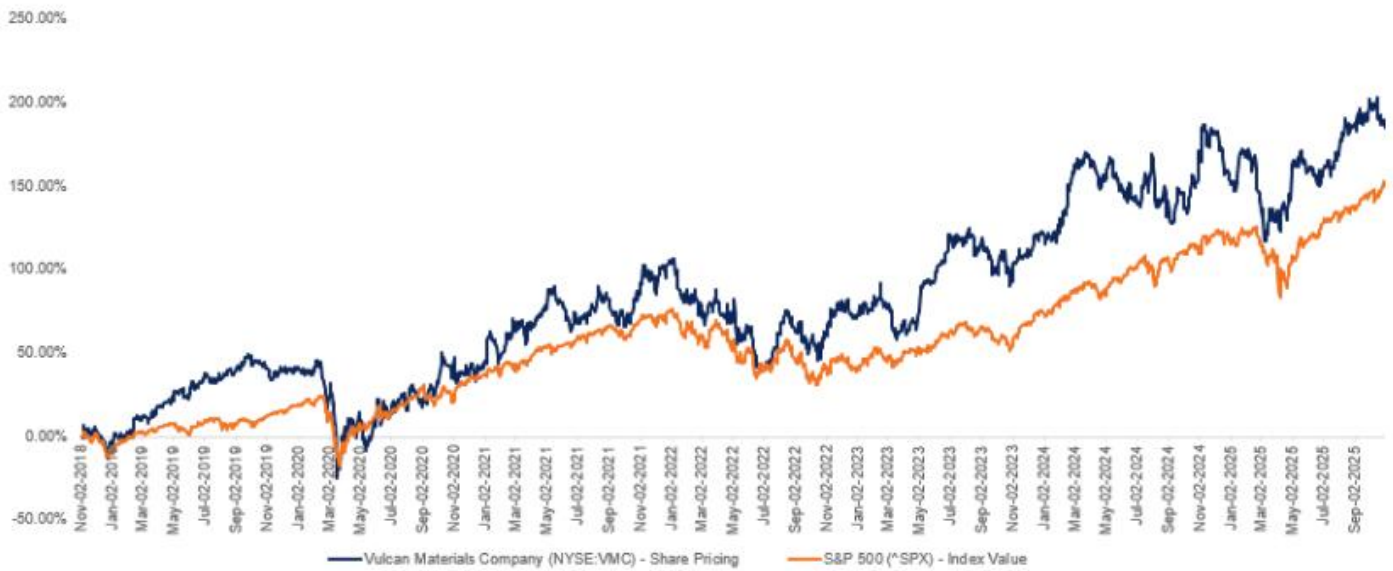
Risks & Mitigants:

- Macroeconomic risk: with business so tied to the construction industry, so a general economic slowdown would hurt Vulcan
 - Residential and commercial real estate are at relative troughs in the cycle, and rate cuts would mitigate a general slowdown somewhat
- Leadership risk: Tom Hill is stepping down after 11 years as CEO and 45 years at Vulcan; leadership transition threatens continued business success
 - New CEO Ronnie Pruitt is an industry veteran, and there is enough continuity in the C-suite to support his leadership; the stock hit an all-time high shortly after the announcement
- Competition risk: Martin Marietta is a scaled player with many similar capabilities as Vulcan; losing share to MLM in key markets is always a concern
 - Vulcan has a headstart on Martin Marietta in executing its streamlining strategy and is therefore well positioned to maintain its lead

Charts:



Company Name	Ticker	Fiscal Period	Market Data (\$)			Shares Out		Financial (\$)			Valuation (x)	
			Price	Mkt Cap (M)	EV (M)	(M)	Diluted (M)	Sales (M)	EBIT (M)	EBITDA (M)	EV/EBIT	EV/EBITDA
Vulcan Materials	VMC-US	09/30/2025	280.58	37,252.4	41,474.6	132.1	132.9	7,882.1	1,675.1	2,402.1	24.76x	17.27x
Martin Marietta Materials	MLM-US	09/30/2025	596.44	36,147.5	41,602.5	60.3	60.4	6,642.0	1,545.0	2,174.0	26.93x	19.14x
CRH	CRH-US	09/30/2025	109.57	74,412.4	89,404.7	670.3	675.5	36,901.0	5,160.0	7,276.0	17.33x	12.29x
Cemex	CEMEXCPO-MX	09/30/2025	1.01	15,311.1	19,770.7	15,137.5	14,706.0	15,807.8	1,692.8	2,974.1	11.68x	6.65x
Anrize	AMRZ-US	09/30/2025	48.82	27,020.6	32,121.6	552.7	553.1	11,825.0	1,912.0	2,807.0	16.80x	11.44x
Knife River	KNF-US	09/30/2025	69.62	3,967.5	5,074.5	56.7	56.9	3,048.1	274.2	452.0	18.50x	11.23x
Arcosa	ACA-US	09/30/2025	100.48	4,965.0	6,328.1	49.0	49.1	2,832.9	319.9	546.2	19.78x	11.59x
Average											19.40x	12.80x
Median											18.50x	11.59x



POWELL INDUSTRIES (NASDAQ: POWL)

Adam Tivey – Darden Fund

Company Data (as of April 1, 2026)	
Price	\$235 split-adjusted (\$705 pre-split)
Cost Basis	\$55.13 (4/9/25)
52 Week Range	\$53.68-\$250.65 (split adjusted)
Market Cap	\$8.5B
Enterprise Value	\$8B

Business Description

Powell Industries, Inc. is a provider of custom-engineered electrical infrastructure solutions used to monitor, distribute, and control electrical power in mission-critical industrial environments. The company designs and manufactures integrated systems including power control room substations (PCRs), electrical houses (E-Houses), medium-voltage switchgear, and power management systems.

Powell operates at the intersection of electrical equipment manufacturing and systems integration, producing highly customized, engineered-to-order solutions that are tailored to specific customer requirements. This hybrid model enables the company to capture the margin profile of manufacturers while delivering the flexibility and customer intimacy of integrators.

The company serves a diversified set of end markets including oil & gas, petrochemicals, electric utilities, and commercial/industrial applications such as data centers and transportation infrastructure. While historically concentrated in energy, Powell has expanded into adjacent growth verticals including hydrogen, carbon capture, electrification, and energy storage.

Executive Summary

Powell Industries represents a high-quality industrial compounder operating in a structurally advantaged niche within electrical infrastructure. The company's differentiated hybrid model—combining in-house manufacturing with systems integration—drives superior margins, strong customer retention, and high switching costs.

The business is currently benefiting from a confluence of cyclical and secular tailwinds, including LNG infrastructure buildout, electrification, and increasing power demand from AI-driven data center expansion. These dynamics have translated into outsized revenue growth (38% vs. ~6% peer average) and expanding profitability.

Importantly, Powell maintains a highly attractive financial profile characterized by strong free cash flow generation, a growing backlog providing multi-year revenue visibility, and a net cash balance sheet that supports optionality for reinvestment or strategic M&A.

Despite these strengths, the market underappreciates the durability of Powell's earnings power and its positioning within long-duration electrification and energy infrastructure themes, creating an attractive risk-reward profile.

Investment Thesis

- **Hybrid Business Model Drives Structural Margin Advantage**
 - a. Combines manufacturing scale with integration capabilities, capturing value across the project lifecycle
 - b. Custom-engineered solutions create high switching costs and long-term customer relationships
 - c. Enables margin profile comparable to large OEMs with greater flexibility and pricing power
- **Sustained Growth Supported by Secular Electrification and Energy Demand**
 - a. Exposure to LNG expansion, with U.S. export capacity expected to grow materially through 2028
 - b. Electrification trends (AI/data centers, renewable integration, grid modernization) driving ~6–8% end-market growth
 - c. Expansion into adjacent markets (hydrogen, carbon capture, energy storage) increases TAM and diversification

- **Backlog Visibility and Operating Leverage Support Earnings Durability**
 - a. Significant backlog provides multi-year revenue visibility and reduces cyclicality
 - b. Strong order growth and improving fulfillment rates signal sustained demand momentum
 - c. Operating leverage from scale and pricing power drives margin expansion toward peer levels
- **Best-in-Class Balance Sheet Enables Strategic Flexibility**
 - a. Zero long-term debt and growing cash balance support reinvestment and M&A
 - b. Strong cash flow generation enhances resilience across cycles
 - c. Financial flexibility positions Powell as a consolidator in a fragmented market

Risks

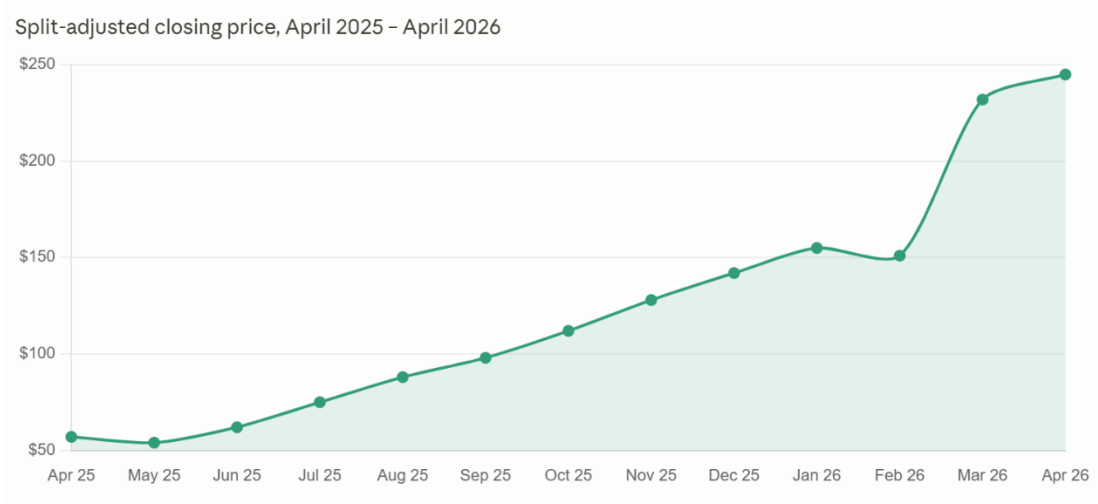
1. **End-Market Cyclicity and Energy Exposure**
 - a. Powell maintains significant exposure to oil, gas, and petrochemical markets, which are inherently cyclical and sensitive to commodity prices, capex cycles, and geopolitical dynamics.
2. **Dependence on Electrification and Infrastructure Investment Trends**
 - a. A slowdown in AI-driven data center demand, renewable investment, or broader electrification trends could reduce growth expectations and compress backlog.
3. **Execution Risk in Scaling and Project Delivery**
 - a. As a project-based business, Powell is exposed to execution risk, including cost overruns, delays, and supply chain disruptions, which could pressure margins and returns.
4. **Competitive Pressure from Large OEMs and Integrators**
 - a. Competition from scaled players (e.g., ABB, Siemens, Eaton) and regional integrators could intensify, particularly if pricing pressure emerges in a downturn.
5. **Market Sentiment and Short Interest Volatility**
 - a. Elevated short interest reflects skepticism around the sustainability of recent growth, which could increase volatility and downside risk if expectations reset.

What Happened:

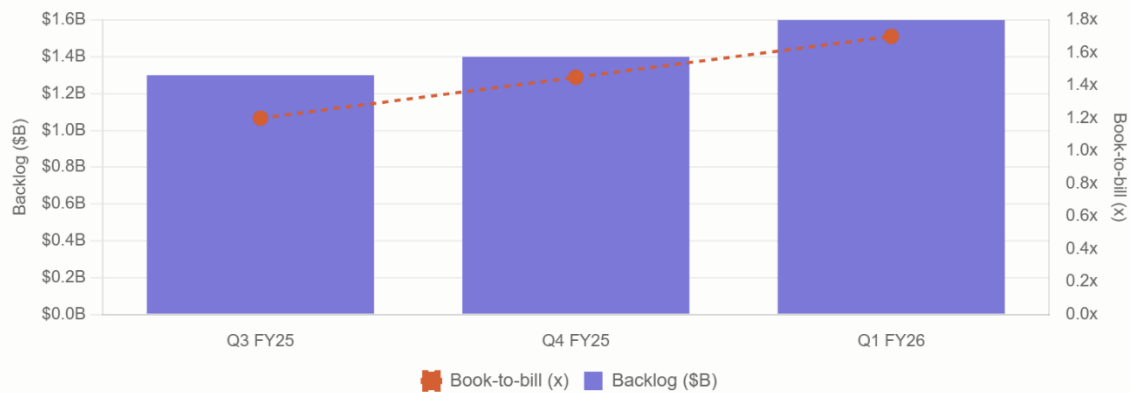
POWL went from a roughly \$1.7B company in April 2025 to roughly \$8.5B a year later — a ~5x re-rating. The story is essentially data centers + LNG + grid.

Powell makes custom switchgear, power control rooms, and bus duct – the heavy electrical equipment that sits between the grid (or a generator) and a customer's facility. Three demand vectors converged. First, hyperscaler data center buildouts pulled commercial/industrial orders sharply higher, with data center work approaching half of new bookings and a "design one, build many" repeatability that lifted margins. Second, U.S. LNG export expansion drove large oil & gas project awards (including a \$100M LNG contract in the latest quarter). Third, utility grid modernization spending accelerated. The result: backlog hit a record \$1.6B with a 1.7x book-to-bill ratio.

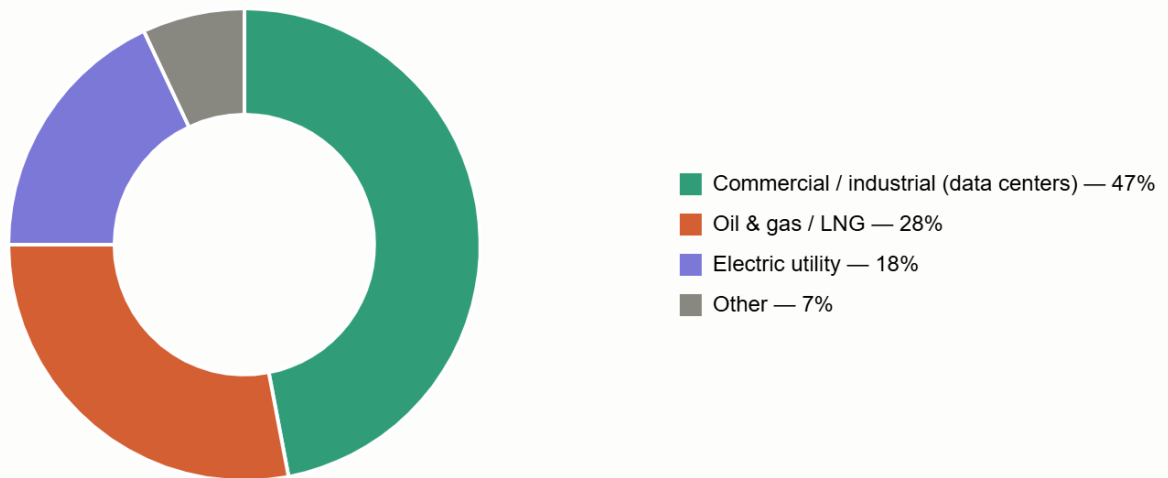
The financials confirmed it. FY2025 (ended Sept 30, 2025) revenue was \$1.1B (+9% YoY), gross margin expanded to 29.4%, and EPS rose 21% to \$14.86. Q1 FY2026 (Dec quarter) printed \$251M revenue and \$3.40 diluted EPS, beating consensus by ~16%. Management is signaling more capacity investment (the Jacintoport Houston expansion, plus the Remsdaq acquisition closed). Sentiment-wise, the March 10 announcement of a 3-for-1 forward split (the company's first ever) plus a tripling of authorized shares triggered a ~26.5% rally as investors took it as a confidence signal about the multi-year demand pipeline.



Backlog and book-to-bill (a leading indicator of revenue)



FY2025 order mix — what's actually buying the switchgear



A note on data caveats: monthly prices in the chart are split-adjusted approximations reconstructed from publicly reported reference points (April 22, 2025 ≈ \$170 pre-split, Feb 4, 2026 market cap ≈ \$5.5B implying ~\$151 split-adjusted, post-split-announcement rally of +26.5%, and \$242.77 on April 22, 2026). The order-mix donut is approximated from management commentary that data centers/commercial-industrial accounted for roughly half of orders, with the remainder split across oil & gas (especially LNG), electric utility, and other end markets. Exact April 1, 2026 figures aren't broken out separately in the public sources, but pre-split price was in the ~\$700–725 range based on the surrounding daily prints.

CAMECO (NYSE: CCJ)

Carter Love – Rotunda Fund

Company Data (as of sale: July 8, 2025)	
Price	\$72.49
Cost Basis	\$41.80 (4/1/25)
52 Week Range	\$41.83-\$112.82
Market Cap	\$18.5B
Enterprise Value	\$18B

Business Description

Cameco is one of the largest uranium miners in the world, owns the highest-grade uranium mine (Cigar Lake) and the largest high-grade mine (MacArthur River/Key Lake) in world. Cameco's high-grade operations are in Saskatchewan, Canada, with interests in a low-grade operation in Kazakhstan. The company owns the world's largest uranium refinery (Blind River) and a

large conversion facility (Port Hope). Importantly, it as 49% stakes in Westinghouse Electric and Global Laser Enrichment.

Executive Summary and Analysis

The team used this pitch to take a deep-dive into the energy generation landscape, culminating in a thorough analysis on Exhibit I. From here, we looked to see what exposure the Rotunda Fund currently had across the landscape, and that's detailed in Exhibit II. We felt comfortable adding the energy exposure because it was sufficiently diversified away from our current holdings, and touched different sectors of the economy.

The thesis was all centered around an overblown tariff story, and this was evidenced in a graph on Exhibit III. The stock had sold off 3-5% on the Liberation Day news, which was substantially more muted than the overall market. We thought even this moderate pullback was overblown, given the demand inelasticity shown in Exhibit III. It shows that even with a doubling of the price of uranium fuel, which would be a boon to CCJ, the overall pricing that consumers and utilities would ultimately pay is only marginally increased. This single graph was the reason that we gained confidence to invest – we thought nuclear demand was intact at worst, and growing substantially at best.

Moving to the model in Exhibit IV, we spent a ton of time getting comfortable with the type of growth that was baked into the current share price at the time. In a commodity market where supply is relatively finite and not easily scalable, there was substantial growth baked in. With spot prices at a 40% drawdown since peak (~\$100), we felt comfortable that this could revert back higher once things settled.

Lastly, we had to make sure that a uranium mining company, with known environmental detriments and infringements on indigenous peoples in Canada and Kazakhstan, fit the mold of a Rotunda Fund company. We were able to gain comfort that they are going to tremendous lengths for mining safety, environmental impact, and native relations. They are a major employer in their key regions, and make a point to prioritize education and development. Furthermore, as we defined nuclear energy as one of the cleanest methods for base load energy, the benefits of their sustained success outweigh the drawbacks of how it gets into production.

Investment Thesis

- We are taking advantage of a short-term market pullback to enter a structurally significant stock at a great time. Canada is in the center of the “tariff war” and this short-term price disruption isn't indicative of the long-term strength of Cameco.
- Recent downward trends in the spot uranium market will be a long-term boon for CCJ, as it will disincentivize new exploration in the US and other markets, acting as a long-term catalyst for higher prices. Cameco's activity in the long-term market has sufficiently mitigated this short-term risk.
- There is tremendous upside in their recent acquisitions. Westinghouse's SMR business has the potential to grow rapidly as international sentiment on nuclear shifts and people realize its viability. Global Laser Enrichment is creating a “circular economy” in the nuclear supply chain that will alleviate end-of-life concerns with used

uranium and is backed by a major secular tailwind: reducing enrichment dependence on Russia

Risks

- Geopolitical Tension
 - Russian enrichment center is huge risk
 - Onshoring of energy generation will be major trend (+)
 - GLE poised to benefit
- Technological Limitations
 - NuScale, Okta entering SMR market
 - Execution Risk in Scaling and Project Delivery
 - New SMR's with marginally better technology and patent approval are entering the market
 - Westinghouse's legacy offerings more "plug & play"
 - 3 types of solutions
- New SMR's with marginally better technology and patent approval are entering the market
 - Westinghouse's legacy offerings more "plug & play"
 - 3 types of solutions
- Customer/Geographic Concentration Risk
 - High dependency on a few major utilities
 - Some exports are to US market (tariffs)
 - • Reactor phase-outs take 10+ years of planning, will be ample time to react
 - New customers will offset any churn
 - Nuclear fuel accounts for ~10% of total energy bill

What Happened:

We transacted on CCJ on 4/1/26 at a cost of \$41.80. Over the following 90 days, the stock rapidly increased. The Trump administration started a campaign almost immediately of prioritizing nuclear in its external communications and policy, culminating on May 23 with a series of executive orders - including reforming the Nuclear Regulatory Commission, the Defense Production Act boosting domestic fuel supply, and the Reactor Pilot Program, aimed at getting more reactors online in short order. More information can be found [here](#). The net effect of this administrative action, combined with a substantial earnings beat on June 29, sent the stock even further.

Ultimately, DCM's CIO and I began a dialogue to see if we still believe in the thesis at the \$75 price point. I said no. This implies astronomical growth in an extremely asset-heavy industry, and it was beginning to feel like it was overextended based on the national spotlight on it. This led us to sell the position on July 8, crystalizing a near 80% gain in just over 90 days.

Since then, the stock has remained in the national spotlight and gained even more traction; currently trading around \$122, which would be a ~200% gain from where we bought. I am still comfortable with where we sold, however, and believe the stock to be extremely overvalued at this juncture.

I'll leave you with my favorite saying:

"You never go broke taking a profit"

Exhibit I

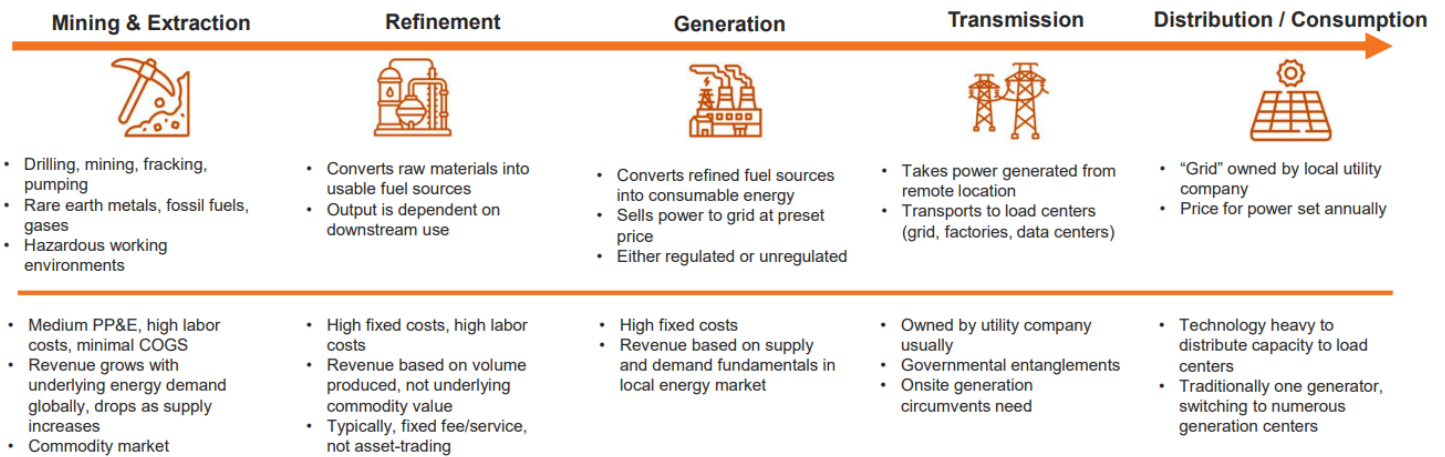


Exhibit II

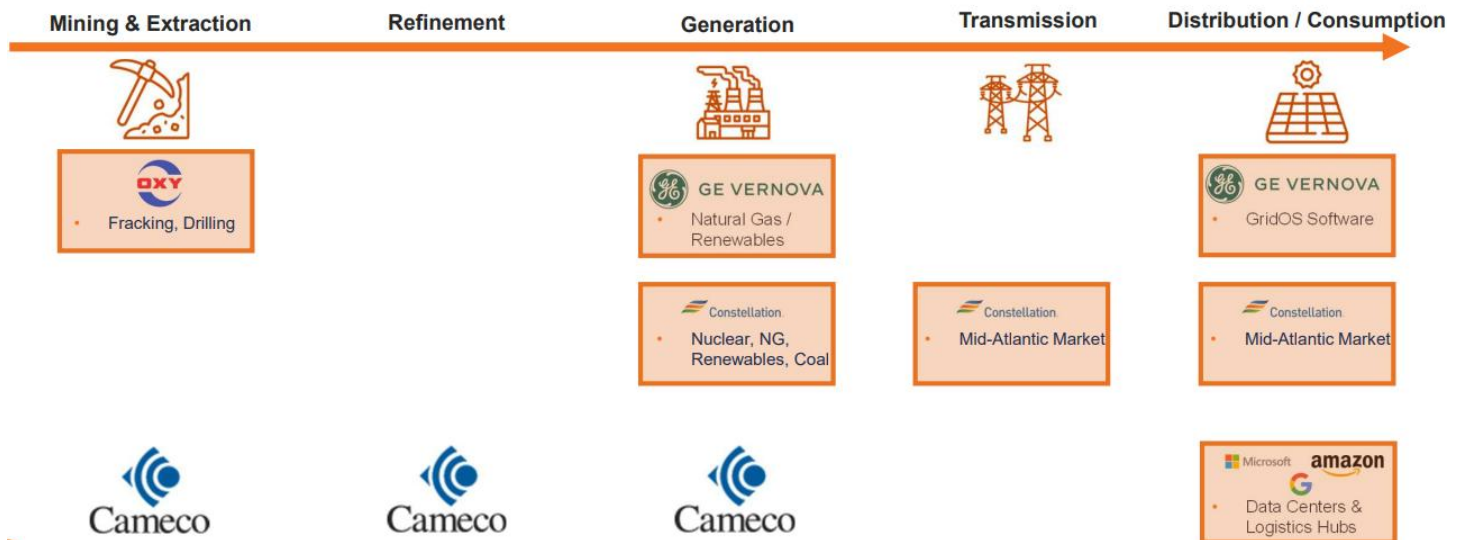


Exhibit III

Inelasticity of Demand

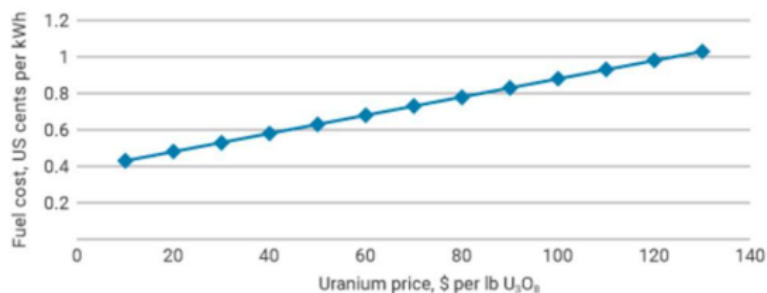


Exhibit IV

						CAGR
	2025E	2026E	2027E	2028E	2029E	2025-2029
Total Revenue	2,723.1	3,267.7	3,757.9	4,133.7	4,381.7	12.6%
Annual Growth	25.0%	20.0%	15.0%	10.0%	6.0%	
EBITDA	816.9	964.0	1,089.8	1,178.1	1,226.9	10.7%
Margin	30.0%	29.5%	29.0%	28.5%	28.0%	
(-) D&A	182.5	219.0	251.9	277.1	293.7	12.6%
EBIT	634.4	745.0	837.9	901.1	933.2	10.1%
Less: Income Taxes	(187.1)	(219.7)	(247.2)	(265.8)	(275.3)	
NOPAT	447.3	525.2	590.8	635.3	657.9	10.1%
(+) D&A	182.5	219.0	251.9	277.1	293.7	
(-) CapEx	(182.5)	(219.0)	(251.9)	(277.1)	(293.7)	12.6%
(-) Increase in NWC	(45.4)	(54.4)	(62.6)	(68.8)	(73.0)	12.6%
Unlevered Free Cash Flow	401.9	470.8	528.2	566.4	585.0	9.8%

CLASS OF 2026 LEADERSHIP TEAM BIOS



Liz Paterra — Chief Executive Officer

Prior to Darden, Liz worked as Senior Investment Analyst at a single family office based in Foxborough, MA, where she conducted diligence and performance analyses across private and public asset classes. She started her career on the Performance Reporting team at Cambridge Associates. Liz graduated from Kenyon College with a bachelor's degree in economics. This summer, she interned with the Outsourced Chief Investment Office team at the J.P. Morgan Private Bank in Los Angeles, CA.



Christoph Bischoff — Chief Investment Officer

Christoph worked as an Investment Banking Associate in M&A at TD Cowen and Pava Partners in Germany. In his role as Associate he managed responsibilities across all stages of both buy- and sell-side transactions, overseeing deals totaling over \$1bn across various industries and geographies. This summer, he joined the private equity company OIC as a Summer Associate.



Ross Williams — Chief Financial Officer

Ross Williams spent the summer as an Investment Banking Associate at Santander. He has over seven years of experience in financial services, including roles at KPMG, BNY Mellon, XP Investments, and Dinosaur Financial Group. Ross is also the founder of Freedom Financial, a nonprofit focused on financial literacy in underserved Black communities, and CEO of Lumière Gardens, a wedding venue business. A former professional basketball player, Ross brings leadership, discipline, and global perspective, having traveled to over 20 countries. He serves as Vice Chair of the Board at Oakwood University, helping design workforce-readiness programs for underrepresented students.



Kyesha Robertson, Chief Research Officer



Nate Ingram — Senior Portfolio Manager: Cavalier Fund

Prior to Darden, Nate spent five years working for Fannie Mae in corporate strategy and digital transformation. While at Darden he has worked as a research consultant for a Family Office based out of Sarasota, FL. Nate graduated from the University of Virginia in 2019 with Majors in Economics and American Government. Last summer, he interned at the University of Virginia Investment Management Company (UVIMCO).



Nate Mancini — Senior Portfolio Manager: Colonnade Fund

Prior to Darden, Nate spent seven years in real estate development and construction, delivering over \$1 billion of office and mixed-use multifamily assets across the D.C. Metropolitan region. Nate graduated from Virginia Tech in 2017 with Majors in Building Construction and Real Estate. Last summer, he interned with Wells Fargo as an Investment Banking Associate in their Real Estate, Gaming, Lodging, and Leisure group in Washington, D.C.



Lizzie Pettee — Senior Portfolio Manager: Darden Fund

Prior to Darden, Lizzie worked as an Equities Research Analyst and Portfolio Manager at Pettee Investors, a Connecticut-based RIA managing over \$250 million in assets. She supported portfolio management for 80+ U/HNW clients and conducted fundamental research on U.S. large- and mid-cap growth companies. She began her career at Edelman, a global communications and public relations firm, advising clients like Adobe and Microsoft. Lizzie earned her B.S. in Marketing and Communications from New York University. This summer, she was back at Pettee Investors with a specific focus on strategic growth and equity research.



Hampton McFadden — Senior Portfolio Manager: Jefferson Fund

Prior to Darden, Hampton served as an Assistant Vice President at Highland Associates, an investment consulting firm with approximately \$30 billion in assets under advisement. At Highland, he focused on private markets research and manager due diligence across private equity, private credit, and venture capital. He began his career as a Corporate Banking Analyst at Regions Bank. Hampton is a CFA and CAIA charterholder. This summer, he interned with Bain & Company in Atlanta, GA.



Dachi Gubadze — Senior Portfolio Manager: Monticello Fund

Before attending Darden, Dachi was the Co-founder and COO of Stack, a venture-backed technology startup. In this role, he successfully raised \$5 million from 11 institutional investors and scaled the company from 3 to 20 employees. This summer, he interned with Barclays as an investment banking associate.



Carter Love — Senior Portfolio Manager: Rotunda Fund

Prior to Darden, Carter was a Junior Portfolio Manager for a Family Office in Denver, CO, focused on real estate assets. Prior to that, Carter led operations and strategy at a fintech startup in Boulder, CO. Carter was a baseball player at the College of Charleston and spent 2 years playing with the White Sox organization after graduation. This summer, he interned with venture capital firm Hanwha Asset Management in San Francisco, CA.

THANK YOU