Darden Capital Management

UNIVERSITY of VIRGINIA

DARDEN SCHOOL of BUSINESS

Richard A. Mayo Center for Asset Management

THE ADVISOR

Q1 2024

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A LETTER FROM THE CEO & CIO

April 15, 2024

To our Stakeholders,

With great pleasure, we at Darden Capital Management (DCM) bring you the Q1 2024 edition of *The Advisor*. In the following pages, you will find letters from each of our six Senior Portfolio Managers (SPMs) detailing fund activity and selected investment pitches. Our Class of 28 students was immensely grateful and honored for the opportunity to learn through hands-on experience managing over $30 million on behalf of the Darden Foundation, and we believe that DCM is in strong hands with the Class of 2025.

In the selection process for the new Class, DCM conducted 40 official interviews, led by faculty advisors Pedro Matos and George Craddock. Alongside the interviews, we encouraged many of the applicants to network with Second Years to learn about the scope of each position and the academic mandates required from the Class. The selection process was intensely competitive, ultimately yielding an energetic, diverse group of First Year leaders including: Ian Thompson (CEO), Vedant Jain (CIO), Austin Roye (CFO), Akshay Mattu (COO), and SPMs Peter Hogan (Cavalier), Tom Alappat (Darden), Justin Anderson (Jefferson), Danna Wang (Monticello), Nilukshi Jayawardena (Rotunda), and Ben Forde (Colonnade).

Over our tenure on DCM, we worked hard to institutionalize the portfolio management process. Our Investment Committee (IC) structure has been passed down to the next Class and now handles the final word for all investments. The IC meets with DCM's faculty advisors each week to help ensure the fund is effectively progressing. Also, we have continued biannual mandatory Book Reports for all stock positions and substantially expanded the fund's educational resource pool, including building partnerships with Canalyst and Empirical Research Partners (ERP). In our last letter, we discussed our trial period with Empirical Research, the leading quantimental equity analysis tool used on Wall Street. We are glad to report that we have entered into a full-use subscription with ERP, after concluding our trial period earlier this year. The Empirical partnership would not be possible without the generosity of Mr. Richard (Dick) Mayo and his long-time professional relationship with ERP's founder, Michael Goldstein.

Since our last communication, the bull has continued to run, charging through volatile geopolitics, persistently high inflation, and a relatively narrow rally in the markets. As you are aware, UVA's investment apparatus, DCM included, has also confronted challenges from students to divest from legal, profitable industries such as the defense industry or companies based in Israel. While the debate is fierce and the positions fraught with emotion, we believe that it is our duty as fiduciaries to stand firm against those who choose to interfere in our execution of the portfolio's dual mandate. In our professional view, personal politics have no role in the DCM investment process. Due to the high turnover of managers, prioritizing long-term investing and pursuing long-term alpha will become impossible if we allow politics to intervene with our duty to make unemotional, shrewd investment decisions. Indeed, our ESG portfolio managers foresaw such matters and banned the use of negative industry screens in its investment process; this decision proved prescient and conducive to its success. We look forward to asking the Board to amend our Investment Policy Statement (IPS) to explicitly prevent the usage of negative screens in our investment process on DCM.

During our tenure, we made it a priority for our funds to trim holdings to produce a leaner, more observable, and higher conviction portfolio. We encouraged managers to take more risks, diverge from sector weights, and double down when Mr. Market misvalues DCM holdings while company fundamentals remain strong. DCM embraced quantitative models from Empirical as well, using their top-tier research and analyses to sharpen and fine-tune our own. This year has continued our pivot to quality, and our focus on durable free cash flow has been remunerative. We will continue developing our "variant perspective" by putting DCM's perpetual capital base to work over the long term to generate consistent capital appreciation for you, our investor.

In working to ensure diligent, structural oversight of the portfolio, we are also excited to introduce a formal DCM Summer Internship opportunity. The Summer Investment Associate will work at Darden for ten weeks from June to August and report directly to Pedro Matos and George Craddock, with additional oversight from Rodney Sullivan and the Mayo Center.

This role is particularly critical for two key areas: 1) actively managing DCM holdings to ensure the fund is optimally positioned throughout the entirety of summer, particularly when most members of the Class are locked in trading restrictions; 2) providing First Years interested in pursuing investment management careers with an invaluable internship opportunity to actively operate a $30 million fund. As investors, we recognize both the importance of staying nimble and opportunistic during the summer and the recruiting challenges of breaking into a top buy-side firm. We hope the DCM Internship helps to close these gaps.

By the numbers, our management philosophy was quite successful. Due to our multi-strategy nature, there is no single perfect benchmark index against which to compare our performance. To address this, we created a blended benchmark, comprised of a weighted combination of our constituent indices (hereafter, "blended benchmark"). Additionally, given that DCM's portfolio has a beta of 0.92 as compared to our blended benchmark, we felt that calculating a CAPM alpha (focusing on a risk-adjusted return) rather than just a simple alpha analysis was more appropriate. In the full year performance period of March 31 to April 1, the fund trailed the performance of our blended benchmark (before fees), finishing the year with an alpha of -1.5%. This is an improvement of 200 bps relative to DCM's prior year full performance (shifting from underperforming our blended benchmark by 350bps last year to underperforming it by 150 bps this year). Specifically, our real estate, value, and international funds outperformed their benchmarks and our long/short, small cap, and ESG funds underperformed. Please see the exhibit below for DCM's detailed, full year performance analysis:

Fund	1-Yr. Return	Alpha	Beta	R^2
DCM-ALL	**21.4%**	**-1.5%**	**0.92**	**0.93**
Darden	4.2%	-10.8%	0.78	0.82
Rotunda	25.2%	-4.5%	0.99	0.85
Cavalier	23.4%	-6.2%	0.99	0.81
Monticello	24.1%	1.4%	0.96	0.84
Colonnade	13.1%	3.8%	0.88	0.96
Jefferson	27.3%	12.0%	0.76	0.69

We have also calculated the overall performances of our funds relative to their respective benchmarks on the basis of one-, three-, five-, and ten-year returns:

	Market Value 3/31/24	% Total Portfolio	1 Year (3/31/23 - 3/31/24)	3 Years (3/31/21 - 3/31/24)	5 Years (3/31/19 - 3/31/24)	10 Years (3/31/14 - 3/31/24)
Cavalier (Long/Short)	**$ 6,592,635.42**	**21.5%**	**23.4%**	**21.5%**	**88.8%**	**248.5%**
S&P 500			*29.9%*	*38.6%*	*101.6%*	*238.3%*
Colonnade (RE)	**$ 876,616.96**	**2.9%**	**13.1%**	**NA**	**NA**	**NA**
Core US REIT			*10.5%*	*NA*	*NA*	*NA*
Darden (Small Cap)	**$ 4,425,490.31**	**14.5%**	**4.2%**	**-32.1%**	**13.8%**	**31.1%**
Russell 2000			*19.4%*	*-0.4%*	*48.0%*	*108.5%*
Jefferson (Value)	**$ 6,723,312.51**	**22.0%**	**27.3%**	**31.7%**	**91.4%**	**198.7%**
Russell 1000 Value			*20.0%*	*26.3%*	*63.1%*	*125.5%*
Monticello (Global)	**$ 6,837,655.51**	**22.3%**	**24.1%**	**34.3%**	**98.8%**	**192.3%**
MSCI ACWI			*23.7%*	*24.4%*	*72.5%*	*145.8%*

Rotunda (ESG)	**$ 5,148,970.13**	**16.8%**	**25.2%**	**15.0%**	**43.9%**	**156.1%**
S&P 500			*29.9%*	*38.6%*	*101.6%*	*238.3%*
Total	**$ 30,604,680.84**	**100.0%**	**21.4%**	**11.8%**	**66.2%**	**216.1%**
*Blended Benchmark**			*24.3%*	*27.1%*	*78.9%*	*174.1%*

**For the purposes of simplification, the blended benchmark is constructed by taking the 3/31/24 weights of each individual fund and multiplying them by the returns of each index. For periods earlier than the creation of Colonnade, the weight of this fund was attributed to the S&P 500 Index.*

As shown above, DCM has strongly rebounded since the tech-driven market correction of 2022-23 and has made great strides in narrowing our recent underperformance relative to benchmark. Furthermore, our ten-year returns have remained quite robust. On an absolute basis, DCM returned 216.1% in that period relative to our blended benchmark's return of 174.1%, outperforming DCM's blended benchmark by 42.0%. Annualized, DCM has returned 12.2% in that same time period, relative to the 10.6% return of our benchmark, an impressive annual alpha of 1.6%.

The high performance of our funds, as captured above, was driven by the collective dedication and thoughtfulness of our colleagues on the 2024 DCM Leadership Team, including Senior Portfolio Managers Dillon Baley, Ian Ceraolo, Jong Sheng Ong, Abanikash Rayaji, Allen Tam, Alex Hassan and fellow Executive Team members, Ana Paola De la Parra (CFO) and Aditya Das (COO). The SPMs, in conjunction with their PMs, demonstrated deep passion for and stewardship of their respective portfolios throughout the entire year. As a reflection of the disciplined investments we executed across our funds, please read through the detailed "Portfolio Updates" further below. To our alumni, we appreciate your continued support, and we sincerely hope to stay engaged with you after graduation.

Sincerely,

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Joseph Martin
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CLASS OF 2024 E XECUTIVE TEAM


Cyrus Nassikas, CEO


Joseph Martin, CIO


Ana Paola De la Parra, CFO


Aditya Das, COO

CLASS OF 2024 DARDEN CAPITAL MANAGEMENT

	CEO	CIO	CFO	COO
Executive	Cyrus Nassikas	Joseph Martin	Ana Paola De la Parra	Aditya Das
	SPM	PM	PM	PM
Darden (Small Cap)	Dillon Baley	Sam Arayedupin	Beza Bisrat	Kate Grusky
Jefferson (Value)	Ian Ceraolo	Naveen Reddy	Olusegun Rowaiye	Malcolm Stewart
Cavalier (Long/Short)	Abanikash Rayaji	Keir Gallick	Raffy Howe	Dexter Moyo
Monticello (Global)	Jong Sheng Ong	Feyi Ilemore	Mikheil Nakashidze	Devin Waddell
Rotunda (ESG)	Alex Hassan	Chao Niu	Samiha Zaker	Jessica Zhang
Colonnade (RE)	Allen Tam	Christie Carpenter	Patrick Kearney	Sheldon Gray

PORFOLIO UPDATES

CAVALIER FUND

To Our Friends and Partners,

Greetings from the Cavalier Fund. Over the past 6 months, the markets have mostly rallied, with the S&P 500 Total Return Index up +23.5%. Most of this rally was driven by enthusiasm around Artificial Intelligence, but also on expectations that the Federal Reserve would cut interest rates in 2024. As the rate cut expectations have tempered over the past few weeks, the market has mostly moved sideways. During this period, the team focused on identifying opportunities that would most benefit from the AI transformation as well as identifying good shorting candidates to increase the fund's short exposure.

As a refresher, the mandate of the Cavalier Fund continues to be to make long and short investments with a primary focus on domestic equities with a net long exposure of around 80%. Most of our pitches center around fundamental research to develop investment ideas, with a large portion of our portfolio consisting of compounding growth companies that enjoy competitive advantages, attractive entry points, and long runways for growth. We also are always on the lookout for special situation opportunities to make trades or investments including binary events, significant changes in business or expectations, or significant mispricing. The fund has S&P 500 as its benchmark.

One of the major factors for the fund underperformance between April – September 2023 was its underweight to Technology sector (~10% UW). Over the last 6 months, the team worked towards bridging this gap by identifying opportunities within the AI space and tlong positions in Nvidia (NVDA) and Adobe (ADBE). Additionally, one of the goals for the team when we took over the fund last year was to increase the fund's short exposure, and the team has made considerable progress in that direction. The fund portfolio managers pitched five short ideas – Dutch Brothers (BROS), Floor and Decor (FND), Roku Inc. (ROKU), Kohls Corp (KSS), and Trip.com (TCOM). Of these, the fund took short equity position in BROS and FND, bought put options in ROKU, and bought an option straddle on TCOM. The fund also exited long positions in Tractor Supply (TSCO), Markel (MKL), Disney (DIS), Moonpig (MOON), Dollar General (DG), and Agilon Health (AGL), either due to decreased conviction or thesis not playing out within the expected time horizon.

Below are the details on the investment decisions and their thesis:

Bought Nvidia (NVDA): NVDA is a leading semiconductor maker that designs and manufactures GPUs, CPUs, and SoCs for gaming, professional visualization, data center, and automotive markets. NVDA's products are used in a wide range of applications, from gaming to artificial intelligence (AI) and self-driving cars. Currently, NVDA is the leading chip provider for AI applications, and our long positioning is based on the thesis that NVDA will defend its dominant market position in the short- to medium-term. Further, NVDA has a diversified revenue stream with products and services that cater to a wide range of markets and geographies. The company has developed a large captive customer base (community of developers that use CUDA software), which increases their reliance on NVDA hardware, further strengthening its competitive advantages. Finally, NVDA has a strong balance sheet with a healthy cash position and low debt, which allows it to invest heavily in R&D to further its competitive advantages. The fund took a long position in December 2023, and its stock price has nearly doubled since then.

Bought Adobe (ADBE): ADBE provides digital marketing and media solutions. It operates through Digital Media, Digital Experience, and Publishing and Advertising segments. The Digital Media segment offers creative cloud services, which allow members to download and install products like Adobe Photoshop, Adobe Illustrator, etc. The Digital Experience segment provides solutions, including analytics, social marketing, targeting, among others. The Publishing and Advertising segment includes legacy products and services for eLearning solutions, technical document publishing, web application development, and high-end printing. Our long thesis on ADBE was based on the fact the ADBE's products and services are best positioned to benefit from the generative AI cycle. The company's TAM of $200 billion is largely underpenetrated, with GenAI likely leading to TAM expansion. Strong financial position and experienced management team with track record of allocating capital are also a positive. Since the fund took position in December 2023, the position has detracted mostly due to the release of a SORA video creation tool by Open AI that might compete with ADBE's products and concerns over competition from other AI tools that could lead to decreased revenue and earnings.

Short Dutch Brothers (BROS): BROS is a US-based casual beverage company operating 850+ locations (~60% company operated, 40% franchised) across 16 states and employing over 22,000 people. The short thesis was driven by inferior product offerings, poor product fit, weak financials, and high turnover in the management team. Higher short interest, the launch of CosMc's by McDonald's that competes with BROS, and sale of stock by insiders further strengthened the short thesis. Since taking the position in January 2024, it has detracted from performance; however, in March 2024, BROS announced a secondary offering of 8 million shares that led to a decline in its stock price. The fund continues to hold conviction in the short position.

Bought ROKU Inc. (ROKU) Put Option: Roku, Inc. provides a streaming platform for television. It operates through the Platform and Devices segments. The Platform segment includes digital advertising and related services including the demand-side platform and content distribution services. The Devices segment is involved in the sale of streaming players, audio products, smart home products, and accessories sold through retailers and distributors, and directly to customers through the company's website. The fund's short thesis was based on increasing competition and the costly response by the company, slowing revenue growth, weak financials, and high valuations. Since taking the short position in February 2024 by buying put options, the stock price declined by –24% after earnings report and the fund realized over 70% return.

Bought Trip.com (TCOM) Option Straddle: Trip.com Group Limited is an online travel service provider operating mainly in the People's Republic of China. Founded in 1999, the company owns and operates several travel fare aggregators and travel fare metasearch engines including namesake and flagship Trip.com, Skyscanner, Qunar, Travix, and MakeMyTrip. The fund's short thesis was based on macro-economic weakness in China and slower Chinese international travel recovery. During the fund pitch, the team recognized that volatility around earnings would increase but there was a lower conviction on the direction of volatility. Hence, the fund leveraged this opportunity by buying an option straddle that would pay off in case of increased volatility in either direction. After earnings, TCOM stock increased by +7%, and the option straddle position returned +4%.

Short Floor and Decor (FND): Floor & Decor Holdings, Inc. operates as a multi-channel specialty retailer and commercial flooring distributor. The company offers tile, wood, laminate, vinyl, and natural stone flooring products, as well as decorative accessories, wall tiles, and installation materials and tools. It also sells products through its Website, FloorandDecor.com. The company has 207 warehouse stores and 5 design studios across 36 states, with average store size of 78K sq.ft. The firm's revenue growth is driven by new store additions and same store growth. The fund's short thesis was driven by deteriorating macro environment, strained new store growth policy in current macro environment, and high valuations that were not justified with macro headwinds and slower new store growth. Since taking position in early February, the position detracted from performance as investors continued to focus on the long-term prospects of the company and ignored the short-term headwinds regarding store growth and macro environment. The stock price increased even as the macro factors driving company fundamentals deteriorated and the company reported quarterly results that were mixed. The fund exited the short position after the company reported results as it became clear that the short-term headwinds were overlooked for long-term growth potential.

In addition to the above positions, the fund took a long position in Paycom Software (PAYC) call options after the firm's stock price cratered in October 2023. The company drastically reduced its forward guidance, which led to its stock price underperforming. However, the team believed that the stock sell-off was overdone and hence bought call options. The fund exited the option position in February 2024 for a healthy 50% gain.

From the performance standpoint, the fund returned +19.14% in the six months through March 2024, lagging S&P 500 Total Return Index (+23.48%) by –4.34%. A large part of this underperformance was driven by the fund's long position in Agilon Health (AGL), Paycom Software (PAYC), and Adobe (ADBE). Offsetting some of this underperformance was the fund's overweight in Advanced Micro Devices (AMD), Nvidia (NVDA), and KKR & Co (KKR). As of March 31, 2024, the fund is overweight Financials, Energy, and Consumer Staples and underweight Industrials, Communication Services, and Consumer Discretionary.

Finally, I'd like to extend my heartfelt gratitude to Keir Gallik, Raffy Howe, and Dexter Moyo for their unwavering dedication and partnership in managing the fund. Their expertise and collaborative spirit have played a pivotal role in shaping my Darden Capital Management experience into a stimulating journey filled with invaluable learnings. As we embark on our full-time career, the hands-on experience gained from managing the fund and the lessons learned along the way will undoubtedly prove invaluable. As we transition the responsibilities to the new team, I am confident that we are entrusting the fund to a team that is not only passionate but also eager to learn. Thank you all once again for your unwavering support and commitment.




Sincerely,

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COLONNADE FUND

To Our Friends and Partners:

The Colonnade fund has outperformed the USRT benchmark by 53 bps and returned 16.5% for the six months ended period ended March 31, 2024. Most of our performance has been correlated with the index (FTSE Nareit Equity) along with increases in some of our positions. Performance has been buoyed by several strong additions to the portfolio including Park Hotels and Resorts, Realty Income, and Agree Realty along with our two stellar performers from prior: Digital Realty Trust and Marriott International. During the year, the fund made a pivot towards selecting strong conviction sub sectors of the REIT market to focus on including the triple net lease, single tenant space and the industrial sector, increasing our exposure significantly in both categories. We continue to operate in an ambiguous interest rate environment which makes it particularly challenging for the Fund given the high association of the business with rates. We continue to feel good and have strong conviction in the new positions that we have initiated recently over the last few months.

The Colonnade fund recently began operating as Darden Capital Management's (DCM) newest fund in Q4 of 2022. Since we have taken over from the inaugural class, the fund and our current class have been extremely involved in the portfolio management. The fund successfully rebalanced the portfolio in names where we have strong conviction (Marriott International, Federal Realty Investment Trust and Stag Industrial Inc. Further, the Colonnade fund exited two of its first investments made given the underperformance of those two equities within the overall portfolio. Finally, the Colonnade Fund has continued to build out many of the structure, organization, and administration necessary for future seamless transitions between the Colonnade Fund's current and future classes to ensure continuity.

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

1) **Realty Income (O):** Realty Income (~7% position initiated November 2023) invests in commercial properties across the United States and Europe. Realty Income focuses on single tenant properties occupied by businesses like convenience stores, dollar stores and pharmacies which tend to be recession-proof and less impacted by online shopping. The team likes the investment in retail primarily recession proof retail.

2) **Invitation Homes Inc. (INVH):** Invitation Homes (~7% position initiated November 2023) invests in buying and renting out single-family homes. INVH owns over 83,000 rental homes across 16 US markets with focuses on starter and move-up homes. The team likes the diversification that single family rental properties bring to the portfolio.

3) **Park Hotels & Resorts (PK):** Park Hotels & Resorts (~7% position initiated November 2023) invests in hotels and resorts primarily under Hilton brands like Hilton, Doubletree and Embassy Suites. Additionally, PK also operates and manages some of the luxury properties themselves. The team likes the travel and leisure space given the heightened pent up travel demand.

4) **Healthpeak (PEAK):** Healthpeak (~7% position initiated November 2023) invests in three main areas: senior housing, life science facilities and medical offices. PEAK owns a diverse portfolio of over 600 properties across the US and aims to benefit from the growing demand for healthcare services. The team likes the healthcare facilities and life science facility exposure that PEAK provides.

5) **Alpine Income Property Trust (PINE):** Alpine (~6% position initiated February 2024) invests in single-tenant commercial properties. PINE owns over 138 properties with about 3.8 million square feet in leasable space with tenants including Walmart, Dick's Sporting Goods and Home Depot. The team likes the retail space and enjoys the recession proof tenants in long term leases with PINE.

6) **Agree Realty Corporation (ADC):** Agree Realty Corporation (~6% position initiated February 2024) invests in single tenant triple net lease retail properties in the United States. ADC has over 2,135 properties across 49 states,

totaling 44 million square feet of leasable space. DC targets essential businesses like pharmacies, auto parts stores and grocery stores. The team likes the exposure to retail store exposures with stability provided by the long leases and recessionary businesses.

7) **Plymouth Industrial (PLYM):** Plymouth (~6% position initiated February 2024) invests in industrial properties across the United States. PLYM owns and operates single-tenant and multi-tenant industrial warehouses, distribution centers and light manufacturing facilities. PLYM targets properties in secondary markets and generally smaller cities. The team enjoys the additional industrial exposure that PLYM brings to the portfolio.

8) **Mid-America Apartment Communities (MAA):** MAA (~7% position initiated February 2024) invests in owning and operating apartment communities across the Southern and Southwestern United States. MAA owns over 300 communities with more than 110,000 apartment units. While MAA differs a little from the team's conviction in travel & leisure retail and industrial subsectors, the team likes the concentration of apartment communities in the South & Southeastern areas. Additionally, exposure to multifamily provides for stable dividends to the fund decreasing the fund's overall beta.

The Colonnade fund continues to monitor rate movement actively and is looking for stability in the markets while choosing which high conviction subcategories to invest in. Rates are pivotal to many of the REITs that the Colonnade fund monitors, and therefore our jobs are becoming increasingly difficult as we try to focus on sub sectors and categories in the real estate space. The Colonnade fund also believes that the single tenant triple net lease space with quality corporations is among one of the most resilient asset subcategories in the retail space with sustainable dividends and stable cash flows.

We are also excited to announce that the fund has achieved its goal of being fully deployed and invested in 17 names. Note, we have reserved a certain amount of liquidity for potential prospective investments that the fund deems compelling.

Additionally, the Fund has continued to bring in great mentors to assist in sharing their experiences and knowledge of evaluating or investing in real estate and/or REITs. During the year, we held several speaker events in coordination with DCM and the Darden Real Estate Club including Andrew Thornfeldt (Managing Director of Real Estate Investment Banking) and Ryan Abell (Defeasance Team Lead), from Chatham Financial and Nick Joseph (Global Head of Real Estate Subsector) and Eric Wolfe from Citigroup's REIT Equity Research team. Attendance for these events have been extraordinary and over the year the fund has seen more active participation and interest in real estate from the MBA class.

We believe the additional real estate-specific chats and events have taught us many valuable lessons and allows us to continue to be more prepared and educated in current market trends – especially in the real estate market which enables us to become better, more informed investors.

Finally, as we close out the end of the 2nd inaugural class of the Colonnade fund's tenure, I would like to extend my most sincere gratitude to Chistie Carpenter, Patrick Kearney and Sheldon Gray for their unwavering hard work and dedication. Their contributions have been instrumental to the successful year that the Colonnade fund has had. Our performance would not have been possible without the countless hours and relentless pursuit of quality REIT equities.

As always, our team would gladly welcome any additional feedback or advice from our alumni and endowment sponsors. Also, I would like to thank members of the Darden Class of 2025, as our team has appreciated the level of enthusiasm the first-year cohort has brought to our meetings.

Sincerely,

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DARDEN FUND

To Our Friends and Partners:

As of March 31st, the fund's assets under management reached $4.3 million, up from $3.7 million as of October 31, 2023. As of the end of March 2024, our Fund generated returns of 13.8% in the last six-month period, underperforming the Russell 2000 Small Cap benchmark return of 20.0% over the same period. For the quarter ended March 31, 2024, the Darden fund returned 1.4% vs. the Russell 2000 benchmark of 5.3%.

Volatility continues to be a key theme in the small cap universe with the average Russell 2000 stock off 25% from its 52-week high as of December 31, 2023. After years of underperforming its large-cap counterpart, the Russell 2000 had its moment in the sun as we exited 2023. In the last two months of the year, the Russell 2000 index posted an impressive 22% gain, although still down 14% from its all-time high in November 2021, the second longest stretch of recovery rivaling the long recoveries after the 2001 dot-com bubble and the 2008-09 financial crisis. Despite the year-end rally, small caps retreated in January and have posted a softer 5% gain in Q1 2024. In our prior note, we expressed our optimism for the small cap universe given the historically low valuation metrics compared to larger cap indices. As rates normalize, we anticipate valuations to revert to the mean providing a much-needed reset between small cap and large cap valuations.

As previously reported, two holdings in the portfolio contributed 66% of the underperformance between April and September 2023: International Money Express (IMXI) and Spirit Aerosystems (SPR), which gave us confidence in the portfolio leading into Q4. The six months since have been more of a mixed bag in terms of contributors. From October 1, 2023 to March 31, 2024, the two largest contributors to positive returns were in fact IMXI and SPR with gains of 35% and 123% and contributions of 2.5% and 4.4%, respectively. The decision to maintain our positions were certainly rewarded, and we believe there is more room to run with these two stocks. The largest negative contributor was MKS Instruments (MKSI), which we exited in November after losing 21% from the start of Q4, contributing (1.3%) to returns. Other notable names which contributed negatively were American Outdoor (AOUT) as well as our position in SPDR Portfolio Long Term Treasury ETF, both of which contributed (0.7%) of our 13.8% returns for the period.

In the fall edition of this report, we highlighted early exits that avoided incremental losses and further underperformance while also learning a lesson on exiting high quality businesses at seemingly high valuation metrics. These high-quality businesses continued to outperform in Q4 2023 and Q1 2024 further illustrating the difficult lesson learned. As we pass the portfolio off to the next class, we encourage them to be cautious before selling a fundamentally strong business simply on grounds of valuation. To avoid the same mistakes, we compiled a list of high-quality businesses previously held in the portfolio (or pitched) and sold (or sidelined) solely on valuation. By maintaining this watch list with supporting analyses, future classes will be better equipped to re-underwrite businesses more efficiently and enter positions with higher conviction.

Our main goal over the past two quarters was to identify 6-8 companies with strong cash flow margins as we believe cash flow will be a driving factor in outperformance for small caps in a higher-for-longer rate environment. In pursuit of this goal, we leveraged insights from Empirical Research Partners, a leading broker-dealer and investment advisor that provides portfolio strategy and quantitative research. This quantitative vantage point allowed us to filter our investable universe based on a variety of metrics, including metrics related to cash flow, supplementing our historical focus on fundamental analyses. As a result, we pitched 8 companies in the past two quarters and entered long positions in four including Clarivate (CLVT), Janus International (JBI), Stride (LRN), and GXO Logistics (GXO). Each business is a leader in its respective niche and possesses sustainable cash flow generation which will allow it to defend against macroeconomic uncertainty.

Select transactions below exemplify the steps we have taken to better position the fund for a rebound in small caps:

- **Bought Stride (LRN):** Stride is a market leader in ed-tech offering "school-as-a-service", a comprehensive learning solution for students who prefer or require virtual learning. As a pioneer in the industry with over 20 years of leadership, Stride mainly serves public and private K-12 institutions with a growing emphasis on corporate and government entities. Stride is a consolidator with a proven M&A playbook allowing them to gain market share in a very large and growing market of e-learning. High barriers to entry and multi-year contracts with K-12 institutions provides Stride with a predictable cash stream, allowing the company to invest across the cycle in pursuing adjacent markets such as professional training. At sub-10x trailing EBITDA and strong cash flow conversion, we had strong conviction in a seemingly low-risk investment. Since entering the position February 27, 2024, the stock has gained ~9% as of March 31, 2023.

- **Bought Janus International (JBI):** Janus manufacturers and supplies turn-key building solutions to self-storage, industrial and commercial warehouses. Utilizing their leading market share in self-storage rolling doors and the strong cash flow it provides, Janus has expanded into adjacent markets as well as digital smart lock technology. While self-storage as an asset class has retreated since the COVID highs, we felt it to be an opportune time to enter a position in Janus. The company is well balanced between greenfield and renovation projects and continues to expand outside of self-storage and into industrial and commercial markets that will see strong tailwinds from mega-themes such as reshoring of manufacturing. At the time of the investment, Janus was trading at ~9x trailing EBITDA despite double-digit compounded growth since 2010 and 75-100% cash flow conversion. Boasting double-digit returns on capital, we are excited to see Janus continue to compound over the coming years.
- **Held Spirit Aerosystems (SPR):** Boeing and its main supplier, Spirit Aerosystems have made headline after headline since the fund entered a position in February 2023. The roller coaster has certainly been a test of mental fortitude. After entering at $34.28, two months later we lowered our cost basis by buying additional shares at $28.69. We felt at the time, fundamentals had not changed from the time of the original investment thesis and seeing a deeper discount excited us. Even as the stock sold off to lows of ~$15/share, we remained confident in the longer-term value proposition of the firm. We remain bullish on Spirit and its position within the aerospace market and believe it will turn out to be a very educational case study for the following class.

Our focus now is communicating the best practices and lessons learned to the incoming team that officially took over the portfolio on April 1st. SPM Tom Alappat and PMs Mayesha Mehnaz, Kate Watkins, and Adair Maynard joined the team in early March and have been working with us to get up to speed on the portfolio. A key part of that process is the second year/first year joint pitches in Q4. We have already pitched a long position in Sigma Lithium (SGML) and are excited about the upcoming pitches and the creative investment theses that the new team is bringing to the fund.

Finally, we would like to say thank you to everyone that has played a part in supporting DCM and the Darden Fund. The opportunity to manage real capital, make mistakes, and try new things has been extremely beneficial to our development as finance and investment professionals. It has been an honor to manage a slice of the Endowment over the past year and a valuable experience. On behalf of Beza, Kate, and Sam, I would like to thank Darden, the Mayo Center, and all our partners in and outside of the Endowment for the opportunity.

As always, our team gladly welcomes any feedback or advice and we look forward to seeing you in person on Grounds in April!

Sincerely,

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JEFFERSON FUND

To Friends and Partners:

To start, this experience was a highlight of my time at Darden. It not only provided an opportunity to build my skills as an investor, but also my relationships with the PMs of the Jefferson Fund, other SPMs, and the rest of DCM – all of whom share a passion for investing. First, I'd like to thank Naveen, Malcolm, and Olusegun, for making the Jefferson Fund what it was week in and week out. We weren't afraid to disagree and challenge each other – we embraced constructive conflict, and the fund was better off as a result. I'd also like to thank the executive team for giving us both the guidance and discretion to develop and make our mark as a team. Additionally, I'd like to thank the other SPMs. We leaned on each other throughout the year, and I especially enjoyed our discussions of all the books we read for Dick Mayo's reading seminar. Finally, I'd like to thank Pedro for stewarding this program. Below is a recap of performance, strategy and notable portfolio changes.

Performance

Through the end of Q1 2024, the Jefferson Fund returned **27.3%** over the past four quarters, and **22.4%** over the past two, outperforming the Russell 1000 Value Index by **7.3pp** and **3.1pp**, respectively. The fund beat the benchmark eight of 12 months and finished at an all-time high of more than **$6.7mm**.

Our top ten positions contributed to nearly three-fourths of the 22.4% return. Our top five contributors over the two quarters included Microsoft, Constellation Software, Salesforce, O'Reilly Automotive, and Delta Airlines. Of our core holdings (i.e., positions >2% of the fund), our top performers over the period included Salesforce (+48.7%), American Express (+47.2%), Waste Management (+40.9%), and Copart (+34.4%). Microsoft (+33.8%) and Constellation Software (+32.6%) also rose over the period.

Our best performing name, however, was Lumine Group (+82.4%), a mini-Constellation focused on media and communications software, which was spun-off in March of last year. As a long-time Constellation shareholder, Jefferson received some Lumine shares amounting to a fraction of a percentage point of the fund. While we failed to significantly capitalize on Lumine's performance this year (I take full responsibility as I re-pitched Constellation Software in April of last year), we believe it is worth watching as its public track record develops. To mark our enthusiasm for future classes, we added modestly to the position – now about half a point.

Strategy

The Jefferson Fund is a long-term, value-oriented fund. Reviewing the history of the fund – from past strategy documents and pitches to our best-performing long-term positions – my takeaway is that the strategy has always been a combination of bargains and quality. Good companies at great prices and great companies at good prices. The former are the more traditional value plays that are egregiously cheap for temporary reasons, while the latter are compounder plays with structural competitive advantages, long growth runways, and disciplined capital allocation. Most important with respect to investment strategy, the team needs to understand the companies that they're pitching / owning and have the humility to move on when they do not.

Portfolio Changes

New investments over the past two quarters include Warner Bros. Discovery, Albemarle, First Advantage, Brookfield Asset Management, PayPal, PulteGroup, and Liberty SiriusXM Holdings. The first three positions were mostly built in Q4 of last year, the others this past quarter.

Exits in Q4 of last year included Pfizer, Citigroup and Carrier. Exits in Q1 of this year included Constellation Brands, General Dynamics, American Express and McDonalds. In addition to screening for names that we viewed as too hard, fund misfits, or underperformers, we also had to weigh opportunity costs given the new buy pitches. Time will tell if these were ultimately good decisions.

Significant additions to existing names over the past two quarters included Salesforce, Delta Airlines, Copart, LVMH, McKesson, T-Mobile, Waste Management, and Alphabet. We feel confident these companies have asymmetric upside and we were glad to seize opportunities to increase the fund's ownership at reasonable prices.

In terms of the overall fund, we were lucky to have had more than ten percent of the fund in money market ETFs and cash over the summer and going into Q4. This allowed us to lose less than the bench in August, September and October during the broader market selloff, and be relatively aggressive when we reentered in mid-Q4.

Closing Thoughts
We are in the middle of transitioning the fund to the first years, and I'm already impressed with how engaged both sides have been. SYs are committed to ensuring the FYs make fewer mistakes than we did, and FYs seem willing to listen. In all seriousness, I have full confidence that the incoming SPM, Justin Anderson, and his team will seize this incredible opportunity to build their skills as investors and build lasting relationships with the DCM class and its alumni. Thanks for reading.




Sincerely,

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MONTICELLO FUND

To Our Friends and Partners,

It has been a great privilege and a tremendous experience to manage the Monticello Fund over the last year. I'd like to thank Devin, Feyi and Mikheil for their dedication as portfolio managers of the fund. During this period, we had strived to reposition our portfolio by expanding our holdings in healthcare, technology, and consumer discretionary, while broadening our global exposure. We believe our portfolio is in a stronger position and will benefit from a broad range of growth drivers in the coming years, as we pass on the baton to the next class of portfolio managers.

PERFORMANCE OVERVIEW

As of 31 March 2024, , the Monticello Fund's market value stood at $6.8 million deployed across 25 holdings and had underperformed its benchmark – from 1 October 2023 until 31 March 2024 , we delivered a return of 19.4%, versus the MSCI ACWI's return of 20.3% over the same period. The five largest contributors to fund performance during this period were ASML Holding, Microsoft, Novo Nordisk, Berkshire Hathaway, and Broadcom. The average portfolio weight of these holdings in aggregate was 25.8%. As a refresher, the Monticello Fund's mandate is to invest in companies domiciled around the globe, with the fund not holding more than 65% of its market value in United-States domiciled names. Around 60% of our current portfolio is made up of positions in United States-domiciled names, while from a geographical revenue exposure perspective, around 40% of revenue is from the United States.

For the full year period from 1 April 2023 to 31 March 2024, the fund delivered a return of 24.1%, versus the MSCI ACWI's return of 23.7%.

GLOBAL MARKETS OVERVIEW

In January, the IMF provided a baseline forecast for global growth at 3.1% in 2024 and 3.2% in 2025, with the 2024 forecast 0.2 percentage points higher than its previous forecast in October 2023, on account of greater-than-expected resilience in the United States and several large emerging market and developing countries. The forecast for 2024-25 is, however, below the historical (2000–19) average of 3.8%, with elevated central bank policy rates to fight inflation, a withdrawal of fiscal support amid high debt weighing on economic activity, and low underlying productivity growth. Even though equities marched higher throughout 2023 and the start of 2024, the expectations are for global equity markets to remain challenged for the rest of the year as the world transitions to a regime of higher trend inflation and interest rates. With 2024 being the "Year of Elections", with more than 40 national elections scheduled and almost half of the world's population casting their ballots, investors would need to contend with added economic and geopolitical uncertainty driving further volatility.

Regional Snapshot

- **United States** – The U.S. economy grew at a 3.4% annual pace from October through December, an upgrade from the government's previous estimate at 3.2%. It marked the sixth straight quarter in which the economy has grown at an annual rate about 2%. For all of 2023, the U.S. economy grew 2.5%, up from 1.9% in 2022, driven largely by stronger-than-expected consumer spending. The combination of strong data and limited progress on inflation over the last few months has resulted in a more cautious approach by the Federal Reserve as they approach the decision on when to cut rates.
- **Eurozone** – Euro-area inflation slowed more than expected, cementing prospects for an interest-rate cut by the European Central Bank in June. Consumer prices declined by an annual 2.4% in March, down from 2.6% in the previous month, adding to evidence that policymakers are on track to return inflation to the 2% target, with the European Central Bank president expected to cut rates come June. However, with the euro-area entering 2024 on a weaker footing than expected, the growth outlook for the year is expected to accelerate only slightly to 0.8%. While 2025 should see firmer growth, geopolitical tensions will likely increase the uncertainty around this outlook.

- **China** – China's economy has shown signs of stabilisation after mixed signals in 2023, with the government setting a growth target of 5% for 2024, an increase of 0.2% from the previous year. A gradual property sector recovery in China amid ongoing policy support would boost real estate investment, generating spillovers for the rest of the region. Domestic demand is likely to remain resilient, underpinned by recovering investment and firm consumer spending. While China's structural problems persist, it continues to boast huge potential as an attractive market.

PORTFOLIO ADJUSTMENTS (since December 2023)

Upsized: Mercedes Benz (MBGAF), December 2023
We increased our existing stake in MBGAF given huge upside potential coupled with the positive outlook surrounding the company as it focuses on the higher margin luxury segment, streamlining product lines and improving financial performance.

Upsized: Novo Nordisk (NVO), December 2023
We increased our existing stake in NVO given the strong share price appreciation potential, excess cash holdings available for deployment and the positive outlook surrounding the company's long-term performance.

Upsized: Broadcom (AVGO), January 2024
We increased our existing stake in AVGO given the increased demand in the semiconductor industry, the company's consistent track record of beating estimates and strong financial performance. We limited the fund's overall exposure to the semiconductor industry by trimming our stake in ASML.

Bought: BAE Systems (BAESY), January 2024
We initiated a position in BAESY given its position as one of the world's largest defense contractors which would allow it to capture the evolving global landscape and increasing tensions as countries increase their long-term defense budgets.

Bought: Mitsubishi Corp (MSBHF), February 2024
We initiated a position in MSBHF given the increasing attractiveness of Japanese equities, its position as the largest of the Japanese trading houses and broad industry exposure afforded by its diversified business lines across multiple geographies.

Bought: Taiwan Semiconductor Manufacturing (TSMC), February 2024
We initiated a position in TSMC given its market leading position in the semiconductor manufacturing segment and the increasing demand for its cutting-edge chips. We limited the fund's overall exposure to the semiconductor industry by trimming our stake in ASML.

Trimmed: Apple (AAPL), January 2024
We trimmed our stake in APPL given high penetrations in product lines, regulatory headwinds, near-term weakness across its key business lines and better capital redeployment opportunities within the fund.

Trimmed: ASML Holding (ASML), February 2024
We trimmed our stake in ASML to build our exposure in AVGO and TSMC, while retaining the overall exposure at the fund level.

Sold: Diageo (DEO), January 2024
We had divested our entire holding in DEO given increasing concerns about the near-term deteriorating prospects of the U.S. spirit industry. While DEO had shown slight progress in emerging markets, the short-term uncertainty of its U.S. operations has placed downward pressure on its stock as it continues to lag the broader equity market.

CLOSING REMARKS

As we hand over the reins to the incoming team led by the new SPM Danna Wang and her team of PMs Jin Jiang, Mariana Perez Maya, and Sadman Safat, we want to thank everyone at Darden who has played a part in supporting Darden Capital Management and the Monticello Fund. My team and I are extremely grateful for the opportunity and experience steering the Monticello Fund over the past year. We welcome your questions and feedback and look forward to supporting the portfolio managers for the Class of 2025.




Sincerely,
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ROTUNDA FUND

To our Friends and Partners,

Managing the Rotunda Fund over the past year has been an extraordinary privilege and a remarkable journey. I extend my heartfelt gratitude to Samiha, Jessica, and Chao for their unwavering commitment as the fund's portfolio managers.

As of March 31st, 2024, the market value of the Rotunda Fund reached $5,150,012. Between October 1st, 2023, and March 31st, 2024, the fund achieved a return of +25.75%, surpassing the S&P 500's +22.53% by an impressive margin of +322 basis points. In this period, standout contributions to our overall return came from our holdings in Amazon (+41.90%), CyberArk Software (+62.20%), and Microsoft Corp (+33.76%), collectively accounting for 25.87% of the fund's weight. On the flip side, the primary detractors from our performance included Unilever PLC (+3.47%), Johnson & Johnson (+3.15%), and NextEra Energy (+13.51%), together forming 8.03% of the fund. Relative to our benchmark, the fund currently holds an overweight position of 7.98% in the Consumer Discretionary sector and 3.95% in the Information Technology sector.

Our strategic overweighting in growth stocks was the cornerstone of the fund's notable outperformance from the beginning of Q4 2023 to the end of Q1 2024. This tactical shift, especially post-summer, was underpinned by our forecast that interest rates were nearing their terminal level. Following our portfolio adjustments, the Federal Reserve's subsequent signals of potential rate cuts—three anticipated by year-end—further bolstered our position. This foresight places the fund in an advantageous stance, poised to capitalize on impending rate reductions.

Despite our increased inclination towards growth sectors, we maintain a disciplined approach, ensuring investments align closely with their intrinsic values. This is reflected in our portfolio's price-to-earnings ratio standing at 27.8x, marginally above the S&P 500's 25.6x, underscoring our commitment to value amidst growth-focused strategies.

Our focus throughout the year evolved to streamline our holdings, crystallizing core investments while strategically balancing opportunistic entries and rigorously evaluating portfolio overlap. This refined focus aimed to sustain our fund's performance trajectory, leveraging both growth potential and intrinsic value discernment.

The fund's strategy prioritizes understanding the fundamental aspects of companies in both the short and medium term, while simultaneously striving to identify investments that have the capability to excel beyond their competitors, partly due to their adept management of ESG (Environmental, Social, and Governance) risks and the ability to leverage opportunities related to sustainability. We are of the opinion that the significance of these risks and opportunities in financial terms will become increasingly evident in the medium to long term, enhancing the fund's potential to surpass market performance during this period. In alignment with this approach, the fund adopted formal guidelines in May 2022 for incorporating ESG considerations into its investment decision-making process. We are pleased to offer this document for review upon request.

Below, I provide further details on the trades we have executed since October 2023.

Portfolio Adjustments

Bought: Vertiv Holdings (NYSE: VRT), February 2024

We initiated a 2% position in Vertiv, a pure-play data center infrastructure company that can deliver across the entire spectrum of thermal and power technologies. It sells critical infrastructure solutions (Power, Cooling, IT Infrastructure, and service/maintenance) for Data Centers, Communication Networks, and Commercial & Industrials. Since the addition into the portfolio, the company is up +31.73% (as of close: 3/31/2024).

Bought: Ferguson Enterprises (NYSE: FERG), December 2023

We initiated a 3.5% position in Ferguson Enterprises, a value-added distributor, providing expertise, solutions, and products in various domains including infrastructure, plumbing, HVAC, fire protection systems, fabrication, and more. Since the addition into the portfolio, the company's stock performance is up +13.57% (as of close: 3.31.2024).

Trimmed: PPG Industries (NYSE: PPG), February 2024

We reduced our position in PPG to enter our investment in FERG, maintaining the fund's overall exposure.

Trimmed: CVS Health Corp (NYSE: CVS), December 2023 & February 2024

We reduced our position in CVS to enter our investments in FERG and VRT, maintaining the fund's overall exposure.

Trimmed: Visa Inc (NYSE: V), December 2023

We reduced our position in V to enter our investment in VRT, maintaining the fund's overall exposure.

Trimmed: Unilever PLC (NYSE: UL), December 2023

We reduced our position in UL to enter our investment in VRT, maintaining the fund's overall exposure.

Trimmed: Salesforce Inc (NYSE: CRM), December 2023

We reduced our position in CRM to rebalance after a runup in the company's stock price as well as to enter our investment in VRT.

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,

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FEATURED INVESTMENTS

NVIDIA Corp. (NASDAQ: NVDA)
TARGET PRICE: $660

Dexter Moyo – Cavalier Fund

Company Data	
Price (4/12/24)	$894
52 Week High-Low	$974 - $262
Market Cap	$2.23T
Enterprise Value	$2.22T
EV/EBITDA	63.8x

Business Description:
NVIDIA Corporation is a leading technology company that designs and manufactures graphics processing units (GPUs), central processing units (CPUs), and system-on-a-chip units (SoCs) for the gaming, professional visualization, data center, and automotive markets. NVIDIA's products are used in a wide range of applications, from gaming to artificial intelligence (AI) and self-driving cars. NVIDIA is the world's engine for AI. Services from Alibaba, Amazon, Google, Meta, Microsoft, Snap, Spotify, Tencent, and 40,000 other companies are built and run on NVIDIA AI technologies.

Executive Summary:
NVIDIA stands out as a prime example of a long-term compounder, situated in a large and growing AI semiconductor market with high barriers of entry and commanding strong competitive advantages. With the launch of ChatGPT in November 2022, the AI sector gained prominence among investors. This was reflected in NVIDIA's fiscal Q1 2024 performance, where the company surpassed analysts' expectations and significantly raised its guidance. This momentum persisted in the following months, propelling NVIDIA's stock price from $270 in April 2023 to $470 by December 2023.

Despite this substantial appreciation in share price, through fundamental analysis, the team recognized that NVIDIA's growth potential remained in its early stages. The stock pitch underscored the company's large market opportunities and its strong competitive advantages, including its software-driven network effect. Consequently, the fund took a full portfolio position in December 2023. Since then, NVIDIA has delivered a remarkable +90% return. The team's thorough fundamental analysis enabled it to take the long position even when the company's valuations appeared elevated, highlighting the significance of such analysis in investment decision-making.

Investment Thesis:
- **Strong financials:** NVIDIA has a strong balance sheet with a healthy cash position and low debt levels.
- **Dominant market position:** NVIDIA is the market leader in GPUs, with a dominant position in the AI data center, gaming, and professional visualization markets.
- **Diversified revenue streams:** NVIDIA has a diversified revenue stream, with products and services that cater to a wide range of markets. This diversification helps to mitigate risks associated with any one market or product.
- **Innovative technology:** NVIDIA is known for its innovative technology, with a strong focus on research and development.
- **Positive industry outlook:** The semiconductor industry is expected to grow at a healthy rate in the coming years, driven by increasing demand for electronics and the growth of emerging technologies such as AI and the Internet of Things (IoT)

Risks:
- Competition: Nvidia operates in multiple high-growth markets, including artificial intelligence (AI), healthcare, and automotive industries. The sheer size of these markets attracts fierce competition. Other companies are vying for a piece of the pie, which could impact Nvidia's market share.

- Geopolitical tensions: US restrictions on the sale of artificial intelligence (AI) chips to China, these restrictions require a new license for exporting AI chips to address the risk of diversion to military use in China and Russia. Approximately $400 million in sales to China could be affected if licenses are not granted promptly or are denied to significant customers.
- Supply Constraints and Manufacturing Partners: Nvidia's reliance on manufacturing partners also introduces potential supply chain disruptions. As demand for GPUs surges, securing sufficient manufacturing capacity becomes critical. Nvidia's $10 billion investment in TSMC's 5nm process aims to address this issue, but supply constraints remain a risk.
- Taiwan's geopolitical situation poses risks. Any instability or military threats could disrupt supply chains and affect Nvidia's operations

Valuation:

US$ Million	2024E	2025F	2026F	2027F	2028F	2028F
EBIT	39,358.4	45,318.1	58,472.3	73,702.0	86,410.9	103,693.1
Less: Taxes	(5,903.8)	(6,797.7)	(8,770.8)	(11,055.3)	(12,961.6)	(15,554.0)
NOPAT	33,454.6	38,520.4	49,701.5	62,646.7	73,449.3	88,139.1
Add: Depreciation	1,473.1	1,357.1	1,342.2	1,324.6	1,313.6	1,471.2
Less: Capex	(1,140.0)	(1,300.0)	(1,300.0)	(1,300.0)	(1,300.0)	(1,300.0)
Less: Change in NWC	(2,367.6)	(3,627.3)	(4,742.0)	(3,509.2)	(3,598.3)	(2,758.7)
Unlevered FCF	**31,420.2**	**34,950.2**	**45,001.7**	**59,162.1**	**69,864.6**	**85,551.7**
Discount rate	1.00	0.91	0.83	0.76	0.70	0.64
Present value of cash flows	31,420.2	31,929.3	37,558.4	45,108.7	48,664.6	54,440.7

WACC	
Risk Free Rate	4.3%
Beta	1.3
Market Risk Premium	4.0%
Cost of Equity	**9.5%**
Cost of Debt	5.6%
After-tax cost of debt	**4.7%**
Weight of Equity	99.2%
Weight of Debt	0.8%
WACC	**9.5%**

Valuation	**Terminal Multiple**	**Perpetuity Growth Rate**
Long term growth rate	0.0	3.0%
Terminal EBITDA	105,164.3	0.0
Terminal EBITDA multiple	15.0x	0.0
Terminal value	1,577,464.4	867,828.8
Sum of present value cash flows	249,121.8	249,121.8
Enterprise value	**1,826,586.3**	**1,116,950.6**
Add: Cash	9,706.0	9,706.0
Less: Debt	(17,948.0)	(17,948.0)
Equity value	**1,818,344.2**	1,108,708.6
Shares outstanding	2,510.0	2,510.0
Target price per share	**$724.44**	**$441.7**
Current price	462.4	462.4
Potential Upside	**56.7%**	**(4.5%)**

	WACC				
	8.5%	9.0%	9.5%	10.0%	10.5%
2.0%	454.2	420.0	390.3	364.4	341.6
2.5%	485.7	446.5	412.9	383.8	358.4
3.0%	523.0	477.5	439.0	406.0	377.5
3.5%	567.7	514.0	469.4	431.6	399.3
4.0%	622.4	557.9	505.3	461.4	424.4

	WACC				
	8.5%	9.0%	9.5%	10.0%	10.5%
13.0x	643.2	641.8	640.5	639.3	638.0
14.0x	685.1	683.7	682.4	681.2	679.9
15.0x	727.0	725.6	724.3	723.1	721.8
16.0x	768.9	767.5	766.2	765.0	763.7
17.0x	810.8	809.4	808.1	806.9	805.6

AGREE REALTY CORPORATION (NYSE: ADC)

Allen Tam – Colonnade Fund

Company Data	
Price (2/23/24)	$57.51
52 Week High - Low	$52.68 - $73.74
Market Cap	$5.73B
Enterprise Value	$8.25B
Price Initiated	$56.13

Business Description
Agree Realty Corporation ("ADC" or "Company") is an $8 billion+ industry leader in the acquisition and development of net-leased retail properties across the United States. ADC specializes in partnering with leading national and regional retailers to deliver high-quality, strategically located properties that fuel their growth and success. It seeks to acquire properties that provide income and growth, and enhance shareholder value through active asset management, prudent property re-positioning, and disciplined capital deployment. ADC goes beyond buying buildings but also actively develops and acquires properties tailored for specific needs. The Company was founded by Richard Agree in 1971 and is headquartered in Royal Oak, MI. As the retail market has evolved, ADC has also evolved its development and retail spaces to cater to online shopping trends, parking, and automated kiosks.

ADC's RETHINK Strategy
- Capitalize on distinct market position in the retail net lease space
- Focus on industry-leading retailers through our three unique external growth platforms
- Leverage our real estate acumen and relationships to identify superior risk-adjusted opportunities
- Maintain a conservative and flexible capital structure that enables our growth trajectory
- Provide consistent, high-quality earnings growth and a well covered, growing dividend

History of Firm
- **1971:** Founded by Executive Chairman, Richard Agree
- **1994:** ADC initiates operations as a publicly traded REIT
- **2013:** Joey Agree becomes CEO
- **2019:** Acquired a portfolio of 41 properties from Brixmor Property Group for $519 million

Investment Thesis
- High-quality, diverse defensive portfolio – ADC has a well-diversified U.S. portfolio comprised of defensive, e-commerce resistant tenants across 49 states with ~49% exposure to the Sunbelt. More than 69% of ABR is to investment-grade rated tenants
- Fortress balance sheet with leading cost of capital – ADC's leverage profile of ~4.3x net debt/EBITDA is below pre-COVID levels and peers (5.4x) with incremental cost of capital od ~5.8% (below peers of 7.8%).

Risks
- Economic conditions may result in higher than expected vacancy rates - ADC could face lower than expected renewal rates and unanticipated situations resulting in lower than expected rent collections and interest payments on loans and mortgages
    - Mitigant: Even during COVID-19, rental receipts wavered in the high 80% to low 90% much higher than some retail peers, as a result of the defensive tenant base
- NNN REITs revenue streams are uniquely exposed to movement in interest rates - Short-term movements in interest rates, or unanticipated changes in monetary policy could have a profound impact on WACCs across the space, with implications for the Core FFO/AFFO growth potential
    - Mitigant: There are little to no upcoming debt maturities in the next 4 years and the Company has over $700 million in undrawn availability under the revolver
- Exterior factors and natural phenomena could impact tenant performance - NNN REIT's revenue streams depend strongly on timely rent collections from tenants. Tenants could leverage pricing power during lease negotiations or may run into cash flow issues that may result in liquidity issues or bankruptcy
- Mitigant: The Company has over 69% of ABR from investment-grade tenants with various well-known non-rated

entities. Further, there are very few lease expirations near-term

Scenario	Price	Upside to Current Price	Description
Bull	$68.49	19%	• ADC cap rate remains at base case levels at 5.75% but the Company realizes all in development lease ups and constructions. • NOI growth increases to 10% driven by acquisitions and aforementioned lease ups
Base	$63.27	10%	• ADC cap rates remain at 5.75%, compressing from the implied cap rate • NOI growth moderates to 2.0%, which is conservative relative to PLYM's 5% same-store NOI growth in Q3 2023
Bear	$57.65	0%	• ADC cap rates rise further to 6.5%, as interests rates rise and the retail sector is affected by the overall market • NOI growth continues to remain positive at (+8%) given in construction and in development properties

STRIDE, INC. (NYSE: LRN)
TARGET PRICE: $76.00

Sam Arayedupin – Darden Fund

Company Data (as of Feb 09, 2024)	
Price	$60.12
52 Week High-Low	$35.82–$61.79
Market Cap	$2.7B
Enterprise Value	$2.8B
EV/EBITDA	8.9x

Business Description
Stride, Inc., a technology-based education service company, provides proprietary and third-party online curriculum, software systems, and educational services to facilitate individualized learning for students primarily in kindergarten through 12th grade (K-12) in the United States and internationally. Its technology-based products and services enable clients to attract, enroll, educate, track progress, and support students. The company offers integrated package of systems, services, products, and professional expertise to support a virtual or blended public school; individual online courses and supplemental educational products; and products and services for the general education market. It also provides career learning products and services that are focused on developing skills to enter in industries, including information technology, health care, and business; and focused post-secondary career learning programs, as well as provides staffing and talent development services to employers. It serves public and private schools, school districts, charter boards, consumers, employers, and government agencies. The company was formerly known as K12 Inc. and changed its name to Stride, Inc. in December 2020. Stride, Inc. was founded in 2000 and is headquartered in Reston, Virginia.

Executive Summary
Stride is a prime example of the companies we target in the Darden Fund. It is a leader in a niche, but growing market, that is trading at an attractive valuation. Stride is very well known in the K-12 ecosystem and is simply a solution to a growing problem for many school districts, the shortage in educators. The high barriers to entry due to regulatory requirements around public funding for school districts as well as the medium-term contracts provides Stride with a predictable and strong cash flow profile. Strong cash flow, coupled with low levels of leverage and history of success M&A execution, positions Stride as a consolidator of choice in a highly competitive market in the coming years.

Investment Thesis

1. *Strategic Acquisitions and M&A Capabilities*
   a. Medcerts, Tech Elevator, and Galvanize transactions have positioned Stride to tap into the adult learning sector, aligning with the demands of a robust labor market.
   b. Following these acquisitions, Stride began selling software, healthcare, and IT coursework

2. *High Barriers to Entry*
   a. Stride indirectly receives state funds, exposing the company to substantial state regulation and scrutiny. These state laws tend to be different, adding to the complexity of entering the education space.
   b. Consolidation is more likely to occur than fragmentation and management recently stated that it's monitoring a robust pipeline of companies

3. *Medium-Term Contracts*
   a. Contracts with schools are typically for five or more years, resulting in predictable, recurring revenues.
   b. The adult upskilling/reskilling portion of Stride's business is arguably a negative beta business because more people may choose to upskill or reskill when laid off during a recession

4. *Increasing Demand for Virtual Education and Large TAM*
   a. U.S. elearning market is currently estimated at $100B and expected to grow at near-double-digit annualized

growth rates.

b. There is an accelerating secular shift toward virtual education and school choice

Risks

1. **Government Funding and Regulation** – Virtual and blended public schools served by Stride are subject to regulation by the federal and state governments. The state laws and regulations are primarily those that authorize or restrict Strides ability to operate in these schools, the applicable funding mechanisms for the schools and the increasing number of states with their own, unique privacy laws. To the extent these schools receive federal funds, such as through a grant program or financial support dedicated for the education of low-income families, these schools also become subject to additional federal regulation

2. **School Priorities** – The schools served by Stride may shift their priorities or change objectives in ways that are averse to virtual learning

3. **Competition** – Increasing competition in the education industry sectors could lead to pricing pressures, reduced operating margins, loss of market share, departure of key employees and increased capital expenditures

4. **Technology Risk -** Stride operates in markets that are dependent on Information Technology (IT) systems and technological change. Failure to maintain and support customer-facing services, systems, and platforms, including addressing quality issues and execution on time of new products and enhancements, could negatively impact our revenues and reputation

Scenario	Price	Upside to Current Price	Description
Bull	$90.00	50%	1. Revenue growth reaches industry growth rates 2. Margin expansion due to cost savings and acquisition synergies 3. Slight multiple expansion (13x EBITDA multiple vs. ~10x EBITDA today)
Base	$75	25%	Average of Bull and Bear case assumptions
Bear	$53	(12%)	1. Revenue growth significantly below industry growth rates (1% A&G, 3% LS&H, 2% IP) 2. No margin expansion from cost savings or acquisition synergies 3. Multiple compression (8x EBITDA multiple vs. ~10x EBITDA today)

PULTEGROUP (NYSE: PHM)
TARGET PRICE: $166

Company Data	
Price (1/1/23)	$105.12
52 Week High-Low	$51.93 - $109.26
Market Cap	22.66B
Enterprise Value	23.18B
P/E (NTM)	9.06x

Cyrus Nassikas (CEO) – Pitch to Jefferson Fund

Business Description
PulteGroup is a homebuilding company founded in 1950 with 750,000 homes built in the U.S. and ~6,500 employees. The Company acquires and develops land for residential homebuilding and offers various home designs, including single-family detached, townhomes, condominiums, and duplexes under the Centex, Pulte Homes, Del Webb, DiVosta Homes, American West, and John Wieland Homes and Neighborhoods brand names.

Executive Summary
Since March 2022, the Federal Reserve has increased interest rates 11 times, leading to higher mortgage rates. After falling below 3% during the pandemic, the average 30-year fixed-rate mortgage jumped above 7% last summer and has steadily hovered around 7%. These persistently high rates are precluding existing homeowners, many of whom locked in sub-3% mortgages, from selling and precluding long-time renters from buying. Historically, existing home sales account for about 85% of the total available housing inventory, with new home sales accounting for the remaining 15%. This mismatch in increasing demand for buying and decreasing supply of existing home inventory has created a compelling opportunity for homebuilders to add *new* homes to the market to capitalize on this pronounced backlog. Of the leading national homebuilding companies in the U.S., PulteGroup is the best positioned to build shareholder value, especially during this period of elevated mortgage rates and supply and demand mismatch. It is also worth noting, Empirical Research Partners (ERP) consistently ranks PHM among the top decile of large-cap equities expected to outperform.

Investment Thesis

1. **Vertical integration reduces Pulte's operational costs and enables more competitive incentives for its customers**
   In January 2020, PHM acquired Innovative Construction Group ("ICG"), an offsite construction framing company located in Jacksonville, Florida, for $104 million. Integrating innovative new technologies and material handling systems, ICG designs and builds wall panels, roof trusses and floor decks offsite and delivers to area construction sites to be rapidly assembled into framed houses. ICG provides PulteGroup a competitive advantage as the enhanced production process shortens construction cycles and improves build quality and waste management. Pulte's long-term strategy is to have six to eight ICG plants to enable systematic operational cost reductions across their geographic footprint.

   In conjunction with the structural competitive advantage of ICG, Pulte also offers favorable financing for its customers through its internal mortgage banking arm, Pulte Mortgage, originating loans for ~70% of its homes. Pulte Mortgage enables customers to receive discounted mortgage rates through a streamlined home buying experience. Centralized mortgage operations also condense the buying cycle by increasing the efficiency of loan processing.

2. **National footprint & differentiated segment focus drive revenue diversification and economic resilience**
   Pulte has a dominant national footprint aligned to areas with the highest inventory shortages, like Florida, California, the Tri-State, and Great Lakes. Florida drove the largest share of revenue with 30% of Q3 2023 total revenue, representing 30% growth YoY and accounting for ~40% of pre-tax income, driven by a 22% increase in closings and 7% increase in average selling price. In addition to its diversified presence 43 metropolitan areas, Pulte is also balanced across different types of core consumer segments, with 39% of revenue coming from Move-Up homes, 35% coming from First-Time homes, and 26% coming from its Active Adult homes.

3. **Best-in-class capital allocation consistently rewards Pulte shareholders and enables greater financial agility**
   Pulte has grown EPS at a 22% CAGR over the past six years and 37% over the past three years. The Company's disciplined capital allocation process across diversified segments has helped drive ~20% ROIC the past two years. Pulte

also ranks among the top homebuilders in FCF yield at nearly 20%, driven by large and growing free cash flows and rigorous capex management, combined with an undervalued share price. Highly effective capital allocation has enabled Pulte to execute consistent and substantial share buybacks, repurchasing almost 50% of its shares outstanding since the beginning of 2013. Pulte also has the strongest dividend growth relative to its peers at a 10% CAGR since 2018, with six consecutive years of dividend growth.

Risks

1. **Impact of Rates and Burrowing Costs**
   Increases in interest rates, reductions in mortgage availability, or other increases in the effective costs of owning a home could limit demand for new buyers.

2. **Cyclicality**
   Homebuilding is cyclical and deteriorations in industry conditions or downward changes in general economic conditions have historically affected business and could continue to do so, particularly as the Fed navigates unprecedented monetary policy territory coupled with increasingly heightened geopolitical volatility.

3. **Diminishing Land Acquisition Opportunities**
   Success depends on the ability to acquire land suitable for residential homebuilding in accordance with land investment criteria. If favorable land acquisition opportunities slow, it could hamper growth prospects, especially as other reputable and established homebuilders like D.R. Horton, Lennar, NVR, and Toll Brothers compete for market share.

4. **Effects of Climate and Natural Disasters**
   Natural disasters, severe weather conditions, and changing climate patterns could delay deliveries, increase costs, and decrease demand for new homes in affected areas. PulteGroup's large presence in Florida is considerably susceptible to rising ocean levels and extreme weather events.

MITSUBISHI CORP (US OTC: MSBHF)
TARGET PRICE: $18.32

Company Data	
Price (1/26/24)	$16.93
52-Week High/Low	$11.11 / 18.08
Market Cap	$72.1B
Enterprise Value	$110.5B
EV/EBITDA (NTM)	10.5x
P/E (NTM)	10.6x

Jong Sheng Ong – Monticello Fund

Business Description

The largest of five Japanese trading houses (peers include Itochu, Mitsui, Marubeni, and Sumitomo), with a global presence across 90 countries and regions. It has 10 business lines across both resource and non-resource driven industries (mineral resources, natural gas, automotive & mobility, consumer industry, food industry, industrial materials, chemical solutions, industrial infrastructure, power solution and urban development).

Executive Summary

Mitsubishi stands out among the trading houses for its relatively low exposure to China-related materials and agrichemicals, and for its high exposure to well performing businesses, such as US materials and energy. Increasingly attractive Japanese equities with recent investor-friendly structural changes by the Tokyo Stock Exchange ("TSE"), increased retail investor interest and improving corporate governance, coupled with strong shareholder returns to provide long term capital appreciation. Investment into MSBHF would mark the initiation of Monticello Fund's exposure to Japanese equities.

Investment Highlights

1. Investors' stamp of approval
In early 2023, the TSE announced an initiative, urging companies trading below book value to look for ways to boost their valuations, thereby incentivizing share buybacks. Revamped program for small domestic investment (Nippon Individual Savings account) launched in January 2024 to encourage individuals to enter the stock market, improving liquidity and demand. Berkshire Hathaway increased stake in five Japanese trading firms (Itochu, Marubeni, Mitsubishi, Mitsui, and Sumitomo) to average >8%, with a long-term outlook on the market as a whole

2. Highly diversified business lines
Diversified business lines across both resource and non-resource driven industries, across multiple geographies would give us a broad exposure to multiple economic engines. The company is looking to optimize its business portfolio and reallocate managerial resources to invest in future growth, with low-ROIC businesses earmarked for divestment or hold for improvement.

3. Strong financial profile with potential for capital appreciation
The company is amid a 3-year corporate strategy plan (up to March 2025) as it looks to divest low performing businesses and focus on (i) energy transformation, (ii) digital transformation / growth related investments, (iii) expand its earnings base to improve its core profitability (company is on track on achieving its target). As part of its Midterm Corporate Strategy 2024, the company aims to return capital to shareholders through a balanced policy of financial soundness, stable dividend growth and market expectations on shareholder return. Its targeted 30% to 40% payout ratio would provide a stable base to support its share price.

Risks

1. Sizeable exposure to upstream commodities
Majority of the company's profit is attributable to the resource industry, with analysts forecasting lower earnings in the near term mainly due to the decline in resource prices, with natural gas and mineral resource segments to hold flat. However, this is partially mitigated with the automotive & mobility, food industry and consumer industry segments

forecasted to grow earnings. In addition, the company is looking to further rebalancing its earnings base.

2. Sluggish global demand leading to subdued demand for minerals

Fluctuations in global economic growth rates, trade tensions, or geopolitical uncertainties can lead to a slowdown in industrial activity and infrastructure development worldwide. Consequently, there may be a reduced demand for minerals such as coal, iron ore, and copper, which are key components of Mitsubishi Corp's diversified portfolio.

3. Challenging shareholder governance environment

Substantial cross holdings and value traps across businesses held by Japanese conglomerates. Traditional corporate structures may prioritize stability and long-term relationships over shareholder activism and robust governance practices, thereby resulting in limited shareholder influence on critical decisions.

VERTIV HOLDINGS CO (NYSE: VRT)
TARGET PRICE: $90.54

Samiha Zaker – Rotunda Fund

Company Data	
Price (4/12/24)	$83.89
52 Week High-Low	$11.95-$88.69
Market Cap	$32.98B
Enterprise Value	$36.63B
EV/EBITDA (LTM)	23.8x

Business Description:
Vertiv is a pure-play data center infrastructure company that can deliver across the entire spectrum of thermal and power technologies. It sells critical infrastructure solutions (Power, Cooling, IT infrastructure, and service/maintenance) for Data Centers, Communication Networks, and Commercial & Industrials companies. The company's offerings include power management products, thermal management solutions, integrated rack systems, and software and services that ensure continuity and efficiency in the digital ecosystem. The company's strong growth potential lies in its Thermal Management technology for data centers, which is crucial for the growing AI semiconductor market. 60% of Vertiv's business is recurring (replacement of older infrastructure and maintenance). VRT has ~15% market share in global infrastructure solutions. 75% of Vertiv's revenue comes from Data Centers.

Executive Summary
Vertiv has an above-average fundamental outlook given its unique positioning to develop and deliver solutions across the entire thermal and power technology spectrum and customize at scale and strong partnership with tech giants Nvidia and Intel. Robust growth in global data usage underpins a significant favorable trend for Vertiv, which keeps data centers (approximately 75% of revenue) running safely and efficiently with power supplies and thermal management systems. As the data center needs of AI drive additional market demand, VRT is innovating as a leading global supplier to these facilities, with a product portfolio of highly trusted brands ranging from power and cooling to the monitoring and control aspect and an unmatched services footprint. It is in the early days of harvesting investments to deliver margin improvement, while FCF and balance sheet leverage are improving.

Scenario	Price	Upside to Current Price
Bull	$102.43	18.64%
Base	$90.97	5.36%
Bear	$80.07	-7.27%

Investment Thesis
1. Continued robust spending on building data centers:
55% of Vertiv's revenue comes from selling infrastructure to Hyperscale and Colocation companies. Data center investments expected to grow at 12% CAGR over the next 3 years. AI GPUs require 3-4x more power and generate 3-4x more heat than traditional CPUs. Organizations are increasingly turning to liquid cooling solutions for more efficient and eco-friendly cooling options. AI adoption within data centers adds incremental demand for Vertiv's thermal management products.

2. Margin expansion of 270 bps from High Density Segment with Liquid Cooling technology:
The specialized nature of liquid cooling driven by AI growth will aid margin improvement for VRT led by higher service rates. Initiatives like aligning incentives of salesforce to margin and revenue growth, manufacturing efficiencies, premium for value addition through customized solutions and increasing the number of suppliers to also support the margin expansion.

3. Capital Allocation focused on strategic M&A:
Given the need for customized solutions by its customers, Vertiv wants to be a "one-stop shop". Potential acquisition focus areas include adjacent technologies, the power perimeter, and commercial & industrial (viewed as a longer-term opportunity to sell existing technologies into new verticals). Also, given the increasing density of servers, there will be shift to liquid cooling from air cooling. VRT is the market leader in this space due to its partnership with Green

Revolution Company (GRC), a market leader in immersion cooling.

Risks

1. *A miss on margins vs. expectations due to weaker contribution margins from price/cost/mix challenges:*
Focus on specialized higher margin products and implementation of plans underway to improve manufacturing productivity and efficiencies through squeezing more square meters out of the plants; shorter cycle time, accurate deployment is likely to protect against any decline in contribution margins.

2. *Price pressure from Hyperscalers/ Colocation*:
VRT has a diversified revenue base (top 50 clients contributed 40% of sales). However, given the high-spending on-data centers by these two segments over the past 5 years, revenues from these players now account for a higher percentage of sales. There could be pressure to squeeze price. However, VRT has some pricing power due to the risk averseness of clients, its focus on good quality/quick service (220 service centers and 3500 service engineers) and its ability to provide customized solutions.

3. Bottlenecks constraining new data center construction in the coming years: power availability/ permitting pushback and land availability (for very large data centers)
While this could temper the number of large data centers that can be built annually, this could also smooth the demand curve (not such a bad thing), and power challenges could present new market/partnership opportunities for VRT over time.

CLASS OF 2024 LEADERSHIP TEAM BIOS

Cyrus Nassikas — Chief Executive Officer
Prior to Darden, Cyrus was a Senior Financial Analyst within the Research & Development division of Twilio, a leading software company in the Bay Area. In this role, Cyrus managed the P&L for Twilio's flagship communications products and partnered with the engineering teams to forecast financial performance and headcount demands. He also held roles within Twilio's go-to-market finance organization, where he provided margin and revenue analysis on customer transactions. Cyrus graduated from Bowdoin College where he was a student-athlete on the Men's Varsity Squash team. This past summer he interned as an investment banking associate at Aeris Partners in their San Francisco office.

Joseph Martin — Chief Investment Officer
Prior to Darden, Joseph was a Senior Analyst at Egon Zehnder, managing research teams for international C-suite and board member transitions for Fortune 500 companies in the semiconductor, consumer technology, and emerging technology spaces. Currently, Joseph is in the final year of UVA's JD-MBA program, specializing in transactional securities and M&A law. He previously served as the Chief Investment Officer of UVA Law's student endowment fund, Rivanna Investments, and sits on their investment committee as an advisory member. Joseph graduated summa cum laude from Southern Methodist University with a degree in Political Science. This past summer, he returned to the Dallas office of Baker Botts LLP as a Summer Associate in the Capital Markets and Startup Advisory groups.

Ana Paola De la Parra — Chief Financial Officer
Prior to Darden, Ana worked as an Associate Intern at BBVA, Mexico's largest financial group leading the redesign of the digital branch's client relationship model multimillion-dollar investment amidst the COVID-19 crisis. She started her career as a strategic intelligence analyst at CEMEX, a leading global industrials firm, and has held education and nonprofit management roles at Tec de Monterrey and Asociación Gilberto in Mexico. Ana graduated from Universidad de Monterrey with a Bachelor´s in International Finance (Cum Laude) and holds a Master´s in Business Management from EGADE Business School. This past summer, she interned at J.P. Morgan Private Bank in New York City.

Aditya Das — Chief Operations Officer and Head of Research
Prior to Darden, Aditya worked at the Valuations team in PwC India as a Senior Analyst. He has also worked as an Equity Research Analyst in the Institutional Equities Division of Motilal Oswal Financial Services India, one of India's largest financial services companies, where he tracked 20+ companies in the Consumer & Retail Industry. Aditya graduated with a Bachelor of Science in Finance from Narsee Monjee Institute of Management Studies in 2017 and is a CFA charterholder. This past summer, he interned at J.P. Morgan's Investment Banking Division in New York.

Abanikash Rayaji — Senior Portfolio Manager: Cavalier Fund
Prior to Darden, Abanikash worked with Fidelity Investments primarily as a Fund Research Analyst, performing due diligence on Liquid Alternatives and U.S. Small- and Mid-cap Growth funds. He has also worked in product development at Fidelity Investments, focusing on Alternative Investments products. He has an undergraduate degree in Mechanical Engineering and is a CFA Charter holder. He interned with the Barclays Credit Research team in New York this past summer.

Allen Tam — Senior Portfolio Manager: Colonnade Fund
Prior to Darden, Allen worked at Wells Fargo Securities as an Investment Banking Associate on the Fund Finance team, where he helped advise and provide over $15 billion in financing to private equity style funds and other asset managers. Allen started his career in Wells Fargo's Middle Market Banking Group as an analyst in the Financial Analyst Program. Allen graduated summa cum laude from the University of Texas at Dallas with honors with degrees in Finance and Business Administration. This past summer, he interned in investment banking at Guggenheim Partners' Private Equity Advisory group working on sell-side M&A for financial sponsor relationships.

Dillon Baley — Senior Portfolio Manager: Darden Fund
Prior to Darden, Dillon served as an Associate at Solomon Partners, a leading financial advisory firm with a legacy as one of the oldest independent investment banks, affiliate of Natixis, a French financial services firm owned by a top 20 global bank, Group BPCE. Dillon joined Solomon Partners within the firm's Energy Group in Houston before transitioning to the firm's Mergers & Acquisitions Group in New York City. Prior to Solomon, Dillon worked as a financial analyst at BVA Group, a nationally recognized litigation, valuation, and financial advisory firm with offices in Houston and Dallas. He graduated with Honors from The University of Texas McCombs School of Business with a BBA in Finance. This past summer, Dillon interned with WJ Partners, a lower-middle market private equity firm located in Spartanburg, SC.

Ian Ceraolo — Senior Portfolio Manager: Jefferson Fund
Prior to Darden, Ian worked in national electoral politics. In the 2022 and 2020 election cycles, he was a senior staffer at two of the biggest independent expenditure groups focused on the U.S. House and Senate, respectively. Earlier in his career, he managed statewide electoral programs in New Hampshire, and served in the Office of the Governor of Virginia. He has dual Bachelors of Science degrees in Economics and Political Science with minors in Statistics, Business Administration, and International Affairs, from Florida State University. This past summer, he interned with the Tech, Media, and Telecom group at Wells Fargo Securities in New York.

Jong Sheng Ong — Senior Portfolio Manager: Monticello Fund
Prior to Darden, Jong Sheng served as a Vice President with the Corporate Development team at DBS Group, Southeast Asia's largest bank, where he focused on executing strategic investments across Asia. He also worked as an investment banker at Deutsche Bank and Standard Chartered Bank in Singapore, advising clients on a range of M&A and capital market transactions. Jong Sheng began his career as an investment associate with Khazanah Nasional, Malaysia's sovereign wealth fund, where he focused on aviation investments. He graduated from the University of Melbourne with a Bachelor of

Commerce in Accounting and Finance. This past summer, Jong Sheng interned at J.P. Morgan's Technology Investment Banking Division in San Francisco.

Alex Hassan — Senior Portfolio Manager: Rotunda Fund

Prior to Darden, Alex was a Portfolio Manager and Investment Analyst at Edge Capital Group, an investment management firm headquartered in Atlanta, GA. In this role, Alex managed assets for ultra-high-net-worth individuals, families, and institutions. He also held a role within Edge Capital's research team, where he provided initial and ongoing due diligence for investment opportunities across multiple asset classes. Alex also worked at Ferguson Ventures, where he led deal flow activity for the corporate venture capital arm of Ferguson Enterprises. Alex graduated from Hampden-Sydney College with a B.A. in Economics and Business. This past summer, he interned with Barclays' Natural Resources Group in New York City as an Investment Banking Summer Associate and will be returning full time upon graduation.

THANK YOU

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