Darden Capital Management

UNIVERSITY of VIRGINIA

DARDEN SCHOOL of BUSINESS

Richard A. Mayo Center for Asset Management

THE ADVISOR

Q1 2025

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A LETTER FROM THE CEO & CIO

April 29, 2025

To our Stakeholders,

It is with great pleasure that we present the Q1 2025 edition of The Advisor, brought to you by Darden Capital Management. This document highlights our six Senior Portfolio Managers, sharing their insights, fund activity, and select investment ideas, while showcasing the hard work and dedication of our team. On behalf of the 2025 Class, it has been our distinct honor and joy to steward the funds entrusted to DCM, and we are grateful for the opportunity to participate in this hands-on experience.

Building on the success of prior classes, a key priority for our class was fostering a culture of strong debate and effective challenge within pitch meetings to enhance the quality of each "shot on goal." To support this, we encouraged funds to meet outside of official DCM meetings and organized dinner events to help teams build rapport. These early team-building exercises, we believe, empowered portfolio managers to be bolder and more direct in their discussions, leading to more candid conversations. Furthermore, we feel this approach strengthened the sense of duty not only to DCM and the Foundation but also to one another within each fund.

We are also excited to provide a report on the Covered Calls Initiative introduced in the fall. The strategy consists of writing call options on select portfolio holdings, allowing us to generate additional income and provide a layer of protection during periods of moderate market volatility. We view this initiative as a valuable addition to our toolkit, supporting our commitment to long-term value creation and disciplined investment management. Since its launch, the Covered Calls Initiative has been successfully piloted within the Cavalier and Monticello funds. Early results have been promising, with executed trades contributing incremental income while preserving our long-term investment theses. Beyond the financial impact, this initiative also provided rare, hands-on exposure to real-world derivatives trading — an experience otherwise absent from the Darden curriculum. We believe this program has not only strengthened DCM’s risk management capabilities but also equipped future leaders with a broader set of tools to navigate increasingly complex market environments.

Since taking over the portfolios in March, we have navigated a rollercoaster of news and an environment that began cautiously optimistic and has become more reactive. For the twelve-month period from March 2024-2025, DCM delivered a return of 2.2%, compared to 5.9% for our blended benchmark. While short-term underperformance is disappointing, we maintain strong conviction that the businesses we own are well-positioned to outperform over the long term. Our permanent capital base enables us to focus on long-term value creation, confidently making decisions where investment theses may require a year or more to fully materialize. While this approach may result in mixed short-term outcomes, we are confident that our disciplined and patient strategy will deliver durable and consistent capital appreciation over time.

Led by faculty advisors Pedro Matos and George Craddock, the selection process for the Class of 2026 was quite competitive. Alongside the interviews, we encouraged applicants to network with Second Years to gain a deeper understanding of each position and the academic mandates required from the Class. The selection process ultimately yielded an eager, competent group of First Year leaders including: Liz Paterra (CEO), Christoph Biscoff (CIO), Ross Williams (CFO), Kyesha Robertson (CRO), and SPMs Nate Ingram (Cavalier), Lizzie Pettee (Darden), Hampton McFadden (Jefferson), Dachi Gubadze (Monticello), Carter Love (Rotunda), and Nate Mancini (Colonnade).

We would also like to recognize the exceptional contributions of the 2025 DCM Leadership Team. CFO Austin Roye, COO Akshay Mattu, and Senior Portfolio Managers Nilukshi Jayawardena, Peter Hogan, Tom Alappat, Danna Wang, Justin Anderson, and Ben Forde represent some of the brightest members of our MBA class. It has been a privilege to work alongside them and learn from their outstanding contributions this year.

We remain focused on our mission to steward the capital entrusted to us with prudence and care. Your feedback and engagement are invaluable to us, and we warmly invite alumni to reach out with questions, suggestions, or opportunities to connect. Thank you again for your continued support.

Sincerely,

Ian Thompson
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Vedant Jain
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CLASS OF 2025 DARDEN CAPITAL MANAGEMENT

	CEO	CIO	CFO	COO
Executive	Ian Thompson	Vedant Jain	Austin Roye	Akshay Mattu
	SPM	PM	PM	PM
Darden (Small Cap)	Tom Alappat	Kate Watkins	Mayesha Mehnaz	Adair Maynard
Jefferson (Value)	Justin Anderson	Jericho Matulin	Atigya Mohnot	Katie Nunner
Cavalier (Long/Short)	Peter Hogan	Camm Johnson	Jack Kemp	MQ Ndlovu
Monticello (Global)	Danna Wang	JJ Jiang	Mariana Perez-Maya	Sadman Safat
Rotunda (ESG)	Nilukshi Jayawardena	Lawson MacDougall	Nico Martinez	Isaac Mills
Colonnade (RE)	Ben Forde	Parks Robinson	Tara Dilmaghani	Kelvin Chima

PORFOLIO UPDATES

CAVALIER FUND

To the Partners of the Cavalier Fund,

I am pleased to present this update on the performance and activities of the Cavalier Fund for the 12-month period ending March 31, 2025. As always, we are grateful for your continued trust in our stewardship of this unique investment vehicle. During the period, the Cavalier Fund returned 9.95%, outperforming the benchmark S&P 500 Index, which returned 8.26%, by 169 bps. This marks a strong year for the Fund, driven by disciplined adherence to our strategy and prudent portfolio adjustments in response to market dynamics.

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

We viewed the market environment from March 31, 2024 to March 31, 2025 as being shaped by a continued mix of macroeconomic and geopolitical dynamics. Inflation continued to moderate over the course of the year, supporting a more accommodative stance from the Federal Reserve. Growth sectors, particularly technology, extended their outperformance, fueled by persistent enthusiasm around artificial intelligence and automation. By early 2025, though, market sentiment became more cautious amid signs of a cooling labor market and renewed geopolitical tensions. Cyclical sectors faced headwinds, and defensive sectors found renewed investor interest. Despite intermittent volatility and shifting narratives around the soft landing, our portfolio remained resilient and well-positioned for longer-term value creation.

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

Top Contributors to Return

- NVIDIA (NVDA): With an average portfolio weight of 9.58%, NVIDIA delivered a total return of 19.99%, contributing 2.58% to the Fund's overall return. Its leadership in AI and computing solutions continues to drive outsized growth.
- Rolls-Royce Holdings (RYCEY): Our exposure to Europe's defense spending increase through Rolls-Royce yielded a remarkable total return of 90.88% on an average weight of 3.47%, contributing 2.38% to performance.
- Costco (COST): Costco's resilience in a challenging retail environment led to a 29.80% return on an average weight of 6.72%, contributing 1.77% to our results.

Bottom Contributors to Return

- AMD (AMD): Despite an average weight of 4.17%, AMD posted a -43.08% return, detracting 2.31% from performance. Strong competition and headwinds in the semiconductor industry were key factors.
- V.F. Corporation (VFC): Political considerations and weakness in retailing markets impacted V.F. Corporation, which posted a -18.01% return. Due to a 1.02% average weight, the name had a 0.81% drag on overall performance.
- Adobe (ADBE): As a sizable position at 3.26% average weight, Adobe's -23.99% return detracted 0.77% from Fund performance. The position posed a challenge for the Fund's leadership team throughout their tenure.

New Positions

- Rolls-Royce Holdings (RYCEY) is a global leader in aerospace and defense. With strong recovery momentum - orchestrated by a new leadership team - and innovative projects, the firm is positioned to capitalize on increased defense spending and grow over the long-term.
- Garmin (GRMN) is a market leader in GPS technology and wearable devices, benefiting from a strong brand, diversified revenue streams across fitness, outdoor, and automotive markets, and a solid balance sheet. Its focus on innovation positions it well for long-term growth. The position has since been exited.
- QXO (QXO) is a new platform company led by Brad Jacobs, who built United Rentals and XPO Logistics. Backed by a strong management team, QXO is targeting roll-up opportunities in the building products distribution industry. Jacobs' track record and vision position QXO to create value over time.
- Palo Alto Networks (PANW) is a cybersecurity leader benefiting from both the growing demand for integrated security solutions and its innovative AI-driven platform. The firm's platformization push will only continue to cement it as a key player in the expanding digital protection market.
- V.F. Corporation (VFC) owns iconic apparel brands such as The North Face and Vans, and it benefits from strong brand equity and global consumer demand. With a proven management team installed to lead the turnaround effort, the firm is once again poised for growth.

I would like to extend my deepest gratitude to our Portfolio Managers, Camm Johnson, Jack Kemp, and MQ Ndlovu, for their tireless dedication and exceptional work in driving the Cavalier Fund's success. Their commitment to rigorous research, disciplined decision-making, and collaborative learning has been instrumental in delivering strong performance and upholding the Fund's mission.

We remain deeply grateful for your support and confidence in the Fund. Your guidance and trust empower us to continually learn and deliver results. We look forward to working with the incoming leadership team as they seek to navigate the markets with diligence and discipline. I have no doubt that they will continue creating long-term value for the Fund.




Sincerely,
Peter Hogan
Senior Portfolio Manager, Cavalier Fund
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COLONNADE FUND

To Our Friends and Partners:

As of March 31, 2025, the Colonnade Fund returned 1.8% for the 12-month period commencing on March 31, 2024, compared to the FTSE NAREIT Equity REITs Index which returned 9.9% over the same period. The Fund had a strong start to our tenure with the general rebound in real estate equities, combined with some of our strategic allocations, allowing for initial outperformance and strong tracking of the index over our first six months at the helm. However, over our final six months, we have faced some macro headwinds (Trump election and immigration/economic policies) causing a drag on the portfolio in addition to some new and old names underperforming.

A quick refresher before getting into our commentary – the Colonnade Fund began operating as Darden Capital Management's (DCM) newest fund in Q4 of 2022. As of Q2 2024, the fund had fully deployed all its capital into ~20 equity positions with a small portion of funds in cash. For the first time this year, the Fund balanced both the monitoring of current positions along with the pitching of new investment ideas. While exciting to be fully deployed after two years of hard work from previous classes, the balancing act between portfolio monitoring and investment generation proved to be a good challenge for all members of the fund. In the spirit of this new milestone, we implemented new processes and guidelines to help our class (and future classes) maintain institutional memory due to annual Fund leadership transitions. These processes should also allow for easier active portfolio monitoring going forward allowing us to be nimble and active in the face of market volatility and uncertainty (which we expect to continue for the foreseeable future).

Since our last report, the Fund has focused on re-examining our conviction in particular sub-sectors and individual names. We have worked with the incoming class to identify the sub-sectors which we believe continue to be undervalued by the market as well as rotate out of names and themes we believe have run their course or have had a fundamental change to the investment thesis. A continued focus for the fund is a strong belief in high quality, focused trophy office operators and investors. SL Green (SLG) and Cousins Properties (CUZ) remain a large position in the portfolio, and the new fund continues to look for names to add to this theme. Additionally, the AI/data center boom is a focus, but the retreat in AI related stocks in March and April forced us to consider what our risk appetite is for these stocks and how we want to invest in this sub-sector moving forward.

One of the main goals of the fund this past year was to invest in more real estate adjacent securities as our mandate indicates the portfolio should ideally only be comprised of 65% REIT equities with the remaining 35% being invested in real estate adjacent positions. This mandate led us to invest in the following names over the past year: Toll Brothers (TOLL), CBRE (CBRE), Applied Digital (APLD), and Howard Hughes (HHH). Investing in these names allowed us to diversify the portfolio while also developing our valuations skills and investment processes. Moving forward, the Fund will continue to monitor the markets for opportunities to enter positions in real estate adjacent securities to work towards the 65/35 split while also creating additional diversification within the portfolio.

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

- **SL Green (SLG):** SL Green (6.1% position, initiated April 2024), a premier NYC focused office REIT, continues to be one of our strongest performers in the portfolio. The continued RTO mandates from white collar firms combined with SLG's heavy focus on the Park Avenue sub-market position the firm for growth and earnings strength moving forward. The Fund remains bullish on trophy office and continues to look for new avenues of exposure to this theme.

- **Agree Realty Corporation (ADC):** Agree Realty (5.6% position, initiated February 2024) invests in the development and operation of retail properties net leased to a variety of industry tenants. A strong performer since its introduction into the Fund in February 2024, ADC highlights the Fund's conviction on retail, especially anchored properties in prime submarkets. We continue to look for positions that build on ADC's success through property and location diversification.

- **Mid-America Apartment Communities (MAA):** Mid-America (6.6% position, initiated February 2024) is an apartment REIT with a focus on the Southeast. Since its inclusion in the Fund, MAA has meaningfully outperformed as underlying demographic trends, combined with MAA's property diversification, positions it for sustainable and defendable growth. While multifamily housing remains one of the largest REIT sectors, the Fund remains diligent in monitoring our current holdings to ensure we have the correct exposure to multifamily assets and in the correct sub-markets.

- **Lineage (LINE):** Lineage (2% position, initiated October 2024) is one the Fund's largest laggards, but a reexamination of the investment process has been a fantastic learning process for us. The firm IPOed in August and was the largest IPO of the year at that point raising $4.4 billion in proceeds. At the time of the initial pitch, we strongly believed in the firm's management as well as the compelling financial story told during the IPO process. In retrospect, we should have taken that story with a grain of salt. While LINE is still a market leader in its space, Trump tariffs, combined with lackluster growth, has caused the stock to meaningfully underperform (-28%). In other words, great businesses, especially great private businesses, can struggle with the transition to public markets and the different focus of that group of investors.

- **CBRE (CBRE):** CBRE (5% position, initiated February 2025) is the world's largest CRE services and investment management provider. A logical REIT adjacent position to enter, the Fund believes CBRE is positioned for strong growth over the next 12-18 months as management has stockpiled cash in addition to continuing to diversify and defend their income streams. Adding a service provider to the Fund also provides some diversification in terms of a name which generates a majority of its revenues on a recurring basis. In the same vein, the Fund continues to look for names who may fit the CBRE mold to provide continued portfolio diversification compared to the benchmark.

Reflecting on the past 12 months, I would like to extend a well-earned and sincere thank you to the three Portfolio Managers I got to work with and know over the past year: Parks Robinson, Tara Dilmaghani, and Kelvin Chima. It has been my pleasure to learn from and grow with these three talented individuals, and I can't wait to see where our Darden education and our time in Darden Capital Management will take us in the future. Additionally, I would like to say congratulations and good luck to the incoming Colonnade Fund managers: Nate Mancini, Micah Kiser, Andrew Richman, and David Kerr. The Fund is in great hands with these fine gentlemen, and I look forward to monitoring their success over the next year.

As always, our team gladly welcomes any feedback or advice from alumni, endowment sponsors, or any other readers of this publication - without your dedicated support, none of this would be possible. Thank you for this opportunity, and we look forward to our next report.




Sincerely,

Ben Forde

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DARDEN FUND

To Our Friends and Partners,

As of March 31, 2025, the Darden Fund's assets under management reached $4,176,297, representing a return of -5.36% since September 30, 2024, and underperforming the Russell 2000 benchmark by approximately 46 basis points. Over the past 6 months, the fund outperformed the benchmark by 743 basis points. This recent rebound follows a challenging period last fall and reflects the team's focused effort to reposition the portfolio around our highest-conviction ideas. By pruning weaker positions and reallocating capital toward businesses with stronger fundamentals and clearer upside, we were able to recover performance and reorient the fund toward long-term alpha generation.

The small-cap market continues to be shaped by macro uncertainty, including elevated interest rates, shifting global trade dynamics, and divergent earnings trajectories across sectors. That said, we believe volatility has created opportunity. While investor sentiment has fluctuated significantly over the past year, underlying business performance in several of our holdings has improved meaningfully. We've aimed to use these disconnects between price and value as entry points to compound capital in structurally advantaged businesses. Navigating this spring's volatility reaffirmed the importance of investment theses that hold regardless of market noise.

Portfolio Strategy and Performance

Our investment approach has remained consistent: identify businesses with durable competitive advantages operating in fast-growing industry segments. Within that framework, we've continued to emphasize "picks and shovels" business models—companies that benefit from secular tailwinds without being directly exposed to volatile end-markets. We also leaned into sectors poised to benefit from potential regulatory shifts following the 2024 election, including industrial infrastructure, defense technology, and healthcare services.

We placed particular emphasis on understanding each business's unit economics. Every investment thesis was grounded in a clear articulation of how a company makes money, what drives margins, and whether those fundamentals are sustainable. This "lemonade stand" lens became central to how we evaluated each opportunity.

Throughout the year, we remained focused on identifying companies with durable growth. Several of our top performers were names we added early in our tenure, such as **Innodata** (+139%) and **Despegar** (+44%). We also benefited from strong performance in legacy positions, most notably **Stride** (+100%).

Recent Transactions

The past six months were defined by increased portfolio concentration, opportunistic buying, and disciplined exits. Below are a few notable transactions:

- **Initiated: Solaris Energy Infrastructure (SEI)**

  Solaris operates across oilfield services and large generator rentals. Our thesis focused on the underappreciated generator rental segment, which Solaris acquired and aggressively expanded. Growth has been driven by the long lead times data centers face in securing grid connectivity.

- **Initiated: TransMedics (TMDX)**

  TransMedics provides perfusion-based organ storage systems that significantly extend the viability of organs outside the body compared to traditional cold storage. Our diligence, including interviews with transplant surgeons, confirmed TMDX's clinical and logistical advantages. We believe the company's logistics platform, which includes a dedicated fleet of jets, creates a differentiated, white-glove organ delivery service that complements its proprietary devices.

- **Exited: FTI Consulting (FCN)**

  We initially liked FTI's strength in tariff advisory, particularly given the potential for renewed trade tensions. However, one of FTI's key partners departed to start a competing firm, which meaningfully weakened the company's market position. Combined with a weakening pricing environment, we exited the position.

Closing Remarks

On behalf of Mayesha Mehnaz, Catherine Watkins, and Adair Maynard, I want to thank our mentors, faculty, and the Darden Capital Management alumni network for their invaluable support. Serving as Senior Portfolio Manager has been one of the most rewarding parts of my Darden experience. Managing live capital has sharpened my investment judgment, strengthened my commitment to fundamental analysis, and taught me how to lead through uncertainty—skills I will carry forward into my professional career.

This experience has also shaped how I think about leadership. The Darden Fund is about more than returns; it's about building a culture of intellectual rigor, respectful debate, and shared learning. I'm especially proud of the reputation our team earned for thoughtful, inquisitive pitches. The collaborative culture we built around those discussions is what I will remember most.

We appreciate your continued support of Darden Capital Management and welcome your feedback and ideas.



Sincerely,

Tom Alappat
SPM Darden Fund
Darden Capital Management
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JEFFERSON FUND

To Friends and Partners:

To start, this experience is the 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 Katie, Atigya, and Jericho, for making the Jefferson Fund such a success and pushing each other to think critically of our investment process. 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. As we look to the rest of our time at Darden, we plan to maintain concentration in the portfolio and continue to invest in best-in-class compounding stocks across sectors.

Performance
Since we inherited the fund at the end of March 2024 the fund has returned ~**5.9%**, trailing the Russell 1000 Value Index by **92pp** over the 12**-month** period. Although the fund lagged the benchmark, it finished at an all-time high of more than **$7.4mm**.

Our top ten positions contributed to nearly three-fourths of the 5.9% return. Our top five contributors over our tenure included Berkshire Hathaway, Constellation Software, Broadridge, O'Reilly Automotive, and T-Mobile.

We made efforts to sell underperforming positions and names that had met their investment thesis and where we did not have strong convictions that there was much upside going forward. One of the underperforming stocks positions, Warner Bros Studios, recovered from a 20% loss to at par/cost. We sold the positions at cost and redeployed the cash into current names. We also sold Delta Airlines which exceeded its investment thesis, made a 66% return with a ~20% IRR. The initial position was made during 2022, towards the end of covid, and the thesis was built around pent up demand for travel and the savings generated in households during covid. The thesis has largely played out and demand is beginning to decelerate.

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 four quarters has been HCA, Hospital Corporation of America,. This position has been built over the last 3 quarters and adding to the position opportunistically. In Q3 we added Tapestry, a luxury handbag designer owning brands such as coach and Kate Spade, and Qualcomm, a leading chip maker focusing on chips for mobile devices.

Exits in Q3 and Q4 included Delta Airlines, Warner Brothers Studios, Sirus XM and Albermarle. 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.

We feel confident these companies have asymmetric upside and we were glad to seize opportunities to increase the fund's ownership at reasonable prices.

Closing Thoughts

We proud to have had the privilege to contribute to such a prestigious foundation and had the unique experience of running one of the largest MBA-led funds in the nation. We look to apply the lessons and learnings from our tenure in DCM to our career. We are excited for the new team of Hampton McFadden, Martha House, Chris Holland and Jake Busby to carry on this body of work and take the fund to even greater heights.




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 past year. As always, we are grateful for your continued trust in our stewardship of the global Monticello Fund. During the March 31, 2024 – March 31, 2025 period, we had strived to reposition our portfolio by expanding our holdings in high quality global stocks. As of March 31, 2025, the Monticello Fund's market value stood at $6.9 million deployed across 26 holdings and underperformed its benchmark. We delivered a return of 0.3% versus the MSCI ACWI's return of 7.6% over the same period. 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. Five biggest contributors to the fund performance were Walmart, Berkshire Hathaway, Mercado Libre, BAE System, and Deere & CO, in total taking up 27% of the portfolio. Five biggest detractors to the fund performance were Novo Nordisk, ASML, LVMH, Halliburton, and PT Bank Mandiri, taking up 14% of the portfolio.

GLOBAL MARKETS OVERVIEW

Global economy growth remained weak through 2024 and is projected to slow further in 2025 and 2026 due to new U.S. tariffs and escalating trade tensions. The International Monetary Fund (IMF) revised global growth projection to 2.8% for 2025, down from 3.3%. Advanced economies, including the U.S. and euro area, are expected to see slower growth, while emerging markets will also experience significant slowdowns, particularly those impacted by trade tensions.

Regional Snapshot

- **United States** – U.S. GDP growth expectation falls below 1% in 2025, given uncertainty from tariffs and immigration policy. Core inflation is expected to rise to nearly 4% due to the pass-through effects of recent U.S. tariffs. While the Fed is anticipated to cut rates twice in the second half of 2025, it is expected to prioritize inflation control over employment as long as the labor market remains relatively healthy. Unemployment is forecasted to rise to around 5% by year-end, with signs of labor market softening and potential federal job reductions ahead.
- **Eurozone** – Outlook for the eurozone GDP growth rate is below 1% in 2025. Growth expected from Germany's infrastructure and defense program as well as a broader increase in defense spending across Europe is offset by the U.S. tariffs. The European Central Bank cut its deposit facility rate to 2.25% on April 17, marking its seventh reduction since June 2024. Vanguard expects two more cuts this year, bringing the rate to 1.75% as growth and medium-term inflation prospects weaken amid tariff-related uncertainty.
- **China** – China's economy had a strong start to 2025, with domestic demand and manufacturing data beating expectations. However, China's GDP growth is revised down to 4% aim U.S. tariffs significantly reducing exports. Chinese stocks have been trading at a below historical average valuation, and China's stocks may continue to suffer from a below average domestic and global growth environment.
- **Japan -** Japan's economy growth forecast in 2025 is cut from above 1% to below 1% due to the U.S. tariffs. On the other hand, the recovery of domestic consumption is likely going to continue given steady wage growth on the back of strong corporate profits and structural labor shortages. BOJ could take a wait and see approach or slow down its pace of raising interest rate due to the two offsetting forces.
- As noted in our last Advisor, two important structural changes are occurring in Japan. Japan is putting the harmful deflationary environment of the past 30 years behind it, which is good for economic and earnings growth. Regulatory changes to enhance capital markets' transparency and to expand investment options will likely improve shareholder returns and the attractiveness of investing for individual investors.

PERFORMANCE CONTRIBUTORS AND DETRACTORS (April 2024-March 2025)

Biggest Contributors:
Walmart: Walmart's share price increased 46% over the period. With an average weight of 6%, Walmart contributed 2.3% to the total return. Walmart benefited from investors "flight to safety" during economic uncertainty and its limited direct exposure to tariffs. Walmart's CFO John David Rainey said that about two-thirds of Walmart's sale in the U.S. is made in the U.S.

Berkshire Hathaway: With an average weight of 7.4%, Berkshire Hathaway contributed 1.7% to the total return. Berkshire Hathaway's share price increased 27% over the period.

Mercado Libre: Mercado Libre's share price increased 29% over the period. With an average weight of 4.4%, Mercado Libre contributed 1.1% to the total return. We also upsized Mercado Libre throughout the period. Mercado Libre benefited from fast growing LATAM region, and limited exposure to American tariffs' impact.

Biggest Detractors:
LVMH: LVMH's average weight was 4.3%, its share price decreased 32%, detracting 1.6% from total return. LVMH's suffered from slowed growth and missed earnings.

ASML: ASML's average weight stood at 4.3%, its share price decreased 32%, detracting 1.6% from total return. ASML was hit by geopolitical risks such as bans on sales to China and volatile net bookings number.

Novo Nordisk: Novo Nordisk's average weight stood at 4.2%, its share price decreased 45%, detracting 2.4% from total return. Novo Nordisk's underperformance was driven by increase in competition and lower growth expectation.

PORTFOLIO ADJUSTMENTS (January 2025-March 2025)

Bought: Goldman Sachs (NYSE: GS), February 2025
We entered Goldman Sachs given its strong financial performance, exit from consumer banking to focus on institutional clients and alternatives, its leadership in private credit and M&A, and attractive valuation with solid shareholder returns.

Bought: BYD Company (OTCMKTS: BYDDY), March 2025
BYD is the world's largest EV maker in 2024, dominates over half of China's EV market and is rapidly expanding globally. BYD also benefits from its innovative technologies like the Blade Battery and God's Eye autonomous driving system.

Bought: Thermo Fisher Scientific (NYSE: TMO), March 2025
TMO operates across multiple segments in the life sciences and healthcare industry, we entered the position due to its high operational efficiency and consistent free cash flow.

CLOSING REMARKS

We want to thank everyone at Darden who has played a part in supporting Darden Capital Management and the Monticello Fund. I'd like to thank JJ, Mariana and Sadman for their dedication as portfolio managers of the fund. My team and I are extremely grateful for the opportunity and experience steering the Monticello Fund.

   

Sincerely,
Danna Wang
Senior Portfolio Manager, Monticello Fund
Darden Capital Management
WangD25@darden.virginia.edu

ROTUNDA FUND

To our Friends and Partners,

Managing the Rotunda Fund over the past year has been an extraordinary privilege and an incredible journey. It has been the most rewarding experiential learning opportunity I've had at Darden. I'm deeply grateful to Lawson, Isaac, and Nico for their dedication and leadership as the fund's portfolio managers.

As of March 31, 2025, the market value of the Rotunda Fund stood at $4,999,147. Between March 31, 2024, and March 31, 2025, the fund reported a loss of -3.4%, underperforming the S&P 500's +8.3% return by 11.7%. This underperformance was primarily driven by an overweight position in the technology sector, particularly in semiconductors. The fund's only exposure in this space was Enphase Energy, which declined 33% over the year. The fund fully exited this position in October 2024. Additionally, the fund's sole exposure to HVAC space was through Ferguson, which declined by 25%, contributing to the sector underperformance. The funds' positions in CVS and ULTA Beauty also negatively impacted performance in the consumer sector. Both positions have since been exited, and stronger consumer names such as Walmart have been added. Walmart has performed well year-to-date, returning 7%. Furthermore, the fund's overexposure to the broader AI theme through companies like CEG, GEV, and VERT hurt performance during the recent tech selloff, even though these companies span multiple sectors. However, it is noteworthy to highlight that the fund has added stronger names to the portfolio over the past year, and for the period from April 1, 2025, to date, it has outperformed the S&P 500 by approximately 300 bps.

The delayed exit from ULTA Beauty and CVS exacerbated the funds' challenges, as both stocks declined due to strategic missteps and management restructuring. I would also like to highlight that when we took over the fund in August 2024, the underperformance as of September 2024 stood at 866 bps. We narrowed this gap to 131 bps by February 2025. However, the recent tech selloff significantly impacted the portfolio for the reasons mentioned above. The incoming fund managers have been advised to conduct a correlation analysis across all portfolio holdings and to exit or reduce any positions that contribute to an overexposure to the broader AI theme.

Since taking over the portfolio post-summer in September, the fund has implemented significant changes, adding seven new stocks Republic Services, Constellation Energy, Walmart, Eli Lilly, Natera, GEV Vernona and Occidental Petroleum while fully exiting positions in CVS, J&J, CyberArk Software, Enphase Energy, NextEra Energy and ULTA Beauty. This approach reflects the fund's overarching strategy of increasing exposure to ESG-focused stocks and, in other sectors, targeting companies with high ESG ratings and sustainable lines of revenues. These adjustments are aimed at aligning the portfolio more closely with the fund's commitment to sustainable investing while optimizing overall performance which is depicted by the fund's performance from April 1, 2025.

The fund's strategy emphasizes a deep understanding of companies' fundamental aspects over the short and medium term, with a focus on identifying investments that can outperform competitors through effective management of ESG risks and sustainability opportunities. Recognizing the growing financial relevance of these factors, the fund seeks to enhance its ability to outperform the market over the medium to long term. In line with this approach, the formal ESG integration guidelines adopted in May 2022 continue to shape investment decisions. Recent actions include prioritizing ESG-focused stocks such as RSG, CEG, OXY, and GEV while exiting positions that are less aligned with ESG goals or underperforming. To ensure efficiency, the fund has streamlined its pitch process, minimized time lags between pitches and trades, and achieved prompt execution.

Since taking over the portfolio in April 2024, the fund has made the following trades:

Portfolio Adjustments

Bought: Republic Services (NYSE: RSG), April 2024

On April 29, 2024, the fund invested 2.0% in RSG, adding it as a defensive stock expecting modest returns and aligning with its ESG-focused objectives. As the second largest vertically integrated environmental services company in the U.S., Republic generates 70% of its revenue from garbage collection for residential and commercial customers, with the rest from landfill, recycling, and waste treatment services. Since the addition into the portfolio, the company is up +12.20% (as of close: 12/9/2024).

Bought: Constellation Energy (NASDAQ: CEG), September 2024 and October 2024

The fund invested 5.0% (initial stake of 2% in September 2024 and increased exposure to 5% in October 2024) in CEG, aligning with its ESG-focused objectives. CEG operates the largest carbon-free generation fleet in the U.S. (~90% carbon-free) and is well-positioned to benefit from AI-driven demand in deregulated and data center-oriented markets. Since the addition into the portfolio, the company is up +5.98% (as of close: 12/9/2024).

Bought: Walmart (NYSE: WMT), November 2024

After reevaluating the consumer sector, the fund invested 4.0% in Walmart (WMT) in November 2024, partially exiting ULTA Beauty. WMT is gaining market share with value-focused offerings and improving margins through e-commerce, automation, and alternative revenues, driving strong EPS growth and multiple expansion. Since its addition to the portfolio, the stock is up +11.98% (as of close on 12/9/2024).

Bought: Eli Lilly (NYSE: LLY), November 2024

The fund exited CVS and J&J, reassessed the healthcare sector, and capitalized on Eli Lilly's recent price drop by investing 4.0% in the stock in November 2024. LLY is driving growth with a well-diversified portfolio, long patent life, and a late-stage pipeline of 30+ potential blockbuster drugs. Its strong M&A and R&D capabilities solidify its leadership in diabetes, obesity, and Alzheimer's markets. Since the addition into the portfolio, the company is up +11.98% (as of close: 12/9/2024).

Bought: Natera (NASDAQ: NTRA), November 2024

The fund invested $150,000 (3% of its portfolio) in Natera (NASDAQ: NTRA), a leading diagnostics company specializing in advanced genetic testing services. Natera drives strong revenue growth through innovative DNA-based tests like Signatera and Prospera, benefits from scalable operations, and is well-positioned for global expansion with validated products in high-demand diagnostic markets.

Bought: GEV Vernova (NYSE: GEV), January 2025

The fund invested approximately $150,000, representing 3% of its portfolio, into GE Vernova (NYSE: GEV), the global leader in the electric power industry, specializing in products and services that generate, transfer, orchestrate, convert, and store electricity for end use. GEV is a top 3 player in gas, wind, and transmission & distribution services. These industries are key to the energy transition and should drive future sales growth.

Bought: Occidental Petroleum (NYSE: OXY), March 2025

The fund invested approximately $200,000, representing 4% of its portfolio, into Occidental Petroleum (NYSE: OXY), a leading oil and gas producer with a strong presence in the Permian Basin. The company has improved operational efficiency, strengthened its balance sheet, and expanded production through a recent acquisition. With strong institutional backing and a first-mover advantage in carbon capture, OXY is well positioned for long-term growth.

Exited Positions

The fund exited several positions during the year, including CVS due to challenges with its shift to insurance and rising costs at Aetna. We also sold Unilever, as the company struggled with competitiveness and margin compression. In October 2024, the fund exited NextEra Energy (NEE) and CyberArk Software (CYBR) due to concerns over hurricane-related costs and geopolitical risks, respectively.

Additionally, the fund exited Johnson & Johnson (JNJ) to reallocate towards healthcare stocks with stronger fundamental values, aiming to enhance the portfolio with companies better positioned for long-term growth and innovation in the sector.

The team also sold Enphase Energy (ENPH) following weak guidance and a 25% drop in share price in a single day, as the stock failed to reflect its underlying fundamentals. Furthermore, the fund fully exited its position in ULTA Beauty (ULTA) to reallocate funds into better-performing retail stocks (i.e., Walmart), aiming to strengthen the portfolio with more promising retail investments.

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,




Nilukshi Jayawardena
SPM Rotunda Fund
Darden Capital Management
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FEATURED INVESTMENTS

CBRE Group, Inc. (NYSE: CBRE)

Ben Forde – Colonnade Fund

Company Data	
Price (4/25/25)	$120.73
52 Week Range	$84.24 - 147.75
Market Cap	$35.99B
Enterprise Value	$41.47B
Price Initiated	$140.45

Business Description
CBRE Group, Inc. is a commercial real estate services and investment firm. Its Advisory Services segment provides a range of services globally, including property leasing; capital markets, which includes property sales and mortgage origination; mortgage servicing; property management and valuation. Its Global Workplace Solutions segment provides integrated facilities management and project management solutions for major occupiers of commercial real estate. Its Real Estate Investments segment consists of two businesses: investment management and real estate development.

Investment Thesis

- **Expanding and Diverse Revenue Streams** – CBRE's diverse (and growing) revenue streams allow it to continuously capture market share in the growing CRE services segment.
- **Robust Demand** – Structural tailwinds in the CRE space supports increased usage of CRE services – CBRE is positioned to capitalize on these tailwinds.
- **Financial Stability and Liquidity** – Strong balance sheet, low net leverage, and strong cash flow conversion high light management's prudent capital strategy allowing them to remain nimble and active when the opportunity presents itself.
- **Capital Nimbleness** – CBRE's large cash pile allows it to be nimble during moments of market volatility and uncertainty. As distress arises, management should be able to strategically deploy cash in accretive M&A deals to expand the services business line.

Performance

- Since initiating the position in February 2025, CBRE has underperformed, dropping 14% from the entry price of $140.45.
- Most of this price depreciation can be attributed to the market volatility and uncertainty experienced due to the Trump economic policies that have plagued markets for the past 100 days.
- However, the Fund's conviction in CBRE remains, and we believe this reduction in price presents an opportunity for us to upsize our current position.
- Consensus estimates from Wall Street still overweight the stock – the current average target price is hovering around $150.

Risks

- **Market Uncertainty and Volatility –** The current market volatiliy and uncertainty has spooked many investors causing the already dampened capital markets to remain quiet. A quiet capital markets environment is a strong downward drag on CBRE's Advisory business line.
- **Trump Policies** – While not directly impacting CBRE, Trump's economic policies may force firms to retrench and focus on core business operations. This refocus will likely cause leasing and renewals to drop as firms put those activities on the back burner.
- **Unsuccessful M&A Integration –** CBRE relies on successful M&A integration to drive growth in the firm.

However, one or two misfires in terms of acquisitions could lead to issues as unsuccessful integrations create drag on both the financials and operations.

Scenario	Price	Upside to Current Price	Description
Bull	$175	45%	Investors and firms prove resilient to Trump economic policies and we see a complete turnaround in leasing and capital markets. Transaction volume increases as Advisory margins drive bottom-line growth.
Base	$160	33%	Leasing and capital market trends continue to move upwards as investors and firms are ready to put capital to work. Advisory sees a rebound in revenues as GWS continues to provide a floor for the business.
Bear	$110	(9%)	In the face of Trump's economic policies, firms continue to retrench causing a prolonged and strong drop in both leasing and capital markets activity for the foreseeable future.

Republic Services (NYSE: RSG)

TARGET PRICE: $257

Isaac Mills – Rotunda Fund

Republic Services Group	RSG
Recommendation	Buy
Price (4/5/2024)	$ 188.40
Current Market Price (2/29/22024)	$ 246.11 (30.8% upside)
Target Price	$ 257.00 (36+% upside)
52-Week Range	$133.81 - $192.57
Market Cap	$ 59.537 B
Enterprise Value	$ 72.521 B

Business Description: Republic Services, Inc. is a leading provider of environmental services, specializing in waste collection, recycling, and disposal solutions. The company operates across various segments, including waste collection for residential, commercial, and industrial customers, as well as recycling services for materials such as paper, plastics, metals, and glass. Republic Services also operates landfills and transfer stations for safe waste disposal and offers environmental services, including hazardous waste management and waste diversion programs. Committed to sustainability, the company focuses on reducing environmental impact and improving recycling efforts. Republic Services serves over 14 million customers across the United States and is recognized for its leadership in the waste management industry. Founded in 1998, the company is headquartered in Phoenix, Arizona.

Investment Thesis:

- Strong Volume Growth and Resilience: Driven by macro recovery, population growth, household formation, and new business formation, with a solid customer retention rate of 94% despite recent price adjustments. The business is highly correlated to housing starts and is set to grow despite past downturns.

- Strategic Growth through Acquisitions and Efficiency: Focus on accretive growth through tuck-in acquisitions in a fragmented industry, with $5.5B invested over the past 3 years. Additionally, technology and cost management strategies, like the RISE Dispatch Platform and digital pricing tools, enhance productivity and margins.

- Sustained Free Cash Flow and Long-Term Growth: Robust free cash flow generation (~$2B in 2023) supports continued investments in recycling services and renewable energy, while long-term contracts ensure predictable revenue. Strategic investments and margin expansion are expected to drive continued growth and shareholder returns.

What Happened:

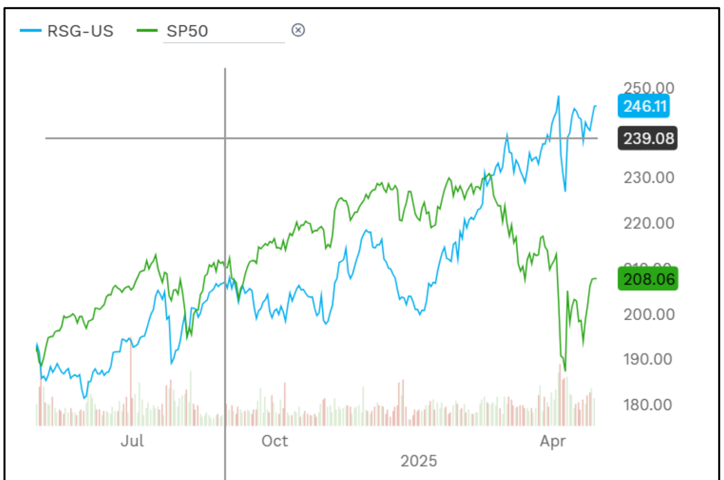
From 3/31/2024 to 3/31/2025, Republic Services (RSG) delivered a total return of 26.3%, well ahead of the S&P 500's 8% return. This strong relative performance reflects the stock's defensive characteristics, steady cash flow, reliable dividend growth, and stable end-market demand. RSG was the top performer in the S&P 500 Environmental Services sector over this period. Its resilience and operational discipline have made it a go-to name for investors looking for consistency in a volatile market.

RSG recently reported strong quarterly results on April 25, 2025, with earnings per share of $1.81, beating analyst estimates by 20 cents. Revenue came in slightly below expectations at $4.08 billion compared to the anticipated $4.12 billion but still reflected solid year-over-year growth of 6.5%. The company maintained healthy profitability metrics, including an 18.18% return on equity and a 12.46% net margin.

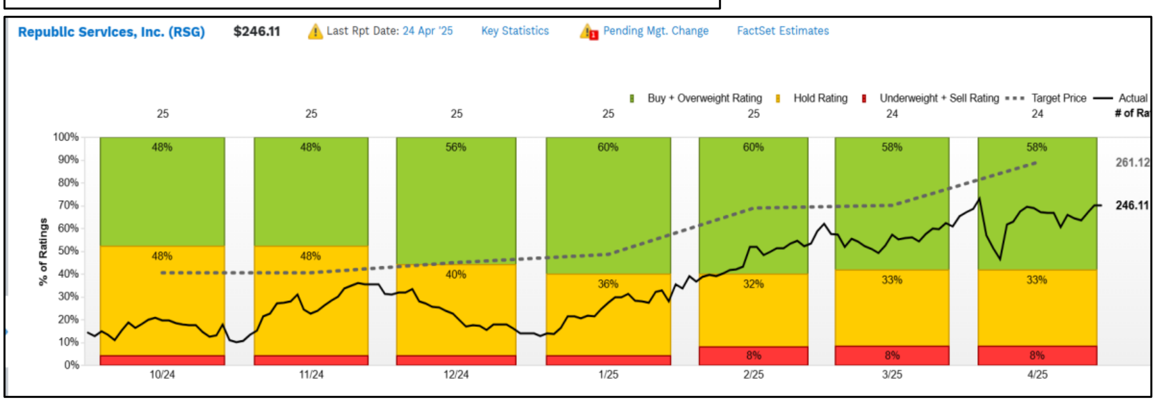
Risks:

- Lowered overall economic output and consumption (less trash) will affect volume leading to lower revenue growth. RSG has executed well fundamentally on an annual basis over the past two years. These two years have coincided with high inflation leading to strong pricing for RSG and the industry. We worry that a negative inflection in pricing and revenue growth could lead to multiple contraction
- RSG has invested heavily in acquisitions as consolidation has been a critical theme in the industry, with $5.5 billion invested in acquisitions over the last three years. The market is fragmented, but competition intensifies among key players for market dominance, leading to less accretive acquisitions and faster growth deceleration
- RSG has a dominant position within a highly regulated industry; revocation, modification, or denial of permits could adversely affect margins

Charts:



	1M%	3M%	6M%	YTD%	1Y%
RSG-US	3.17	15.92	20.46	22.33	27.25
S&P 500	-0.94	-8.45	-5.21	-6.00	8.06



Selected Financials

Company Name	Ticker	Fiscal Period	Market Data ($) Price	Mkt Ca...	EV (M)	Shares ... (M)	Shares... Diluted...	Financial ($) Sales (M)	EBIT (M)	EBITDA...	Valuation (x) EV/ EBIT	EV/ EBITDA
Republic Services	**RSG-US**	**03/31/...**	**246.11**	**77,244.6**	**89,876.6**	**312.5**	**313.3**	**16,179.2**	**3,290.7**	**5,111.1**	**27.31**	**17.58**
Casella Waste Syst...	CWST-US	12/2024	116.18	7,399.6	8,149.6	62.5	59.7	1,557.3	104.3	350.8	78.15	23.23
Clean Harbors	CLH-US	12/2024	212.63	11,641.4	13,637.8	54.2	54.2	5,890.0	670.2	1,084.6	20.35	12.57
JB Hunt Transport ...	JBHT-US	03/31/...	130.95	13,132.2	14,668.3	99.2	100.5	12,064.6	829.3	1,586.9	17.69	9.24
Waste Connections	WCN-CA	03/31/...	193.94	50,407.5	58,706.8	258.4	258.9	9,075.7	1,130.3	2,321.6	51.94	25.29
Veolia Environnem...	VIE-FR	12/2024	36.06	27,280.1	46,124.2	740.7	741.0	48,342.9	3,325.1	6,760.6	13.87	6.82
Enviri	NVRI-US	12/2024	6.85	569.5	2,315.2	80.2	80.1	2,342.0	50.8	230.6	45.55	10.04
Montauk Renewabl...	MNTK-...	12/2024	2.24	322.9	332.8	143.3	142.4	175.7	17.8	41.7	18.73	7.98
Average											**34.20**	**14.09**
Median											**23.83**	**11.31**

BYD (OTCMKTS: BYDDY)

TARGET PRICE: $177

JJ Jiang – Monticello Fund

Company Data	
Price (2/3/2025)	$70.48
52 Week High-Low	$46.60 -$84.72
Market Cap	$126.03bn
Enterprise Value	$118.21bn

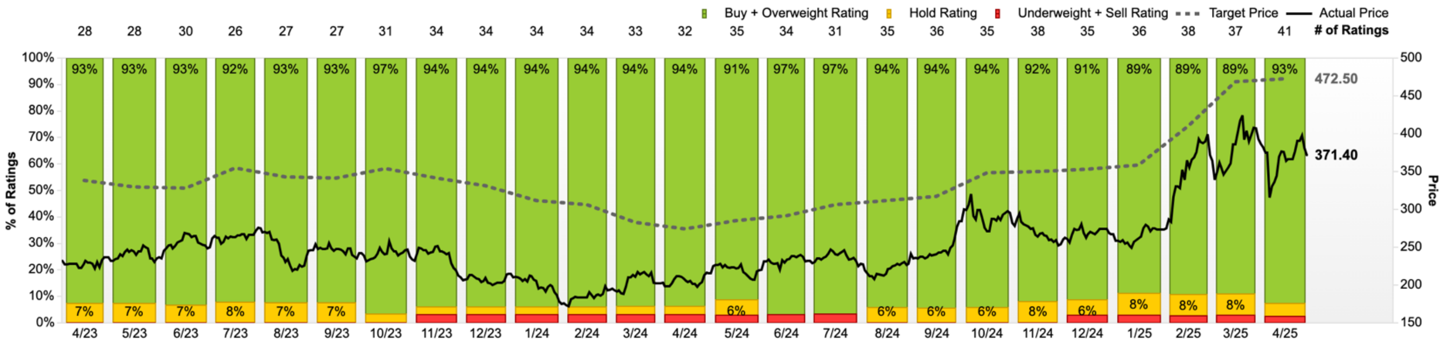
Business Description: BYD Company Limited is principally engaged in automobile business which mainly includes new energy vehicles, handset components and assembly services, rechargeable batteries and photovoltaics business. Meanwhile, with its technological advantage, the Group actively develops urban rail transportation business segment. BYD was founded by Wang Chuanfu in February 1995 in Shenzhen as a battery manufacturing company.

Investment Thesis:

1. **Fast expansion**: BYD is rapidly growing internationally, capturing 10% of Europe's EV market in 2024 and expanding in Southeast Asia and Latin America. Strategic investments in local production and partnerships strengthen its global presence, offering investors exposure to diversified and emerging markets.
2. **Technology Differentiation**: BYD invests heavily in R&D, with a 112% increase in 2023 to 39.6 billion yuan. Breakthroughs like the Blade Battery, known for safety and efficiency, and advancements in affordable autonomous-driving technology highlight its commitment to innovation, securing long-term growth potential.
3. **Cost efficiency and scalability:** BYD is a pioneer in the EV industry, leveraging its early entry and expertise in battery technology to establish a competitive edge. Its vertical integration of battery production and vehicle manufacturing enables cost efficiency and scalability, positioning the company as a leader in the global EV market.

Risks and mitigation:

1. **Raw Material Price Fluctuations**: BYD is heavily dependent on raw materials like lithium, nickel, and cobalt, essential for battery production. Significant price volatility in these materials can directly impact the company's cost structure and profitability.
    a. **Mitigation**: BYD has vertically integrated its supply chain and invested in mining partnerships, ensuring a stable supply of raw materials at competitive costs.
2. **Impact of Tariffs on U.S. Market Revenue:** Recent imposition of tariffs by the U.S. government on goods from Mexico, Canada, and China poses a significant risk to BYD's revenue in the U.S. market. These tariffs increase the cost of exporting vehicles and components, potentially reducing BYD's competitiveness.
    a. **Mitigation:** The company's focus on global diversification reduces its dependence on the U.S. market, spreading the risk across multiple regions.
3. **Chinese Stock Performance Concerns:** Chinese stocks, including BYD, have historically underperformed compared to U.S. stocks due to regulatory uncertainties, slower economic growth, and limited foreign investor confidence.
    a. **Mitigation**: Invest limited # of BYD ADR shares.



Trading Comparables as of 3-Feb-2025 Figures in US$ million	Price 3-Feb-25	Market Cap	Ent. Value	CY23	CY24	EV/Sales CY23	EV/Sales CY24	CY23	CY24	EV/EBITDA CY23	EV/EBITDA CY24	EBITDA Margin CY23	EBITDA Margin CY24	CY23	CY24	P/E CY23	P/E CY24
Company Name																	
Toyota Motor Corp. Sponsored ADR	183.98	294,699	449,486	302,754	305,640	*1.5x*	*1.5x*	39,613	41,835	*11.3x*	*10.7x*	*13.1%*	*13.7%*	31,781	27,348	*9.3x*	*10.8x*
Bayerische Motoren Werke Aktiengesellschaft	#N/A	50,193	151,497	169,178	157,436	*0.9x*	*1.0x*	29,536	22,239	*5.1x*	*6.8x*	*17.5%*	*14.1%*	12,262	8,102	*4.1x*	*6.2x*
Volkswagen AG Unsponsored ADR	9.98	49,433	211,773	350,695	343,491	*0.6x*	*0.6x*	49,295	49,234	*4.3x*	*4.3x*	*14.1%*	*14.3%*	19,620	11,510	*2.5x*	*4.3x*
Li Auto, Inc. Sponsored ADR Class A	26.02	23,397	15,269	17,244	19,689	*0.9x*	*0.8x*	1,311	1,211	*11.6x*	*12.6x*	*7.6%*	*6.2%*	1,626	1,073	*14.4x*	*21.8x*
Tesla, Inc.	361.62	1,163,157	1,242,280	96,773	97,690	*12.8x*	*12.7x*	16,012	16,645	*77.6x*	*74.6x*	*16.5%*	*17.0%*	10,882	8,458	*106.9x*	*137.5x*
Average						***3.3x***	***3.3x***			***22.0x***	***21.8x***	***13.7%***	***13.1%***			***27.4x***	***36.1x***
Median						***0.9x***	***1.0x***			***11.3x***	***10.7x***	***14.1%***	***14.1%***			***9.3x***	***10.8x***
BYD Company Limited Unsponsored ADR Cla	**84.72**	**98,646**	**119,357**	**83,603**	**106,966**	***1.4x***	***1.1x***	**10,802**	**13,426**	***11.0x***	***8.9x***	**12.9%**	**12.6%**	**4,150**	**5,421**	***23.8x***	***18.2x***

Qualcomm (NYSE: QCOM)

TARGET PRICE: $207

Justin Anderson – Jefferson Fund

Company Data	
Price (2/8/2025)	$167.96
52 Week High-Low	$132.24 -$243.52
Market Cap	$195.3bn
Enterprise Value	$195.6bn

Business Description: Qualcomm, Inc., founded in 1985 and headquartered in San Diego, CA, develops and commercializes technologies for mobile devices and wireless products. Its Snapdragon chips are among the most advanced semiconductors in Android phones and Windows laptops.

It has 170 offices in more than 30 countries and operates in three segments:
• Qualcomm CDMA Technologies (QCT)
• Qualcomm Technology Licensing (QTL)
• Qualcomm Strategic Initiatives (QSI)

Investment Thesis:

Qualcomm is well-positioned for long-term growth, driven by strategic diversification and technological leadership

Resilient Handset Market and Android Ecosystem Opportunities: Qualcomm's dominant role in the Android ecosystem and its innovations in 5G chipsets ensure continued demand in the handset market. Despite potential setbacks, such as the loss of the Huawei deal, its strategic partnerships and market position within Android devices help sustain long term growth

Revenue Diversification: Qualcomm's increasing revenue from PCs, IoT, and autos reduces its reliance on the saturated smartphone market. This diversification positions the company for stronger, more stable growth by the end of the decade as these industries expand and Qualcomm's technology continues to evolve

Edge Computing Leadership: With AI adoption accelerating, Qualcomm's edge computing solutions are becoming increasingly crucial. Its ability to process data locally, closer to the source, provides a competitive edge in a world that demands real-time, efficient computing, solidifying its role in next-gen technologies

Risks and mitigation:

Loss of Apple's business could impact revenue and market share

Risk: Apple's shift to in-house modem chips could reduce Qualcomm's revenue by $7.7B by FY2028, impacting ~22% of total revenue and lowering baseband market share from 55.7% to 46%

Mitigation: Expansion into high-growth segments—IoT (+26.6% CAGR) & Automotive (+28.1% CAGR)—expected to offset revenue loss, potentially contributing nearly 50% of total revenue by FY2028

Impact of Huawei licensing agreement expiration and potential lower revenues:

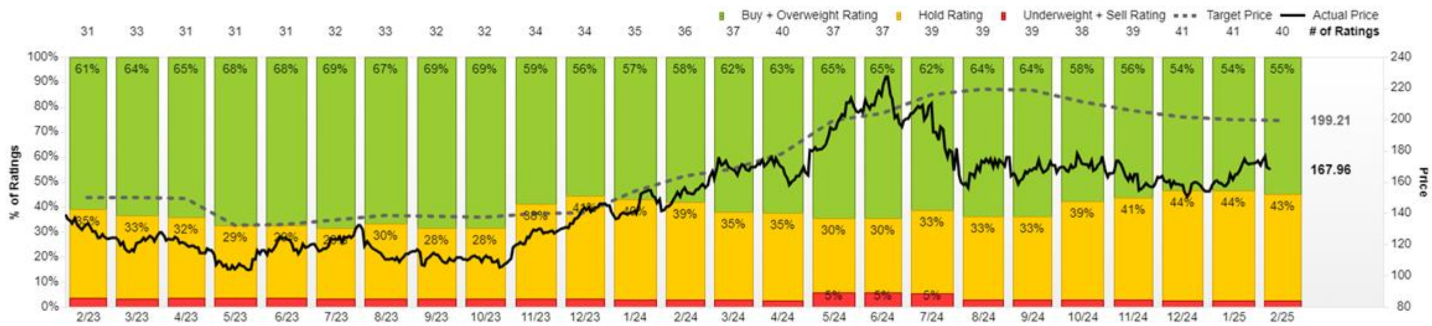
Risk: The expiration of Qualcomm's licensing agreement with Huawei could lead to a significant loss of licensing revenue and reduced chip sales, as Huawei was a key customer. Qualcomm has been in discussions with Huawei about the possibility of renewing the licensing agreement, but no definitive renewal has been reached yet

Mitigation: Strengthening IP portfolio, negotiating long-term global licensing agreements, and diversifying licensing revenue beyond handsets

Weaker handset market, share loss/price declines in Android/AAPL, and additional license disputes:

Risk: Expiry of Huawei's patent licensing agreement creates uncertainty in royalty revenues; potential delays in renewal could impact financial performance

Mitigation: Strategic renewals with key OEMs, diversification into non-handset markets (e.g., AI-driven edge computing, XR, automotive), and leveraging next-gen 5G & AI innovations for pricing power.



Valuation Statistics			Capitalization		Margins				Valuation			P/E		
Company Name		Share Price	Equity Value	Enterprise Value	Gross (Actual)	Gross (NTM)	EBIT(Actual)	EBIT (NTM)	EV/ EBIT	EV/ EBITDA	EV/ Sales	Actual	FY1	FY2
AMD	AMD-US	$ 107.56	$ 177,776	$ 174,216	43.7%	55.0%	8782.24	11928.25	19.8 x	19.2 x	6.8 x	111.1x	22.69x	13.69x
Texas Instruments	TXN-US	$ 180.00	$ 166,669	$ 172,971	58.6%	57.6%	5937.22	7544.91	29.1 x	21.6 x	10.5 x	34.5x	33.50x	17.06x
Analog Devices	ADI-US	$ 205.21	$ 102,888	$ 108,211	49.1%	69.4%	4301.05	5262.92	25.2 x	22.7 x	10.9 x	62.0x	28.91x	26.21x
Marvell Tech	MRVL-US	$ 110.62	$ 98,088	$ 101,315	39.6%	59.7%	1649.21	2857.49	61.4 x	57.9 x	17.8 x	NM	71.00x	23.32x
Intel	INTC-US	$ 19.10	$ 84,945	$ 119,160	34.0%	37.8%	2663.29	6593.81	44.7 x	8.9 x	1.5 x	NM	37.46x	39.63x
Monolithic Power Syst	MPWR-US	$ 720.25	$ 36,360	$ 35,497	55.3%	56.0%	926.68	1135.98	38.3 x	39.0 x	17.3 x	-	43.00x	16.21x
Broadcom	AVGO-US	$ 224.87	$ 1,101,943	$ 1,160,197	57.2%	77.5%	39222.63	46352.00	29.6 x	28.9 x	20.8 x	182.2x	35.30x	35.73x
Maximum			$ 1,101,943	$ 1,160,197	58.6%	77.5%	39222.63	46352.00	61.4 x	57.9 x	20.8 x	182.2 x	71.0 x	39.6 x
75th Percentile			172,223	173,594	56.3%	64.6%	7359.73	9736.58	41.5 x	34.0 x	17.6 x	164.4 x	43.0 x	35.7 x
Median			**$ 102,888**	**$ 119,160**	49.07%	**57.58%**	**4301.05**	**6593.81**	**29.6 x**	**22.7 x**	**10.9 x**	**86.6 x**	**35.3 x**	**23.3 x**
Average			**$ 252,667**	**$ 267,367**	**48.22%**	**59.01%**	**9068.90**	**11667.91**	**35.5 x**	**28.3 x**	**12.2 x**	**97.5 x**	**34.4 x**	**26.0 x**
Minimum			36,360	35,497	33.96%	37.84%	926.68	1135.98	19.8 x	8.9 x	1.5 x	34.5 x	22.7 x	13.7 x
QUALCOMM	QCOM-US	$ 167.96	$ 190,467	$ 190,739	56.0%	55.8%	15030.72	15829.91	12.7 x	11.5 x	4.7 x	18.6 x	14.4 x	13.7 x

CLASS OF 2025 LEADERSHIP TEAM BIOS

Ian Thompson — Chief Executive Officer
Prior to Darden, Ian worked as an Equity Analyst at Regions Bank in Birmingham, Alabama, where he conducted diligence on private equity and venture funds for the bank's Corporate Development group. In addition, he held various positions in corporate treasury and finance. Ian graduated from the University of Alabama with a bachelor's degree in finance. He will be joining EverSource Wealth Advisors as a Senior Investment Analyst post-graduation.

Vedant Jain — Chief Investment Officer
Prior to Darden, Vedant was a Portfolio Manager at Bellerophon DMCC, a hedge fund focused on US equities and derivatives, where he led a team of three and co-managed the investment portfolio and investor relations. During this time, he built in-depth domain knowledge across several sectors, including semiconductors, technology, fintech, and electronic vehicles. Prior to Bellerophon, he was an investment banker in India, focused on M&A and strategic advisory, where he managed multi-million-dollar client relationships across various sectors. Vedant graduated from the University of Warwick, United Kingdom, with a BSc (with Honors) in Economics, and has completed his CFA charter. This summer, he interned at Jefferies LLC in New York City as an investment banking summer associate.

Austin Roye — Chief Financial Officer
Prior to Darden, Austin worked as a Performance and Investment Operations Associate at Dodge & Cox, a San Francisco based $350B+ AUM investment firm focusing on mutual funds and private client assets. At Dodge & Cox, Austin partnered with portfolio managers to create, maintain, and distribute investment materials to over 500+ clients. Before diving into the world of investments, he worked at IBM selling endpoint management security software to C-Suite executives across the western US. Austin graduated from the University of Michigan, receiving a Bachelor in Business Administration. This summer, interned within the Strategy M&A team at Deloitte in Los Angeles.

Akshay Mattu — Chief Operations Officer and Head of Research
Prior to Darden, Akshay worked as a management consultant at Accenture Strategy, New Delhi within the retail and CPG space. He has also spent seven years in the CPG industry, working with the likes of The Kellogg's Company and Marico Limited, as an Area Sales Manager, National Key Accounts Manager, and Brand Manager, managing a business portfolio of more than $50 Million and more than 200 team members. Akshay graduated with a Bachelor of Technology in Electrical and Electronics Engineering from Vellore Institute of Technology and did a postgraduate diploma in marketing from Xavier Labour Relations Institute. This past summer, he interned at Jefferies in the Investment Banking Division in New York.

Peter Hogan — Senior Portfolio Manager: Cavalier Fund
Prior to Darden, Peter worked as an Account Manager at Bloomberg LP. In this role, he developed trusted relationships with buy-side clients to drive revenue opportunities and grow his book of business. Peter began his career in Bloomberg's analytics department supporting cash equity and equity derivative workflows. He graduated from The College of William & Mary with a Bachelor of Arts in Economics. This summer, he interned at Guggenheim Partners in New York as an Investment Banking Summer Associate.

Ben Forde — Senior Portfolio Manager: Colonnade Fund
Prior to Darden, Ben was an Associate at Chatham Financial in their Real Estate sector. He assisted clients with a variety of interest rate risk management problems and focused his time in the Defeasance and Prepayments practice. In the Defeasance practice, he worked closely with clients to guide them through the complex process, align external stakeholders, and meet the underlying real estate transaction deadline. When not working on transactions, Ben provided ad-hoc analyses to provide insights into a client's real estate portfolios and their exposure to interest rate movements. Ben graduated from Haverford College with a B.S. in Mathematics and minors in English and Mathematical Economics. This summer, he interned with Marsh McLennan in their Finance Leadership Development Program.

Tom Alappat — Senior Portfolio Manager: Darden Fund
Prior to Darden, Tom was a Principal Digital Engineer at Northrop Grumman, a global aerospace, defense, and security company, where he designed custom processing units. Before that, he worked in Raytheon Technology Corporation's research and development group, designing novel optical sensing solutions. Between those roles, Tom founded an energy storage company, Bandit Energy, that provided peak shaving services to industrial clients. Tom graduated with a degree in Electrical Engineering from Rensselaer Polytechnic Institute, where he was a student senator, student union executive board member, and class vice president. This summer, Tom interned with Oliver Wyman's Private Capital group in their DC office.

Justin Anderson — Senior Portfolio Manager: Jefferson Fund
Prior to Darden, Justin worked at Hewlett Packard Enterprise. He was in charge of managing the $28 billion P&L and coordinating with executive stakeholders to develop the three-year financial plan. Earlier in his career, he worked in various operational and strategy roles across Hewlett Packard Enterprise, assisting general managers in pricing, budgeting, financial forecasting and cost management. He has a bachelor's in business administration with a minor in Economics, from the University of Texas at Austin. This summer, he interned with the Tech, Media, and Telecom group at Wells Fargo Securities in Charlotte, North Carolina.

Danna Wang — Senior Portfolio Manager: Monticello Fund
Prior to Darden, Danna worked as a Senior Financial Analyst at American Credit Acceptance at Spartanburg, SC. Danna graduated from Monash University in Australia with a bachelor's degree in economics and Brandeis University with a master's degree in finance. In her spare time, Danna loves hiking, cooking and doing yoga. Danna is also a stock analysis content creator with 25k followers. This summer, Danna interned with Amazon. Danna is a CFA charterholder.

Nilukshi Jayawardena — Senior Portfolio Manager: Rotunda Fund
Prior to Darden, Nilukshi was an investment professional at the International Finance Corporation (IFC), where she managed the end-to-end deal execution process and portfolio management for IFC in South Asia. In this role, Nilukshi was involved in executing the largest debt investment for IFC in South Asia and managed a debt and equity portfolio of $250 million. Nilukshi's portfolio comprised blue-chip companies both in India and Sri Lanka. Additionally, Nilukshi worked in investment banking prior to this role and was involved in some of Sri Lanka's landmark IPOs and M&As. She graduated from the University of Colombo, Sri Lanka, with a BBA in Finance. She interned at Bank of America's Consumer and Retail Group in New York City as an investment banking summer associate.

THANK YOU

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