



ITHAKA US GROWTH STRATEGY

FIRM OVERVIEW

- Founded in 2008
- Based in Arlington, VA
- Concentrated growth investors
- 100% employee-owned

STRATEGY OVERVIEW

- Seeking high-quality, rapidly growing companies with duration
- Bottom-up, company focused
- A conviction-weighted approach
- Maximum of 35 large-cap holdings

PORTFOLIO OVERVIEW

- Inception date: 01/01/09
- Benchmark: Russell 1000 Growth ("R1000G")
- ~\$1.4B AUM
- 4 investment professionals

OBJECTIVE

- Long-term growth of capital

PORTFOLIO MANAGERS

- Scott O'Gorman, CFA
- Andy Colyer, CFA
- Daniel White, CFA, CAIA

Market Review and Outlook

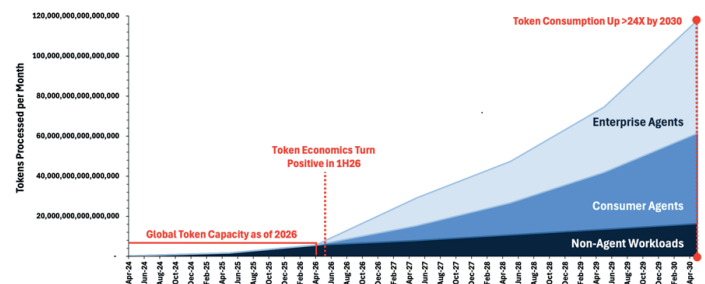
Following a tumultuous first quarter marred by geopolitical shocks and monetary policy uncertainty, the broader U.S. equity markets staged a strong rebound in the second quarter. Driven by exceptional fundamental growth, a patient Federal Reserve, and significant de-escalation in the U.S./Iran/Israel conflict, most equity styles posted robust returns. Notably, the growth-heavy Nasdaq surged 21.4%, the S&P 500 gained 14.9%, and the value-tilted Dow Jones Industrial Average rose 12.9%. Within large caps, the Russell 1000 Growth Index advanced 16.7%, while its counterpart, the Russell 1000 Value Index, returned 13.5% for the quarter.

On the geopolitical front, the military conflict in Iran remained highly volatile. Following a two-week ceasefire in early April aimed at reopening the Strait of Hormuz, the agreement was extended indefinitely to accommodate further negotiations. Despite this formal pause, both sides have continued to engage in low-intensity skirmishes in an attempt to maintain strategic negotiating pressure. These diplomatic efforts provided significant relief to the oil market, with crude oil prices falling from approximately \$115/bbl in early April to the \$70/bbl range today. Shifting to market fundamentals, S&P 500 earnings per share surged 25% year-over-year, helping compress the index's forward P/E multiple from roughly 22x at the start of the year to under 20x today. A deeper analysis reveals that second-quarter earnings growth was heavily concentrated in the AI infrastructure trade. Amazingly, 40% of the earnings growth in the S&P was driven by just two companies: NVIDIA and Micron. When expanding to include the broader AI complex, this figure jumps to 60%. An additional 15% of the earnings growth could be attributed to the energy sector, and the remaining 25% to the rest of the market at large. While we observed some broadening of the market toward the end of the quarter, the overarching theme remained consistent with the first quarter: AI "hot" and everything else, "not," at least on a relative basis.

As we look to the rest of the year, the most important secular themes impacting markets will continue to be AI diffusion, physical infrastructure limits (both energy and construction), and the ability of large model providers to raise incremental capital through further private rounds, or large-scale IPOs. With regard to diffusion, token usage continues to grow at a parabolic rate (see chart below), however the willingness to pay

for that usage is likely to attract significant scrutiny in the wake of several high-profile budget overruns at Uber and Microsoft. Regarding physical infrastructure, hyperscalers are committed to compressing the Time to First Token as fast as humanly possible, prioritizing partners with immediately available AI infrastructure supply. This urgency is running squarely into legacy infrastructure that is ill-equipped for hypergrowth, evidenced by data center power connections now taking five to seven years to procure. To keep construction timelines from stretching too far out, operators will likely continue finding unique alternatives, most notably behind-the-meter power solutions. Finally, AI capital markets remain highly accommodative, highlighted by OpenAI's \$122 billion capital raise in March and Anthropic's \$65 billion raise in May. Demand for owning equity in the two largest model providers continues to outstrip supply, providing ample runway for future capital raises ahead of pending mega-cap initial public offerings.

Exhibit 24: Assuming ~37% knowledge-worker adoption by 2040 (12% by 2030), we estimate global token consumption could be 55x current levels (24X by 2030)



Source: Data compiled by Goldman Sachs Global Investment Research

Beyond market fundamentals and geopolitics, investors are increasingly turning their attention to the 2026 midterm elections. Current consensus projects a divided government, with Democrats reclaiming the House of Representatives and Republicans retaining control of the Senate. Markets will likely view this outcome as a net positive; a split Congress would introduce significant roadblocks to the Trump administration's legislative agenda, ultimately fostering a less volatile/more predictable environment, and a much lower probability of tail-risk legislation. Amidst this evolving macro, micro, and political backdrop, our investment discipline remains steadfast. We continue to focus on long-term wealth creation by maintaining

concentrated positions in businesses with a high probability of compounding economic value. Our core criteria remain unchanged: we seek to own companies led by prudent management teams, supported by durable secular tailwinds, and built upon advantaged business models with superior unit economics in large expanding markets.

2Q26 Performance

PERFORMANCE (%)	2Q26	1 YR	3 YR	5 YR	ITD ¹
Ithaka US Growth Strategy (Gross)	22.1	(1.8)	16.2	7.3	16.9
Ithaka US Growth Strategy (Net)	21.9	(2.4)	15.5	6.7	16.3
Russell 1000 Growth ("R1000G")	16.7	17.7	22.6	13.7	17.5
S&P 500 TR Index	15.2	22.3	20.6	13.4	15.0

¹ITD = inception-to-date, annualized. Inception date is 1/1/2009.

In a decisively positive market, Ithaka's portfolio bested the R1000G during the quarter, beating the index by 500bps (21.7% to 16.7%, gross of fees). Stock selection contributed 690bps to relative performance, with a 190bp negative impact from sector allocation. The portfolio demonstrated modest breadth and depth with 12 of the 26 stocks held for the entire quarter, representing 46% of the names and 35% of the total weighting, outperforming the benchmark.

At the sector level, Ithaka generated positive relative returns in two of the six sectors where we maintain active exposure: Technology and Producer Durables. Outperformance in Technology was due to strong appreciation in our AI holdings, with two of our names seeing triple digit returns and many others up double digits, and outperformance from our two cybersecurity holdings. This strength was slightly offset by weakness in the more traditional Software-as-a-Service holdings, as the "SaaS-pocalypse" continued to drag on. Producer Durables was a slight contributor to returns, as strong fundamentals and a relative decline in valuations for some of our differentiated bets pulled investors from the sidelines. Our largest pool of underperformance was in the Health Care sector, where two of our MedTech holdings saw outsized multiple compression as investors flocked to the AI trade. Following Health Care was Consumer Discretionary, where outside of our largest holding that has some AI exposure, negative returns prevailed. These negative returns stem from concerns regarding the pricing power of some consumer businesses, which are continually battling the K-shaped economy. Weak returns in Financial Services was due to our overweight to the sector, which underperformed the high-flying tech trade in the qtr. The slight underperformance in Materials and Processing was due to our sole holding underperforming the sector by ~4ppts. On the allocation side, of our 190bps of underperformance, 70bps was our allocation to cash, which was a drag in a strong up market.

Contributors and Detractors

2Q26 TOP 5 CONTRIBUTORS (%)	RETURN	IMPACT
Advanced Micro Devices	182.4	6.0
CrowdStrike	95.6	2.9
Palo Alto Networks	114.1	2.7
Credo Technology	187.4	2.0
Lam Research	65.2	1.3

2Q26 TOP 5 DETRACTORS (%)	RETURN	IMPACT
Intuitive Surgical	(13.8)	(0.5)
Netflix	(14.2)	(0.5)
Palantir	(20.0)	(0.4)
Intuit	(25.6)	(0.3)
Insulet	(27.8)	(0.3)

Top Contributors

AMD Advanced Micro Devices is a global leader in designing and manufacturing high-performance semiconductor products, including processors, graphics cards, and chipsets. The company develops CPUs and GPUs for a wide range of applications, such as gaming, data centers, AI, and high-performance computing. The company's competitive edge lies in its advanced CPU and GPU architectures, such as its "Zen" and "RDNA" designs, which offer exceptional performance, energy efficiency, and total cost of ownership. The stock price exploded higher in the quarter as the evolution of the LLM market has led us to agentic AI workloads, which require a large number of high-core-count CPUs for complex orchestration, continuous data movement, and parallel task execution. The market recognized that AMD's server CPU business will be a massive beneficiary of this change, evidenced by CEO Lisa Su doubling the company's server CPU TAM forecast from \$60 billion to over \$120 billion by 2030. This tailwind will be compounded by the companies upcoming release of the MI450 GPU series, the company's first foray into rack-scale GPU architecture.

CROWDSTRIKE CrowdStrike is a global leader in cloud-native cybersecurity, delivering its comprehensive Falcon platform, which spans endpoint protection, cloud security, identity threat detection, and next-gen Security Information and Event Management (SIEM), to tens of thousands of enterprise organizations worldwide. The company generates revenue primarily through tiered, module-based software subscriptions, offering flexible consumption models like Falcon Flex, while increasingly diversifying its revenues through professional incident response services, managed security operations, and AI-driven threat intelligence. Its competitive moat is anchored by its single lightweight-agent architecture, the proprietary AI-powered Threat Graph that correlates trillions of security events daily to automate real-time

protection, and an expanding global partner ecosystem, leading to high switching costs and robust platform loyalty. CrowdStrike's strong performance in the quarter was due to a narrative shift in the AI trade. Earlier in the year, cybersecurity was believed to be becoming increasingly obsolete due to the rise of agentic AI, with legacy providers business models labeled as outdated. Fast forward to the Q2 earnings call, where CEO George Kurtz flipped the script, arguing that more AI adoption creates a vastly larger attack surface, which will require specialized protection from companies that control entire platforms of products.



Palo Alto Networks develops cybersecurity platforms intended to address advanced cyber threats, secure

hybrid cloud environments, and streamline security operations. The company offers a number of software products from network and cloud protection (Strata and Prisma) to AI-driven security operations software (Cortex). While the company rose to popularity through its pioneering next-generation hardware firewalls (~20% of revenues), enterprise customers have increasingly flocked to its cloud-based subscriptions and support services (~80% of revenues) to consolidate their vendor stacks, deploy generative AI threat prevention, and seamlessly protect sensitive data across their entire ecosystems. Like CrowdStrike, Palo Alto benefitted from the narrative shift surrounding traditional cybersecurity's place in an AI world, coupled with strong fundamental growth during the company's most recent earnings announcement.

Top Detractors



Intuitive Surgical is a pioneering medical technology company best known for its da Vinci robotic surgical system,

which enables surgeons to perform precise, minimally invasive procedures. The system is widely used in urologic, gynecologic, general, and hernia repair surgeries, offering patients reduced pain, blood loss, and recovery time compared to traditional approaches. Intuitive generates revenue through three primary streams: system sales, instruments and accessories (such as scalpels, graspers, and cauterization tools), and services, which includes maintenance, training, and technical support, creating a high-margin recurring revenue model anchored by a growing global installed base of 10,200 units. The stock's second quarter underperformance was due to multiple contraction, which dinged the stock for 21%, slightly offset by strong forward earnings growth. The multiple compression was largely due to the AI narrative "sucking all the oxygen out of the room."



Netflix is the global leader in subscription-based streaming, delivering a vast library of films, television series, documentaries,

and mobile games to over 300 million members across more than 190 countries. The company generates revenue primarily through tiered monthly subscription fees, offering both ad-supported and premium ad-free plans, while increasingly diversifying its income through advertising sales, content

licensing, and live events. Its competitive moat is anchored by its massive global scale, proprietary data-driven algorithms that maximize user retention, and a multibillion-dollar annual investment in Netflix Originals that often capture the zeitgeist, leading to viral marketing and exclusive brand loyalty. Netflix's stock fell in the quarter following a mid-April earnings release that beat Street expectations but failed to raise full-year guidance, disappointing investors. In addition to the above, co-Founder Reed Hastings announced he would not run for reelection on the board of directors, ending his 29-year tenure with the company.



From the front-lines of war zones to Fortune 500 enterprises, Palantir Technologies builds software to

address high-level action items, respond to defense and security concerns, and improve organizational efficiency. The company offers a number of software products from data analysis and curation (Palantir Gotham and Foundry) to a cloud-based operations software (Apollo). The company rose to popularity, in part, due to several government contracts (~55% of revenues) arising from recent and continuous global conflicts. In addition to creating generative AI defense solutions for governments across the globe, commercial customers (~45% of revenues) have flocked to the company's security and data analysis solutions to monitor and analyze business data and protect sensitive information. The stock's fall in the quarter was due to the market moving Palantir from an AI beneficiary to the "SaaS-pocalypse" basket, which led to aggressive multiple contraction despite still pristine fundamental performance.

Transactions

During the quarter we initiated five new positions, HEICO (HEI), Lam Research (LRCX), Taiwan Semiconductor (TSM), Sterling Infrastructure (STRL), and Lumentum (LITE). On the other side of the ledger, Ithaka eliminated five positions, Cadence Design Systems (CDNS), Insulet (PODD), Intuit (INTU), Dexcom (DXCM), and Netflix (NFLX). Our trailing 12-month turnover increased to 32.2% while our trailing 3-year average annual turnover increased to 20.6%.¹

Company Profile

Most companies that make up the modern semiconductor industry can trace their roots back to Fairchild Semiconductor, which was founded in 1957 by the "Traitorous Eight." These eight individuals defected from Shockley Semiconductor Laboratory, whose namesake won the Nobel prize for helping to create the original transistor. In the early 60's, Fairchild became an incubator of Silicon Valley and was directly or indirectly involved in the creation of dozens of corporations, a group of companies that came to be known as "Fairchildren." In 1969 one of the children was created from the mind of the legendary Jerry Sanders. That company, Advanced Micro Devices ("AMD"), would go on to become one of the defining semiconductor companies of the 21st century.

¹ Turnover Rate indicates the frequency of changes to the portfolio, and is calculated as the greater of the buys or the sells during the period as a percentage of the assets under management at the time of each transaction. The calculation eliminates the effect of client-directed cash flows. Average Annual Turnover is calculated based on a trailing three year period.

AMD's founding mission was to build leading-edge semiconductor products by serving as a highly reliable, second source manufacturer of logic chips. The company's early strategy focused on designing and printing cost-effective, yet high quality alternatives to the established industry players, while still maintaining strict military-grade reliability. For the past 50+ years, Advanced Micro has been riding a powerful secular tailwind: the relentless, exponentially growing demand for computing power, first through the democratization of the PC, and more recently through the build-out of high-performance AI infrastructure. To quantify this growth, we can look at the evolution of the fastest supercomputers on earth over the last 50 years. In 1976, the Cray-1 was capable of 160 MegaFLOPS (160M calculations per second) of compute. Compare that to AMD's 2026 El Captain supercomputer, which is capable of ~2.19 ExaFlops (2.19 quintillion calculations per second) of compute. This amounts to a 13.7 billion times increase in speed over the past 50 years!

With the growing demand for compute at its back, AMD has monetized this growth through a highly scalable, fabless business model. The company has decoupled cutting-edge chip design from capital-intensive manufacturing, formalized in 2008 with the spinoff of what is now GlobalFoundries. This helped AMD maintain both its agility and its high incremental

margins, creating formidable competitive advantages. The deep integration of its CPUs, GPUs, and networking assets, combined with its open-source ROCm software stack, provides high-velocity feedback loops with developers. Combine these feedback loops with a high margin business model and the resources to continue to profitably invest in bleeding edge products, and you get a business with a strong and compounding competitive advantage.

Ultimately, the success of a business depends on a management team that can translate innovation into value. AMD's leadership is defined by remarkable execution; under the stewardship of CEO Dr. Lisa Su, the firm has avoided the strategic missteps seen in many legacy semiconductor companies. Dr. Su, who took the helm in 2014, is an MIT-trained electrical engineer who has spent her tenure transforming AMD from a struggling underdog, languishing in Intel's shadow, into a dominant force in high-performance computing. This disciplined leadership has produced exceptional financial metrics, including consistent market share gains and explosive data center revenue growth. For the foreseeable future, we believe AMD will continue to execute this same playbook: methodically allocating capital to deepen its silicon moat while capturing an ever-growing share of the rapidly expanding global AI and data center market.

Risk Disclosure

Past performance is not indicative of future results. The performance shown is for the Ithaka US Growth Strategy Composite. All fully discretionary taxable and non-taxable accounts are added to the composite following the first quarter in which their ending market values equal or exceed \$0.5 million. Results of individual accounts may vary from the composite depending on account size, timing of transactions and market conditions prevailing at the time of the transaction. The gross-of-fee performance does not reflect the payment of management fees and other expenses that are incurred in the management of an account. The net-of-fee performance includes the payment of such fees and expenses. Gross-of-fee performance and net-of-fee performance both include the reinvestment of all distributions, dividends and other income.

The performance shown is compared to the Russell 1000 Growth Index and the S&P 500 TR Index. The Russell 1000 Growth Index measures the performance of the broad growth segment of the U.S. equity universe. It includes those companies from the Russell 1000 Index with high price-to-book ratios and high forecasted growth as compared to other companies listed in the Russell 1000 Index. The S&P 500 TR Index is a market-capitalization-weighted index that measures the performance of 500 leading publicly traded companies in the U.S. The index tracks both the capital gains as well as any cash distributions, such as dividends or interest, attributed to the components of the index. These broad-based securities indexes are unmanaged and are not subject to fees and expenses typically associated with managed accounts. Individuals cannot invest directly in an index.

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