QUARTERLY LETTER | JUNE 30, 2026

Baron Durable Advantage Strategy

Alex Umansky
Portfolio Manager

Dear Investor,

Performance

We had an OK quarter.

Baron Durable Advantage Strategy (the Strategy) gained 13.66% during the second quarter, compared to the 15.20% gain for the S&P 500 Index (the Index), the Strategy's benchmark.

Year to date, the Strategy is up 3.42%, compared to the 10.21% gain for the Index.

We wrote in the last quarterly letter how the first quarter of 2026 had many similarities to the first quarter of 2025. We were coming off of multiple years of strong market returns buoyed by a strong economy and optimism about the AI buildout, with the Strategy performing exceedingly well, and it "felt" like we were due for a "breather". Obviously, those things are impossible to predict so we don't even try, but we are fond of reminding ourselves that your prospective returns are negatively correlated to the recent ones, and when you have done this long enough, there are times when it's just... in the air. The market is looking for an excuse to consolidate or for an outright pullback. In the first quarter of last year, we got the "tariff tantrum" in mid-February. This year, we were once again coming off of multiple years of strong returns buoyed by a strong economy and optimism about the AI buildout, and we got the Iran war and $140 oil. In the second quarter of last year the market staged a nice recovery with a gain of 10.9% for the

Annualized performance (%) for period ended June 30, 2026 (figures in USD)[1]

	Strategy (net)[2]	Strategy (gross)[2]	S&P 500 Index[2]
QTD[3]	13.66	13.84	15.20
YTD[3]	3.42	3.75	10.21
1 Year	12.16	12.88	22.32
3 Years	20.31	21.04	20.61
5 Years	13.98	14.51	13.41
Since Inception (1/31/2018)[4]	15.68	16.00	14.14

Calendar year performance (%) (figures in USD)

	Strategy (net)[2]	Strategy (gross)[2]	S&P 500 Index[2]
2021	32.90	33.09	28.71
2022	(24.45)	(24.28)	(18.11)
2023	45.93	46.53	26.29
2024	27.25	28.04	25.02
2025	16.66	17.38	17.88

For Strategy reporting purposes, the Firm is defined as all accounts managed by Baron Capital Management, Inc. ("BCM") and BAMCO, Inc. ("BAMCO"), registered investment advisers wholly owned by Baron Capital Group, Inc. As of 6/30/2026, total Firm assets under management were approximately $69.7 billion. The Strategy is a time-weighted, total return composite of all accounts managed on a fully discretionary basis using our standard investment process. Accounts in the Strategy are market-value weighted and are included on the first day of the month following one full month under management. Gross performance figures do not reflect the deduction of investment advisory fees and any other expenses incurred in the management of the investment advisory account. Actual client returns will be reduced by the advisory fees and any other expenses incurred in the management of the investment advisory account. A full description of investment advisory fees is supplied in the Firm's Form ADV Part 2A. Valuations and returns are computed and stated in U.S. dollars. Performance figures reflect the reinvestment of dividends and other earnings. Baron Durable Advantage Strategy is currently composed of one mutual fund managed by BAMCO. * Includes client and proprietary account. BAMCO and BCM claim compliance with the Global Investment Performance Standards (GIPS®). To receive a complete list and description of the Firm's strategies or a GIPS Report please contact us at 1-800-99-BARON. GIPS® is a registered trademark owned by CFA Institute. CFA Institute does not endorse, promote or warrant the accuracy or quality of the report.*

The performance data quoted represents past performance. Past performance is no guarantee of future results. Current performance may be lower or higher than the performance data quoted.

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Index, while the Strategy was up. It's not like tariffs went away or trade deals were finalized, but some tariffs were postponed, some compromises were agreed to, the worst outcomes were avoided, and investors figured it's unlikely to have a material long-term impact on the market. Entering this quarter, we speculated that something similar was likely to happen because past history (including recent examples of Russia-Ukraine and Israel-Middle East-Iran) suggested that geopolitical events have minimal lasting impact on equity markets. This is basically how it played out. It's not like there was a regime change in Iran, or a peace treaty was signed, but there was a Memorandum of Understanding, and ships resumed transiting the Strait of Hormuz (sort of...), oil pulled back to $70, and the worst outcomes seemed to have been avoided. This time, the markets rallied even harder, with the Index rising 15.20%, and even though we failed to keep up, a 13.66% gain is not a terrible outcome.

We have to admit that recent price action in many of our stocks has been confusing to us. On the one hand, fundamentals of many of our businesses have been nothing short of extraordinary. On the other hand, their stock performance has been rather muted, leading to a compression in multiples that is puzzling to us. NVIDIA has been a stellar, truly unicorn-like performer as its revenues grew from $61 billion in 2023 to $130 billion in 2024, and to $216 billion in 2025, with revenues expected to almost double again this year to $424 billion. With stellar profit margins, consensus earnings per share and free cash flow are expected to grow 113% and 116% this year, respectively. Yet, the stock is trading at a 14.5 times P/E on next year's estimate and at a 6.3% free cash flow yield, a 25% to 30% discount to the S&P 500 Index. The current price of NVIDIA's stock implies a terminal growth rate of 3% (GDP or less?), assuming weighted average cost of capital of 10%, starting next year. In other words, from 100%-plus growth this year, to 3% growth next year. We think not! **Meta** (16.5x), TSMC(18.5x), Broadcom (19.2x), Alphabet (20.9x) and Amazon (22.8x) all trade at multiples that seem irrationally low to us. All of these companies are being lumped together as part of the "AI trade" but they are somewhat on opposite sides of it. While Amazon, Alphabet, and Meta are ramping up their CapEx in what has clearly become the most expensive technology-led arms race in history, NVIDIA, Broadcom, and TSMC are the beneficiaries of the spend. We get that AI is controversial and unpredictable with a fairly wide range of outcomes. Still, certain conclusions can be made with a high degree of confidence:

- **AI demand is proven!** In the first quarter letter, we have covered the dramatic acceleration in AI adoption and usage that led to staggering annualized recurring revenue (ARR) growth at the leading frontier companies Anthropic and OpenAI, as well as direct quotes from Amazon's Andy Jassy, Meta's Mark Zuckerberg, NVIDIA's Jensen Huang, and Cerebras' Andrew Feldman (among others) on how the industry remains supply constrained with demand far exceeding supply and continuing to accelerate. Alphabet's most recent quarterly results reported in July provided further indisputable evidence. Cloud revenue growth accelerated to 82% from 63% last quarter (at $100 billion scale), with 36% EBIT margins and an astonishing 47% incremental EBIT margin quarter over quarter. Backlog increased $52 billion to $514 billion with accelerating conversion - $257 billion will convert over the next eight quarters. Gemini Enterprise is now used by 90 Fortune 100 companies in some capacity. The breadth of growth has improved significantly with new customer acquisitions more than doubling year on year. Over 500 customers processed over 1 trillion tokens each over the last 12 months. We believe that demand questions can be put to rest.
- **Investor focus is shifting from AI demand to AI returns.** The key debate is now whether hyperscalers and others will be able to convert accelerating AI demand into attractive returns on larger capital bases, at scale. While we believe that the early signs are promising, AI economics remain unproven today. The cost of compute is falling even as the price of compute stays elevated. We think it is important to understand and differentiate between the two. AI is very expensive today, but this will almost certainly change as compute supply catches up over the next few years. By the end of the decade, the cost of 1 million tokens is expected to decline from approximately $2 today to about 10 cents, or by 95%.
- **There is no shortage of big debates in AI right now.** Frontier models versus open source. God model versus fleet of specialized models. NVIDIA versus custom silicon. Will chips have value after five years? Are we in an AI CapEx bubble? Will AI kill software? Model layer versus application layer. Will models get commoditized? And so on... These are fascinating questions to ponder, however no one has answers to them today. Our pattern recognition suggests that the answers to most of these questions will be "yes" or "both." This is not a zero-sum game. *Investors are simply not thinking big enough!*

The reason we are confused is that it does not look to us like investors are picking stocks anymore. It is much more about themes and factors. Even more so than usual. Is it all about the AI buildout or is this about the war with Iran and the price of oil? Is it all about the memory bottleneck and the power constraints or is it about inflation and interest rates? Is it all about the tail risk or is it about peak memory and peak CapEx spend?

We don't know. The short term is impossible to predict, but the fundamentals of many of our investments have been very strong suggesting that their stock prices have actually lagged behind.

We continue to encourage investors in the Strategy to assess its performance over full market cycles. We believe that rolling monthly returns can be insightful in analyzing whether the process we employ works and whether it is repeatable.

Top contributors to performance for the quarter

	Contribution to Return (%)
Taiwan Semiconductor Manufacturing Company Limited	3.10
Alphabet Inc.	1.58
Monolithic Power Systems, Inc.	1.40
NVIDIA Corporation	1.15
Broadcom Inc.	1.15

Taiwan Semiconductor Manufacturing Company Limited is the world's largest contract chipmaker and the leading manufacturer of advanced logic semiconductors used in modern AI accelerators. Shares rose 41.6% during the quarter as the company continued reporting stellar financial results underpinned by AI demand with revenue growth of 35% year-on-year and EPS growth of 58%, with 66% gross margins and 58% operating margins. High-performance computing now represents the majority of TSMC's business. AI demand is consuming so much leading-edge capacity that smartphone and PC production is increasingly shifting to older technology nodes, reversing a dynamic that defined the foundry industry for much of the past decade. Management also raised its full-year outlook and increased capital spending to support demand that remains well above available supply. We retain long-term conviction in TSMC and view its leading-edge manufacturing monopoly, pricing power, and technology roadmap as durable advantages that support a long duration of growth.

Alphabet Inc., the parent company of Google, contributed to performance with the stock up 23.2% as the market increasingly recognized its unique position vis-à-vis AI. Alphabet is the industry's most vertically integrated AI player, with ownership across every layer of the stack, including custom TPU silicon, global cloud infrastructure, the Gemini foundation models, and distribution across 13 products with more than 1 billion users each. This full-stack ownership is translating into strong demand. Google Cloud revenue grew 63% year-over-year and backlog surged nearly 300% to roughly $460 billion, prompting management to raise 2026 capital expenditure guidance and signal a significant further increase in 2027. Search revenue grew 19% year-over-year as AI features drove record query volumes, demonstrating that generative AI is expanding, rather than eroding, the core franchise. Capital access has itself become a competitive moat, allowing Alphabet to fund supply aggressively and outbid peers for scarce compute. We maintain strong conviction, viewing Alphabet's vertical integration and balance sheet strength as durable advantages in a multi-year build cycle.

Monolithic Power Systems, Inc. is a semiconductor company that designs power management chips that regulate and distribute power within electronic systems. Shares rose 26.6% during the quarter as the company continues to benefit from the AI buildout. As AI accelerators draw more power at higher densities, delivering that power efficiently has become increasingly valuable, driving higher dollar content for MPS' products within AI servers. The company's AI server power business nearly doubled, and because its solutions are deeply integrated into server platforms, they are difficult to displace mid-cycle, creating a durable competitive position that we believe remains underappreciated by investors. We retain long-term conviction in MPS and view its rising power content per AI server, sticky design wins, and expanding capacity as key drivers of multi-year earnings power.

Top detractors from performance for the quarter

	Contribution to Return (%)
CME Group, Inc.	(0.59)
Intuit Inc.	(0.47)
LPL Financial Holdings Inc.	(0.14)
S&P Global Inc.	(0.09)
Thermo Fisher Scientific Inc.	(0.06)

CME Group, Inc. operates the world's largest and most diversified derivatives marketplace. Shares fell 24.8% due to a slowdown in trading activity, reflecting tough comparisons against the prior year and easing market volatility following the onset of the U.S.-Iran war in March. This cyclical softening was exacerbated by concerns over emerging competition from crypto-native "perpetual futures" and uncertainty triggered by the announcement that long-time CEO Terry Duffy will step down next year. We continue to own the stock because we believe that CME enjoys significant competitive advantages and should benefit from increasing adoption of exchange-traded derivatives and episodic volatility spikes.

Intuit Inc. is the leading provider of accounting software for small businesses and tax preparation software for individuals and tax professionals. Shares fell 36.5% due to modest underperformance in the TurboTax segment where revenue growth of 7% missed expectations for 8% growth. Management acknowledged volume loss from lower income filers who traded down to cheaper alternatives, fueling investor anxiety about competition and potential AI-driven disruption. The negative sentiment was further compounded by a 17% workforce reduction, which some investors interpreted as a defensive move to protect margins and an indicator of demand challenges. We decided to reallocate to other ideas.

Shares of **LPL Financial Holdings Inc.**, the largest independent broker-dealer in the U.S., declined 6.1% during the quarter due largely to market-driven concerns. With continued improvement in frontier AI models, investors worry that automated cash management could erode the client sweep balances that generate spread income, a meaningful contributor to LPL's revenue and margins. This narrative weighed on the stock even as the underlying business continued to perform well. LPL posted better-than-expected first quarter results with a 30% year-on-year AUM growth and a 20% year-on-year adjusted EBITDA growth, guided to improving recruiting momentum, and made progress integrating Commonwealth Financial Network, which it acquired in 2025. LPL's cash balances are actively managed by advisors, meaning there is little excess cash left for an AI tool to optimize. Cash held in client accounts is primarily used for trading, taxes, and fees.

The company has also communicated that it is exploring options to reduce its reliance on sweep cash revenue, and we expect a change in the model over the next 12 to 18 months. Consequently, we view the recent weakness as a sentiment overhang rather than a deterioration in the company's long-term earnings power. We remain investors.

Portfolio Structure

The portfolio is constructed on a bottom-up basis with the quality of ideas and conviction level, rather than benchmark composition and weights, determining the size of each individual investment. Sector weights tend to be an outcome of the stock selection process and are not meant to indicate a positive or a negative view.

As of June 30, 2026, our top 10 positions represented 62.1% of the Strategy's net assets, the top 20 represented 87.2%, and we exited the quarter with 29 investments.

IT and Financials represented 64.9% of the Strategy, while Communication Services, Consumer Discretionary, Industrials, Real Estate, and Health Care represented another 33.3%, with the remaining 1.8% held in Consumer Staples (**Costco**) and cash.

Top 10 holdings

	Percent of Net Assets (%)
Taiwan Semiconductor Manufacturing Company Limited	10.4
NVIDIA Corporation	8.7
Alphabet Inc.	7.8
Amazon.com, Inc.	7.4
Broadcom Inc.	5.6
Monolithic Power Systems, Inc.	5.4
Meta Platforms, Inc.	4.7
Microsoft Corporation	4.5
Visa Inc.	4.3
Welltower Inc.	3.5

Recent Activity

During the second quarter, we initiated a new position in the aerospace and defense focused proprietary component manufacturer, **Arxis**.

We took advantage of market volatility to add to our electrical systems and components designer and manufacturer, **Amphenol**, and also continued building our recently initiated position in the semiconductor equipment manufacturer, **Lam Research**.

To finance these purchases, we exited two investments: **Thermo Fisher Scientific**, and **Intuit**, and reduced nine existing positions.

Top net purchases for the quarter

	Net Amount Purchased ($M)
Arxis, Inc.	3.6
Amphenol Corporation	0.6
Lam Research Corporation	0.5

During the quarter, we initiated a new position in **Arxis, Inc.**, a leading designer and manufacturer of proprietary, mission critical electronic and mechanical components (such as bearings, springs, connectors or capacitors) engineered for cutting edge performance across the defense and space (50% of sales), industrial technology (30%), and commercial aerospace (20%) end markets. About 90% of revenue is from proprietary products serving over 5,000 customers across 600 platforms. The product portfolio is built upon 67 foundational proprietary technologies from which the company has developed thousands of unique products. The company leverages significant IP and world-class engineering capabilities to design and deliver innovative solutions that address customers' most complex performance needs. While Arxis' products represent a low percentage of the end product's bill-of-materials, they are mission critical and are used in harsh environments. As a result, they are sticky, generating an annuity-like revenue stream once designed in, staying in production for decades.

The company has built a successful business system, Empower Data-Driven Growth and Execution (EDGE) that is unique across the broader industrials space and helps it continuously gain market share, creating an incremental and durable growth engine. EDGE leverages real-time analytics, insights, and communication across the organization to improve tracking of new business opportunities (tracking over 10,000 individual sockets) and increase win rates. The system supports team-based selling, aligning incentives across the different functions required to win a socket - engineering, technical sales people, and product managers; and between the different business units in order to drive better cross-selling.

Similar to the new business engine, the company follows a decentralized mergers and acquisition (M&A) strategy with ideas generated mostly bottom-up at the business-unit level compared to the typical top-down corporate development approach seen at other industrial companies. Each subsidiary's key engineers and operators know the most important players in their respective segments better than anyone, which allows them to generate a proprietary pipeline of potential targets, minimizing auctions. Since 2019, Arxis acquired and integrated 34 companies, each meticulously selected for its strategic alignment with its business model and IP-led, designed-in component portfolios. Over 84% of deals were sourced through proprietary efforts or limited competitive processes. This methodology enables scaling the deal volume while maintaining a focus on smaller targets, which are often available at lower, more attractive valuation multiples.

CEO Kevin Perhamus, who spent years at industrial compounders Teradyne and Amphenol (which helped him crystalize the benefits of accountability, agility, and decentralization) before scaling Winchester Interconnect which he sold to Aptiv, worked together with industrials-focused PE firm Arcline to implement lessons learned in architecting the structure and strategy of Arxis. We expect the company to grow revenue and EBITDA at least at high single digits and low teen rates organically, respectively, with potential upside driven by M&A. We also believe that Arxis has a long growth runway, representing today only around 1% to 2% of a $100 billion potential opportunity.

We added to our investment in **Amphenol Corporation**, a leading provider of mission critical interconnect, sensor, and antenna solutions to a diverse set of end markets – industrial, automotive, mobile devices, IT datacom, communications networks, defense, and commercial aerospace. As the world electrifies, Amphenol's content opportunity continues to grow.

The hallmark of the company is its unique, decentralized "Amphenolian" culture of agility and accountability, in which over 140 general managers each have autonomy over their individual business units. This leads to a highly agile organization that can quickly respond to changes in market dynamics with best-in-class products delivered on a global scale. This culture has enabled the company to compound growth in revenue and cash flow over many years through both above-market organic growth and successful M&A. Long-time CEO Adam Norwhitt commented on many occasions that his number one priority is to preserve and scale the unique Amphenolian culture. He has been a great capital allocator over his more than 15-year tenure in which Amphenol's market cap increased more than 50 times!

The stock continues to be volatile, driven by changing investor perceptions regarding the extent to which copper will continue to play a role in future generations of AI chips. We continue to believe that the market underestimates Amphenol's ability to innovate and adapt over many years and across many cycles and end markets, with the recent acquisition of CommScope's optical business, further increasing optionality for the company in case optical gathers steam faster than expected. Fundamentally, the company reported great first quarter results, reflecting continued momentum with strong 33% year-on-year organic growth and record $9.4 billion of orders, which suggest a clear growth trajectory ahead given a book to bill ratio that is well in excess of 1.0x.

While we expect the data center segment to continue to lead growth for the company, the rest of the business is also delivering outstanding results having finished 2025 with a 10% organic growth rate despite a weak global industrial spend environment, once again reflecting the unique franchises throughout the company. Margins are also at all-time highs and are expected to continue to expand as sales volume grows over time. Through a combination of organic growth both within the IT datacom segment and throughout its other end markets, continued margin expansion, capital allocation towards accretive M&A, and a strong management team grounded in a unique culture, we believe the company has a long runway for growth ahead.

Lam Research Corporation is a leading global supplier of semiconductor wafer fabrication equipment (WFE), specializing in etch, deposition, and clean technologies used in the manufacturing of semiconductors. We invested in Lam as we expect it to benefit from several robust secular tailwinds – from the AI buildout which is driving broad demand for semiconductors, to the increasing complexity and verticalization of chips over time, which raises the number of etch and deposition steps, increasing the demand for Lam's tools. Lam reported strong quarterly results for its March 2026 quarter with 24% year-on-year revenue growth and 35% operating margins (both above expectations), benefiting from the broad strength in WFE while also gaining market share thanks to its strong positioning in NAND, which has begun recovering from its cyclical downturn, as a result of significant growth in demand due to agentic AI. In a recent BofA conference, CFO Douglas Bettinger discussed the industry's strong outlook:

> *"The industry is undersupplied right now. You're seeing it in memory pricing, absolutely in profitability. Advanced foundry is constrained, advanced packaging is super tight... But what I will tell you is this bodes pretty well for what WFE is going to be next year... as projects become more available into '27. I think it's going to be a pretty darn good year in '27 and maybe beyond that."*

And on Lam's unique positioning, which enables it to gain market share:

> *"You look across the totality of advanced process nodes in foundry, in logic, in DRAM, in NAND, things are inflecting in the third dimension... When things inflect in the third dimension, etch and deposition intensity grows. That's all we do... In early '25... $0.32 of every dollar spent on WFE was spent on etch and deposition... As we sit here today, it's in the mid-30s... This is going to continue... . That's the unique story about Lam Research. Everybody in equipment is going to do well over the next several years. We're going to do even better. We outperformed WFE last year. We're going to outperform it this year. We're going to outperform it for the next several years based on what I see."*

Top net sales for the quarter

	Net Amount Sold ($M)
Meta Platforms, Inc.	8.8
Thermo Fisher Scientific Inc.	6.0
Intuit Inc.	4.8
Monolithic Power Systems, Inc.	2.6
LPL Financial Holdings Inc.	2.5

Outlook

"The stock market is a device for transferring money from the impatient to the patient" – Warren Buffett.

As we begin the second half of 2026, we find ourselves in an environment where headlines are dominated by geopolitics, shifting regulatory tides, fear and excitement about AI, and Truth Social posts. However, as long-term investors, we remain purposefully indifferent to the prognostications that occupy so much of the financial media's attention. We do not know where the S&P 500 Index will trade a month or a quarter from now, nor do we believe that such knowledge is necessary to achieve our long-term goals. Our focus remains squarely on identifying and investing in high quality, competitively advantaged, well-managed businesses for the long term.

Rumors and noise are constant – copper will be disrupted by optics! **Amphenol**'s stock falls 20% in the first three weeks of May. Wait... actually, CPO (co-packaged optics) is delayed. The stock bounces back 48% in the last 10 days of May and June! **NVIDIA**'s next generation architecture is delayed, data centers are delayed, tokenmaxxing[5], **Meta** is building a cloud business. AI stocks sell off. Then IBM pre-releases earnings disclosing customer budgets have shifted to server purchases related to AI – and the AI trade is back on! And so it goes...

We focus on separating the signal from the noise. We intentionally avoid the lower quality "legacy" businesses that may benefit from a temporary regulatory, macro, or supply-constrained tailwind, as well as the high-flying growth stocks that benefit from the narrative de jour. While our lack of exposure to traditional banks on the one end and the high-flying AI-beneficiaries on the other, cost us some relative performance in the first half of 2026, we remain steadfast in our belief that the higher quality businesses – those with *durable growth*, *sustainable competitive advantages*, and *a low risk of disruption* is the better path to wealth creation over full market cycles when one of your key goals is to minimize the probability of permanent loss of capital.

Every day, we live and invest in an uncertain world. Well-known conditions and widely anticipated events, such as Federal Reserve rate changes, ongoing trade disputes, government shutdowns, and the unpredictable behavior of important politicians the world over, are shrugged off by the financial markets one day and seem to drive them up or down the next. We often find it difficult to know why market participants do what they do over the short term. The constant challenges we face are real and serious, with clearly uncertain outcomes. History would suggest that most will prove passing or manageable. The business of capital allocation (or investing) is the business of taking risk, managing the uncertainty, and taking advantage of the long-term opportunities that those risks and uncertainties create. We are confident that our process is the right one, and we believe that it will enable us to make good investment decisions over time.

Our goal is to invest in large-cap companies with, in our view, strong and durable competitive advantages, proven track records of successful capital allocation, high returns on invested capital, and high free-cash-flow generation, a significant portion of which is regularly returned to investors in the form of dividends or share repurchases. It is our belief that investing in great businesses at attractive valuations will enable us to earn excess risk-adjusted returns for our investors over the long term. We are optimistic about the prospects of the companies in which we are invested and continue to search for new ideas and investment opportunities.

We thank you for your continued trust and for being our partners on this journey.

Sincerely,

Alex Umansky
Portfolio Manager

[1] With the exception of the performance tables located on page 1, most of the data is based on a representative account. Such data may vary for each client in the Strategy due to asset size, market conditions, client guidelines, and diversity of portfolio holdings. The representative account is the account in the Strategy that we believe most closely reflects the current portfolio management style for the Strategy. Representative account data is supplemental information.
[2] The **S&P 500 Index** measures the performance of 500 widely held large-cap U.S. companies. The Strategy includes reinvestment of dividends, net of withholding taxes, while the S&P 500 Index includes reinvestment of dividends before taxes. Reinvestment of dividends positively impacts the performance results. The index is unmanaged. Index performance is not Strategy performance. Investors cannot invest directly in an index.
[3] Not annualized.
[4] The Strategy has a different inception date than its representative account, which is 12/29/2017.
[5] From Google AI Overviews: "Tokenmaxxing" is the Silicon Valley trend of maximizing AI token consumption as a proxy for productivity.

The performance of accounts in the Strategy may be materially different at any given time. Differences that may affect investment performance include cash flows, inception dates, and historical prices. Positions may not be the same or may be traded at different times. In addition, accounts in the Strategy may be pursuing similar investment strategies, but may have different investment restrictions.

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The Strategy may not achieve its objectives. **Portfolio holdings are subject to change. Current and future portfolio holdings are subject to risk.**

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Capital Expenditures (CapEx) are funds companies use to acquire, upgrade, or maintain physical assets like buildings, technology, or equipment, with the goal of increasing operational scope or future economic benefits. **EBITDA**, short for earnings before interest, taxes, depreciation, and amortization, is an alternate measure of profitability to net income. It's used to assess a company's profitability and financial performance. **EBITDA Margin** is the Earnings Before Interest, Taxes, Depreciation and Amortization is calculated as EBITDA (Operating Income plus D&A) divided by Sales, multiplied by 100. **EPS Growth Rate (3-5-year forecast)** indicates the long term forecasted EPS growth of the companies in the portfolio, calculated using the weighted average of the available 3-to-5 year forecasted growth rates for each of the stocks in the portfolio provided by FactSet Estimates. The EPS Growth rate does not forecast the Fund's performance. **Free Cash Flow (FCF)** represents the cash that a company generates after accounting for cash outflows to support operations and maintain its capital assets. **Free Cash Flow Yield** is a financial solvency ratio that compares the free cash flow per share a company is expected to earn against its market value per share. **Price/Earnings Ratio or P/E** (next 12-months): is a valuation ratio of a company's current share price compared to its mean forecasted 4 quarter sum earnings per share over the next twelve months. If a company's EPS estimate is negative, it is excluded from the portfolio-level calculation. **Return on Investment (ROI)** is a performance measure used to evaluate the efficiency or profitability of an investment or compare the efficiency of a number of different investments.

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Brazil

The securities have not been and will not be issued nor publicly placed, distributed, offered, or negotiated in the Brazilian capital markets and, as a result, have not been and will not be registered with the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários – CVM). Any public offering or distribution, as defined under Brazilian laws and regulations, of the securities in Brazil is not legal without prior registration under Law No. 6,385/1976, and CVM Instruction No. 400/2003 (each as amended). Documents relating to the offering of the securities, as well as information contained therein, may not be supplied to the public in Brazil (as the offering of the securities is not a public offering of securities in Brazil), nor be used in connection with any offer for subscription or sale of the securities to the public in Brazil. Therefore, each of the purchasers has represented, warranted, and agreed that it has not offered or sold, and will not offer or sell, the securities in Brazil, except in circumstances which do not constitute a public offering, placement, distribution or negotiation of securities in the Brazilian capital markets regulated by Brazilian legislation. Persons wishing to offer or acquire the securities within Brazil should consult with their own counsel as to the applicability of registration requirements or any exemption therefrom.

Chile

Pursuant to the Securities Market Law of Chile and Norma de Carácter General (Rule) No. 336, dated June 27, 2012, issued by the Chilean Commission for the Financial Market (Comisión para el Mercado Financiero or "CMF") ("Rule 336"), the securities may be privately offered to certain accredited investors identified as such by Rule 336 (which in turn are further described in Rule No. 216, dated June 12, 2008, of the CMF).

Rule 336 requires the following information to be provided to prospective investors in Chile:

1. Date of commencement of the offer: As of June 30, 2026. The offer of the securities is subject to Rule (Norma de Carácter General) No. 336, dated June 27, 2012, issued by the CMF;
2. The offered securities and this offering document are not registered with the Securities Registry (Registro de Valores) of the CMF, nor with the Foreign Securities Registry (Registro de Valores Extranjeros) of the CMF and as such are not subject to the oversight of the CMF;
3. Since the offered securities are not registered in Chile, there is no obligation by the issuer to make publicly available information about the offered shares in Chile; and
4. The offered securities shall not be subject to a public offering in Chile unless registered with the relevant Securities Registry of the CMF.

Peru

The units have not been and will not be registered in Peru under Legislative Decree No. 861, Ley del Mercado de Valores (the "Securities Market Law") and its complementary regulations, and are being offered to institutional investors only (as defined in article 8 of the Securities Market Law and the Reglamento del Mercado de Inversionistas Institucionales, approved by SMV Resolution No. 021-2013-SMV-01), pursuant to a private placement, under the terms of article 5 of the Securities Market Law. The units have not been registered in the Securities Market Public Registry (Registro Público del Mercado de Valores) maintained by, and the offering of such securities in Peru is not subject to the supervision of, the Superintendencia del Mercado de Valores.

By subscribing for an interest in the Fund, each subscriber in Peru will be deemed to represent to the Fund that it is an "institutional investor" under the applicable abovementioned Peruvian regulation. Any transfers of the units shall be subject to the limitations contained in the Securities Market Law and regulations issued thereunder.

As the units are not registered in Peru, there is no obligation to deliver public information in this jurisdiction regarding the securities hereby offered. These securities cannot be offered through a public offering in Peru as long as they are not registered in the Securities Market Public Registry. Certain regulatory information obligations may apply before the Superintendencia de Banca, Seguros y AFP depending on the regulatory qualification of the investor subscribing the shares or units of the Fund.

The persons and/or entities that do not qualify as "institutional investors" under the abovementioned Peruvian regulations, shall abstain from participating in the private placement of the units of the Fund.

Mexico

Mexican Residents

The Strategy has not and will not be registered with the National Registry of Securities maintained by the National Banking and Securities Commission and may not be publicly offered in Mexico. However, the Strategy may be offered to institutional or qualified investors pursuant to the private offering exceptions provided in the Securities Market Law.

Middle East

Dubai & UAE

The offering document that this material pertains to is not subject to any form of regulation or approval by the Dubai Financial Services Authority ("DFSA"). The DFSA has no responsibility for reviewing or verifying any offering memorandum or other document in connection with this product. Accordingly, the DFSA has not approved this product or its offering memorandum or any other associated documents nor taken any steps to verify the information set out in this offering memorandum.

This product shall only be offered upon request to institutions and individuals who qualify as a "Professional Client" as defined in the DFSA Conduct of Business Rulebook and shall not be offered, sold or publicly promoted or advertised in the Dubai International Financial Centre (the "DIFC") other than in compliance with the applicable DIFC laws and DFSA rules and regulations.

Baron Capital Management (DIFC) Limited, located at Level 8, Gate Village Building 10, Dubai International Financial Centre (DIFC), Dubai, UAE is registered in the Dubai International Financial Centre (DIFC) and is regulated by the Dubai Financial Services Authority (DFSA) with firm reference number F011236.

This Memorandum relates to a strategy which is not subject to any form of regulation or approval by the Dubai Financial Services Authority ("DFSA").

Unless otherwise permitted, this Memorandum may be made available only to persons of a type specified in the DFSA's Rules (i.e. "Professional Clients") and, therefore, must not be delivered to, or relied on by a Retail Client, or any other type of person. This Memorandum is for the exclusive use of the persons to whom it is addressed and in connection with the subject matter contained therein.

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The Shares to which this Memorandum relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on the Shares.

If you do not understand the contents of this document, you should consult an authorized financial adviser.

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The Company represents and agrees that Securities mentioned in this document have not been, and are not being, publicly offered, sold, promoted, or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of securities. Further, this document does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre) and is not intended to be a public offer.

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Kuwait

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Oman

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Qatar

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Saudi Arabia

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APAC

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China

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For Residents of Hong Kong

WARNING: The contents of this prospectus have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this prospectus, you should obtain independent professional advice.

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1. The interests are only intended to be offered to "professional investors" (as such term is defined in the Securities and Futures Ordinance of Hong Kong (Cap. 571 of the Laws of Hong Kong), as amended (the "SFO") and the subsidiary legislation made thereunder);
2. In circumstances which do not result in this prospectus being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance of Hong Kong (Cap. 32 of the Laws of Hong Kong), as amended (the "CO"); or
3. In circumstances which do not constitute an offer or an invitation to the public for the purposes of the SFO or the CO.

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Japan

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Singapore

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