



Core Momentum Strategy

Separately Managed Account

PORTFOLIO MANAGEMENT TEAM

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QUICK FACTS

Firm AUM	\$878M
SMA Inception Date	1/1/2019
Benchmark 1	iShares MSCI USA Momentum Factor ETF (MTUM)
Benchmark 2	iShares Russell 1000 Growth ETF (IWF)
Strategy AUM	\$24.94M
Investment Minimum	Negotiable
Fees	Negotiable

Market & Economic Review

Equity markets traveled a choppy road in the third quarter, with modest headline gains masking a sharp rotation beneath the surface. The U.S.-Iran ceasefire reached in April collapsed on July 8, renewed hostilities again disrupted tanker traffic through the Strait of Hormuz, and West Texas Intermediate crude climbed back above \$100 per barrel by quarter-end as diesel prices reached record highs. The S&P 500 returned 2.3% for the quarter and the Nasdaq Composite gained roughly 2.6%, while the Dow Jones Industrial Average slipped 2.3% and the small-cap Russell 2000 fell 7.2%. Energy was the best-performing sector in the S&P 500, rising 17.2% on the back of higher oil prices.

After its record second quarter, the AI hardware trade reversed sharply. The Philadelphia Semiconductor Index fell 28.6% from its June 22 peak to its late-July low, and finished the quarter roughly 12% lower, as a memory-led selloff in Korea was amplified by the forced unwinding of heavily levered, AI-focused positions — most visibly the liquidation of Situational Awareness LP's public-equity book on July 30. Leadership instead shifted back toward the mega-cap platforms that had lagged in the first half: Microsoft, Apple, Meta Platforms, and NVIDIA posted strong gains, with Microsoft recording its best quarter since 1991, and software staged a long-awaited rebound. Beneath the surface, however, breadth deteriorated late in the quarter; roughly three-quarters of S&P 500 constituents declined in September, and Financials suffered their worst month since March 2023 as bond yields climbed.

The renewed energy shock forced the hand of the Federal Reserve. On September 16, the FOMC under Chair Kevin Warsh voted unanimously to raise the federal funds rate by 25 basis points to a range of 3.75% – 4.00%, its first hike since July 2023, citing headline Personal Consumption Expenditures Price Index (PCE) inflation of roughly 3.6% and core PCE near 3.2%. The European Central Bank and Bank of Japan also tightened in September, and the 10-year Treasury yield ended the quarter at 5.29%, its highest level since 2002. Last quarter we suggested that hawkish forecasts might prove too aggressive as the spring energy shock faded; the resumption of hostilities in July pushed that disinflation further out, and markets are now pricing additional hikes into 2027.

Nowhere was the reversal sharper than in momentum stocks. After the S&P 500 Momentum Index gained more than 44% in the second quarter, July delivered one of the steepest momentum drawdowns in years: the highest-momentum quintile

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of the Russell 1000 fell 10.5% for the month while the lowest-momentum quintile rose 13.7%. For the third quarter, the Alpine Saxon Woods Core Momentum Strategy returned 4.1% while the iShares ETF that tracks the MSCI USA Momentum Index (our primary benchmark) finished the quarter down 7.3%, even after a 5.9% rebound in September, while the broader Russell 1000 Growth Index eked out a 0.9% gain.

We used that volatility to reposition the portfolio. We exited a group of defensive and rate-sensitive holdings - consumer staples, utilities, waste services, and gold — that we believe are poorly suited to a world of 5% Treasury yields, trimmed several AI hardware names, and concentrated capital in the platform leaders we believe are best positioned to monetize AI; most notably NVIDIA, Meta Platforms, and Alphabet. Our largest platform and software holdings did the heavy lifting for the portfolio this quarter, while several of the AI-infrastructure hardware names that drove our second-quarter results gave back a portion of those gains.

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Major contributors

Microsoft (MSFT) was the portfolio's leading contributor for the quarter, rising as the skepticism over its AI spending that pressured the shares in the first half gave way to clear evidence of monetization. Azure revenue grew 43% in the June quarter, surpassing \$100 billion in annual revenue, management guided to roughly 45% Azure growth in the current quarter, and Microsoft 365 Copilot passed 30 million paid seats; the volatility we used to add to our core position last quarter was well rewarded. **CrowdStrike (CRWD)** extended its advance after a strong late-August report, as its Falcon Flex licensing model gained traction and new distribution through the Anthropic and OpenAI enterprise marketplaces broadened its reach. **Meta Platforms (META)** recovered from an initial post-earnings selloff over higher capital spending guidance, as 28% revenue growth demonstrated that its AI investments are translating directly into advertising performance; we used that selloff to substantially increase the position, which is now our third-largest holding. **SK Hynix (SKHY)**, the dominant supplier of high-bandwidth memory (HBM) for AI accelerators, was a strong contributor in its first quarter in the portfolio after we established a position through its record U.S. ADR listing in July. Finally, **Thermo Fisher Scientific (TMO)** rallied after a beat-and-raise second quarter in which revenue grew 10% and adjusted EPS rose 13%, as pharma and biotech demand — particularly bioproduction and clinical research — moved from stabilizing to accelerating.

Taken together, these results reflect the balance we have tried to strike: as the momentum-driven, hardware-heavy segment of the AI trade corrected, our holdings in the platforms, software, and health care franchises with the most durable competitive advantages carried the portfolio. **Snowflake (SNOW)**, which reported its third

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consecutive quarter of accelerating product revenue growth, narrowly missed our top five and is another example of AI demand flowing through to software.

Major detractors

Marvell Technology (MRVL) was the largest detractor for the quarter, giving back a portion of its second-quarter advance amid the July semiconductor unwind. The company's late-August results beat expectations, with record data center revenue up 46% and a raised fiscal 2027 outlook, but shares fell on lower gross margin guidance tied to a growing mix of custom AI silicon; we trimmed the position meaningfully during the quarter, though we continue to view Marvell as a core AI-infrastructure holding.

Cummins (CMI) declined after second-quarter earnings missed expectations on margin pressure, overshadowing higher full-year revenue guidance driven by data center power generation demand, as investors questioned how quickly that growth will convert into earnings; we exited the position and now express our view on data center power demand through **Bloom Energy (BE)**. **KLA Corp. (KLAC)**, a position we initiated and exited within the quarter, fell after in-line guidance, tariff and memory-pricing margin headwinds, and reports of Chinese state-backed progress in chipmaking equipment overshadowed a beat and a higher outlook for wafer fab equipment spending, compounding the broader semiconductor selloff. **Monster Beverage (MNST)** was pressured despite a strong second quarter with 20% revenue growth, as rising Treasury yields weighed on richly valued consumer names. With international revenue growing nearly 35%, we believe the growth story is intact and used the weakness to add to the position. **Intel (INTC)**, a new position last quarter, declined from its late-June record high alongside the broader semiconductor group, in a sector-wide selloff and profit-taking that, in our view, did not reflect a change in the company's fundamentals; supply constraints remain the key limit on near-term revenue, and we added modestly on the decline.

Current industry/sector overweights/underweights

Effective this quarter, we benchmark the Core Moat Strategy against the Russell 1000 Growth Index (as represented by the iShares Russell 1000 Growth ETF, IWF), replacing the MSCI USA Momentum Index; we believe a broad growth benchmark better reflects the strategy's focus on durable, cash-generative growth companies than a factor index whose composition can swing sharply with each rebalance. Against IWF, the strategy's largest overweight on 9/30/26 was in Health Care, led by **Eli Lilly (LLY)**, **Thermo Fisher Scientific (TMO)**, and **Johnson & Johnson (JNJ)**. The strategy was also overweight Industrials, led by **United Rentals (URI)**, **Rockwell Automation (ROK)**, and **Bloom Energy (BE)**. Finally, the strategy was overweight Energy, led by **Baker Hughes (BKR)** and **Marathon Petroleum (MPC)**.

The strategy's largest sector underweight was Information Technology - still the portfolio's

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largest sector in absolute terms at roughly 41%, led by **NVIDIA (NVDA)**, **Microsoft (MSFT)**, and **Marvell Technology (MRVL)**, but well below the benchmark's 56% concentration in the group. Even after more than tripling our weighting this quarter, our NVIDIA position remains less than half its nearly 16% weight in the index, and we hold roughly 3% in **Apple (AAPL)** against a benchmark weight near 8%. The strategy was also modestly underweight Communication Services, led by **Meta Platforms (META)**, **Alphabet (GOOG)**, and **SpaceX (SPCX)**.

Additions and trims in the quarter

Beyond new positions, the most significant change in the quarter was a deliberate increase in concentration among the AI platform leaders. We more than tripled our weighting in **NVIDIA (NVDA)**, from roughly 2% of the portfolio to more than 7%, making it our largest holding, as we used the July semiconductor selloff to buy the industry's dominant franchise at a more reasonable valuation. We also substantially increased **Meta Platforms (META)** and **Alphabet (GOOG)**, and added to **Monster Beverage (MNST)**, **Starbucks (SBUX)**, **United Rentals (URI)**, **Intel (INTC)**, and **Eli Lilly (LLY)** on weakness. These additions were funded in part by trims to **Marvell Technology (MRVL)**, **Apple (AAPL)**, **Broadcom (AVGO)**, and **Teva Pharmaceutical Industries (TEVA)**, as well as by a lower cash balance.

Recent buys and sells

Sample of new positions in the quarter:

SK Hynix (SKHY): the world's leading supplier of high-bandwidth memory and a co-development partner on NVIDIA's next-generation Vera Rubin platform, purchased through its record Nasdaq ADR offering in July, which gave U.S. investors direct access to one of the most important bottlenecks in AI computing.

SpaceX (SPCX): the dominant commercial launch provider and, through Starlink, the leading satellite broadband network — a business with a moat we believe no competitor can replicate this decade, which became investable following its June IPO.

Arista Networks (ANET): the leading supplier of high-speed Ethernet switching for AI data centers, which posted its first \$3 billion quarter with 38% revenue growth and raised full-year guidance to \$12.6 billion; replaces our Cisco position as a more direct AI networking exposure.

Palantir Technologies (PLTR): AI software platform whose second-quarter revenue grew 93%, led by 149% growth in U.S. commercial, as enterprises move from AI experimentation to production deployment.

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Bloom Energy (BE): on-site fuel-cell power for AI data centers facing multi-year grid interconnection queues; second-quarter revenue grew 166% to its first billion-dollar quarter, supported by a 2.8 GW agreement with Oracle.

Howmet Aerospace (HWM): critical engine components and fasteners for commercial and defense aerospace, with second-quarter revenue up 24% (21% organic) on the strength of new-aircraft builds and high-margin spare parts.

Johnson & Johnson (JNJ): diversified pharmaceutical and MedTech franchise that beat and raised its full-year outlook in the second quarter, as a deep oncology portfolio more than offsets biosimilar erosion of its legacy immunology drugs.

Marathon Petroleum (MPC): the largest U.S. refiner, whose refining margin roughly doubled year-over-year to \$36 per barrel in the second quarter, with diesel prices reaching record highs since; also serves as a hedge against the renewed Middle East conflict.

CSX (CSX): Eastern U.S. railroad with a meaningful self-help margin opportunity and leverage to a reshoring-driven industrial recovery, with the ISM Manufacturing index reaching its highest level since 2022 in July.

Welltower (WELL): senior housing REIT benefiting from the aging of the baby boomer generation and limited new supply, with senior housing same-store NOI up 20.5% and occupancy up 330 basis points (3.3%) year-over-year in the second quarter.

Sample of sold positions in the quarter:

Procter & Gamble (PG), Walmart (WMT), and TJX (TJX): exited our defensive consumer holdings, as we believe richly valued, slower-growth consumer franchises are vulnerable to rising Treasury yields.

Southern Co. (SO), Waste Management (WM), and Equinix (EQIX): exited rate-sensitive, bond-like holdings with the 10-year Treasury yield above 5%.

L3Harris Technologies (LHX) and HEICO (HEI): exited, consolidating our aerospace and defense exposure into Howmet Aerospace (HWM).

Cisco Systems (CSCO): exited following a strong second-quarter run, redeploying our networking exposure into **Arista Networks (ANET)**.

Cummins (CMI): exited following its second-quarter earnings miss (see above), shifting our data center power exposure to **Bloom Energy (BE)**.

Amgen (AMGN) and McKesson (MCK): took profits after strong gains during the quarter, rotating Health Care exposure toward **Johnson & Johnson (JNJ)**.

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Amgen (AMGN) and **McKesson (MCK)**: exited after strong gains during the quarter, rotating Health Care exposure toward Johnson & Johnson (JNJ).

Agnico Eagle Mines (AEM) and **Cameco (CCJ)**: exited our remaining commodity-linked positions, including our gold-related diversifier.

Uber Technologies (UBER): exited to fund higher-conviction additions to our AI platform holdings.

Market & Economic Outlook

Beyond this quarter's rotations, the environment continues to reinforce our core focus on high-quality compounders — companies that pair wide economic moats with fortress balance sheets and the ability to self-fund growth through robust free cash flow. The third quarter offered a reminder of how quickly leverage and momentum can reverse: margin debt reached a record \$1.5 trillion in June, and the July semiconductor unwind showed what happens when crowded positioning meets a change in sentiment. We continue to believe AI capital spending is a durable, multi-year secular tailwind, and the reset in semiconductor valuations may create opportunities to add to high-quality infrastructure names on better terms; at the same time, the quarter showed that the platforms monetizing AI through cloud, software, and advertising can be equally powerful beneficiaries, with less exposure to the boom-and-bust dynamics of the hardware cycle. We are also mindful that momentum itself remains a crowded trade: heading into the quarter, J.P. Morgan flagged momentum volatility at six-year highs and an unusually wide gap between winners and losers, conditions that set the stage for July's reversal.

With growth benchmarks now more than half Information Technology, we intend to keep owning the AI leaders whose earnings momentum supports their price momentum, while avoiding names where the stock has simply outrun the fundamentals.

The macroeconomic backdrop has grown more demanding. With the Fed now in a tightening cycle, the 10-year Treasury yield above 5%, and the renewed conflict with Iran keeping energy and diesel prices elevated, a higher-for-longer rate path is likely to weigh on longer-duration growth equities and on the more leveraged parts of the economy, and we will also be watching the November midterm elections and the US-Mexico-Canada Agreement review. Encouragingly, the economy remains resilient: unemployment is near 4.1%, business investment tied to the AI buildout remains strong, and the median S&P 500 company continues to post double-digit earnings growth, which suggests that recent weakness reflects valuation and positioning more than deteriorating fundamentals.

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In this environment, we believe pricing power and balance-sheet strength matter more than ever, reinforcing the importance of our focus on cash-generative businesses with high barriers to entry. We cannot know with certainty what the final quarter of 2026 will bring, but we will continue to emphasize companies that are both emerging and established masters of their respective industries - businesses with disruptive technologies, innovative management teams, and a bias toward profitable, cash-generative growth — and we believe our portfolio of durable compounders is well positioned to compound capital through this period of uncertainty and emerge stronger on the other side.

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PERFORMANCE (AS OF 9/30/26)

	YTD	1 Year	3 Year	5 Year	Since Inception
Gross	15.17%	14.62%	19.84%	12.21%	17.13%
Net	14.32%	13.52%	18.76%	11.23%	16.16%
Net (3%)	12.87%	11.57%	16.67%	9.22%	14.02%
Benchmark 1	27.28%	24.57%	32.46%	13.85%	17.33%
Benchmark 2	6.14%	7.36%	24.04%	13.47%	19.71%

Past performance does not guarantee future results.



COMPOSITE TIME-WEIGHTED RETURN REPORT

Core Momentum

	Gross Return	Net Return	Bench Return	3 Yr Std Dev Gross of Fees	3 Yr Bench Std Dev	Number Portfolios	Internal Dispersion	Composite AUM (\$MM)	Firmwide AUM (\$MM)	Percent Non-Fee
CY 2025	8.12%	7.10%	22.15%	10.26%	15.43%	9	7.26%	23.2	849.8	0.00%
CY 2024	26.08%	25.05%	32.89%	14.45%	19.32%	7	1.73%	21.1	818.8	0.00%
CY 2023	17.06%	16.05%	9.16%	14.66%	18.25%	6	1.76%	6.2	734.1	0.00%
CY 2022	-13.33%	-14.07%	-18.26%	19.14%	21.98%	6	3.63%	5.4	801.2	0.00%
CY 2021	20.92%	20.23%	13.37%	16.00%	17.17%	7	3.01%	7.1	1,048.8	5.44%
CY 2020	32.29%	31.23%	29.85%	N/A	N/A	5	N/A	5.3	894.2	6.21%
CY 2019	33.72%	32.60%	27.25%	N/A	N/A	1	N/A	0.3	832.7	100.00%

Alpine Saxon Woods, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Alpine Saxon Woods, LLC has been independently verified for the periods January 1, 2019, through December 31, 2025.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Core Momentum composite has had a performance examination for periods beginning January 1, 2019, through December 31, 2025.

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Alpine Saxon Woods, LLC is an independent asset management firm established in 2022 and based in Purchase, NY. The firm history begins in 2019 with the predecessor firm, Alpine Woods L.P. Alpine Saxon Woods is the parent company of two registered investment advisors, Alpine Woods Capital Investors LLC and Saxon Woods Advisors, LLC. The firm takes a thematic and tailored approach to investing, with a focus on underappreciated growth.

Composite Inception Date: 11/1/18 Composite Creation Date: 10/10/18

Composite Description: The Core Momentum strategy invests in companies with a sustained record of positive revenue and earnings momentum coupled with strong volatility-adjusted price momentum. The strategy targets 1) companies with durable economic moats, high levels of profitability, dominant market positions and superior growth prospects, 2) stocks in earlier-stage companies with disruptive technologies enabling them to rapidly gain market share and 3) turnaround candidates that are believed to be at or near positive inflection points. The strategy is market capitalization agnostic and sector agnostic but given the style tends to skew towards larger capitalization companies.

The composite uses the iShares MSCI USA Momentum Factor ETF (MTUM). MTUM invests in US stocks that are currently showing strong upward price movement.

Internal dispersion is calculated as the equal-weighted standard deviation of annual gross returns for those portfolios that were included in the composite for the entire year.

Fees include management fee and transaction fees only. The management fee is 1%.

Reporting currency used is USD

AVAILABLE UPON REQUEST:

List of composite descriptions

Policies for valuing investments, calculating performance and preparing GIPS reports

From inception through 9/30/23, the composite used monthly dollar weighted returns, adjusting for capital inflows and outflows through Eze Investor Accounting (formerly Penny-It-Works). From 10/1/23 to 12/31/2025, the composite uses daily time-weighted returns from Orion Advisor Technology LLC, which measures performance as a percent of capital at work on each trading day and links them together to produce a return for a stated period.

Results prior to June 30, 2022, are from a predecessor firm, Alpine Woods LP.

Past Performance Does Not Guarantee Future Results