Logan High Quality Balanced

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CONSISTENT RETURNS WITH LESS RISK

Q2 | 2025

LOGAN HIGH QUALITY BALANCED PORTFOLIOS Q2 | 2025 REVIEW[1]

MARKET ENVIRONMENT

Equity

We began last quarter's letter by noting, "The first quarter served as an excellent reminder of the benefits of a diversified portfolio." That observation holds true again in the second quarter—though for different reasons. This time, it was the Russell 1000 Growth Index outperforming the Russell 1000 Value Index by 14%, following 12% underperformance in the prior quarter. The major financial event of the quarter was the escalation of the global tariff dispute, which began in earnest with "Liberation Day" on April 2. The S&P 500 experienced its worst drawdown since 2020, as investors grappled with the risk of a spiraling trade war and its potential second-order effects. However, sentiment shifted by mid-April when President Trump paused or reversed some of the most punitive tariffs after widespread retaliation from global allies and a sharp negative market response. The de-escalation of U.S.–China trade hostilities became a key catalyst for a relief rally in risk assets.

Fixed Income

The Fed left rates on hold at the June 18 meeting, as universally expected and justified in the opening sentences of its statement: "Although swings in net exports have affected the data, recent indicators suggest that economic activity has continued to expand at a solid pace. The unemployment rate remains low, and labor market conditions remain solid. Inflation remains somewhat elevated."

A focus on the dot plot showed no changes in the median dots from March. What's most notable is the bifurcation of the June dots. Seven of nineteen participants foresee no cuts this year, while eight are projecting 50 bp of easing. That broadly separates the FOMC into two camps, one who sees tariff-induced price pressures postponing rate cuts into next year, and one who sees a weaker labor market and/or enough clarity on tariff impacts permitting two cuts over the next four meetings.

The end of the quarter left the FOMC with two messages:

1) No member is wed to their forecast.
2) Everyone believes everyone else's rate path is reasonable.

Stay tuned.

PORTFOLIO REVIEW

Equity

The growth component of the Logan High Quality Balanced strategy delivered strong performance in Q2, led by a rebound in both established and emerging technology names. Our portfolios participated meaningfully in this move, benefiting from exposure to companies that are using innovation not just as a marketing theme, but as a lever for real margin improvement, product differentiation, and long-term strategic advantage. Importantly, leadership broadened. While a handful of AI-linked mega-caps again captured headlines, we

[1]LOGAN HQB results discussed herein should be read in conjunction with the attached performance and disclosures

saw notable strength in areas like software, industrial technology, and financial services. These sectors are increasingly deploying AI and automation not as speculative bets, but as tools to streamline operations, lower costs, and accelerate customer adoption. We believe this second wave of users—not just the early infrastructure providers—will be a key source of upside going forward.

As for value stocks, we note that the market's reactions throughout the rapidly changing and unpredictable news headlines surrounding the tariff war, not to mention those of the ongoing geopolitical turbulence, serve as a reminder of our conviction that attempting to invest based on timing the market is a fool's errand. Furthermore, we believe this push-and-pull between inflation risk, easing financial conditions, and an uncertain economic direction will favor disciplined stock-picking and higher-quality businesses. Our portfolio remains invested for the long run in companies with strong free cash flows, durable competitive advantages, and low balance sheet leverage—traits we believe offer resilience across market conditions.

Fixed Income

Treasuries

Treasury auctions are a check of market appetites for Treasuries, particularly when growth sentiment, federal policies, and foreign economic strength are changing so rapidly. Except for the 20-year auction held on May 21, demand has been in line with previous auctions.

We have observed greater demand in the front of the Treasury curve and greater volatility among longer maturities, reflecting the greater sensitivity of the front end to comments from the FOMC.

Corporates

Lower funding costs have encouraged increased new issuance. Performance has been strong for the sector as spreads have compressed significantly (source: FactSet). Extreme high-risk sentiment has cooled, allowing spreads to continue their trend of cautious optimism. We have been selective in adding to the sector and look further down the road for a weakening economy and/or geopolitical volatility to cheapen the sector before increasing the allocation.

Municipals

The latest data from the Federal Reserve reveals a significant shift in municipal bond ownership, with retail demand experiencing the largest increase in market share. Household ownership of municipal bonds has risen, while banks and insurers continue to reduce their exposure to these assets.

The sector has increased issuance to fund projects, with issuance climbing 21% vs last year's volume YTD (source: Bloomberg). Funds generated can be used to fill gaps for hospitals, colleges, FEMA, public school districts, and airport financings.

As expected, maturities and calls will increase in July and August, creating an temporary imbalance where more cash is chasing less inventory, causing the sector to richen.

Oil

The commodity price fell at the beginning of the period on the risk-off mood triggered by tariff threats. The decline in price reflected the decline in expected demand and was maintained over the middle weeks of the quarter. Coupled with the planned increase in supply by OPEC+ has kept futures prices (and gas at the pump) at the lowest levels year-to-date. OPEC+ has the intent of hurting both U.S. frackers and OPEC quota cheaters.

As the Iran-Israel war heated up, we observed prices increase starting in early June and peaking June 20. The medium term impact of the cease fire is unknown as of this writing.

After an anticipated busy summer driving season, focus should shift back to fundamental supply/demand dynamics, keeping oil prices in the low $60s.

Housing
While listings have increased to nearly a five-year high for existing homes (source: Bloomberg) giving buyers more options and negotiating power, affordability remains an obstacle. With mortgage rates still close to 7%, prospective buyers are looking for more incentives.

PORTFLIO OUTLOOK

Equity
The dramatic market swings of the second quarter underscored how sensitive investors remain to perceived risks—and why a focus on valuations and sound business fundamentals remains the best defense during periods of heightened volatility. As we look ahead to the second half of 2025, our focus remains on companies with the resources, discipline, and adaptability to perform well across a range of economic conditions. The backdrop remains noisy—economically, politically, and technologically—but that hasn't stopped the most capable businesses from delivering strong results. In fact, the second quarter served as a reminder that execution and innovation still drive value, and that thoughtful portfolio positioning can deliver results even in uncertain environments.

Fixed Income
The Fed's own research on the 2018 tariffs found higher import levies have a more substantial, and more sustained, impact on growth than they do on inflation. So far during this tariff episode, the labor market growth has slowed in the months since January and the pass-through to consumer prices has been narrow enough to keep overall price pressures at bay. With the tariff exemption scheduled to end on July 9, we will be watching for additional stresses to the market.

Many FOMC participants have indicated a desire to hold off on any policy moves until the tariff landscape has settled more, especially if the unemployment rate is comfortably near 4%.

Consumers' limited tolerance for price increases has acted as a stabilizing force, preventing excessive inflation and supporting economic growth.

Thank you for your continued confidence and investment in the Logan High Quality Balanced portfolio. As always, please call or email if you have any questions.

This material represents an assessment of the market and economic environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. Forward looking statements are subject to certain risks and uncertainties. Actual results, performance, or achievements may differ materially from those expressed or implied. Information is based on data gathered from what we believe are reliable sources. It is not guaranteed as to accuracy, does not purport to be complete and is not intended to be used as a primary basis for investment decisions. It should also not be construed as advice meeting the particular investment needs of any investor. ***Past performance does not guarantee future results*****.**

The Standard & Poor's 500 (S&P 500) Index is a free-float weighted index that tracks the 500 most widely held stocks on the NYSE or NASDAQ and is representative of the stock market in general. It is a market value weighted index with each stock's weight in the index proportionate to its market value.

Indices are unmanaged and investors cannot invest directly in an index. Unless otherwise noted, performance of indices does not account for any fees, commissions or other expenses that would be incurred. Returns do not include reinvested dividends.

Fixed income securities are subject to increased loss of principal during periods of rising interest rates. Fixed income investments are subject to various other risks, including changes in credit quality, liquidity, prepayments, and other factors. REIT risks include changes in real estate values and property taxes, interest rates, cash flow of underlying real estate assets, supply and demand, and the management skill and creditworthiness of the issuer.

The Russell 1000 Value Index is constructed to provide a barometer for the large-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics.

The Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Investments in commodities may have greater volatility than investments in traditional securities, particularly if the instruments involve leverage. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Use of leveraged commodity-linked derivatives creates an opportunity for increased return but, at the same time, creates the possibility for greater loss.

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U.S. TREASURY YIELDS	12/31/2024	3/31/2025	6/30/2025	YTD Change
2 YR	4.24%	3.89%	3.71%	0.53%
3 YR	4.27%	3.88%	3.68%	0.59%
5 YR	4.38%	3.95%	3.79%	0.59%
7 YR	4.48%	4.08%	3.99%	0.49%
10 YR	4.57%	4.21%	4.23%	0.34%
20 YR	4.86%	4.61%	4.78%	0.08%
30 YR	4.78%	4.58%	4.79%	0.00%
10S MINUS 2S	32.9bps	31.9bps	51.5bps	

Source: FactSet

Logan Capital Management, Inc.
Performance Disclosure Results
High Quality Balanced Non-Taxable Composite
September 30, 2005 through June 30, 2025

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Year	Total Return Net of Model Fees*	Total Return Gross of Fees	50% S&P 50% BC Int Govt Credit	Number of Accounts	Composite Dispersion Gross of Fees	Composite 3-Yr Gross Std Dev	50% S&P 50% BC Int Govt Credit 3-Yr Gross Std Dev	Composite 3-Yr Gross Sharpe Ratio	Assets in Composite ($millions)	% of Firm Assets	Firm Assets ($millions)
YTD 2025	5.7%	7.3%	5.6%	64	N/A	9.9%	9.4%	0.9	$34	1.4%	$2,523
2024	13.6%	17.0%	13.7%	67	N.M.	11.1%	12.8%	0.1	$36	1.3%	$2,753
2023	10.2%	13.4%	15.6%	4	N.M.	11.0%	12.6%	0.2	$8	0.3%	$2,451
2022	-14.8%	-12.2%	-12.7%	5	N.M.	12.1%	13.2%	0.3	$7	0.3%	$2,261
2021	11.2%	14.6%	12.9%	5	1.6%	9.3%	10.0%	1.5	$9	0.3%	$2,635
2020	8.9%	12.1%	13.1%	8	2.2%	9.6%	9.4%	0.9	$24	1.1%	$2,240
2019	14.0%	17.4%	18.8%	9	3.7%	6.1%	5.9%	1.5	$28	1.3%	$2,050
2018	-2.8%	0.1%	-1.5%	8	0.7%	6.5%	5.2%	0.9	$22	1.5%	$1,431
2017	11.6%	14.9%	11.6%	7	1.2%	6.9%	4.8%	1.1	$12	0.8%	$1,590
2016	3.9%	7.0%	7.1%	11	0.6%	7.5%	5.2%	0.8	$18	1.3%	$1,401
2015	0.3%	3.3%	1.5%	10	0.2%	7.1%	5.3%	1.4	$15	1.1%	$1,398

Annualized Returns (June 30, 2025)
YTD is not annualized

Year	Total Return Net of Model Fees*	Total Return Gross of Fees	50% S&P 50% BC Int Govt Credit
YTD	5.7%	7.3%	5.6%
1 Year	13.5%	16.9%	11.4%
3 Year	10.2%	13.5%	11.8%
5 Year	6.8%	10.0%	8.8%
10 Year	5.6%	8.8%	8.1%
Since Inception†	5.1%	8.3%	7.2%

†Inception 09/30/2005
N.M. - Information is not statistically meaningful due to an insufficient number of portfolios.

Net fee includes the maximum 3% fee required by the SEC for wrap programs.

Logan High Quality Balanced Non Taxable Composite contains fully discretionary balanced accounts, measured against a blended index consisting of 50% Bloomberg Intermediate Government/Credit and 50% S&P 500. You cannot invest directly in an index. The S&P 500 Index seeks to reflect the risk and return of all large cap companies and is also is used as a proxy for all of the total stock market. It tracks the 500 most widely held stocks on the NYSE or NASDAQ and is widely regarded as the best single gauge of large-cap U.S. equities. The Bloomberg Intermediate Government/Credit index measures the performance of U.S. Dollar denominated U.S. Treasuries, government-related and investment grade U.S. corporate securities that have a remaining maturity of greater than one year and less than ten years. The benchmarks selected include the reinvestment of dividends and income, but do not reflect fees, brokerage commissions, withholding taxes, or other expenses of investing. These benchmarks are used for comparative purposes only and generally reflect the risk and investment style of the composite. The Sharpe Ratio is included to help investors understand the return of an investment compared to its risk. The ratio is the average return earned in excess of the risk-free rate (90 Day U.S. TBill) per unit of volatility or total risk.

The composite contains accounts within +/- 20% of a 50% equity and 50% fixed income allocation. In addition, the equity portion contains accounts that are +/-20% of a 50% large cap growth and 50% value allocation and the fixed portion contains taxable positions (ie. corp and gov't bonds or ETFs). Prior to October 1, 2024, the equity portion contained accounts that were +/-20% of a 50% growth allocation and the fixed income portion only included individual corp and gov't bonds. The blended benchmark is calculated daily. As of 10/1/24, composite has no minimum. Prior minimum rules follow: Accounts must have $300,000 at inclusion. For exclusion, the account has to drop below the 25% threshold of $225,000. In addition, accounts must have $100,000 of fixed income assets at inclusion. For exclusion, the fixed income assets have to drop below the 25% threshold of $75,000. Includes accounts paying both wrap and commission fees.

Logan Capital Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Logan Capital Management, Inc. has been independently verified for the periods April 1, 1994 through December 31, 2024. A copy of the verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedure 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. Verification does not provide assurance on the accuracy of any specific performance report.

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Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Some accounts in the composite pay a bundled wrap fee based on a percentage of assets under management. Other than portfolio management, this fee includes brokerage commissions, portfolio monitoring, consulting services, and in some cases, custodial services. As of December 31 for each year noted, the percentage of composite assets charged a wrap fee were (2015 59.5%, 2016 51.2%, 2017 23.2%, 2018 7.2%, 2019 7.0%, 2020 10%, 2021 4.0%, 2022 4.0%, 2023 0%, 2024 79.7%). Pure gross returns for accounts paying a wrap fee are shown as supplemental information as they do not reflect the deduction of any fees or transaction costs. Net returns are calculated by geometrically linking monthly gross returns reduced by the highest wrap fee (3% annually). Gross returns for non-wrap accounts include investment management fees and have been reduced by transaction costs; net returns have been reduced by management fees and transaction costs. Prior to 2020, the annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Equal-weighted dispersion is presented for 2021 and going forward. Additional information regarding the policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

The investment management fee schedule for non-wrap accounts is as follows: 65 basis points on the first $25 million, 55 basis points on the next $25 million, 45 basis points on the next $25 million and 35 basis points on the next $25 million. Fees for accounts with over $100 million in assets are negotiable. Minimum fee is $32,500. Actual investment advisory fees incurred by clients may vary. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. Total annual fees charged by wrap sponsors are generally in the range of 2.0% to 3.0% annually.

The Logan High Quality Balanced Non Taxable Composite was created September 30, 2018.