



SYCAMORE FUND

July 2025 Monthly Letter

To those following our journey,

July was deliberately devoted to cementing B.D. Sterling's legal and operational bedrock so we can finally begin scaling the portfolio and establishing an audited track record. To make sure we would be best positioned to serve our Limited Partners to our best of our ability, we also spent significant time refining our investment process.

One key focus was Portfolio Allocation, a topic that previously relied almost entirely on the vague premise of our “level of conviction”. After many internal conversations, we came to appreciate just how nuanced and critical thoughtful portfolio construction truly is. We have since developed a more structured approach, one that balances expected return and downside risk through position sizing more deliberately.

Equally important, we have taken a larger step to finalize a more rigorous equity research framework, raising the bar for depth and conviction across every idea we underwrite, something clearly reflected in the evolution of our Robinhood Equity Report.

There are moments when you pause and genuinely appreciate how far you've come, and for us, the end of July was one of those moments. Looking back at our earlier research reports and notes made it clear just how much we've grown. Our approach to due diligence has not only become more thorough, but it's also become second nature, internalized in how we think and operate.

A smart man once told us that we should be digging our well before we are thirsty and we are focused on following that ideology. In July, we had a meaningful meeting with our mentors and a lot of industry professionals. The conversations provided insight into not only our strategy and performance, but also in common pitfalls, learning the culture, best practices, setting us up to be successful emerging managers.

Select Portfolio Names

Note : For any holdings not specifically discussed, our view is unchanged. The business fundamentals and our investment thesis remain intact, and our conviction is undiminished.

Alphabet Inc - With all the negative sentiment around search declining, Alphabet came through during the Q2 2025 earnings to show that their AI implementation has proven to be effective. The underlying business of the alphabet remains strong and our thesis has not changed. Going

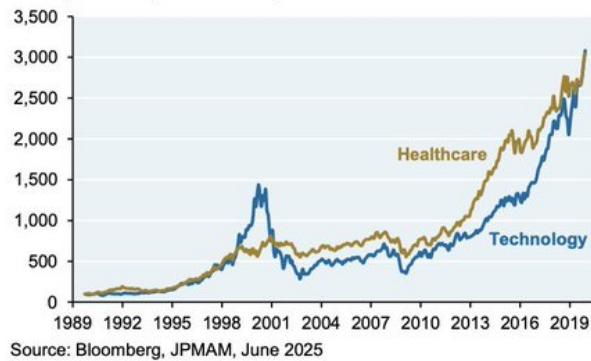
into August, we are exploring more of Alphabet's "other bets". Places where we believe there are asymmetric returns. ie . project mariner, Wing aviation, Calico, Verily, Isomorphic Labs

ASML Holding NV - With secular tailwinds and a proven monopoly in the semiconductor business, we see ASML as one of our asymmetric bets. ASML continues to buy back shares day after day, and we remain confident in the business. ASML Q2 guidance from management did mention some short term uncertainty with the international supply chain, however, our plans are longer and look beyond that.

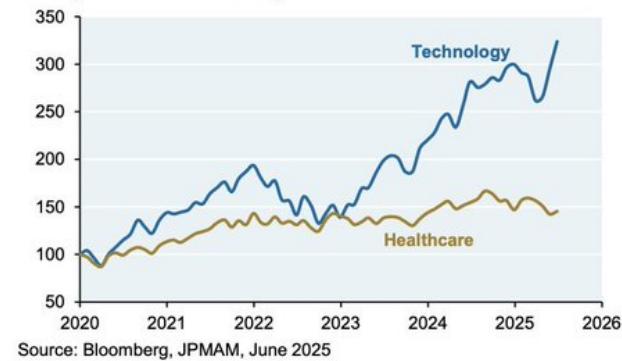
Gold - BD Sterling is mainly a US business investor, but is also opportunistic across asset classes and global. Gold currently serves as our trump put. Gold was one of our trades from earlier in the year, and provided decent attribution towards our performance, however it has become crowded since. We plan on holding but not adding to our Gold position, serving as a hedge to the over fund. As we get more of an idea between Trump's plans and the TACO trade, we will slowly wind out of this position.

UnitedHealth Group Inc - Healthcare remains the market's cheapest sector, underscoring a broad industry headwind rather than a company-specific problem for UnitedHealth (UNH). Recent weakness reflects surprise medical-cost inflation and negative sentiment toward UNH, while the new DOJ investigations though they could lead to several billion dollars in fines are manageable against a business generating more than \$20 billion in free cash flow. Looking ahead, premium repricing should help offset rising costs and could prompt policymakers to revisit Medicare and Medicaid reimbursement levels. The setup also fits Warren Buffett's value criteria, which may help establish a price floor if Berkshire steps in. We continue to review the position, staying both cautious and opportunistic as we seek a more attractive cost basis.

S&P 500 healthcare vs technology total return, 1989-2019
Index (100 = September 1989)



S&P 500 healthcare vs technology total return, 2019-2025
Index (100 = December 2019)



Robinhood Markets Inc - Robinhood has had a great run since liberation day and we have taken from profits near ATH. This lets us evaluate the percentage it makes in our portfolio to responsibly provide risk adjusted returns. During the run, we had long conversations around our risk management and profit taking system. Check out our memo "Letting your winners ride"

Looking forward

Going into August, marks an important and memorable month. We are taking a trip up to NYC from August 14th - 18th, furthering the depth of our well. Following our NYC trip we will share all the lessons learnt and pictures with our aggies!

August is also the start of the fall semester at TAMU. In the Sinn center of investment management, we manage the Sinn Fund (multi-strat HF \$5 million AUM) and the Maroon Fund (Long only). In the past Maroon Fund served as a sandbox environment to test our long only strategies. In the fall semester, we will similarly use Maroon Fund to develop our skills in special situation investments. A proven uncorrelated alpha strategy.

What the team is reading

Bhuvan → Dear Chairman: Boardroom Battles and the Rise of Shareholder Activism by Jeff Gramm

Dhruv → Charting Alpha Substack by Ralph Davidson

Companies being explored

- Duolingo Inc
- Build-A-Bear Workshop, Inc
- Brookfield Asset Management Ltd
- Sable Offshore Corp
- Interactive Brokers Group, Inc.
- JPMorgan Chase & Co

Thank you for following our journey,

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Disclaimer: Opinions expressed are as of July 31 2025 and subject to change without notice. Content in this letter is confidential and is not an offer to sell securities. This letter documents our personal investment journey and analytical process. It is shared for educational purposes and is not investment advice or a solicitation of any kind.