YEARN US FUND

Monthly Newsletter

December 2025

VAN DRUTEN | CAPITAL

Data-driven. Transparent. Personal.

FUND MANAGER FOREWORD

Welcome to the December edition of the Yearn US Fund monthly newsletter. I am Jeroen van Druten, founder of Van Druten Capital and fund manager of the Yearn US Fund. I want to bring you along in the insights of the fund's performance, as well as the key developments that shaped the fund. We hope you find this edition insightful, and as always, feel free to reach out with any questions.

The Yearn US Fund is designed to generate strong returns with low correlation to the broader U.S. market. It does so by dynamically managing a long-bias strategy focused on U.S. equities, guided by custom-built algorithms that identify opportunities across all market conditions.

Our automated investment management system currently positioned the fund to benefit from the momentum in specific stocks diversified over industries, together with the continuation of the easing of monetary policy. The system constructed the current portfolio on the 7th of November and will be active till the end of the cycle ending early March.

The Yearn US Fund has generated a profit of 0.74% during December. This brings the total return, since our start on May 5th, 2025, to 36.41%. In this month, the U.S. indices posted marginal profits and losses.

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1 FUND PERFORMANCE

1.1 Net Asset Value

(Results in this section are after deduction of fees and provided by AssetCare)

The total return since the start of the Yearn US Fund stands at 36.41%, reflecting a net monthly return of 0.74%. The table below outlines key performance metrics for the Yearn US Fund.

This month's performance was initially supported by a strong bounce back of AI-related stocks. This was supported by the third consecutive rate cut in December. In the last trading days of the year, the market and fund's portfolio went up and down caused by a surprise in the GDP print and investors rebalancing their portfolios during the year-end.

As it is the Yearn US Fund's first year, some metrics may differ significantly from the fund's project long-term averages due to the number of available data points.

Net Fund Performance Statistics

Metrics	Yearn US Fund (F-Class)
Returns	
Current Month	+0.74%
Year to Date*	+36.41%
Annualized Since Fund Launch*	+59.30%
Net Asset Value	$ 136.41
Risks	
Sharpe Ratio**	4.20
Volatility	13.23%
Positive Months	100%
Maximum Drawdown	0%

*: The Yearn US Fund launched on May 5th, 2025
**: Using 1-year U.S. Treasury rate as the risk-free rate

1.2 Current Portfolio

The automated investment management system has constructed a new portfolio for the current period, spanning from early November 2025 to early March 2026. Based on the system's factor-driven assessment, the portfolio is positioned long-biased and positions to benefit from the momentum within the market of the past months.

The system projects that, over this horizon, U.S. markets maintain upward potential despite economic uncertainty around inflation and employment, and elevated valuations in certain industries and market capitalizations. The probability of a severe downturn is judged to be medium, although strong volatility is expected throughout the holding period. Based on these assumptions, the portfolio is designed to capture upside from companies with strong momentum in fundamentals in both offensive and defensive sectors.

Several key characteristics define the construction of this portfolio:

- Substantial exposure towards stocks with strong momentum in their fundamentals, reflecting the power of the momentum factor during a market, sector and industry with high momentum.

- Balanced allocation towards industries. Diversification across ten industries and six sectors to mitigate industry-depending risks which could arise during the holding period.

- A sizeable portion of the portfolio consists of companies in sectors that are typically less affected during volatile periods and large drawdowns, namely Healthcare and Energy, reflecting the systems more defensive stands towards market risk.

- Only a small allocation towards two short positions in select small-cap names, as the system computed that the involved shorting risks did not out weight the shorting potential. The system showed an increase in the number of negative forecasts but also, an increase in weakness of these signals. Short positions would therefore increase risks instead of lowering risks.

Overall, the system expects that this portfolio will benefit strong momentum in fundamentals and industries together with a supportive monetary backdrop. And by diversifying the positions over multiple industries, the portfolio aims to mitigate possible industry related volatility and drawdowns.

1.3 Portfolio Allocation

(Results in this section are before deduction of fees & provided by Interactive Brokers)

The portfolio consists of 11 stocks, diversified across multiple sectors and market capitalizations in the U.S. market. Gross exposure is 98.29%, allocating 98.01% of the portfolio to long positions and 0.14% to one short position, resulting in a net exposure of 99.72%.

The portfolio spans six sectors and 10 industries, with the largest weights allocated to the Healthcare (34.81%), Technology (27.02%), and Communication services (17.10%) sector.

Markt Exposure

Exposure	Total Weight (%)	Portfolio Weight (%)
Gross	98.29	100.00
Net	98.01	99.72

Exposure	Long Weight (%)	Short Weight (%)
Total Exposure	98.15	-0.14
Portfolio Exposure	99.86	-0.14

Holdings

Symbol	Description	Sector	Industry	Market Capitalization	Net Weight (%)
EBS	Emergent BioSoluitions Inc.	Healthcare	Drug Manufacturers - Specialty & Generic	Small	12.31
LFST	LifeStance Health Group, Inc.	Healthcare	Medical - Care Facilities	Small	11.54
HAE	Haemonetics Corporation	Healthcare	Medical - Instruments & Supplies	Mid	10.96
TDC	Teradata Corporation	Technology	Software - Infrastructure	Mid	10.94
TWLO	Twilio Inc.	Communication Services	Internet Content & Information	Large	9.96
RES	RPC, Inc.	Energy	Oil & Gas Equipment & Services	Small	9.80
XMTR	Xometry, Inc	Industrials	Industrial - Machinery	Mid	9.36
APPN	Appian Corporation	Technology	Software - Infrastructure	Mid	8.82
DDOG	Datadog, Inc.	Technology	Software - Application	Large	7.32
LUMN	Lumen Technologies, Inc.	Communication Services	Telecommunications Services	Large	7.14
CASH	Cash	-	-	-	1.99
DFIN	Donnelley Financial Solutions, Inc.	Financial Services	Financial - Capital Markets	Small	-0.14

1.4 Benchmark Comparison

(Results in this section are before deduction of fees & provided by Interactive Brokers)

The Yearn US Fund is benchmarked against the S&P 1500 Index, which is a combination of three major S&P indices:

- **S&P 500**, representing large-cap companies;
- **S&P 400**, representing mid-cap companies;
- **S&P 600**, representing small-cap companies.

These benchmarks are included to provide context for the fund's performance across different market capitalizations.

The figures below illustrate that the Yearn US Fund started strong, supported by a bounce back of several stocks and the December rate cut. In the second half, the portfolio went up and down due to the GDP print surprise and year-end rebalancings.

Key takeaways:

- In the beginning of December, the portfolio benefited from a bounce back of several stocks within the fund's portfolio, namely: Teradata Corporation (TDC), Lumen Techologies, Inc (LUMN), Xometry, Inc (XMTR), RPC, Inc (RES), Appian Corporation (APPN).

- The strong performance at the start of the month was amplified by the third consecutive rate cut of the Federal Reserve.

- The portfolio experienced market volatility regarding the positive surprise in the GDP print shared in December after a delay due to the government shutdown.

- The month and year ended with a week in which investors rebalanced their portfolios, both positively and negatively influencing stock performances within the portfolio.

Benchmark Performance Comparisons

Daily Return

Cumulative Return
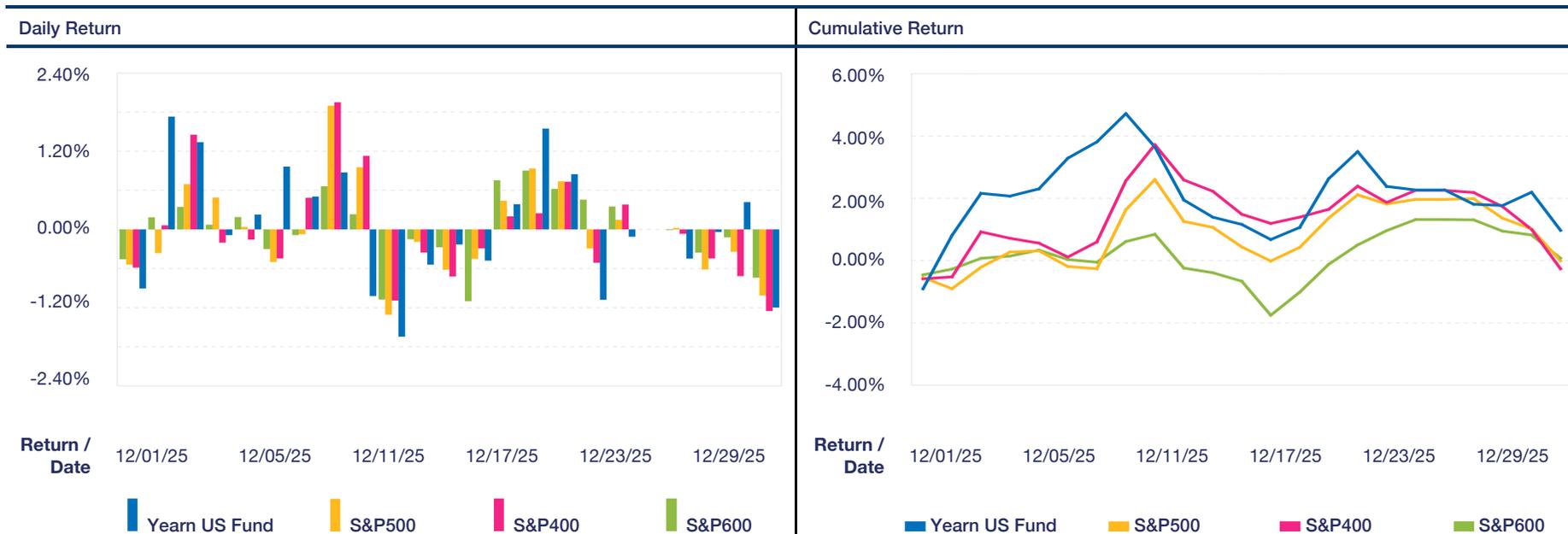
1.5 Position Performance

(Results in this section are before deduction of fees & provided by Interactive Brokers)

In December, portfolio results were driven by stock specific performance, macroeconomic influences, and year-end rebalancings by investors. Below, we highlight the best- and worst-performing positions of the portfolio this month.

The healthcare sector delivered a strong contribution to the portfolio this month. Emergent BioSolutions Inc. (EBS) led the group as investors responded to the continued execution of its multi-year transformation plan. The stock was bolstered by positive updates regarding contract manufacturing and the extension of critical government contracts for its medical countermeasures business. LifeStance Health Group Inc. (LFST) also ended the month higher, continuing its momentum from a record-breaking third quarter. The firm's transition to positive net income, coupled with rising clinician productivity and high patient volumes, reinforced the narrative of scaling profitability within its mental health network.

Communication services stock, Twilio Inc. (TWLO), benefited from a combination of accelerated organic revenue growth and a disciplined focus on margin expansion, supported by its significant $2 billion share repurchase program.

Within the technology sector, Teradata Corp (TDC) emerged as key contributor. Teradata saw a steady climb as its strategic pivot toward cloud-based analytics gained further traction. Despite a mixed macro environment, its double-digit growth in cloud annual recurring revenue and attractive valuation relative to peers made it a favorite for institutional rebalancing mid-month. Conversely, Datadog Inc. (DDOG) was the weakest performer of December. Following a quarter of significant outperformance, the technology stock faced a pullback as investors locked in gains ahead of 2026. Concerns regarding rising competition in the observability space and a more cautious sector-wide outlook for cloud consumption weighed on sentiment.

Appian Corp (APPN) also contributed negatively. While the company's AI-automation fundamentals remain robust, the stock's valuation appeared to have temporarily outpaced its cash-flow projections, leading to a period of consolidation. For both Datadog and Appian, the year-end rebalancing of portfolios as a catalyst for the late-month weakness.
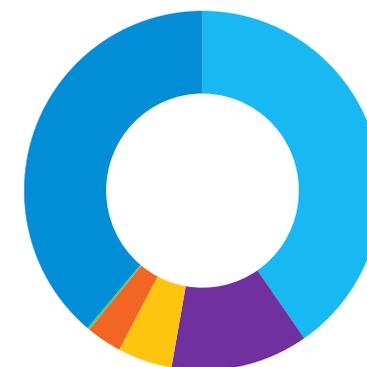
Top Performers of the Month

Symbol	Return (%)	Contribution (%)
EBS	10.65	1.18
TWLO	9.68	0.87
LFST	8.31	0.86
TDC	6.28	0.66

Bottom Performers of the Month

Symbol	Return (%)	Contribution (%)
DDOG	-15.01	-1.27
APPN	-12.33	-1.20

Contribution by Sector

Sector	Contribution (%)
Healthcare	1.88
Communication Services	0.58
Energy	0.23
Industrials	0.15
Financial Services	0.01
Cash	0.00
Technology	-1.81

2 U.S. MARKET ANALYSIS

2.1 Market Recap December

December 2025 was a month with important data releases on the U.S. financial markets for the 2026, as investors digested a divided Federal Reserve, and a surprising surge in backward-looking growth metrics. After a year of significant expansion, equities traded sideways.

Federal Reserve Delivers a Divided Rate Cut

The Federal Reserve remained the primary catalyst for December's early volatility. On December 10th, the FOMC delivered a widely expected 25-basis-point cut, bringing the target range to 3.50%–3.75%. However, the decision revealed a rare 9-3 split vote, the most dissents since 2019. While Chair Powell framed the move as an "insurance cut" to stem a weakening labor market, highlighted by an unemployment rate ticking up to 4.6%, dissenters pointed to sticky core inflation as a reason for caution. This internal friction signaled to markets that the easing cycle may be nearing a "neutral" plateau, dampening expectations for aggressive cuts in early 2026.

GDP Surprise due to Government Shutdown

The mid-month period was defined by delayed economic data following the 42-day government shutdown. The most notable release was a 4.3% Q3 GDP print, which significantly outpaced the 3.2% consensus. While the headline figure suggested robust health, the market's reaction was muted due to the "data fog" surrounding the report. Investors scrutinized the print as a post-shutdown anomaly driven by front-loaded government spending and consumer "catch-up," rather than a sustainable acceleration. This ambiguity contributed to the up-and-down price action mid-month as participants struggled to find a "clean" signal of economic momentum.

Year-End Dynamics

The final week of the year saw a negative drift, diverging from the historical "Santa Claus Rally" as institutional players locked in gains. Despite this late pullback, the S&P 500 secured an 18% annual return, marking its third consecutive year of double-digit gains. As the year closed, the focus shifted from policy speculation to 2026 operational execution, with the final week's weakness viewed as a healthy consolidation after a banner year for U.S. equities.

2.2 Market Projection

Moving into 2026, several pivotal themes stand as the primary drivers of the U.S. economic landscape. A central focus remains the Federal Reserve, as it balances interest rates against a cooling labor market. The leadership transition at the Fed this May is a critical milestone that will dictate policy stability and the future path.

This transition occurs just as the One Big Beautiful Bill Act begins its full implementation. While this act provides a significant fiscal tailwind through tax extensions and business incentives, potentially boosting GDP growth, it also adds to the long-term debt burden that markets must eventually price in.

Simultaneously, the interplay between fiscal policy and trade is reaching a turning point. While tax extensions boost corporate earnings, the inflationary impact of trade tariffs is becoming evident as businesses exhaust existing inventories. With the average effective tariff rate rising, inflation is projected to rise, testing the Fed's patience.

The President's often unpredictable leadership style also remains a defining factor, creating an environment where sudden policy shifts can take place as leverage for "managed trade" deals.

In technology, the focus will be on AI execution. Investors are no longer just rewarding chipmakers; they are looking for companies that successfully use AI and automated workflows to drive higher profit margins and measurable productivity gains. This shift is critical as the AI-driven cycle begins to impact non-tech sectors like logistics, healthcare, and banking.

Global geopolitics will also be a major source of volatility. Important subjects include the results of the April summit between the U.S. and China, where the trade of rare earth metals and semiconductors will be at the forefront of negotiations. Furthermore, the potential for a negotiated settlement in the Russia-Ukraine conflict remains a high-stakes variable for global energy markets.

Monitoring these shifting economic, political, and technological drivers will be essential for navigating the complex terrain of 2026.

3 FUND CHARACTERISTICS

3.1 Fund Information

The Yearn US Fund is a long-bias equity hedge fund with a focus on stocks listed on the New York Stock Exchange and Nasdaq. The fund is structured as a Fonds voor Gemene Rekening ("FGR") and governed by Dutch law under the AIFMD Registration Regime as outlined under Article 2:66a of the Wet financieel toezicht ("Wft"). The fund is management by Van Druten Capital together with its partners (moreover in 3.3 Fund Manager and 3.4 Fund Partners) following the strategy stated below in section 3.2 Fund Strategy.

The key information of the fund is displayed on the right-hand side of this page.

3.2 Fund Strategy

The Yearn US Fund is designed to generate strong returns with low correlation to the broader U.S. market. It does so by dynamically managing a long-bias strategy focused on U.S. small-, mid- and large-cap equities, guided by custom-built algorithms that identify opportunities across all market conditions.

Our dynamic multi-factor framework combines five factor domains: profitability, valuation, momentum, sentiment, and quality, to provide a broad range of perspectives for generating meaningful predictions through market and economic cycles.

Using AI technologies, the system adapts to different market conditions by adjusting model weights based on the characteristics of the market, sector, industry, and individual stocks as well as our models, to maximize performance across varying scenarios.

While the fund embraces the long-term bullish outlook of the U.S. market and maintains strong exposure accordingly, it also adapts when conditions shift. In bearish or fragmented markets, our system transitions into a concentrated long/short portfolio targeting high-potential stocks.

The portfolio allocation is optimized in such a way that it maximizes potential in favorable scenarios while keeping strategic diversification and specific holdings to minimize drawdowns in unfavorable scenarios, which is key in an ever-changing market.

This flexible, data-driven approach positions the fund to outperform over the long term, while minimizing reliance on overall market direction.

Fund Information – Yearn US Fund	
Characteristics	
Structure	Fonds voor Gemene Rekening (FGR)
Style	Long-bias equities | No leverage
Approach	Systematic multi-factor
Geography	United States
Base Currency	USD
Inception	05/05/2025
Bloomberg name / ISIN-code	YEARNUSNA / NL0015002JL3
Investments	
Minimum Investment	$ 150,000 R-Class $ 500,000 L-Class $ 1,000,000 F-Class
Deposit Currency	USD or EUR
Liquidity	1st of March, May, August & November
Minimum Additions & Withdrawals	$ 25,000
Notice Period	5 trading days
Lock-Up	1 Year
Fees	
Management fee	2%
Performance fee	20% (8% Hurdle rate) R-Class 10% (9% Hurdle rate) L-Class 0% F-Class
Fund fee	±0.5% (Depending on AuM)
Subscription fee	0%
Withdraw fee	0.25%

3.3 Fund Manager

The Yearn US Fund is managed by Van Druten Capital B.V ("Van Druten Capital"). Van Druten Capital leverages advanced technology to automate the entire investment process, from in-depth research and trade execution to risk management. This enables Van Druten Capital to provide investors with investments that deliver above-market returns, backed by data-driven insights. To accomplish this, Van Druten Capital builds the company from a unique blend of innovation, expertise and ambition.

Our team consists of three passionate and hardworking people focused on getting the most out of the company every day, guided by two experts in the financial and investment fund industry (see overview below). More information on our team as a whole and team members can be found on our website.
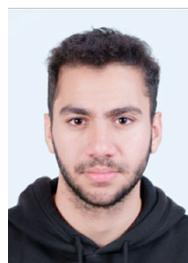
Van Druten Capital is registered as a 'light' manager under the AIFMD Registration Regime as outlined under Article 2:66a of the Wet financieel toezicht ("Wft"), and duly acknowledged by the Netherlands Authority for the Financial Markets ("AFM").

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Yassir Laaouach
Principle Engineer

Huib Boissevain
Advisor & Founder of Annexum

Richard Frehé
Advisor & Managing Director at DM Financial

3.4 Fund Partners

At Van Druten Capital, we believe that strong investment performance requires more than a robust investment strategy. It starts with a solid operational foundation. To ensure the Yearn US Fund is managed efficiently, securely, and transparently, we have partnered with trusted and experienced organizations across every critical area of our business.

AssetCare provides independent administration, reporting, and investor servicing, while Rabobank safeguards capital and ensures compliance as the fund bank. Interactive Brokers delivers global market access and reliable trade execution for our U.S. equity strategy. To strengthen governance and compliance, we work with DM Financial, and for technology, Amazon Web Services powers our secure and scalable automated investment management system, supported by Automat-IT as our DevOps and FinOps partner. More information on our partners can be found on our website.

AssetCare
Our fund administrator

Rabobank
Our fund bank

Interactive Brokers
Our prime broker

DM
Our fund consultancy partner

amazon web services
Our cloud service provider

AUTOMAT-IT
Our DevOps & FinOps partner

4   FUND MANAGER

4.1 News

The Yearn US Fund's 2025 Performance Review

Since its launch on May 5th, 2025, the Yearn US Fund has delivered a solid return of 36.41% (net of costs), navigating a volatile market environment during a recovery from the tariff uncertainty.

By maintaining a concentrated long-biased approach balancing defensive and offensive investments, the Fund was on average able to double the performance of the major U.S. indices since its inception:

- Yearn US Fund: 36.41%
- S&P 500 (Large Cap):   22.06%
- S&P 400 (Mid Cap):   13.85%
- S&P 600 (Small Cap):   18.18%

We are proud of the performance achieved in our first eight months and the resilience the fund has shown through periods of high uncertainty. We are especially keen on the correlation it shows with our simulations throughout the past years. This gives us the strength to build further on the automated investment management system.

As we step into 2026, we remain committed to identifying the winners and losers, and look forward to building on this strong foundation in the year ahead.

4.2 Upcoming events

Group Demo in Voorburg | 21st of January

Following our previous group demos in Voorburg, we are excited to announce another group demo will take place in Voorburg on Wednesday, September 21st.

During this event, our portfolio manager, Jeroen van Druten, will guide investors through the essential aspects of how the Yearn US Fund and Van Druten Capital operate, including:

- Our investment philosophy and systematic long-bias approach
- A walkthrough of the back test results and the current portfolio
- The fund's legal and operational structure
- Key insights into our company's growth and future plans
- An interactive Q&A session with our fund manager

We look forward to welcoming both existing stakeholders and new potential investors to this upcoming demo. It is a unique opportunity to gain first-hand insights into our systematic investment process and to ask your questions directly to the fund manager.

If you would like to attend the Voorburg group demo or prefer to arrange a personal demo instead, please reach out to us using the contact details below.

Coming Subscription Day | March 1st

The Yearn US Fund will open again for new investors from February 1st until February 20st. All approved subscriptions will enter the fund on March 1st. The February 20st onboarding deadline ensures sufficient time to complete the due diligence and processing of investments.

Why consider investing in the Yearn US Fund?
- The fund thrives in recovery phases and fragmented markets conditions we are currently experiencing.
- A systematic long-bias strategy in high-potential U.S. equities.
- An adaptive system that knows when to differentiate and when to concetrate.
- Lower dependency on major U.S. indices.
- Full transparency into our strategy and operations.
- Direct access to the fund team.

Early investor Advantage
To reward our early investors, we are offering exceptionally favorable terms:
- Only 10% performance fee on commitments above €500.000.
- 0% performance fee on commitments above €1 million.

The incentive is temporary and exclusively available for subscriptions in the coming period. This is therefore an opportunity to enter the Yearn US Fund on highly advantageous terms and to participate directly in the next portfolio cycle.

If you are interested in joining the Yearn US Fund or would like additional information about Van Druten Capital, please do not hesitate to contact us. We are happy to provide all the details needed to make an informed decision.

A personal or group demo can also be scheduled to discuss the fund's strategy, operations, and outlook in detail.

VAN DRUTEN | CAPITAL

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5   DISCLAIMER

This document has been carefully prepared by Van Druten Capital B.V. ("Van Druten Capital").

This document presents results both before and after fees. The results disclosed in the NAV Change section are after fees and are provided by the fund administrator, AssetCare Fund Services B.V. In other sections, information and performance of the portfolio held by the fund is presented. These results are before fees and are based on data provided by the fund's broker, Interactive Brokers Ireland Limited. They are intended for informational purposes only, to illustrate (intra-)month performance of the fund's portfolio.

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The value of your investment may fluctuate. Past performance is not indicative of future results.

For additional information, please refer to the Information Memorandum and the Key Information Document of The Yearn US Fund, available upon request via email at info@vandrutencapital.com.

Van Druten Capital B.V. acts as the manager of The Yearn US Fund, registered with the Dutch Authority for the Financial Markets (AFM) under registration number 50036203.