YEARN US FUND

Monthly Newsletter

February 2026

VAN DRUTEN | CAPITAL

Data-driven. Transparent. Personal.

FUND MANAGER FOREWORD

Welcome to the February 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.

On February 5th, our automated investment management system liquidated the portfolio (active since November 7th) after the risk management framework determined that realized losses and projected risks had exceeded acceptable thresholds. By executing this systematic exit, we stayed ahead of the portfolio's maximum loss limit to prioritize capital preservation.

The Yearn US Fund recorded a loss of 7.9% in February. This brings the total return since inception on May 5, 2025, to 19.2%. During the same period, major U.S. indices posted mixed results, ending with both positive and negative results.

Jeroen van Druten
Founder & CIO

+31 6 18 85 83 80

jeroen.van.druten@vandrutencapital.com

www.vandrutencapital.com

Van Druten Capital

Delft, The Netherlands

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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 inception of the Yearn US Fund stands at 19.2%, following a net monthly return of -7.9%. The table below outlines the key performance indicators for the fund.

During the first week of February, the portfolio's valuation declined further, driven by persistent negative sentiment surrounding AI-related equities. Furthermore, the market's unfavorable reception of quarterly earnings reports and their corresponding forward guidance led to additional downward pressure on our holdings.

On February 5th, the risk management system executed a full liquidation of all portfolio positions to mitigate further losses. This decision was a direct response to the significant drawdown and the heightened uncertainty leading up to the scheduled end of the portfolio period on March 2nd.

This period of instability originated in January, when the fund experienced sharp volatility due to geopolitical tensions, domestic political developments, sector-wide AI unrest, and stock-specific headwinds, ultimately resulting in a negative monthly close. Rather than seeing a rebound fueled by positive investor reactions to earnings, the market moved in the opposite direction. Consequently, the risk management system opted to remove the portfolio from the market.

For the remainder of the month, the fund has maintained a cash position. Our systematic strategy dictates that we do not re-enter the market immediately; instead, the system adheres to its fixed rebalancing cadence. Throughout February, the broader market remained relatively neutral, with activity primarily concentrated within underlying sectors.

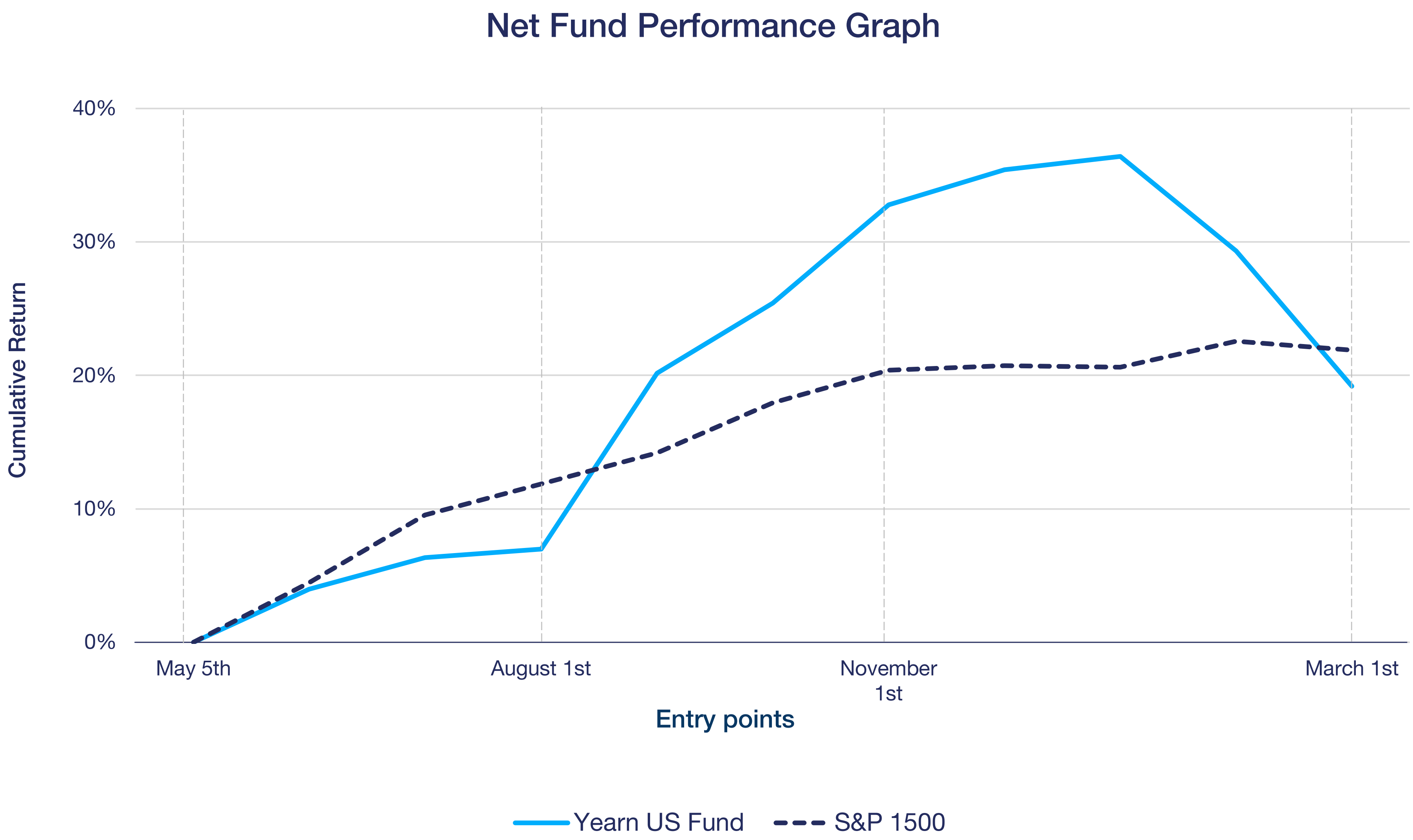
As planned, the fund will construct and deploy a new portfolio on March 2nd according to its standard cadence. This upcoming rebalance represents a "fresh start," utilizing an updated market analysis to select high-potential companies for the period between early March and early May.

As the Yearn US Fund is currently in its first year, please note that certain indicators may deviate from long-term averages due to the limited historical data set.

Net Fund Performance Statistics

Metrics	Yearn US Fund (F-Class)
Returns	
Current Month	-7.9%
Year to Date	-12.7%
Trailing One-Year*	+19.2%
Annualized Since Fund Launch	+23.4%
Net Asset Value	$ 119.16
Risks	
Sharpe Ratio**	1.0
Volatility	19.4%
Positive Months	80%
Maximum Drawdown	-12.7%

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


Net Fund Performance Graph
40%
30%
20%
10%
0%
Cumulative Return
May 5th
August 1st
November 1st
March 1st
Entry points
Yearn US Fund
S&P 1500

1.2 Current Portfolio Allocation

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

As the portfolio was liquidated in early February, the fund maintained an exclusive cash position throughout the month. Consequently, both market and sector exposures stand at 0.0%, reflecting a 100% allocation to cash.

Markt Exposure

Exposure	Total Weight (%)	Portfolio Weight (%)
Gross	0.0	100.0
Net	0.0	0.0

Exposure	Long Weight (%)	Short Weight (%)
Total Exposure	0.0	0.0
Portfolio Exposure	0.0	0.0

Sector Exposure

Sector	Gross Exposure (%)	Net Exposure (%)
Cash	100.0	100.0

1.3 Current Portfolio Allocation Reasoning (Until February 5th)

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 positioned 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-dependent 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 system’s more defensive stance 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 outweigh the shorting potential. The system showed an increase in the number of negative forecasts but also an increase in the weakness of these signals. Short positions would therefore increase risks instead of lowering risks.

Overall, the system expects that this portfolio will benefit from 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.

Portfolio Holdings

Symbol	Description	Sector	Industry	Market Capitalization	Net Weight (%)
CASH	Cash	-	-	-	100.0

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:

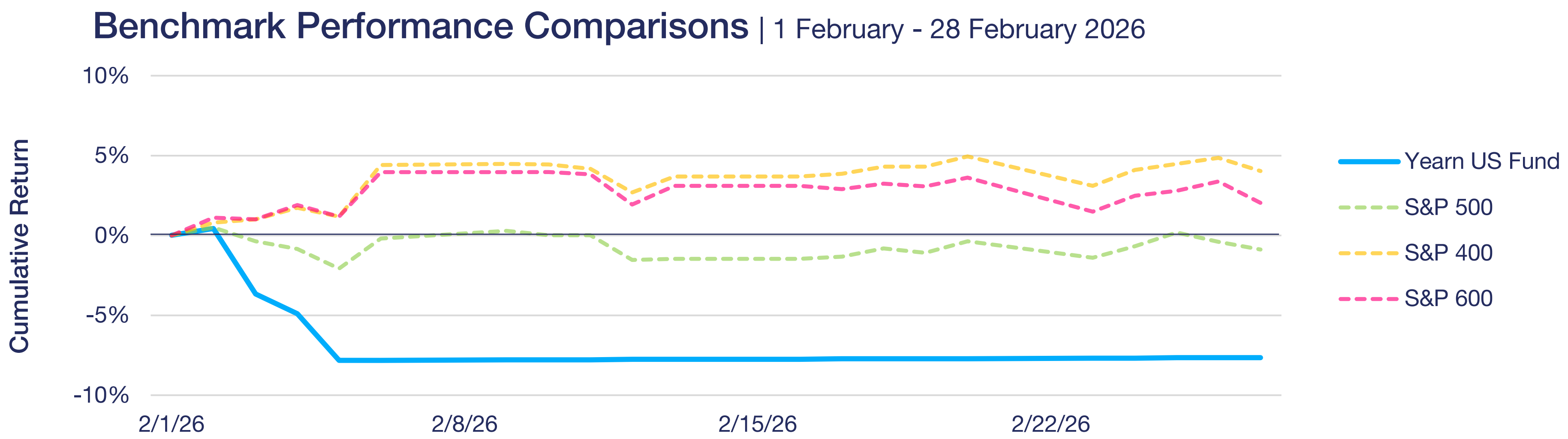
- S&P 500, representing large-cap companies;
- S&P 400, representing mid-cap companies;
- S&P 600, representing small-cap companies.

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

During the first week of February, the portfolio valuation declined sharply as bearish sentiment toward AI-related equities persisted. Furthermore, recent earnings reports and their accompanying management commentary were poorly received by investors, triggering additional downward pressure across our holdings. On February 5th, our risk management system executed a full liquidation of all portfolio positions to mitigate further losses. This move was a direct response to the significant drawdown that originated in January and the heightened uncertainty leading up to the conclusion of the current portfolio cycle on March 2nd.

Key takeaways:

- Although the earnings season began on a positive note for AI-related equities, sentiment was dampened by Microsoft reporting quarterly results that fell short of expectations. This triggered uncertainty across the broader AI sector and negatively impacted the portfolio's AI-specific holdings.
- During early February, several portfolio companies released quarterly reports that were largely better than expected. Despite these strong fundamentals, share prices declined, driven by broader AI-related profit-taking and shifting sector sentiment.
- On February 5th, the risk management system executed a full liquidation of all portfolio positions to mitigate further losses. Since that time, the fund has maintained a cash position.
- The broader market remained relatively stable following the initial week of February.



1.5 Position Performance

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

In February, portfolio results were driven by an interplay of stock-specific developments, sector sentiment, and macroeconomic friction. Below, we highlight the best- and worst-performing positions of the month.

The healthcare sector, which provided a steady tailwind in late 2025, faced a reversal throughout January and February. Emergent BioSolutions Inc. (EBS) underwent a significant drawdown following a robust start to the year. The correction that began in January, triggered by a lawsuit against the former CEO regarding alleged insider trading related to 2021 COVID-19 vaccine production issues, persisted through early February. Similarly, LifeStance Health Group Inc. (LFST) experienced a pullback in early February as investors engaged in profit-taking, despite an upward revision in guidance from analysts.

In January, RPC Inc. (RES) rallied strongly ahead of its quarterly earnings release. However, the results disappointed when published before the market opened on February 3rd, triggering an immediate decline in pre-market trading. The price subsequently stabilized and staged a partial recovery from its intraday low.

The Communication Services sector faced the most significant pressure in early February. During this period, Lumen Technologies Inc. (LUMN) reported quarterly results that significantly exceeded expectations, benefiting from strong demand for AI-related communication services. Nevertheless, the stock plummeted 20% at the February 4th open due to pervasive negative sentiment surrounding AI focus and capital expenditures. Concurrently, Twilio Inc. (TWLO) was hampered by the negative sentiment toward AI-focused firms, despite analysts raising price targets in early January and the company making strategic progress with new partnerships.

Xometry Inc. (XMTR) was the sole position to provide a significant positive contribution to the portfolio in February. This performance was the result of a price rebound following a sharp decline in late January, which had been driven by shifting AI sentiment.

Top Performers of the Month

Symbol	Return (%)	Contribution (%)
XMTR	4.3	0.4

Bottom Performers of the Month

Symbol	Return (%)	Contribution (%)
RES	-18.8	-2.4
LUMN	-24.1	-2.1
LFST	-8.0	-1.0
TWLO	-10.1	-0.9
EBS	-7.1	-0.9

Contribution by Sector

Sector	Contribution (%)
Industrials	0.4
Cash	0.0
Financial Services	0.0
Technology	-0.8
Healthcare	-2.2
Energy	-2.4
Communication Services	-3.0

2 U.S. MARKET ANALYSIS

2.1 Market Recap February

In February, market resilience was tested once again as investors navigated a complex dynamic of domestic politics, the conclusion of the earnings season, and a high-stakes legal battle over trade policy.

The Government Shutdown

February commenced with a partial government shutdown following a funding impasse in the Senate. This reintroduced a period of uncertainty and the so-called "data mist." In contrast to the shutdown that began in October, this episode was short-lived, as legislative adjustments quickly resolved the funding conflict. Nevertheless, the disruption impacted the timeline and completeness of several macroeconomic data points upon which the Federal Reserve relies for its policy-making framework.

Conclusion of the Earnings Season

Uncertainty regarding corporate AI expenditures remained a primary driver of volatility throughout February. Pressure mounted on companies to demonstrate tangible improvements in their products or services from AI investments, extending even to firms outside the technology sector. Consequently, during late January and early February, solid quarterly results alone were no longer sufficient to sustain valuations. Across the broader market, companies faced share price declines despite stable earnings, as investors focused on underlying AI-related capital expenditures that had yet to yield direct revenue streams or on management guidance pointing toward high future AI spending.

Trade Policy and the Supreme Court

A pivotal turning point this month was the ruling by the Supreme Court, which struck down the previously announced import tariffs. While the market initially responded with relief, viewing the decision as a temporary safeguard for margins among import-dependent firms, the recovery was short-lived. President Trump immediately announced that he would not deviate from his agenda, signaling his intent to implement the tariffs through alternative legal avenues and executive powers. This determination to enforce the trade agenda via new administrative mechanisms has created a persistent climate of uncertainty. Investors are now confronted with a tug-of-war between the judicial and executive branches, which complicates long-term predictability for trade policy and sustains heightened volatility across trade-sensitive sectors.

2.2 Market Projection

As the market moves beyond the initial phase of the year, investor focus is shifting toward the threat of a large-scale conflict with Iran. Concurrently, the reshaping of monetary policy under Kevin Warsh is expected to gain further clarity in the period ahead.

Escalation with Iran

The military escalation in the region surrounding Iran has returned the geopolitical risk premium to the oil markets. While previous tensions were often short-lived, the current escalation points toward a more structural confrontation.

In the short term, a direct disruption of the Strait of Hormuz could trigger an immediate spike in oil prices. For the market, this implies a potential sell-off in energy-intensive industries such as transportation and manufacturing. Over the longer term, a sustained conflict could force a global recalibration of energy supplies. This reinforces the necessity for investments in domestic energy production and automation to buffer the inflationary shock of rising energy costs.

In the event of a localized conflict, the impact may be confined to commodity market volatility. However, a prolonged regional war could paralyze global supply chains, immediately reintroducing the specter of stagflation, stagnant growth coupled with high inflation, to the market narrative.

Kevin Warsh: A New Era for the Federal Reserve?

The appointment of Kevin Warsh as Federal Reserve Chair is viewed by the market as a significant inflection point. Although historically recognized for his hawkish criticism of quantitative easing, he has recently advocated for an interest rate policy that aligns more closely with the current administration’s pro-growth agenda.

In the coming months, investors will be scanning for signals regarding the institution's independence. Warsh’s initial public statements will be closely scrutinized to assess the future autonomy of the Fed and the anticipated path of interest rates for the second half 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 managed 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

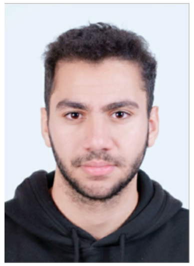
The Yearn US Fund is managed by Van Druten Capital B.V. ("Van Druten Capital"). Van Druten Capital leverages advanced technology to automate the entire investment process, from in-depth research and trade execution to risk management. This enables Van Druten Capital to provide investors with investments 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").

Jeroen van Druten
Founder & CIO

Laurens Boissevain
Communication Strategist



Yassir Laaouach
CTO

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.

Our fund administrator

Our fund bank

Our prime broker

Our fund consultancy partner

Our cloud service provider

Our DevOps & FinOps partner

4 FUND MANAGER

4.1 News

Rebalancing of the portfolio | 2nd of March

As we finished the fund's third quarter, the investment management system of Van Druten Capital performed a rebalancing for the Yearn US Fund on the 2nd of March.

On the second, the fund transitioned to a newly constructed portfolio, which took the newly reported earnings reports along with technical, sentiment, and macroeconomic insights to optimally allocate the fund's capital.

In our March newsletter, we will share the newly constructed portfolio in a similar way as for the previous portfolio.

4.2 Upcoming events

Coming Subscription Day | May 1st

The Yearn US Fund will open again for new investors from April 1st until April 20th. All approved subscriptions will enter the fund on April 1st. The April 20th 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 market 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 concentrate.
- 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.

Jeroen van Druten
Founder & CIO

+31 6 18 85 83 80

jeroen.van.druten@vandrutencapital.com

Jeroen van Druten

Delft, The Netherlands

Laurens Boissevain
Communication Strategist

+31 6 53 74 28 71

laurens.boissevain@vandrutencapital.com

Laurens Boissevain

Amsterdam, The Netherlands

Van Druten Capital

info@vandrutencapital.com

www.vandrutencapital.com

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 are 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 information in this document is intended solely for professional investors as defined in the Dutch Financial Supervision Act (Wft) and for persons authorized to receive such information under applicable law.

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.

VAN DRUTEN | CAPITAL

Data-driven. Transparent. Personal.