

Summary fund manager

The Automated Investment Management System (AIMS) has recently completed a scheduled rebalancing of the Yearn US Fund portfolio, marking the conclusion of the Fund's inaugural year since its inception in May 2025.

The previous portfolio, initiated on March 2, 2026, was constructed at the start of the conflict between the United States and Iran. Given the significant uncertainty and heightened volatility characteristic of that period, AIMS implemented a defensive calibration. The prior portfolio maintained a net exposure of 60.3%, reflecting a cautious stance that utilized active short positions to mitigate potential downside risks.

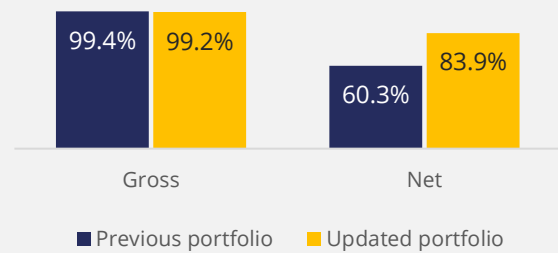
On May 8, 2026, AIMS executed a rebalancing to initiate a new portfolio cycle extending through early August. In response to the macro-economic and geopolitical developments and upcoming events, AIMS has increased its dependence on broader market performance by raising the net exposure to 83.9%. This shift from a defensive to a more constructive orientation is designed to capitalize on stabilizing global trade relations. To manage the elevated volatility, AIMS has increased the total number of positions to fifteen to limit idiosyncratic risks and has incorporated two tactical short positions to profit from and hedge against specific factor decay.

The following sections will provide an analysis of the prior cycle's performance and the multi-factor methodology underlying the current strategic allocation.

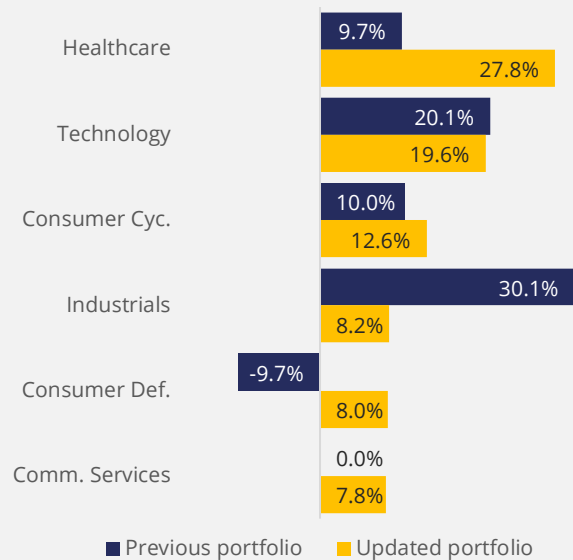
Performance - portfolio return

Annualized +20.6%

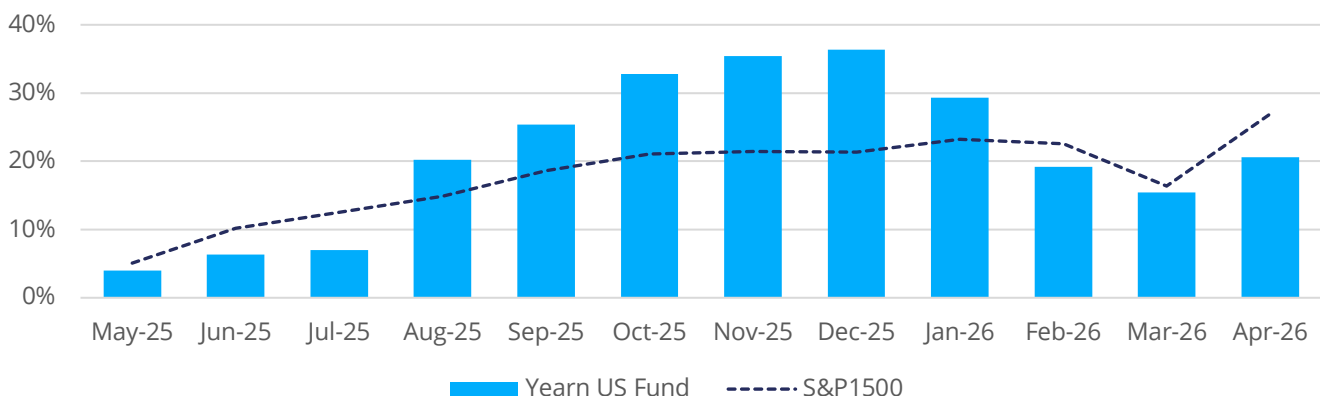
Updated portfolio exposure (gross & net)



Updated sector allocation (net)



Cumulative return Yearn US Fund since launch



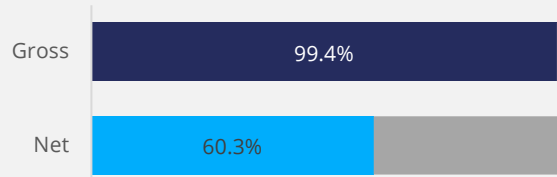
Recap previous portfolio - Starting exposure & positions

For the March–May 2026 cycle, AIMS constructed a portfolio specifically calibrated to navigate heightened volatility arising from geopolitical friction and domestic economic ambiguity. The overarching strategy utilized a combination of long and short positions across diverse sectors, designed to capture alpha from individual corporate factors while shielding capital from the systemic stress and geopolitical risks prevalent during the period.

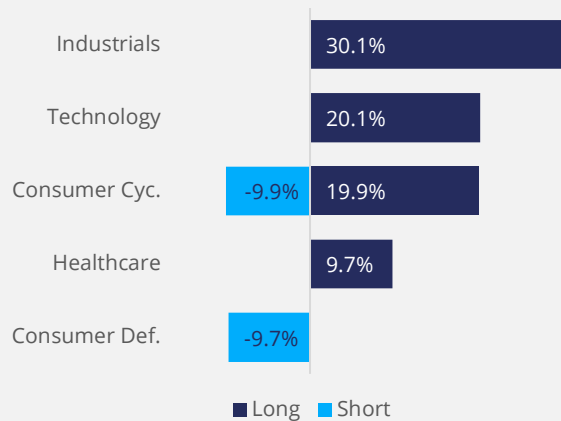
The portfolio architecture featured a balanced allocation comprising ten unique stocks. This composition maintained a combination between offensive and defensive holdings, engineered to participate in potential market recoveries while remaining resilient during downturns. Tactical short positions functioned as essential hedges, purposefully integrated to dampen the impact of broader market negativity and minimize drawdowns during periods of increased geopolitical tension.

Long positions were allocated to companies demonstrating superior fundamental strength relative to their industry peers. Conversely, short positions were assigned to entities with substantially lower factor scores to serve as a tactical counterweight. This approach allowed the AIMS to isolate stock-specific upside while partially neutralizing the systemic risks inherent in the unpredictable macroeconomic environment.

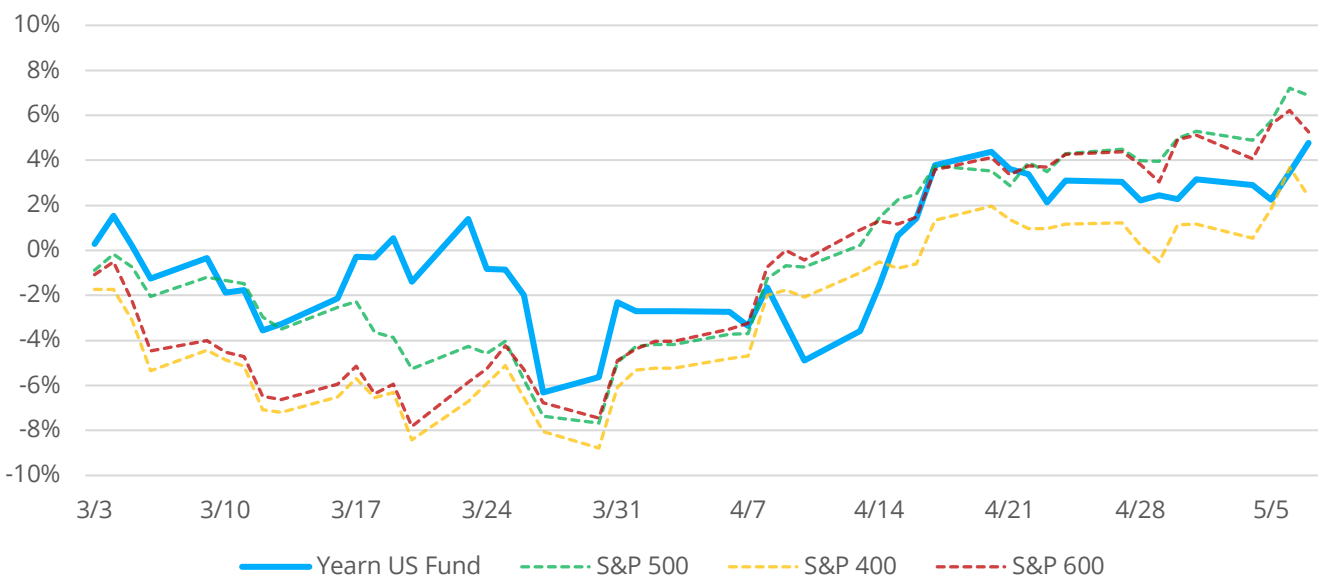
Previous starting exposure



Previous sector starting allocation



Cumulative returns previous portfolio



Recap previous portfolio - performance & analysis

The performance of the previous portfolio cycle was characterized by the US-Iran conflict and single stock performance. During the period, the Yearn US Fund was able to limit the downside risks of the conflict in the first month, due to the mix of defensive and offensive stocks as well as selective short positions. In the second part of the cycle, the fund was able to gain momentum during the market recovery, despite the lower net exposure. The most meaningful contributions are stated below.

First Advantage Corporation was the top performer, gaining +34.0% and contributing +3.13 percentage points as strengthening enterprise hiring demand drove a major rerating of the employment background screening company. PENN Entertainment, Inc. was also a notable contributor, returning +12.9% and contributing +1.32 percentage points to portfolio return over the period. PENN's Q1 2026 earnings were exceptional: the company reported EPS of \$0.11, a 131.6% beat versus consensus expectations, driven by record retail EBITDA margins of 33.2% and accelerating iCasino revenues. Retail segment revenue reached \$1.4 billion in Q1, supported by strong visitor volumes and higher spend-per-visit, the largest theoretical revenue increase in three years.

Clear Secure, Inc. surged +21.7% (contributing +2.13 pp) after reporting Q1 CY2026 revenue of \$253 million, up 19.7% year-on-year, hitting a new 52-week high. The short in Genuine Parts Company proved valuable as the stock declined -10.3%, contributing +1.03 percentage points to the return. On the negative side, Axon Enterprise, Inc. fell -25.4% and subtracted -2.60 percentage points, as elevated valuations in the defense-tech space came under pressure. Recursion Pharmaceuticals, Inc. declined -9.9% (contributing -0.83 pp), though the company continued to make meaningful progress on its AI-driven drug discovery platform, including a clinical pipeline backed by over \$500 million in partner commitments from Sanofi and Roche.

Overall, the previous portfolio demonstrated the capacity to generate return in a volatile and directionally mixed market environment. Positive contributions from the Consumer Cyclical and Technology sectors outweighed isolated detractors, and the shorts provided meaningful risk management during the turbulent weeks of March. This performance validates the stock-selection framework underpinning the Fund.

Previous portfolio - performance of individual positions

Symbol	Name	Sector	Industry	Market cap.	Avg. weights	Return	Contribution
FA	First Advantage Corporation	Industrials	Specialty Business Services	small	9.9%	34.0%	3.1%
YOU	Clear Secure, Inc.	Technology	Software - Application	mid	10.6%	21.7%	2.1%
PENN	PENN Entertainment, Inc.	Consumer Cyc.	Gambling, Resorts & Casinos	small	10.4%	12.9%	1.3%
GPC	Genuine Parts Company	Consumer Cyc.	Specialty Retail	large	-9.2%	-10.3%	1.0%
CAVA	CAVA Group, Inc.	Consumer Cyc.	Restaurants	mid	10.9%	7.6%	0.9%
GCT	GigaCloud Technology Inc.	Technology	Software - Infrastructure	small	10.4%	-0.4%	0.1%
MGPI	MGP Ingredients, Inc.	Consumer Def.	Beverages - Wineries & Distilleries	small	-9.8%	0.2%	0.0%
ARLO	Arlo Technologies, Inc.	Industrials	Security & Protection Services	small	9.5%	-2.6%	-0.2%
RXRX	Recursion Pharmaceuticals, Inc.	Healthcare	Biotechnology	small	9.3%	-9.9%	-0.8%
AXON	Axon Enterprise, Inc.	Industrials	Aerospace & Defense	large	7.8%	-25.4%	-2.6%

Outlook updated portfolio - exposure & positions

AIMS has constructed a long-biased orientation for the coming portfolio cycle, based on a multi-factor assessment. While persistent economic uncertainty regarding inflation and sector-specific valuations remains, the system projects that specific industries retain significant upward potential driven by fundamental momentum and quality metrics.

The portfolio's core allocation is determined by high Quality and Profitability factor scores. Alphabet Inc., Atlassian Corporation, and Omnicell, Inc. are included due to sustained balance sheet strength and dominant market positions. This is complemented by Garrett Motion Inc. and The Vita Coco Company, Inc., which demonstrate a high Quality-Valuation overlap. These equities offer defensive characteristics.

High-beta Sentiment serves as a secondary selection criterion for several offensive positions. Xometry, Inc., MannKind Corporation, NovoCure Limited, and Viridian Therapeutics, Inc. are selected based on concentrated catalyst strength, including the Siemens strategic partnership for Xometry, Inc. and a series of regulatory

PDUFA dates for MannKind Corporation and NovoCure Limited. These positions are anticipated to decouple from broader macro volatility due to stock-specific momentum. Furthermore, Cloudflare, Inc., DigitalOcean Holdings, Inc., and EverQuote, Inc. are positioned to capture valuation re-ratings as they transition through operational pivots. Bloomin' Brands, Inc. is included as a primary Valuation play, providing risk-mitigation through its current discount to peer-group multiples.

The system has designated marginal short positions in CDW Corporation and Installed Building Products, Inc. based on observed factor decay. CDW Corporation currently exhibits negative Profitability and Sentiment signals following significant gross margin compression. Installed Building Products, Inc. is shorted due to weakening Momentum in the residential construction sector, where falling installation volumes are projected to impact quarterly earnings through August.

By diversifying across multiple industries and prioritizing high-conviction factor signals, the portfolio aims to outperform the benchmark in the coming period.

New positions updated portfolio

Symbol	Name	Sector	Industry	Market cap.	Weights
XMTR	Xometry, Inc.	Industrials	Industrial - Machinery	mid	8.1%
MNKD	MannKind Corporation	Healthcare	Biotechnology	small	8.0%
GTX	Garrett Motion Inc.	Consumer Cyc.	Auto - Parts	mid	8.0%
BLMN	Bloomin' Brands, Inc.	Consumer Cyc.	Restaurants	small	8.0%
EVER	EverQuote, Inc.	Comm. Services	Internet Content & Information	small	8.0%
GOOGL	Alphabet Inc.	Technology	Internet Content & Information	large	8.0%
OMCL	Omnicell, Inc.	Healthcare	Medical - Healthcare Information Services	small	8.0%
COCO	The Vita Coco Company, Inc.	Consumer Def.	Beverages - Non-Alcoholic	mid	7.9%
TEAM	Atlassian Corporation	Technology	Software - Application	large	6.2%
NVCR	NovoCure Limited	Healthcare	Medical - Instruments & Supplies	small	6.0%
VRDN	Viridian Therapeutics, Inc.	Healthcare	Biotechnology	mid	5.9%
NET	Cloudflare, Inc.	Technology	Software - Infrastructure	large	5.9%
DOCN	DigitalOcean Holdings, Inc.	Technology	Software - Infrastructure	mid	4.0%
CDW	CDW Corporation	Technology	Information Technology Services	large	-3.9%
IBP	Installed Building Products, Inc.	Consumer Cyc.	Residential Construction	mid	-4.0%

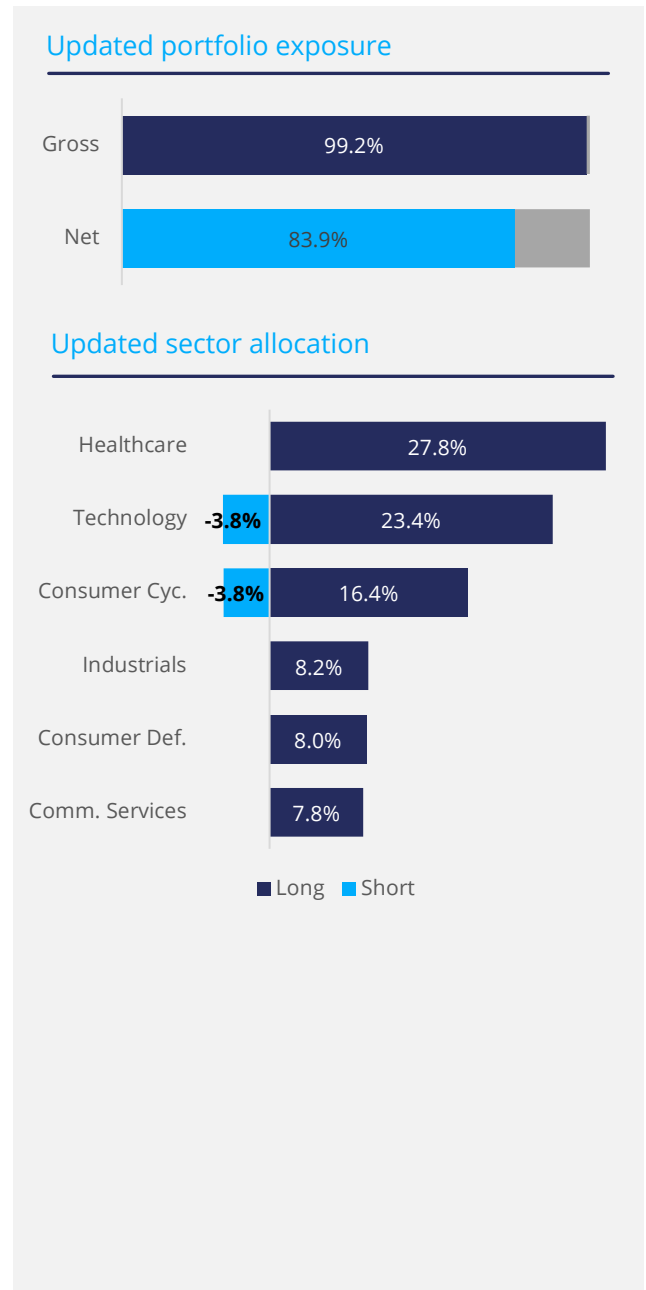
Outlook updated portfolio - exposure & positions

The selected stocks result in a portfolio with a gross exposure of 99.2% and a net exposure of 83.9%. This net exposure reflects the system's constructive assessment of the market's upward potential, balanced against the anticipated volatility resulting from the potential shift in the Federal Reserve's policy path and the ongoing US-Iran conflict. The decision to maintain a high net exposure is supported by the stabilizing influence of the anticipated US-Iran de-escalation and the progress in US-China trade talks, which have historically bolstered investor confidence in global industrial and technology sectors.

As volatility is expected to remain at an elevated level, AIMS has strategically increased the number of stocks within the portfolio to fifteen. This expansion is designed to dilute idiosyncratic risks, ensuring that the performance of the portfolio is less impacted by the volatility of any single holding. This level of diversification was made possible by the presence of strong factor scores across multiple industries, allowing for a robust selection process.

The primary performance objective for this cycle is to achieve a measurable outperformance against the benchmark index. The system anticipates that the portfolio will capitalize on its single stock performance and a relatively high net exposure during positive market trends facilitated by reduced geopolitical friction.

Concurrently, the focus on high-quality balance sheets and strategic sector diversification is intended to limit downside risk relative to the benchmark in negative scenarios. This dual-objective structure aims to provide a superior risk-adjusted return profile throughout the anticipated portfolio cycle.



Interested in Yearn US Fund?

We would be pleased to invite you for a personal meeting to discuss your investment objectives and answer any questions regarding Yearn US Fund. You will receive the full Information Memorandum and Key Information Document for your due diligence after our personal meeting.

The Fund's most important characteristics are shown to the right for your convenience. Feel free to reach out if you have any remaining questions regarding our previous portfolio or upcoming portfolio.

Contact information



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Characteristics – Yearn US Fund

Structure	Fonds voor Gemene Rekening
Style	Long-bias equity No leverage
Approach	Systematic multi-factor strategy
Valuta	USD Deposits in EUR accepted
Launch fund	05-05-2025
Bloomberg / ISIN	YEARNUSNA / NL0015002JL3

Investments

Minimum deposit	\$ 150,000	R-class
	\$ 500,000	L-class
	\$ 1,000,000	F-class
Liquidity	March, May, August & November	
Notice period	5 workdays	
Minimum lock-up	12 months	

Fees and costs

Management fee	2%	
Performance fee	20% (8% hurdle)	R-class
	10% (9% hurdle)	L-class
	0%	F-class
Fund fees	± 0.5% (dependent on total AUM)	
Deposit fee	0%	
Redemption fee	0.25%	

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