



## VCAFX Q1 2025 Commentary

# Connetic Venture Capital Access Fund Quarterly Update

as of March 31, 2025

Ticker: VCAFX | CUSIP: 208191106

## Performance Snapshot (As of March 31, 2025)\*

Time Period	Connetic Venture Capital Access Fund	Russell 2000 Index
Month to Date	-0.40%	-6.99%
Quarter to Date	0.80%	-9.79%
Year to Date	0.80%	-9.79%
1 Year		
3 Year		
Since Inception (Annualized)	2.05%	-8.34%

*\*Returns quoted are net of fees. The performance data quoted represents past performance and is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Returns assume reinvestment of dividends and capital gains. Some of the Fund's fees were waived or expenses reimbursed; otherwise, returns would have been lower. The Fund's total expenses for the first fiscal year are estimated to be 3.08% and include, but are not limited to, all initial and ongoing Fund offering expenses, valuation, custody, transfer agency and administration, accounting, legal, and auditing fees of the Fund for its first fiscal year. The Adviser has contractually agreed to waive fees and/or reimburse expenses such that total expenses do not exceed 2.65%. The contractual expense limitation will remain in effect until September 30, 2025. Net expenses are applicable to investors. For most recent month-end performance, please visit our [Fund Website](#).*

## Manager Commentary

This quarter, the Connetic Venture Capital Access Fund navigated a complex venture landscape marked by capital concentration, cautious investors, and shifting geopolitical winds. Highlights included OpenAI's record-breaking \$40B raise, a drop in pre-seed and seed deal activity, and renewed investor interest in select frontier technologies despite overall market pullback. We focused on capital-efficient, early-stage opportunities outside traditional venture capital (VC) hubs and maintained our approach of identifying high-potential founders and startups often overlooked by legacy venture channels. Our outlook for the coming quarters considers both the risk of prolonged liquidity constraints and the opportunity to back promising startups at attractive entry points. We aim to deliver long-term capital growth for our fund shareholders through disciplined, differentiated investing, while offering resilience for individual investors in today's uncertain macro environment.

We believe that periods of market fear often present the best entry points for long-term investors. With public markets volatile and many venture firms pulling back, Connetic leaned into its strengths: sourcing high-quality deals in undercapitalized geographies like Kansas City and Mexico City, and in overlooked sectors such as fitness tech. Investing early at favorable valuations and partnering with resilient founders positions us for long-term upside as the cycle resets. This quarter we reported an all-time high net asset value of \$10.25 on February 20, 2025, representing a normalized total return percentage of 2.50%. Looking ahead, we remain focused on companies with durable business models, efficient growth strategies, and strong founder-market fit—whether they're building in emerging regions or distinguishing themselves in competitive hubs. Ultimately, we aim to be a long-term partner to founders we believe are poised for enduring success benefiting their businesses and for our fund.



## VCAFX Q1 2025 Commentary

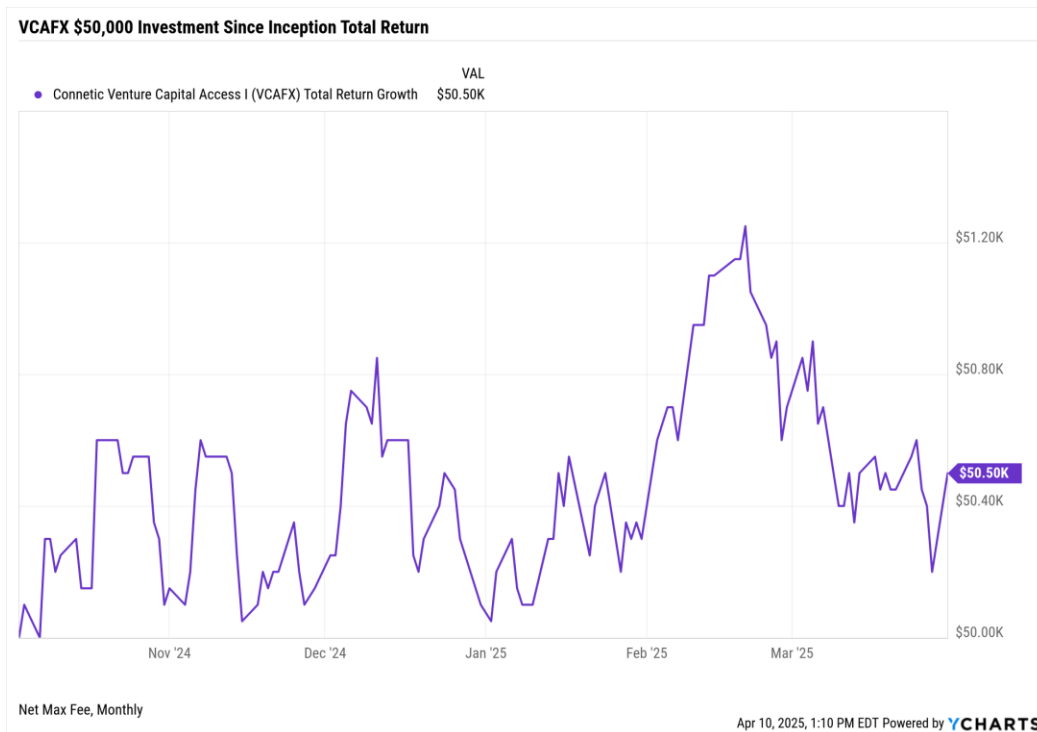
### Portfolio Management Opportunity with VCAFX

Since its inception in October 2024, the Connetic Venture Capital Access Fund (VCAFX) has delivered positive net returns, simulating a \$50,000 investment made on inception, we can see a potential growth to \$50,500 as of March 31, 2025. This steady performance, achieved during a period of heightened public market volatility, underscores the value of incorporating early-stage private market exposure into diversified portfolios.

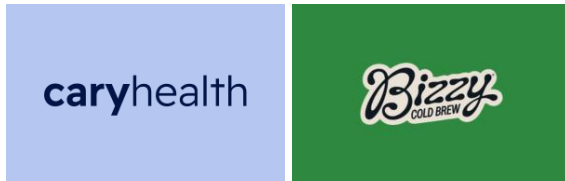
For advisors, VCAFX represents a low-friction, interval fund solution that offers clients exposure to the historically strong return potential of venture capital—without the illiquidity, high minimums, or administrative complexity of traditional private funds. In an environment where both stocks and bonds are under pressure, advisors are seeking new tools to reduce portfolio correlation, smooth volatility, and access differentiated sources of growth. VCAFX is designed to do just that.

Structured as a 40 Act registered interval fund, VCAFX provides access to a curated portfolio of early-stage startups sourced from across North America, with a focus on capital-efficient businesses and overlooked geographies. The fund's NAV has remained stable through Q1 2025, a testament to disciplined underwriting, diversified deal flow, and a commitment to long-term value creation.

For clients, this means a thoughtful way to participate in the innovation economy without needing to navigate the intricacy of private markets directly. Whether used as a strategic satellite allocation or a long-term growth sleeve, VCAFX is built to complement traditional portfolio construction and help clients stay invested with confidence.



## Top 10 Holdings and Fund Allocation (as of March 31, 2025)



### Cary Health

CaryHealth improves patient outcomes with innovative pharmaceutical solutions

### Bizzy Cold Brew

Bizzy manufactures top quality cold brew coffee products

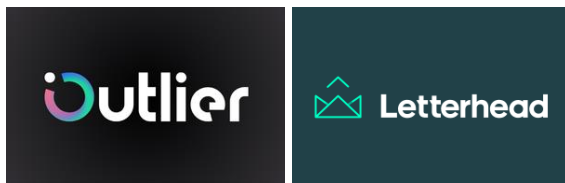


### Passage

Online ticketing, mobile box-office and POS solution

### Ottonomy

Level 4 autonomous delivery robots

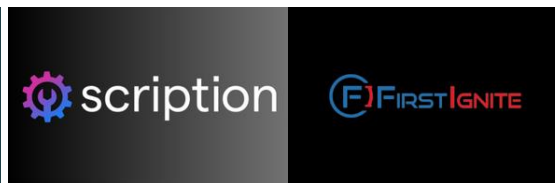


### Outlier

The first sports betting super app

### Letterhead

Letterhead makes it easy to create, send, and monetize great newsletters at scale, automatically



### Scription

Fixed-fee repair & maintenance that drives uptime and cost certainty for restaurants.

### FirstIgnite

FirstIgnite develops AI-powered business development tools for Scientific Organizations



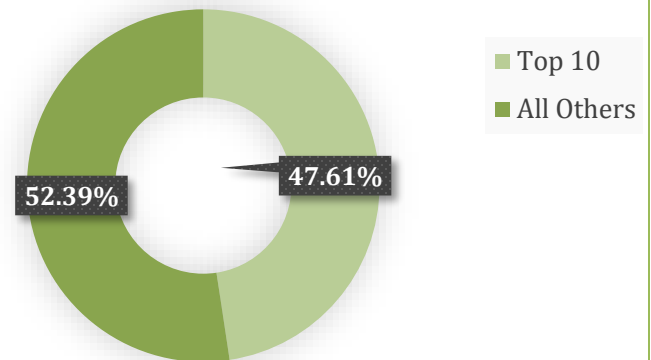
### 409ai

Automated business valuations.

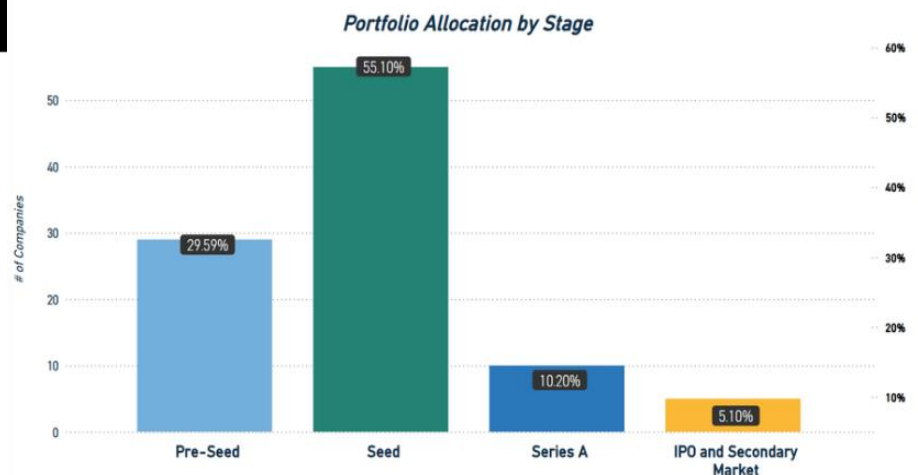
### MASV

MASV is large file transfer, simplified

## Fund Holdings Value Allocation



Represents 52% of Total Fund Holdings (excluding cash) as of 3/31/2025. Holdings and Sector Allocations subject to change. To view the Fund's complete holdings, visit [Holdings](#).



For illustrative purposes only. It does not represent the valuation of any actual investment. It should not be considered investment advice or a forecast or guarantee of future results.

## Fund Portfolio Activity as of March 31, 2025

### New Investments



Company: [Abra](#)

Location: Charlotte, NC

Deal Lead: JD Audena

Invested: January 29, 2025

Description: Empowers organizations to maximize vendor performance and reduce costs by aligning teams, enforcing commitments, and ensuring vendors deliver on their promises.

*Abra found us thanks to a recommendation from one of our portfolio founders.*



Company: [Kigui](#)

Location: Mexico City, MX

Deal Lead: JD Audena

Invested: January 30, 2025

Description: Reducing food waste with solutions for food suppliers and retailers. Their innovative approach helps companies minimize waste and optimize their supply chain through advanced technology and actionable insights.

*Kigui found us organically through Wendal®.*



Company: [Drypowder](#)

Location: Overland Park, KS

Deal Lead: JD Audena

Invested: February 7, 2025

Description: Building enterprise-grade financial infrastructure for foundational industries like hardware and building materials, leveraging a unique combination of deep industry knowledge and enterprise fintech expertise.

*Drypowder was the winner of a Connetic sponsored, [Venture135](#) pitch competition where all participating startups were evaluated by Wendal®.*

Company: [MedicaidSoft](#)



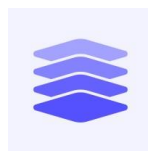
Location: Farmington, UT

Deal Lead: Chris Hjelm

Invested: February 18, 2025

Description: Streamlines every step of the Medicaid application process for professionals and businesses.

*MedicaidSoft was the winner of a Connetic sponsored, [Utah Tech Week](#) pitch competition where all participating startups were evaluated by Wendal®.*



Company: [Stacks](#)

Location: Marietta, GA

Deal Lead: JD Audena

Invested: March 20, 2025

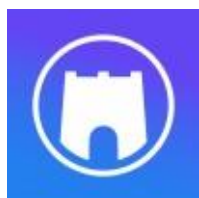
Description: For small business owners, creators, and influencers who want to give their followers more than just a link. Stacklist combines Pinterest-style visuals with the insight of Google Reviews, allowing users to create a memorable experience for their community.

*Stacklist was introduced to our team during an event in August of 2024. We followed his progress and invited him to engage with Wendal® 6 months later.*

## Follow-On Investments



Company: [Scription](#)  
Location: Edmonton, AB  
Deal Lead: Chris Hjelm  
Invested: January 10, 2025  
Round Details: *Scription raised \$7M in capital through a preferred equity financing round led by [Inter-Atlantic Stonybrook Insurtech Ventures](#).*  
Initial Investment: November 2022



Company: [1Fort](#)  
Location: New York, NY  
Deal Lead: Chris Hjelm  
Invested: January 10, 2025  
Round Details: *1Fort raised \$7.5M in capital through a preferred equity financing round led by [Bonfire Ventures](#).*  
Initial Investment: June 2022



Company: [86 Repairs](#)  
Location: Chicago, IL  
Deal Lead: Chris Hjelm  
Invested: March 19, 2025  
Round Details: *Eighty-Six Repairs raised \$2M with all existing investors participating to capitalize on partnership with a \$3B distributor that is opening a new sales channel.*  
Initial Investment: June 2021



Company: [ParkPay USA](#)  
Location: Cincinnati, OH  
Deal Lead: Brad Zapp  
Invested: March 25, 2025  
Round Details: *Impressed by the team's continued progress and engagement in our community, we increased our investment.*  
Initial Investment: December 2025



Company: [Nonsense](#)  
Location: Salt Lake City, UT  
Deal Lead: Chris Hjelm  
Invested: March 31, 2025  
Round Details: *We had the opportunity to invest additional funds to support rollout of product across Asia and other international markets where language learning and educational apps generate 3-4x revenue as the US market.*  
Initial Investment: February 2023



## VCAFX Q1 2025 Commentary

### Investment Pipeline

Despite the broader market slowdown, our deal flow remained strong and diversified in Q1 2025. Through our proprietary platform, Wendal®, we received applications from 506 companies across 37 U.S. states, highlighting the geographic breadth of entrepreneurial activity outside traditional venture hubs. In addition to inbound applications, we reviewed nearly twice that number of additional opportunities through referrals and direct sourcing efforts—spanning both new investments and follow-on opportunities within our existing portfolio. As of quarter-end, we had 24 new companies in active diligence, along with approximately 10 follow-on investments under evaluation, representing a robust pipeline of 34 deals. This consistent flow of high-quality opportunities enables us to remain selective, focusing our efforts on startups that align with our long-term investment thesis and demonstrate the potential for attractive impact and returns.

### Valuation Movement

#### Total Positions:

149

Net Valuation Change:

24

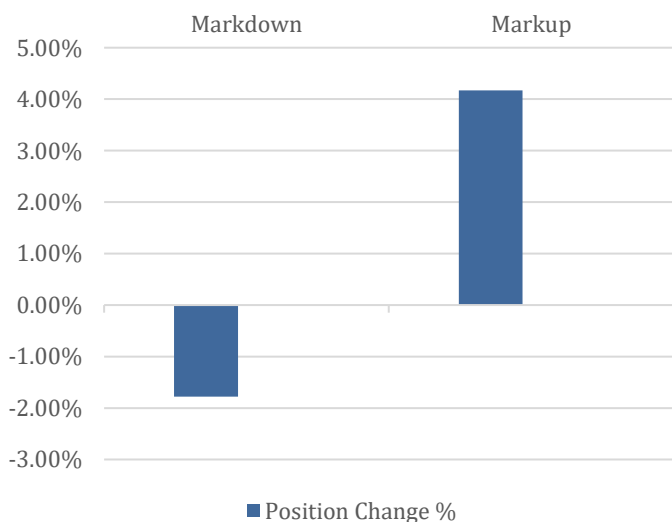
#### Total Fund Value:

\$38,576,034

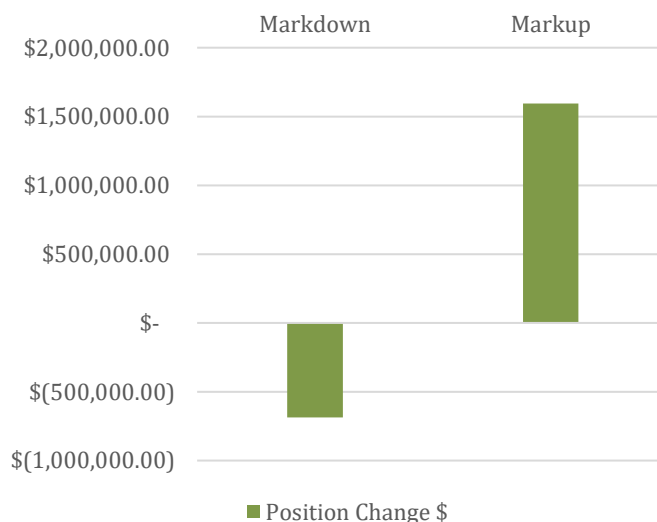
Net Valuation Change:

\$1,001,260

Q1 25 Percent of Total Positions Impacted



Q1 25 Total Position Change Dollar Value





## VCAFX Q1 2025 Commentary

### Selected News from the Portfolio

- [1Fort Raises \\$7.5M to Transform Business Insurance with AI](#)
- [CaryHealth Partnership Announcement with Otsuka Precision Health](#)
- [Ottonomy Launches Trial of Service Robots at Munich Airport](#)
- [Campus Ink Opens its 110th Store](#)

### M&A Activity

We are not reporting any M&A activity within our portfolio this quarter.

### Distribution Activity

#### Fund Flows

During the first quarter of 2025, the Fund generated inflows of nearly \$600K. This positive capital activity reflects continued momentum in investor subscriptions and ongoing demand for diversified access to early-stage venture opportunities.

#### Custodial Platform Access and RIA Distribution

In Q1 2025, we made meaningful progress expanding the Fund's availability across leading RIA custodial platforms. We are currently engaged with a major national custodian and expect to provide a formal update on this relationship in Q2 2025.

As of March 31, 2025, the Fund is actively available for trading and custody on the following platforms:

- [Axos Advisor Services](#)
- [SEI Trust Company](#)
- [Matrix Trust Company](#)
- [Inspira Financial](#)

Expanding platform access remains a key part of our broader distribution strategy to increase the Fund's reach among wealth managers, RIAs, and advisory platforms nationwide.





## VCAFX Q1 2025 Commentary

### Business Travel and Market Engagement

#### Q1 2025 Travel Highlights

In the first quarter of 2025, members of the team actively engaged with key stakeholders across the venture, asset management, and RIA communities:



- [UAG Conference](#) – Scottsdale, AZ – In February, Brad presented to an audience of \$1B+ AUM Registered Investment Advisors, highlighting the Fund's opportunity to facilitate alternative asset allocation strategies.



- [Future Proof Miami](#) – Miami, FL – In March, Brad joined thousands of RIAs, financial advisors, family offices, institutional LPs, UHNW investors, wealth management executives, GPs, asset managers, PE, VC, fintechs, and media for a transformative four-day, citywide experience
- [Utah Tech Week](#) – Salt Lake City, UT – In January, Chris returned to Salt Lake City to sponsor the Utah Tech Week pitch competition where all competing startups were evaluated by Wendal. The finalists pitched live before a panel of judges including Chris, SLC tech investors and operators.

#### Q2 2025 Recent Activity



- [Southeast Venture Showcase](#) – Nashville, TN – In April, Chris Hjelm participated in the showcase, meeting early-stage startups and co-investors from across the Southeast.
- [NY Fintech Week](#) – New York, NY – In April, JD Audena participated in a Reverse Investor Pitch informing the audience of our differentiated investment process leveraging Wendal and engaged directly with fintech founders, fintech investors, and experts during the week's events.

#### Upcoming Travel (Q2 2025)

The team is considering and scheduled to attend in several events in the coming months:

- St. Louis, MO — [InvestMidwest](#) (May 6–7, 2025)
- Columbus, OH — [Ohio Tech Summit](#) (May 8, 2025)
- Boston, MA – (May 21–26, 2025)
- Denver, CO — [Denver Venture Capital Summit](#) (May 29, 2025)
- New York, NY — [New York Tech Week](#) (June 2–6, 2025)
- Atlanta, GA — [Atlanta Tech Week](#) (June 8–10, 2025)
- Charlotte, NC — [Fintech Generations / Insurtech](#) (June 11–12, 2025)
- French Lick, IN – [Great Lakes Venture Summit](#) (June 25–26, 2025)

#### Call for Recommendations

We welcome any recommendations for potential connections, upcoming events, or local experiences in the cities listed above. Shared introductions, strategic referrals, and industry insights are always appreciated as we continue to expand our network across the venture, RIA, and asset management ecosystems.





## VCAFX Q1 2025 Commentary

### Closing Remarks

Thank you for your continued trust in Connetic RIA and the Connetic Venture Capital Access Fund. In a market shaped by caution we remain committed to taking a differentiated path where we believe there is value to be captured. The 2008–2009 Great Recession was also a cautious time, and a couple of now-famous companies launched and struggled to find investors. The founders of Airbnb famously had to sell novelty cereal boxes (“Obama O’s”) to keep the lights on. Only a few contrarian investors saw the early potential and were smart enough to invest. Uber is another example; the concept of on-demand rides was far from a sure bet at the time. Yet the small group of investors who joined its seed and Series A rounds circa 2009–2010 when many still doubted ended up backing one of the largest tech companies of the decade. If you liked those examples or are interested in more, you might enjoy reading this: [13 Massive Companies Started During a Recession](#).

We see this as a moment to lean into the market, leveraging our proprietary technology to back high potential founders early, source opportunities beyond the legacy processes, and invest in companies building for more prosperous times. As we look ahead, we are energized by the opportunities available in this environment and remain focused on building value alongside great founders, investors, and partners who hope to capture that value over the long term.

### Contact Us

Website: [www.conneticventures.com/vcafx](http://www.conneticventures.com/vcafx)

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### Disclosures

The Fund was organized as a Delaware statutory trust on September 11, 2023. The Fund acquired all the assets and liabilities of 908 Investments LLC (the “Predecessor Fund”), a private fund that merged into the Fund, in a tax-free reorganization on October 2, 2024 (the “Reorganization”). In connection with the Reorganization, interests in the Predecessor Fund were exchanged for Class I Shares of the Fund. The Predecessor Fund had an investment objective and strategies that were, in all material respects, similar to those of the Fund and were managed in a manner that, in all material respects, complied with the investment guidelines and restrictions of the Fund. Connetic RIA LLC (the “Adviser” or “Connetic Ventures”) managed the Predecessor Fund.

The Fund is a diversified, closed-end management investment company designed for long-term investors. The Fund is neither a liquid investment nor a trading vehicle. You should not invest in the Fund if you need a liquid investment. Closed-end funds differ from open-end management investment companies (commonly known as mutual funds) in that investors in a closed-end fund do not have the right to redeem their shares daily.

The Fund intends to primarily invest in securities of private, early-stage, venture-backed growth companies. There are significant potential risks relating to investing in such securities. Because most of the securities in which the Fund invests are not publicly traded, the Fund’s investments will be valued by the Adviser pursuant to fair valuation procedures and methodologies adopted by the Board of Trustees, as set forth in the prospectus. As a consequence, the value of the securities, and therefore the Fund’s Net Asset Value (“NAV”), may vary. There are significant potential risks associated with investing in private, venture capital investments with complex capital structures. The Fund focuses on creating a large, diversified portfolio in an attempt to reduce risk compared to a smaller, concentrated portfolio. There is a greater focus in technology securities that could adversely affect the Fund’s performance. The Fund’s quarterly repurchase policy may require the Fund to liquidate portfolio holdings earlier than the Adviser would otherwise do so and may also result in an increase in the Fund’s expense ratio. Portfolio holdings of private companies that become publicly traded likely will be subject to more volatile market fluctuations than

when private, and the Fund may not be able to sell shares at favorable prices. Such companies frequently impose lock-ups that would prohibit the Fund from selling shares for a period after an initial public offering ("IPO"). Market prices of public securities held by the Fund may decline substantially before the Adviser is able to sell the securities. Certain conflicts of interest involving the Fund and its affiliates could impact the Fund's investment returns and limit the flexibility of its investment policies. This is not a complete enumeration of the Fund's risks.

Please read the Fund prospectus for other risk factors related to the Fund.

- The Fund has no intention to repurchase Shares outside of these quarterly repurchase offers that will begin in April 2025, and these repurchase offers may be oversubscribed.
- If you tender your Shares for repurchase as part of a repurchase offer that is oversubscribed (*i.e.* because more than 5% of the Fund's outstanding Shares are tendered for repurchase), the Fund will redeem only a portion of your Shares.
- Because Shares are not listed on a securities exchange, and the Fund will only offer to redeem no less than 5% of its outstanding Shares four times a year, you should not expect to be able to sell your Shares when and/or in the amount desired, regardless of how the Fund performs. As a result, you may be unable to reduce your exposure to the Fund during any market downturn.
- The Fund is designed for long-term investors. An investment in the Fund may not be suitable for you if you need the money you invest within a specified period.
- The amount of distributions the Fund may pay, if any, is uncertain. A portion or all of Fund distributions may consist of a return of capital. Any capital returned to shareholders through a distribution will be distributed after payment of fees and expenses. A return of capital distribution will not be taxable but will reduce the shareholder's cost basis and result in a higher capital gain or lower capital loss when those shares on which the distribution was received are sold. Once a shareholder's cost basis is reduced to zero, further distributions will be treated as capital gain if the shareholder holds shares of the Fund as capital assets.
- The Fund may pay distributions in significant part from sources that may not be available in the future and that are unrelated to the Fund's performance, such as from offering proceeds, borrowings, and amounts from the Fund's affiliates that are subject to repayment by investors.
- The Fund's investments may require several years to appreciate in value, and there is no assurance that such appreciation will occur.
- Investing in the Shares may be speculative and involve a high degree of risk, including the risks associated with venture capital investing and the potential loss of your entire investment.

*The Fund's investment objectives, risks, charges, and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company. Please read it carefully before investing. A hard copy of the prospectus can be requested by calling 1-800-711-9164.*

Connetic Ventures offers investment advisory services and is registered with the U.S. Securities and Exchange Commission ("SEC"). SEC registration does not constitute an endorsement of the advisory firm by the SEC nor does it indicate that the advisory firm has attained a particular level of skill or ability. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser. Form ADV Part 2A & 2B can be obtained by visiting: <https://adviserinfo.sec.gov> and search for our firm name. The material above has been provided for informational purposes only and is not intended as legal, tax or investment advice or a recommendation of any particular security or strategy. The investment strategy and themes discussed herein may be unsuitable for investors depending on their specific investment objectives and financial situation.

**More about Wendal:** Using technology like Wendal® may limit the pool of potential portfolio companies in that the analysis performed is only done on companies that apply. Incomplete, erroneous, limited data, coding and logic errors could lead to incomplete analyses or incorrect recommendations, affecting the Fund's decision-making process. There is a risk that the technologies might not perform as expected in different or changing market conditions.

**GLOSSARY OF TERMS:** The **Russell 2000** is a stock market index that measures the performance of approximately 2,000 small-cap companies in the United States. It is a subset of the broader Russell 3000 Index, comprising the smallest 2,000 stocks by market capitalization. The Russell 2000 is widely regarded as a benchmark for small-cap U.S. stocks and is often used to gauge the health of the small business sector of the American economy.