



VCAFX Q3 2025 Commentary

Connetic Venture Capital Access Fund Quarterly Update

as of September 30, 2025

Ticker: VCAFX | CUSIP: 208191106

Performance Snapshot (as of 09/30/2025) *

Time Period	Connetic Venture Capital Access Fund	S&P 500 Index
Month to Date	-0.48%	3.48%
Quarter to Date	1.66%	8.09%
Year to Date	4.09%	14.57%
1 Year		
3 Year		
Since Inception	4.30%	17.15%

**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 fiscal year are estimated to be 3.76% 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. 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 July 31, 2026. Net expenses are applicable to investors. For the most recent month-end performance, please see our Fact Card available at [Fund Website](#).*

Manager Commentary

This quarter, the Connetic Venture Capital Access Fund navigated a complex but improving market landscape. Global equities continued to climb, driven by resilient U.S. growth, moderating inflation, and early signs of policy normalization. Yet beneath the surface, private markets remained bifurcated, buoyant at the top, subdued at the foundation.

Valuations in public markets remain stretched, with **forward price-to-earnings ratios**— a measure comparing a company's current stock price to analysts' expected earnings over the next 12 months — **hovering above 20x**. The top ten companies represent nearly **35% of index market value, increasing concentration risk**. This environment favors investors who can commit **patient, non-levered capital to growth assets with intrinsic value creation potential**.

Venture capital is adapting to this new normal. According to PitchBook-NVCA, **\$80.9 billion was deployed** across roughly **4,200 U.S. deals** in Q3, the strongest pace since 2022, and **exit activity improved to \$74.5 billion**. While **artificial intelligence** continues to dominate headlines, **representing 64% of venture value** but only 37% of deal flow, we believe attractive opportunities lie at the edges of that ecosystem getting a lot less attention.

Our focus remains on founders applying technology pragmatically to improve workflows, infrastructure, and real-world productivity, not simply chasing scale. These opportunities help **diversify AI concentration** while positioning the portfolio to potentially **benefit from its broader economic ripple effects**. As rates and the exit environment gradually stabilize, we believe this disciplined, data-driven



VCAFX Q3 2025 Commentary

approach will define the next phase of venture success. By maintaining exposure to the **earliest**, private-market growth that is **uncorrelated, asymmetric, and structurally long innovation**, VCAFX continues to seek the enduring **compounding opportunities** that follow.

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 \$52,150 as of September 30, 2025**. This performance 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 that may reduce portfolio correlation—that is, how closely different investments tend to move in the same direction—smooth volatility, and access differentiated sources of growth. VCAFX seeks to provide just that.

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.

VCAFX \$50,000 Investment Since Inception Total Return



Net Max Fee, Monthly

Oct 16, 2025, 11:45 AM EDT Powered by YCHARTS

This chart illustrates the performance of a hypothetical \$50,000 investment made in the Fund Class I Shares since its inception on 10/02/2024. It assumes reinvestment of dividends and capital gains. This chart does not imply any future performance.

Top 10 Holdings* and Fund Allocation (as of 09/30/2025)

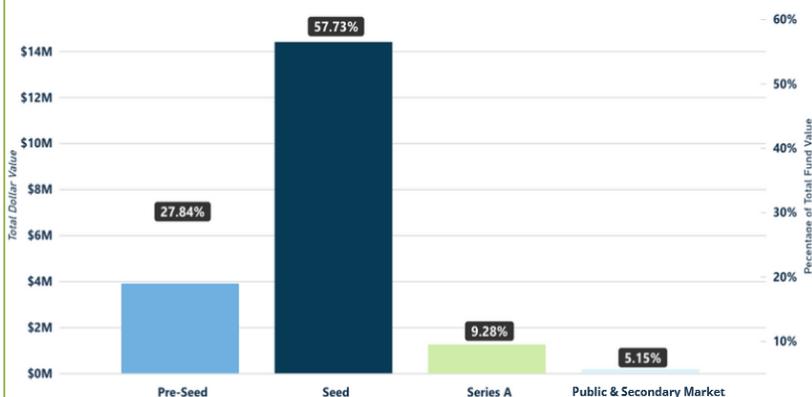
 <p>Cary Health CaryHealth improves patient outcomes with innovative pharmaceutical solutions</p>	 <p>Bizzy Cold Brew Bizzy manufactures top quality cold brew coffee products</p>	 <p>FirstIgnite FirstIgnite develops AI-powered business development tools for Scientific Organizations</p>	 <p>Letterhead Letterhead makes it easy to create, send, and monetize great newsletters at scale, automatically</p>	 <p>Passage Online ticketing, mobile box-office and POS solution</p>
 <p>Venture360 Delivering technology and services to power the Venture Capital Industry.</p>	 <p>Base Base is an IRL social network bringing great minds together.</p>	 <p>Outlier The first sports betting super app</p>	 <p>MASV MASV is large file transfer, simplified</p>	 <p>Ottonomy Level 4 autonomous delivery robots</p>

Fund Holdings Value Allocation



Stage

We Invest at the Value-Driven Stages of Venture Capital



For illustrative purposes only. This chart 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 September 30, 2025

New Investments



Company: [Ema](#)

Location: **Houston, TX**

Deal Lead: [Chris Hjelm](#)

Invested: **July 07, 2025**

Description: Ema describes itself as the first agentic AI platform built for women, by women. The company combines conversational intelligence with personalized digital assistance, addressing an underserved and rapidly expanding market segment in consumer AI.

Ema found us thanks to a referral from a VC firm in our network, [Kubera Venture Capital](#).



Company: [Qwyn AI](#)

Location: **Brownsburg, IN**

Deal Lead: [Chris Hjelm](#)

Invested: **August 07, 2025**

Description: Qwyn helps Life Sciences organizations streamline manufacturing and quality processes through trusted AI. Its platform reduces safety risks, improves compliance, and minimizes product loss—positioning it at the intersection of AI innovation and regulated industry infrastructure

Qwyn AI found us through a referral from a VC firm in our network, [M25](#).

Follow-On Investments



Company: [Letterhead](#)

Location: **Miami, FL**

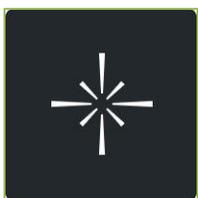
Deal Lead: [Brad Zapp](#)

Invested: **July 08, 2025**

Round Details: Participated in

Letterhead's **\$34M Series A**, led by [PeakSpan Capital](#), to support product expansion and scaling of its AI-powered content creation and distribution platform.

Initial Investment: November 1, 2022



Company: [Stagetime](#)

Location: **Salt Lake City, UT**

Deal Lead: [Chris Hjelm](#)

Invested: **July 29, 2025**

Round Details: Increased our

position to support new product development and continued growth across targeted sales channels.

Initial Investment: February 24, 2024



Company: [SupportPay](#)

Location: **Charlotte, NC**

Deal Lead: [JD Audena](#)

Invested: **August 05, 2025**

Round Details: Participated in an

initial close led by [Michigan Capital Network](#), supporting key team additions and strategic expansion opportunities.

Initial Investment: March 16, 2023



Company: [Stacklist](#)

Location: **Charlotte, NC**

Deal Lead: [JD Audena](#)

Invested: **August 19, 2025**

Round Details: Expanded our

investment as part of a planned deployment strategy to accelerate product development and feature enhancements.

Initial Investment: March 20, 2025



Company: [409ai](#)

Location: **Ontario, Canada**

Deal Lead: [Chris Hjelm](#)

Invested: **August 26, 2025**

Round Details: Supported growth

initiatives focused on cap table management partnerships and continued product evolution within equity data infrastructure.

Initial Investment: December 26, 2024



Company: [Kommu](#)

Location: **Los Angeles, CA**

Deal Lead: [Chris Hjelm](#)

Invested: **August 28, 2025**

Round Details: Led follow-on

capital raise to enable new sales channels and scalable product upgrades as Kommu advances its business to business communications network.

Initial Investment: March 05, 2024



Company: [Campus Ink](#)

Location: **Chicago, IL**

Deal Lead: [Chris Hjelm](#)

Invested: **September 19, 2025**

Round Details: Backed Campus

Ink's financing round led by [RiverPark Ventures](#) to fuel expansion of its collegiate NIL licensing platform and partnerships.

Initial Investment: August 31, 2022

Valuation Movements

Total Positions:

157

Revalued Positions:

44

Total Fund Value:

\$44,724,852

Net Valuation Change:

\$895,945

Q3 '25 Percent Revalued Positions



Q3 '25 Total Position Change Dollar Value



Portfolio Progression

Venture capital returns often follow a [“J-curve” trajectory](#)¹, early valuations typically decline as startups absorb capital and refine their models before rising as companies scale, attract follow-on investment, and approach liquidity events. VCAFX shows a similar opportunity to develop in line with that pattern, reflecting both the maturity of earlier vintages and the natural ramp-up of recent investments.

Our **2019–2021 vintages** are now entering their value-creation phase, demonstrating significant appreciation as several companies achieve growth milestones or approach external funding rounds. The 2019 vintage, now six years seasoned, continues to anchor portfolio performance with multiple holdings generating substantial valuation uplift.

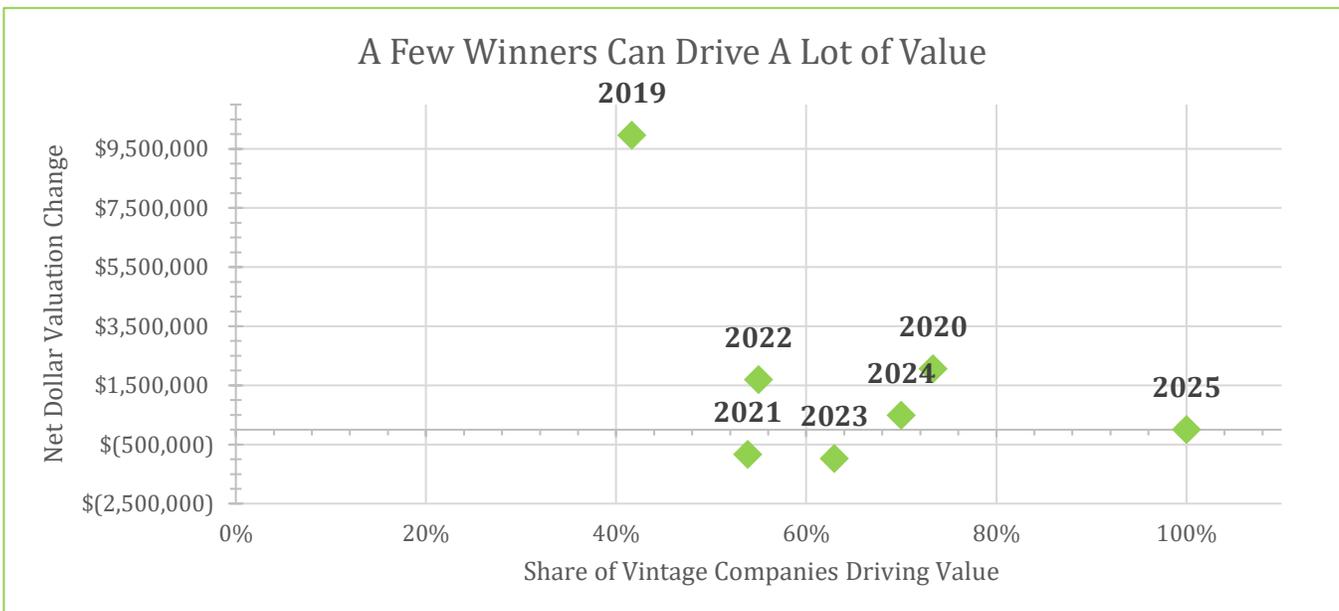
Meanwhile, **2022–2024 vintages** remain in the formative stage of the curve characterized by modest near-term adjustments but building operational traction across the majority of positions. These younger cohorts are benefiting from leaner cost structures and a capital-efficient market environment that rewards durable business models over growth at any cost strategies.

¹The J-curve concept is commonly illustrated using metrics such as [Internal Rate of Return \(IRR\)](#), which measures the annualized return based on fund cash inflows and outflows; [Total Value to Paid-In \(TVPI\)](#), which compares current value plus distributions to contributed capital; and [cash flow](#), which tracks the movement of money into and out of a fund over time.

The **2025 vintage**, composed of newest deployments, shows expected early-stage *mark-to-model adjustments*, valuation updates based on internal financial models and market assumptions— as companies begin execution cycles. This pattern is consistent with industry norms and reinforces the long-term compounding nature of early-stage investing.



This dispersion highlights a defining principle of venture investing: a **small number of winners often drive the majority of value**. As portfolio companies mature, we expect increasing differentiation between those compounding through growth and those winding down.



We believe VCAFX’s vintage development aligns with the traditional venture growth curve, early volatility giving way to accelerating value creation as companies scale. This progression, supported by diversified



VCAFX Q3 2025 Commentary

exposure across multiple years of investment, positions the Fund to capture upside from emerging winners while maintaining resilience through ongoing market normalization.

Selected News from the Portfolio

- [2025 Mexico Early Stage 100 - NuMundo Ventures - Kigui](#)
- [CaryHealth Ranks No. 96 on the 2025 Inc. 5000 List of America's Fastest-Growing Private Companies - Morningstar - Cary Health](#)
- [How Some Startups Are Helping Employers Get Big Drug Discounts - Wall Street Journal - Rescription](#)

M&A Activity

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

Distribution Activity

Fund Flows

During the third quarter of 2025, **VCAFX recorded net positive flows of approximately \$455,500.** Quarterly flow activity remained balanced, suggesting stable investor confidence and growing awareness of VCAFX's differentiated position as a regulated, diversified vehicle providing access to early-stage private markets. As broader interest in interval funds expands among RIAs and advisory platforms, we expect engagement and allocations to continue building into 2026.

Custodial Platform Access and RIA Distribution

As of September 30, 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](#)

[Fidelity/National
Financial Services](#)

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.

Investment Pipeline

In Q3 2025, through our proprietary platform, Wendal®, we received applications from **773** companies across **35 U.S. states + D.C.** The location with the **most submissions** is **Ohio**, bolstered by our sponsorship of the StartupCincy Week Pitch Competition. The following states did not have any **submissions (0)** this quarter: Northeast US States: **ME, NH, RI, VT**, Midwest US States: **NE, SD**, South US States: **MS, OK, WV**, West US States: **AK, HI, ID, MT, OR, UT**.

In addition, we reviewed several additional opportunities through referrals and direct sourcing efforts, spanning both new investments and follow-on opportunities within our existing portfolio. We are always looking to engage with founders and startups. Please direct any you know to our [Investment Process](#).

Business Travel and Market Engagement

Q3 2025 Travel Highlights

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



- Brad traveled to Chicago to meet with [Barnabas Capital](#), [XAI Investments](#) and [Lind Capital](#). These meetings focused on enhancing operational intelligence, benchmarking fund structures, and exploring new distribution channels.
- Chris traveled to [TechChicago](#) Week to immerse in one of the Midwest's fastest-growing innovation ecosystems—meeting founders, investors, and community leaders who are shaping the future of tech in Chicago and beyond.
- Chris also traveled to Columbus to meet with venture partners, portfolio founders, and family offices. These touchpoints strengthen our sourcing networks and reinforce VCAFX's visibility among fund managers and founders.
- JD remained active in the venture ecosystem, representing the fund at [StartupCincy Week](#), a leading regional innovation event connecting founders, investors, and ecosystem partners throughout the Midwest. Connetic co-produced three sessions including the headline Pitch Competition.
- MJ focused on relationship building through investor engagement, hosting seven regional golf outings in Kansas City, St. Louis, Wisconsin, Denver, Indianapolis, Chicago, and Scottsdale. These events continue to foster high-quality connections among advisors, investors, and ecosystem partners in an approachable, relationship-driven format.

If you're a financial advisor who enjoys connecting over golf, check out [MJ's Golf Outing Guy Events](#) – a great way to network, unwind, and stay plugged into the wealth management community.

Upcoming Travel (Q4 2025)

- Brad's itinerary includes **Orlando** for meetings with [Crowe LLP](#); **Fort Lauderdale** for investor and advisor visits, including the first planned **Advisor Luncheon**; **New York City** for the **Coolwater Investor Summit**; and **Connecticut** for discussions with the CIO of a private credit fund.
- JD will be heading to [MidxMidwest](#) in Kansas City, MO and [Venture135](#) in Charlotte, NC.
- Chris is traveling to [Austin Tech Week](#) and hopes to connect with founders, investors, and other strategic partners in Minneapolis

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 Q3 2025 Commentary

Closing Remarks

Venture capital has always been cyclical, but its purpose never changes: to fund the ideas that move the world forward, especially when conviction feels scarce. We believe when capital becomes selective, innovation sharpens. The founders building today can do so with less noise, less capital, and more discipline.

That's why we believe **sitting on the sidelines may be the riskiest decision of all**. For RIAs, advisors, and individual investors, waiting for a "perfect time" means potentially missing the compounding that begins when others hesitate.

Former White House advisor [Anthony Scaramucci recalled hearing Jeff Bezos in 1999](#). ***"If you [had] put \$10,000 into Amazon on the day that Jeff Bezos made that presentation 26 years ago, it's worth \$16.5 million as of this morning"*** Read the article to hear which famous investor convinced him not to buy. As a reminder, individual company outcomes can be highly volatile and are not indicative of the Fund's results.

Scaramucci didn't gloss over the many drops Amazon's stock experienced along the way, including a 90% drawdown during the dot com bust. The lesson to us is clear: **the path to transformative outcomes is rarely smooth, but it can reward those who invest and stay invested in innovation**. In our view, **tomorrow's Amazons are more likely to emerge from the private markets** and investors can participate in that journey today. We built VCAFX as a product for those who want to participate in the startup investing early, intelligently, and with purpose.

As we close the quarter, we do so with **both conviction and deep gratitude** for our investors, our founders, and everyone walking this journey with us. **Your** belief, partnership, and shared vision make this work possible. Together, **we are building the foundation of what may be the next generation of growth**.

Contact Us

Website: www.conneticventures.com/vcafx

Brad Zapp

President and Fund Manager, Connetic RIA LLC

910 Madison Avenue

Covington, KY 41011

+1 (859) 201-6325

vcafx@conneticventures.com



VCAFX Q3 2025 Commentary

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 capitals 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.

- Shares are not listed for trading on any securities exchange, and you should not expect to be able to sell Shares in a secondary market transaction. Even though the Fund makes quarterly repurchase offers for its outstanding Shares (expected to be 5% per quarter, which is the minimum amount permitted), investors should consider Shares of the Fund to be an illiquid investment.
- 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. There is no assurance that the Fund will be able to maintain a certain level of distributions to shareholders.
- 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. See "Risks" in the prospectus.

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 844-434-6493.

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.

The Fund is distributed by Foreside Financial Services, LLC.