

**Nicholas Partners
Small Cap Growth Fund
(NPSGX)**

NICHOLAS INVESTMENT PARTNERS

Fund Performance - as of September 30, 2024

Performance	NPSGX (NET)	RUSSELL 2000 GROWTH®	EXCESS RETURN (NET)
3Q24	6.07%	8.41%	-2.34%
YTD	18.21%	13.22%	4.99%
1 Yr Ann.	33.17%	27.66%	5.51%
3 Yr Ann.	-0.90%	-0.35%	-0.55%
5 Yr Ann.	15.48%	8.82%	6.66%
ITD Ann.*	15.47%	8.94%	6.53%

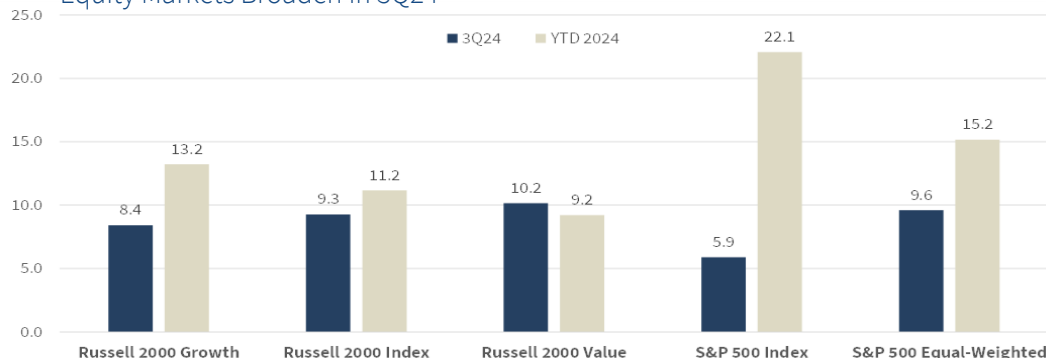
*Fund inception date:1/16/2019. The gross expense ratio of NPSGX is 1.15%. The net expense ratio is 0.99%. The adviser has contractually agreed to waive fees until January 31, 2025. The performance data quoted represents past performance. **Past performance does not guarantee future results. The investment 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 and current performance may be lower or higher than the performance quoted.** For performance data current to the most recent month end, please visit our website at: www.nicfunds.com.

3Q24 Market Overview

The third quarter of 2024 presented a mixed but positive market environment shaped by macroeconomic factors. The Federal Reserve's 50-basis point rate cut followed signs of softening employment, though not severe enough to trigger recession concerns. Despite employment missing estimates during the reporting period, GDP growth remained resilient, exceeding expectations and sustaining positive momentum. Inflation continued to normalize, allowing the Fed to ease its policy stance to support growth.

Small-cap stocks responded well to the rate cut, particularly in sectors like Communication Services, Real Estate, and Financials. However, market volatility in August and September capped further gains.

Equity Markets Broaden in 3Q24



Source: evestment; FTSE/Russell, Nicholas Investment Partners

Results may vary for different time periods and past performance does not guarantee future results.

4-star Overall Morningstar Rating™

Nicholas Partners Small Cap Growth Fund (NPSGX) was rated against 545

Small Cap Growth Fund managers in the Morningstar

Small Cap Growth category over a 3- and 5-year period ending September 30, 2024.



5-star Overall Morningstar Rating™ Nicholas Partners Small Cap Growth Fund (NPSGX) was rated against 517 Small Cap Growth Fund managers in the Morningstar Small Cap Growth category over a 5-year period ending September 30, 2024.



3-star Overall Morningstar Rating™ Nicholas Partners Small Cap Growth Fund (NPSGX) was rated against 545 Small Cap Growth Fund managers in the Morningstar Small Cap Growth category over a 3-year period ending September 30, 2024.

Morningstar Rating™

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Performance Discussion

In 3Q24, the Nicholas Partners Small Cap Growth Fund (NPSGX) gained +6.1% (net), underperforming the Russell 2000 Growth Index, which rose by +8.4%. The strategy experienced mixed performance relative to the benchmark, with a miss in July due to several factors driving a large-cap mega-tech unwind. This sparked a small-cap rally in July, fueled by exuberant call option activity and inflows into Small Cap ETFs, benefiting the lowest-quality, highest-beta stocks. Despite this, the Fund outperformed in August but slightly trailed in September. Year-to-date, the Nicholas Partners Small Cap Growth Fund (NPSGX) remains ahead, with an +18.2% gain (net) versus the Russell 2000 Growth's +13.2%.

For the quarter, the NPSGX Fund gains were broad-based across sectors, with Industrials, Financials, and Healthcare contributing the most, while Energy and Consumer Staples detracted. Top contributors included Embraer, BWXT Technologies, and MGIC Investments. The largest detractors were Weatherford International, Arhaus, and RxSight. (See Security Highlights for more details.)

Stock selection in Industrials and Financials outpaced the Russell 2000 Growth benchmark. In Healthcare, while contributions were positive to overall returns, the segment lagged the benchmark. For example, Vaxcyte was a top contributor due to strong clinical data on its pneumococcal vaccine, while Blueprint Medicines declined due to concerns over its commercial launch of Ayvakit.

Security Highlights

Top Contributors

Embraer (ERJ): Embraer gained market share in a tight aircraft supply market, with 2Q24 revenue growing 16% year-over-year. Adjusted EPS of \$0.44 per ADS significantly exceeded the Street's \$0.22 estimate, driven by lower expenses and one-time gains. The Defense division's 127% revenue growth contributed to a 9.3% adjusted EBIT margin, positioning Embraer for potential profitability in the future.

BWXT Technologies (BWXT): BWXT 2Q24 results exceeded expectations, with better-than-expected EPS and revenue growth. The company continues to capitalize on growth opportunities in nuclear technology, including nuclear medicine and microreactor programs. The company is pursuing growth in 90+ radiopharmaceuticals, notably Actinium-225, currently in 25 cancer clinical trials. Additionally, key contracts for HALEU fuel and commercial reactor demand boost future prospects.

MGIC Investments (MTG): MGIC posted robust 2Q24 results, with adjusted net operating income of \$0.77 per share, surpassing estimates. Strong results were driven by favorable loss reserve development and a positive credit environment. Despite higher interest rates, MGIC saw an 8.9% increase in new insurance written, supported by strong housing demand and a healthy balance sheet.

FTAI Aviation (FTAI): FTAI shares advanced in 3Q24 after a strong 2Q24 earnings beat, with EBITDA of \$213.9M, far exceeding the \$176.1M consensus. The Aerospace Products segment led the way, reporting \$91.2M in EBITDA, reflecting a ~\$365M annualized run-rate. The Aviation Leasing segment also outperformed, contributing \$125.0M in EBITDA. With additional growth anticipated in the Aerospace Products segment and expanded capabilities following the Lockheed Montreal facility acquisition, FTAI appears well-positioned for further upside.

Modine Manufacturing (MOD): Modine shares rose after a strong fiscal 2025 first-quarter beat, with revenue up 6% year-over-year to \$662M and adjusted EPS of \$1.04, both exceeding expectations. The company raised its full-year outlook and announced a product realignment starting in fiscal 2026 to drive growth. Climate Solutions is expected to grow 18%-22% CAGR, led by data centers and commercial indoor air quality, while Performance Technologies will focus on heavy-duty equipment and e-mobility.

Largest Detractors

Weatherford International (WFRD): Shares fell due to weaker revenue guidance and project delays, though long-term outlook remains strong, supported by strategic opportunities in the Middle East and Asia.

Arhaus (ARHS): Weaker demand in the home furnishings sector led to reduced guidance. We exited the position to reallocate assets to more attractive opportunities.

RxSight (RXST): Despite strong earnings, shares fell amid broader med-tech challenges. We maintain confidence in RxSight's growth potential, particularly with increasing LAL utilization. Fundamentals remain intact and the company raised FY24 revenue guidance.

E.l.f. Beauty (ELF): While ELF posted better-than-expected EPS and sales growth, the stock pulled back due to lower-than-expected guidance, raising concerns about future performance. Additionally, a deceleration in credit card data over the last four weeks indicated potential near-term demand softness, further pressuring the stock. Given these factors, we decided to exit the position.

BRC Inc (BRCC): Shares of BRCC pulled back after mixed 2Q24 results, with sales down 3.2% to \$89MM, well below the expected \$102MM. Slower growth in all segments, particularly a 13.3% drop in Direct-to-Consumer sales and a 28.1% decline in Outposts, contributed to the miss. However, tight cost control led to a profit beat, with adjusted EBITDA reaching \$8.4MM. Given the sales decline, we decided to exit the position.

Earnings Season Insights

Our disciplined stock selection approach continued to validate itself during the 2Q24 earnings season. During this period:

- 70% of our Fund holdings exceeded EPS estimates.
- 82% outperformed on sales.
- 76% surpassed EBITDA expectations.

These figures compare favorably with the Russell 2000 Growth Index and underscore our focus on identifying companies with strong earnings potential—a core driver of long-term stock price appreciation.

Q2 Earnings/Revenue/EBITDA Scorecard As of September 9, 2024	Representative US Small Cap	Russell 2000 Growth Index
% of Companies that Beat EPS Growth	70%	62%
% of Companies Missed EPS Growth	26%	33%
% of Companies that Beat Sales Growth	82%	60%
% of Companies Missed Sales Growth	12%	37%
% of Companies that Beat EBITDA Growth	76%	69%
% of Companies Missed EBITDA Growth	24%	31%

Source: FactSet; FTSE/Russell; Nicholas Investment Partners

Supplemental Information. The information provided measures the Q2 positive and negative surprise EPS, Revenue and EBITDA results compared to consensus estimates of a representative US Small Cap portfolio and the Russell 2000 Growth Index as of September 9, 2024. This is not an investment recommendation. Results will vary over different time periods.

Positioning

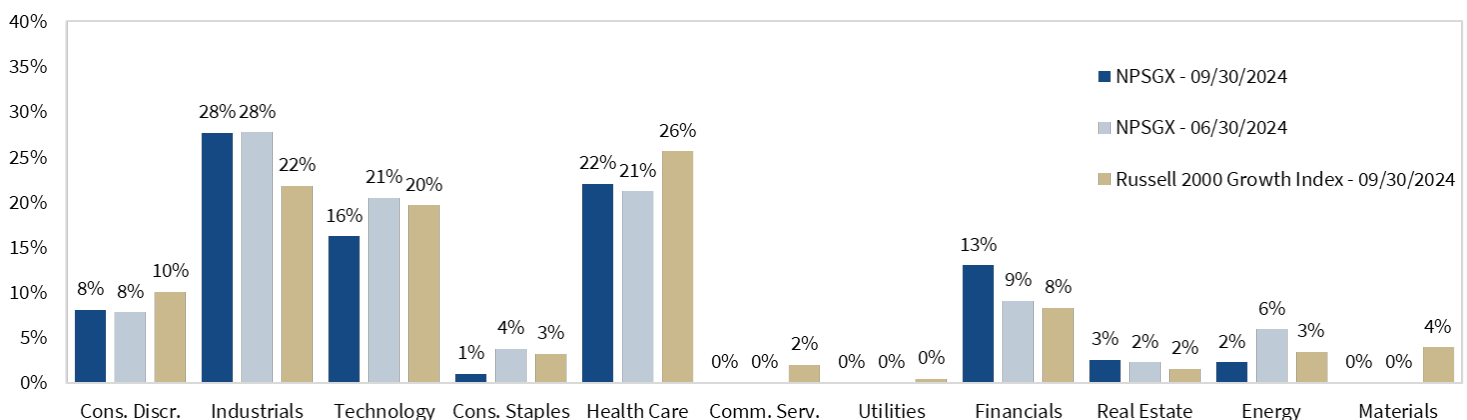
The Fund remains focused on identifying companies with accelerating and sustainable growth profiles, which continues to drive long-term portfolio performance. We concentrate on securities and industry/sector tilts that exhibit strong and durable growth trajectories.

The Nicholas Partners Small Cap Growth remains heavily tilted toward **Industrials**, with a ~28% weight compared to 22% for the benchmark. This sector positioning was a key contributor in 3Q, with top performers like Embraer, BWXT, and FTAI (noted above). We continue to find compelling opportunities in companies benefiting from secular trends such as power grid infrastructure, energy/battery storage, and AI-driven data storage.

In **Financials**, we increased our exposure from 9.1% to 13.6% over the past quarter. New additions included Palomar Holdings (property and casualty insurance) and Dynex Capital (mortgage REIT). We believe Dynex, in particular, is poised to benefit from potential rate cuts by the FOMC and a steepening yield curve, which could enhance its book value and cause the stock to trade at a premium to BVPS.

In **Technology**, we trimmed our long-term position in Monolithic Power after significant market-cap appreciation and reallocated capital to SPS Commerce (software) and Fabrinet (equipment/components). SPS Commerce, which provides cloud-based supply chain solutions, continues to grow revenue in the mid-teens and expand margins annually, supported by a strong management team.

Healthcare also remains a key focus area (>20% of the portfolio). While we are underweight in the broader sector, we maintain a slight overweight in biotech, driven by our conviction in companies with strong clinical catalysts and robust pipelines. Additionally, we continue to incrementally add to MedTech companies with solid financial performance, as we believe that improved market sentiment will present promising opportunities in the space.



Near-term Outlook

We remain cautiously optimistic about the U.S. economy and equity markets, with recent data suggesting a potential soft landing. GDP growth has exceeded expectations at an annualized 3.0%, while inflation has moderated, with CPI up 2.5% year-over-year and the PCE Price Index increasing 2.2% in August 2024. The unemployment rate stands at 4.1%, indicating a slowing but stable economy.

Cooling inflation has allowed the Federal Reserve to shift toward a neutral stance, highlighted by a recent 50-basis point rate cut, with further cuts possible. This shift should stimulate economic growth, particularly benefiting small-cap companies reliant on short-term financing through lower borrowing costs. However, small-cap earnings projections for 2024 remain below 2022 levels, underscoring the need for caution.

On the consumer front, we see mixed signals. Real wage growth has turned positive, but rising credit card balances and early signs of financial stress—especially in lower-income groups—are concerning. Resilient sectors like travel and entertainment signal ongoing consumer spending strength, yet we are closely monitoring credit trends, layoff announcements, and payroll revisions as indicators of broader stability.

Risks remain, including softening ISM data, uncertainties tied to the U.S. election cycle, and rising geopolitical tensions in the Middle East, China, and the Russia/Ukraine conflict. Additionally, the increasing federal deficit, projected to reach \$1.9 trillion by 2024, could pressure interest rates and dampen investment.

Implications for Small-Cap Companies

Small-cap valuations remain attractive relative to large caps, but unlocking this value will depend on relative earnings growth, particularly for rate-sensitive sectors like banks and REITs. While broad market earnings stability and signs of small-cap recovery offer potential upside, sustained economic fundamentals will be key.

Our disciplined, forward-looking growth strategy continues to focus on identifying companies with accelerating and sustainable growth potential. This approach aligns with our mission to add value to our clients' long-term investment goals, and we believe it positions us well to navigate potential market shifts and pursue future opportunities in the small-cap space.

Nicholas Partners
Small Cap Growth Fund
(NPSGX)

NICHOLAS INVESTMENT PARTNERS

FUND HIGHLIGHTS

Fund Assets	\$125.7 million
Ticker Symbol	NPSGX
CUSIP	00774Q726
Inception Date	1/16/2019
Asset Class / Style	US Equity / Growth
Capitalization	Small Cap
Approach	Active
Driver of Expected Return	Stock Selection
Benchmark	Russell 2000 Growth®
Total Expense Ratio (Net)*	0.99%
Total Expense Ratio (Gross)	1.15%
Minimum Initial Investment	\$5,000

*Adviser has contractually agreed to waive fees until January 31, 2025.

Investment Objective

The Nicholas Partners Small Cap Growth Fund (the “Fund”) seeks long-term capital appreciation.

What Sets Us Apart

- Specialists in identifying dynamically growing companies whose revenues and earnings are catalyzed by positive change
- Edge comes from combining fundamental research with objectivity and efficiency of quantitative analytics
- Investment expertise in both equities and convertibles provides insights across a company’s capital structure
- Over 30 years of experience investing in small- to mid-cap companies



Catherine Nicholas
Managing Partner, Chief Investment Officer and Lead Portfolio Manager
 39 years Industry Experience
 16 years with Firm



John Wylie
Partner, Portfolio Manager
 41 years Industry Experience
 15 years with Firm

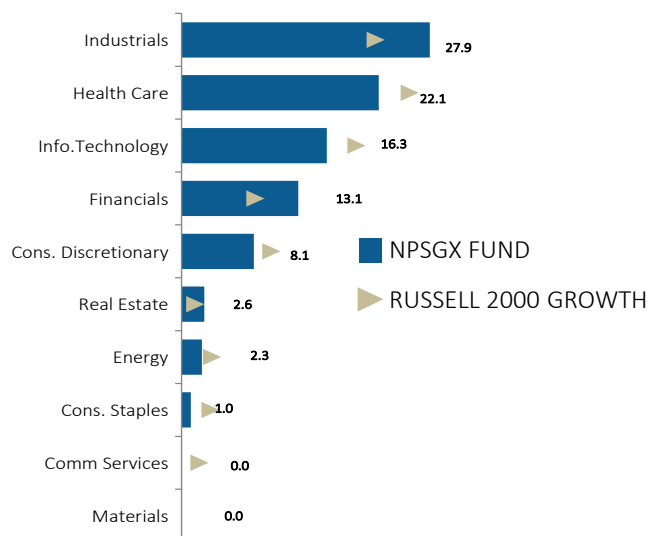
CHARACTERISTICS

Number of Holdings	90
% Active Share	86.3%
% Off Benchmark Weight	51.4%
EPS Growth (FY1/FY2 wtd. avg.)	20.8%
EPS Growth (3–5 year wtd. avg.)	14.5%
P/E (FY2 wtd. harmonic avg.)	18.8 x
Market Cap (median)	\$4.7B

TOP 10 HOLDINGS

	SECTOR	WEIGHT (%)
BWX Technologies, Inc.	Industrials	4.1
iShares Russell 2000 Growth ETF		3.3
iShares Russell 2000 ETF		3.2
MGIC Investment Corp	Financials	3.1
REV Group, Inc.	Industrials	2.9
Embraer S.A	Industrials	2.8
Tanger Inc.	Real Estate	2.6
Evercore Inc.	Financials	2.3
FTAI Aviation Ltd.	Industrials	2.3
Western Alliance Bancorp	Financials	2.1

Sector Weights (%) (excluding cash)



HOLDINGS: Holdings are subject to change. Specific securities identified do not represent all securities purchased, sold or recommended to advisory clients. It should not be assumed investments in these securities were or will be profitable. **Active Share** is the percent of companies in the portfolio that differs from the benchmark. **Market Cap** refers to the total dollar market value of a company's outstanding shares. This figure is commonly used to determine a company's size. **P/E Ratio (FY2)** is a forward-looking valuation measure of a company's common stock. It encapsulates the amount of earnings estimated for next year per dollar of current share price. For the fund, the individual P/E stock ratios are then weighted by their respective portfolio market values in order to calculate a weighted harmonic average representative of the portfolio as a whole. P/E Ratio (FY2) is not a forecast of the fund's future performance. **EPS Growth (FY1 to FY2)** is the percent change in FY2 consensus EPS estimate to FY1 consensus EPS estimate. EPS Growth (FY1 to FY2) is not a forecast of the fund's future performance. **EPS Growth (3 to 5 YR)** is the average consensus long-term EPS growth rate estimate over the next 3 to 5 years using a weighted average for holdings at the aggregate level. EPS Growth (3 to 5 YR) is not a forecast of the fund's future performance.

FOR ADVISOR SUPPORT

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**Currently available on Fidelity, Schwab, TD Ameritrade,
Interactive Brokers and Pershing Platforms**

Consider the fund's investment objective, risk, and charges and expenses. This and other information can be found in the fund's prospectus, and if available, the summary prospectus, which may be obtained by visiting www.nicfunds.com or by calling 833-810-7345. Please read the prospectus, and if available the summary prospectus, carefully before investing.

There are risks involved with investing, including possible loss of principal. In addition to the normal risks associate with investing, investments in smaller companies typically exhibit higher volatility. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from social, economic or political instability in other nations. REIT investments are subject to changes in economic conditions, credit risk and interest rate fluctuations. **There is no assurance the fund's investment objective will be achieved or maintained.**

The Fund is distributed by SEI Investment Distribution Company (SIDCO) 1 Freedom Valley Dr, Oaks PA 19456. SIDCO is not affiliated with Nicholas Investment Partners.

Definitions: Active Share is the percent of companies in the Fund that differs from the benchmark. Off Benchmark Weight is the percent of securities held in the portfolio that are not held by the benchmark. Market Cap refers to the total dollar market value of a company's outstanding shares. This figure is commonly used to determine a company's size. Price/Book Ratio compare a company's current market price to its book value. P/E Ratio (FY2) is a forward-looking valuation measure of a company's common stock. It encapsulates the amount of earnings estimated for next year per dollar of current share price. For the fund, the individual P/E stock ratios are then weighted by their respective portfolio market values in order to calculate a weighted harmonic average representative of the portfolio as a whole. P/E Ratio (FY2) is not a forecast of the fund's future performance. EPS Growth (FY1 to FY2) is the percent change in FY2 consensus EPS estimate to FY1 consensus EPS estimate. EPS Growth (FY1 to FY2) is not a forecast of the fund's future performance. EPS Growth (3 to 5 YR) is the average consensus long-term EPS growth rate estimate over the next 3 to 5 years using a weighted average for holdings at the aggregate level. EPS Growth (3 to 5 YR) is not a forecast of the fund's future performance. ROR is rate of return. Alpha is measured as the excess return of the Fund, or group of funds, versus a specific Index.

Nicholas does not guarantee the success of any investment product. There are risks associated with all investments and returns will vary over time due to many factors such as changing market conditions, liquidity, economic and other factors. The value of investments can go down as well as up, and a loss of principal may occur. Although Nicholas attempts to limit various risks, risk management does not imply low risk. All risk models are inherently limited and subject to changes in economic, political and market conditions, as well as changes in the strategies' holdings, among other things, which could affect the risk profile of any portfolio managed by Nicholas. Small- and mid-cap companies may be subject to a higher-degree of risk than larger more established companies' securities. The liquidity of the markets for these small and mid-cap companies may adversely affect the value of these investments. Concentrated or sector strategies are expected to maintain higher exposures to a limited number of securities or sectors which could increase the volatility, market, liquidity and other risks of the strategy.

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The Russell 2000® Growth Index measures the performance of the small-cap growth segment of the US equity universe. It includes those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 2000 Growth Index is constructed to provide a comprehensive and unbiased barometer for the small-cap growth segment. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect growth characteristics. Index returns include the effect of dividends and income which are reinvested daily.

The Russell 2000® Value Index measures the performance of the small-cap value segment of the US equity universe. It includes those Russell 2000 companies with relatively lower price-to-book ratios, lower I/B/E/S forecast medium term (2 year) growth and lower sales per share historical growth (5 years). The Russell 2000 Value Index is constructed to provide a comprehensive and unbiased barometer for the small-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics

The Russell 2000® Index The Russell 2000® Index measures the performance of the small-cap segment of the US equity universe. The Russell 2000 Index is a subset of the Russell 3000® Index which is designed to represent approximately 98% of the investable US equity market. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000 is constructed to provide a comprehensive and unbiased small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set..

The S&P 500 Index is a float-adjusted market capitalization (FMC) weighted index that measures the performance of the large-cap segment of the U.S. market. Considered to be a proxy of the U.S. equity market, the index is composed of 500 constituent companies.

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ABOUT NICHOLAS INVESTMENT PARTNERS

Nicholas Investment Partners, L.P. is an investment boutique led by Catherine Nicholas focused on dynamically growing small- and mid-cap companies, investing in both equities and convertible bonds and with a distinctive expertise in the healthcare sector. It has consistently adhered to a forward-looking investment philosophy that seeks to identify companies undergoing positive change where the resulting acceleration of growth is sustainable and the investment is timely. Its edge comes from combining fundamental equity and credit research with the objectivity and efficiency of quantitative analytics and decades of experience over multiple market cycles. The firm is headquartered in San Diego County, CA.