

# Annual Report

June 30, 2023

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**Balanced Fund**

**Dividend Growth Fund**

**Global Dividend Growth Fund**

**Large Cap Growth Fund**

**ESG Growth Fund**

**Mid Cap Growth Fund**

**Small Cap Dividend Growth Fund**

**Small Cap Growth Fund**

**International Growth Fund**

**Developing Markets Growth Fund**



# Sit Mutual Funds



**Sit Mutual Funds**  
**STOCK FUNDS ANNUAL REPORT**  
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## CHAIRMAN'S LETTER

August 4, 2023

Dear Fellow Shareholders:

A combination of a resilient U.S. economy and a resurgent technology sector led to strong equity returns over the twelve months ended June 30, 2023. We expect more subdued gains, however, in the near term, as investors struggle with the timing of the much-anticipated recession and the end of the Federal Reserve's tightening cycle.

### Economic Summary

The U.S. economy continues to post modest growth, despite significant headwinds from higher interest rates, banking turmoil, and cautious business and consumer confidence. Consumer spending has been bolstered by continued strength in labor markets. U.S. nonfarm payroll has grown at an average monthly pace of 316,000 jobs over the last year, well above the 2011 to 2019 average of 194,000. This has contributed to surprising strength in both housing and autos, two sectors that are typically negatively impacted by higher interest rates. Against a historically tight labor market, robust demand has kept services inflation sticky and the Federal Reserve (Fed) on the offensive. The lagged impact of monetary tightening and the risk of "higher for longer" interest rates are notable challenges for economic growth and corporate profits. Although it may be different this time, leading indicators imply job cuts and softer spending are on the way, marking the end of the virtuous cycle. Even if the Fed manages a soft landing, limited slack labor likely mutes the growth outlook.

The Fed delivered a "hawkish" pause at its June meeting and raised its median federal funds rate forecast for year end 2023 to +5.6% from +5.1%, implying two more 25 basis point rate hikes. Although investors anticipated the pause (or skip), many were surprised by the higher fed funds rate projection. The Fed may hike rates one or two more times this year, but it has already done much of the heavy lifting. Inflation-adjusted interest rates are now positive, translating to restrictive monetary policy and reducing pressure on the Fed to tighten further. Thus, we believe yields have peaked and the curve inversion will lessen, as inflation steadily declines. As pandemic-era stimulus expires and consumers deplete savings, we suspect more people (notably early retirees) may re-enter the workforce. As a result, supply shortage-related inflation should continue to ease. Recent data supports this view, as the latest U.S. consumer price index rose just 3.0% year over year, its smallest increase since March 2021. This dynamic interplay between inflation, economic growth, and interest rates will be the focus of our market analysis over the next year. The economy has remained relatively strong, and inflation is declining. Also, the effects of the \$6.1 trillion of transfer payments have lasted longer than anticipated. Thus, the timing of a recession (and anticipated rate cuts) keeps getting pushed out,

now likely into 2024 (from our previous expectation of late-2023), after the \$500 billion of "excess savings" (down from a peak of \$2.1 trillion), resulting from transfer payments, is exhausted.

In Europe, warmer-than-seasonal winter weather helped stave off a looming energy crisis, providing an important lift in the economy to help blunt the fallout from the war in Ukraine. Nonetheless, recently revised GDP figures revealed the Euro Area still experienced a mild technical recession for the six months ending March 31. The service sector rebound in the second quarter may have been enough to offset a deepening manufacturing recession in the current quarter, but the outlook is tenuous at best. Meanwhile, the European Central Bank (ECB) continues to raise interest rates in response to sticky core inflation, further straining economic activity. Japan's recent exit from Covid-related restrictions continues to buoy an economic recovery. A boost in services-focused consumer spending, a resurgence in inbound tourism, and steady domestic-oriented capital spending have propelled the expansion. Still, risks are rising, as inflation readings continue to compel the Bank of Japan to tighten monetary conditions. In China, recent economic indicators have been disappointing, as the post-Covid "reopening" strength proved to be short-lived. Nevertheless, we expect better economic growth momentum into the year's second half, as increased government stimulus takes hold.

### Equity Strategy

U.S. equities have posted solid gains over the past year, most recently led by a rally in artificial intelligence (AI) stories. Market leadership has been narrow, largely led by a handful of AI related mega cap technology stocks. The stock market climbed a so-called "wall of worry," overcoming higher interest rates, banking woes, the Russia-Ukraine conflict, and a debt ceiling battle in Washington.

Corporate earnings have weakened but have not collapsed, generally reflecting the broader trend in the U.S. economy. For the first quarter of 2023, earnings generally exceeded previously lowered sell-side expectations. Over 78% of the S&P 500® constituents beat consensus, versus 69% in the fourth quarter of 2022 and the 10-year average of 73%. Still, S&P 500® bottom-up earnings fell -1.3% year over year, and management mentions of "weak demand" spiked to a near record. Also, the S&P 500®'s net margin has fallen -250 basis points from its mid-2021 peak. The consensus estimate implies bottom-up earnings will drop by a mid- to high single-digits percentage year over year in the second quarter, likely setting another low bar. However, given still-resilient GDP growth, we expect another set of decent earnings reports for the second quarter. Conversely, bottom-up consensus estimates for second half 2023 and calendar 2024 are still too high and do not discount a recession scenario. Even during mild earnings contractions, S&P 500® profits

historically drop -10%, on average, which compares to current expectations of mid-single-digit earnings growth for the second half of 2023. At least for now, investors seem intent on looking past potential downward revisions, as markets are an anticipatory mechanism, but we expect market volatility to rise as the scenario (i.e., earnings estimate cuts) plays out.

It is interesting to note that the stock market has rallied, even as sentiment measures have indicated a defensive positioning among institutional investors. For retail investors, however, it appears that AI euphoria-driven equity gains exacerbated fears of missing out, turning bears into wary bulls and pulling them back into the market. In fact, U.S. households are overallocated to stocks relative to historical norms. A cumulative \$41 billion has flowed into equity mutual funds and ETFs globally in the first half of 2023, bringing the total since April 2020 to an unprecedented \$1.5 trillion.

Strong equity returns over the past twelve months have resulted in equity valuations close to “fair” levels. Therefore, we expect more subdued returns in the short term, as investors struggle with the timing of the much-anticipated recession and the end of the Federal Reserve’s tightening cycle. Portfolios remain well-diversified and consist of both secular and cyclical growers. With the recent upward surge in technology stocks, we see better near-term opportunities in groups that lagged in the first half. Specifically, many industrials show steady growth and have tailwinds in end markets, such as infrastructure, electrification, automation, and aerospace. The healthcare sector is also attractive, with earnings generally immune to a softening economy. We see compelling investment opportunities in medical devices, hospitals, HMOs, and select biopharma stocks. Finally, while lower energy prices have led to weak share prices this year, we believe the energy sector is attractive, given its still-healthy free cash generation, strong balance sheets, and leverage to higher prices when the next upcycle takes hold.

We strongly prefer “quality” stocks, as economic conditions will likely become more challenging during the second half of 2023. In this regard, we expect quality dividend-paying stocks to fare better following a difficult first half, as non-dividend-paying, “risk on” groups (primarily related to technology) drove market returns. Importantly, despite a slowing earnings backdrop, most Fund holdings continue to increase payouts (albeit at a more modest pace than in prior years). We believe dividend-paying growth stocks allow investors to participate in equity market gains in upturns, while providing downside protection if the backdrop becomes more difficult. In addition to the above-noted sectors, we see compelling investment opportunities in diverse areas, such as defense, semiconductors, transportation, insurance, waste management, and select utilities. Internationally, we continue to emphasize exposure

to China, South Korea, India, Singapore, and Australia. This preference is based on solid economic growth and lower inflation (and interest rates) in these countries.



Roger J. Sit

Chairman, President, CEO and Global CIO

# Sit Balanced Fund

## OBJECTIVE & STRATEGY

The dual objectives of the Sit Balanced Fund are to seek long-term growth of capital consistent with the preservation of principal and to provide regular income. It pursues its objectives by investing in a diversified portfolio of stocks and bonds. The Fund may emphasize either equity securities or fixed-income securities, or hold equal amounts of each, dependent upon the Adviser's analysis of market, financial and economic conditions.

The Fund's permissible investment allocation is: 35-65% in equity securities and 35-65% in fixed-income securities. At all times at least 25% of the fixed-income assets will be invested in fixed-income senior securities.

## Fund Performance

The Sit Balanced Fund's return for the 12-month period ended June 30, 2023 was +12.53%. The S&P 500® Index return was +19.59% over the period, while the Bloomberg Aggregate Bond Index declined -0.94%.

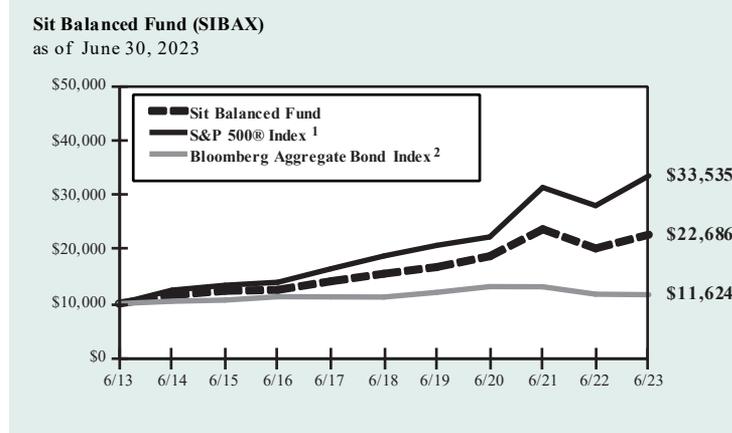
## Factors that Influenced the Fund's Performance

During the twelve months ended June 30, 2023, the fixed income portion of the portfolio underperformed the Bloomberg Aggregate Bond Index, as the income advantage of the holdings was more than offset by price declines. Interest rates rose dramatically during the period and the yield curve inverted, in response to contractionary monetary policy by the Federal Reserve to combat high levels of inflation that had spread throughout the economy. This pushed shorter maturity interest rates to levels that exceeded those of longer maturities. Underperformance was particularly pronounced in the closed-end bond fund sector. Closed-end bond fund valuations suffered in conjunction with the inversion of the yield curve, resulting in price declines which more than offset the sector's significant yield advantage. The U.S. Government bond sector also underperformed, as elevated interest rate sensitivity resulted in significant price declines during the period as interest rates rose. The structured mortgage securities in the portfolio outperformed, due to their yield advantage combined with heightened investor demand, as interest rates on home mortgages remain elevated. The outperformance in the equity portion of the Fund during the period was driven largely by strong stock selection in the electronic technology and producer manufacturing sectors, combined with an underweight position in the lagging health technology sector. Key holdings included Nvidia, Broadcom, Palo Alto Networks, Parker-Hannifin, and Siemens. Conversely, stock selection in the technology services and retail trade sectors detracted from performance.

## Outlook and Positioning

We expect the economy and inflation to cool in the coming quarters, which should drive a decline in interest rates. We also expect the yield curve to start to normalize back to its more traditional upward-sloping shape. For the first time in a decade, interest rate sensitivity in fixed income securities could actually be considered a positive feature rather than a risk, as declining interest rates push bond prices higher. We are overweight non-government bond sectors in the 3- to 5-year part of the yield curve, which we expect to outperform as the shape of the curve normalizes. With mortgage coupons at historically attractive levels, we have also maintained exposure to the structured mortgage sector.

## HYPOTHETICAL GROWTH OF \$10,000



The chart above illustrates the total value of a hypothetical \$10,000 investment in the Fund over the past 10 years as compared to the performance of the S&P 500® Index and the Bloomberg Aggregate Bond Index. Past performance does not guarantee future results. Returns include the reinvestment of distributions. The chart does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>1</sup> S&P 500® Index is an unmanaged capitalization-weighted index that measures the performance of 500 widely held common stocks of large-cap companies. It is not possible to invest directly in an index. This is the primary index for the equity portion of the Fund.

<sup>2</sup> Bloomberg Aggregate Bond Index is an unmanaged market value weighted index which measures the performance of investment grade debt securities with maturities of at least one year. It is not possible to invest directly in an index. This is the primary index for the fixed income portion of the Fund.

Portfolio yields are higher than we have seen in years and the additional income should enhance bond returns. In the equity portion of the Fund, positions remain well-diversified and consist of both secular and cyclical growers. We have maintained a large overweight position in technology companies that should benefit from secular trends, such as artificial intelligence, cloud spending, and Big Data. Additionally, for the longer term, we are looking to selectively grow our exposure to early-stage cyclicals (e.g., consumer discretionary), which should outperform as economic growth improves in 2024.

As of June 30, 2023, the asset allocation of the Fund was 64.8% equity, 32.3% fixed income, and 2.9% cash and other net assets.

**Roger J. Sit**  
**Bryce A. Doty**  
**Ronald D. Sit**  
*Portfolio Managers*

## COMPARATIVE RATES OF RETURNS

as of June 30, 2023

	Sit Balanced Fund	S&P 500® Index <sup>1</sup>	Bloomberg Aggregate Bond Index <sup>2</sup>
One Year	12.53%	19.59%	-0.94%
Five Year	7.92	12.31	0.77
Ten Year	8.54	12.86	1.52
Since Inception (12/31/93)	7.21	10.04	4.37

Performance figures are historical and do not guarantee future results. Investment returns and principal value will vary, and you may have a gain or loss when you sell shares. Current performance may be lower or higher than the performance data quoted. Contact the Fund for performance data current to the most recent month-end. Returns include changes in share price as well as reinvestment of all dividends and capital gains. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Management fees and administrative expenses are included in the Fund's performance. Returns for periods greater than one year are compounded average annual rates of return.

<sup>1</sup> S&P 500® Index is an unmanaged capitalization-weighted index that measures the performance of 500 widely held common stocks of large-cap companies. It is not possible to invest directly in an index.

<sup>2</sup> Bloomberg Aggregate Bond Index is an unmanaged market value weighted index which measures the performance of investment grade debt securities with maturities of at least one year.

## PORTFOLIO SUMMARY

Net Asset Value 6/30/23:	\$28.76	Per Share
Net Asset Value 6/30/22:	\$26.86	Per Share
Net Assets:	\$49.5	Million

## TOP HOLDINGS

### Top Equity Holdings:

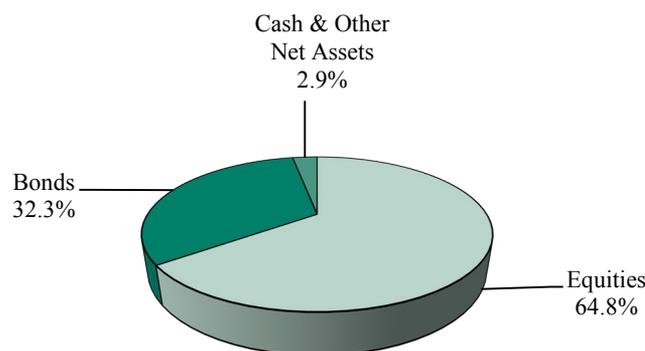
1. Apple, Inc.
2. Microsoft Corp.
3. Alphabet, Inc.
4. NVIDIA Corp.
5. Broadcom, Inc.

### Top Fixed Income Holdings:

1. U.S. Treasury Notes, 3.50%, 2/15/33
2. U.S. Treasury Bonds, 3.63%, 2/15/53
3. Federal National Mortgage Association, 4.50%, 9/1/52
4. Federal National Mortgage Association, 4.50%, 7/1/52
5. JP Morgan Mortgage Trust, 5.00%, 7/25/52

Based on net assets as of June 30, 2023.

## FUND DIVERSIFICATION



Based on net assets as of June 30, 2023.

*Information on this page is unaudited.*

## SCHEDULE OF INVESTMENTS

June 30, 2023

### Sit Balanced Fund

Investments are grouped by economic sectors.

Name of Issuer	Quantity	Fair Value (\$)	Name of Issuer	Quantity	Fair Value (\$)
<b>Common Stocks - 64.8%</b>			<b>Producer Manufacturing - 5.4%</b>		
<b>Communications - 0.4%</b>			<b>Retail Trade - 7.0%</b>		
American Tower Corp.	1,050	203,637	Aptiv, PLC *	2,375	242,464
<b>Consumer Durables - 0.4%</b>			Honeywell International, Inc.	1,450	300,875
YETI Holdings, Inc. *	5,500	213,620	Motorola Solutions, Inc.	1,400	410,592
<b>Consumer Non-Durables - 2.8%</b>			Northrop Grumman Corp.	675	307,665
Constellation Brands, Inc.	2,025	498,413	Parker-Hannifin Corp.	1,350	526,554
Estee Lauder Cos., Inc. - Class A	1,635	321,081	Safran SA, ADR	11,550	453,222
Mondelez International, Inc.	3,400	247,996	Siemens AG, ADR	5,175	431,647
PepsiCo, Inc.	1,825	338,026			2,673,019
		1,405,516	<b>Technology Services - 16.2%</b>		
<b>Consumer Services - 2.4%</b>			Accenture, PLC	2,025	624,874
McDonald's Corp.	1,450	432,694	Adobe, Inc. *	475	232,270
Visa, Inc.	3,100	736,188	Alphabet, Inc. - Class A *	12,400	1,484,280
		1,168,882	Alphabet, Inc. - Class C *	4,100	495,977
<b>Electronic Technology - 13.8%</b>			Atlassian Corp. *	1,050	176,200
Apple, Inc.	14,600	2,831,962	Autodesk, Inc. *	1,275	260,878
Applied Materials, Inc.	2,600	375,804	Dynatrace, Inc. *	4,250	218,748
Arista Networks, Inc. *	765	123,976	Intuit, Inc.	1,200	549,828
Broadcom, Inc.	1,485	1,288,134	Microsoft Corp.	7,800	2,656,212
NVIDIA Corp.	4,200	1,776,684	Paycom Software, Inc.	600	192,744
Palo Alto Networks, Inc. *	1,100	281,061	Salesforce, Inc. *	3,650	771,099
Qualcomm, Inc.	1,100	130,944	ServiceNow, Inc. *	560	314,703
		6,808,565			7,977,813
<b>Energy Minerals - 1.5%</b>			<b>Transportation - 1.3%</b>		
ConocoPhillips	5,775	598,348	FedEx Corp.	975	241,703
Shell, PLC, ADR	2,400	144,912	Union Pacific Corp.	2,050	419,471
		743,260			661,174
<b>Finance - 3.2%</b>			<b>Utilities - 0.6%</b>		
Ameriprise Financial, Inc.	1,150	381,984	NextEra Energy, Inc.	4,140	307,188
Chubb, Ltd.	1,400	269,584	<b>Total Common Stocks</b>		
Goldman Sachs Group, Inc.	1,600	516,064	<b>(cost: \$16,997,183)</b>		
JPMorgan Chase & Co.	2,925	425,412			32,033,260
		1,593,044	<b>Name of Issuer</b>		
<b>Health Services - 3.1%</b>			<b>Principal Amount (\$)</b>		
Centene Corp. *	3,500	236,075	<b>Fair Value (\$)</b>		
HCA Healthcare, Inc.	850	257,958	<b>Bonds - 29.5%</b>		
UnitedHealth Group, Inc.	2,150	1,033,376	<b>Asset-Backed Securities - 0.4%</b>		
		1,527,409	Small Business Administration:		
<b>Health Technology - 3.9%</b>			2008-20A 1, 5.17%, 1/1/28		
Abbott Laboratories	3,550	387,021		12,092	11,805
Dexcom, Inc. *	5,260	675,963		10,948	10,756
Johnson & Johnson	1,250	206,900	Towd Point Mortgage Trust:		
Thermo Fisher Scientific, Inc.	1,200	626,100	2020-MH1 A1A, 2.18%, 2/25/60 <sup>1,4</sup>		
		1,895,984		77,482	71,916
<b>Industrial Services - 0.9%</b>			2019-MH1 A2, 3.00%, 11/25/58 <sup>1,4</sup>		
Cheniere Energy, Inc.	2,900	441,844		100,000	95,795
<b>Process Industries - 1.9%</b>					190,272
Darling Ingredients, Inc. *	3,525	224,860			
Linde, PLC	1,225	466,823			
Sherwin-Williams Co.	1,000	265,520			
		957,203			

See accompanying notes to financial statements.

Name of Issuer	Principal Amount (\$)	Fair Value (\$)	Name of Issuer	Principal Amount (\$)	Fair Value (\$)
<b>Collateralized Mortgage Obligations - 6.1%</b>			<b>Corporate Bonds - 8.7%</b>		
Fannie Mae:			Amazon.com, Inc., 4.70%, 12/1/32	150,000	151,187
2017-84 JP, 2.75%, 10/25/47	17,991	15,866	American Tower Trust, 5.49%, 3/15/28 <sup>4</sup>	150,000	150,057
2003-34 A1, 6.00%, 4/25/43	23,938	23,991	AstraZeneca, PLC, 4.00%, 1/17/29	175,000	168,715
2004-T1 1A1, 6.00%, 1/25/44	14,332	14,388	Bank of America Corp., 5.20%, 4/25/29 <sup>1</sup>	50,000	49,439
1999-17 C, 6.35%, 4/25/29	4,640	4,641	Bristol-Myers Squibb Co., 4.25%, 10/26/49	175,000	154,905
2001-82 ZA, 6.50%, 1/25/32	7,515	7,614	British Airways 2020-1 Class B Pass Through Trust, 8.38%, 11/15/28 <sup>4</sup>	43,276	43,570
2009-30 AG, 6.50%, 5/25/39	25,922	26,723	Charles Stark Draper Lab., Inc., 4.39%, 9/1/48	100,000	88,354
2013-28 WD, 6.50%, 5/25/42	23,434	24,323	Comcast Corp., 4.55%, 1/15/29	250,000	245,427
2004-T1 1A2, 6.50%, 1/25/44	38,184	38,709	Consumers Energy Co., 4.35%, 8/31/64	50,000	40,510
2004-W9 2A1, 6.50%, 2/25/44	25,583	25,827	CVS Pass-Through Trust, 7.51%, 1/10/32 <sup>4</sup>	114,062	118,955
2010-108 AP, 7.00%, 9/25/40	297	306	Delta Air Lines 2015-1 Class AA Pass Through Trust, 3.63%, 7/30/27	117,841	107,247
2004-T3 1A3, 7.00%, 2/25/44	4,943	5,088	Dow Chemical Co., 6.90%, 5/15/53	75,000	84,588
Freddie Mac:			Duke Energy Carolinas, LLC, 5.35%, 1/15/53	50,000	50,580
5280 A, 3.50%, 1/25/50	161,584	149,295	Duke Energy Florida, LLC:		
4812 CZ, 4.00%, 5/15/48	166,711	157,060	2.54%, 9/1/29	46,034	41,722
4293 BA, 5.28%, 10/15/47 <sup>1</sup>	7,560	7,660	2.86%, 3/1/33	120,000	100,759
2122 ZE, 6.00%, 2/15/29	25,031	25,206	Entergy Louisiana, LLC, 4.95%, 1/15/45	200,000	183,983
2126 C, 6.00%, 2/15/29	16,911	16,950	Equifax, Inc., 3.10%, 5/15/30	100,000	86,206
2480 Z, 6.00%, 8/15/32	19,647	19,731	Fairfax Financial Holdings, 7.75%, 7/15/37	150,000	160,233
2485 WG, 6.00%, 8/15/32	20,715	21,076	Genuine Parts Co., 1.88%, 11/1/30	200,000	156,528
2575 QE, 6.00%, 2/15/33	9,146	9,307	Honeywell International, Inc., 4.25%, 1/15/29	175,000	170,272
2980 QA, 6.00%, 5/15/35	10,677	10,956	ITT, LLC, 7.40%, 11/15/25	25,000	25,103
2283 K, 6.50%, 12/15/23	232	232	JPMorgan Chase & Co., 4.59%, 4/26/33 <sup>1</sup>	100,000	95,283
2357 ZJ, 6.50%, 9/15/31	15,155	15,138	Leidos, Inc., 7.13%, 7/1/32	50,000	52,562
4520 HM, 6.50%, 8/15/45	12,536	13,388	Louisville Gas & Electric Co., 5.45%, 4/15/33	50,000	50,892
3704 CT, 7.00%, 12/15/36	8,506	8,934	Merck & Co., Inc., 3.40%, 3/7/29	150,000	140,322
2238 PZ, 7.50%, 6/15/30	6,908	7,195	Meta Platforms, Inc., 3.85%, 8/15/32	150,000	139,218
Government National Mortgage Association:			Nationwide Mutual Insurance Co. (Subordinated), 3 Mo. Libor + 2.29, 7.84%, 12/15/24 <sup>1,4</sup>	195,000	194,805
2021-86 WB, 4.73%, 5/20/51 <sup>1</sup>	140,169	138,620	Northern Trust Corp. (Subordinated), 3 Mo. Libor + 1.13, 3.38%, 5/8/32 <sup>1</sup>	250,000	221,624
2021-104 HT, 5.50%, 6/20/51	173,733	176,348	PacifiCorp, 2.70%, 9/15/30	100,000	83,162
2021-27 AW, 5.85%, 2/20/51 <sup>1</sup>	190,220	199,919	Pfizer Investment Enterprises, 4.45%, 5/19/28	175,000	171,966
2015-80 BA, 7.00%, 6/20/45 <sup>1</sup>	8,411	8,661	Polar Tankers, Inc., 5.95%, 5/10/37 <sup>4</sup>	95,717	97,812
2018-147 AM, 7.00%, 10/20/48	26,747	28,116	Security Benefit Life Insurance Co. (Subordinated), 7.45%, 10/1/33 <sup>4</sup>	100,000	89,976
2018-160 DA, 7.00%, 11/20/48	23,181	24,307	Tennessee Gas Pipeline, LLC, 7.00%, 10/15/28	213,000	224,779
2014-69 W, 7.20%, 11/20/34 <sup>1</sup>	11,851	12,259	Union Electric Co., 4.00%, 4/1/48	100,000	81,889
2013-133 KQ, 7.30%, 8/20/38 <sup>1</sup>	13,794	14,385	United Airlines 2019-2 Class AA Pass Through Trust, 2.70%, 5/1/32	128,850	107,878
2005-74 HA, 7.50%, 9/16/35	473	477	UnitedHealth Group, Inc., 5.30%, 2/15/30	150,000	153,632
JP Morgan Mortgage Trust:			Unum Group, 7.25%, 3/15/28	25,000	26,027
2021-6 A4, 2.50%, 10/25/51 <sup>1,4</sup>	298,160	255,693			4,310,167
2021-13 A4, 2.50%, 4/25/52 <sup>1,4</sup>	270,283	231,540	<b>Federal Home Loan Mortgage Corporation - 0.2%</b>		
2021-6 A12, 5.00%, 10/25/51 <sup>1,4</sup>	283,167	272,898	7.50%, 7/1/29	47,292	48,371
2021-13 A11, 5.00%, 4/25/52 <sup>1,4</sup>	290,213	265,758	8.50%, 5/1/31	57,592	59,508
2022-1 A11, 5.00%, 7/25/52 <sup>1,4</sup>	341,406	312,479			107,879
2022-2 A11, 5.00%, 8/25/52 <sup>1,4</sup>	319,741	296,195	<b>Federal National Mortgage Association - 2.0%</b>		
New Residential Mortgage Loan Trust:			4.50%, 7/1/52	330,190	317,616
2018-3A A1, 4.50%, 5/25/58 <sup>1,4</sup>	35,704	33,934	4.50%, 9/1/52	333,093	320,413
Sequoia Mortgage Trust:			5.50%, 8/1/56	160,123	164,178
2020-4 A5, 2.50%, 11/25/50 <sup>1,4</sup>	41,552	36,714	6.00%, 7/1/41	140,679	145,104
Vendee Mortgage Trust:			6.50%, 2/1/24	161	161
2008-1 B, 5.85%, 3/15/25 <sup>1</sup>	6,616	6,654	6.50%, 9/1/27	16,413	16,764
Wells Fargo Mortgaged Backed Securities Trust:					
2020-5 A3, 2.50%, 9/25/50 <sup>1,4</sup>	34,370	30,307			
		2,994,868			

See accompanying notes to financial statements.

## SCHEDULE OF INVESTMENTS

June 30, 2023

### Sit Balanced Fund (Continued)

Name of Issuer	Principal Amount (\$)	Fair Value (\$)	Name of Issuer	Principal Amount (\$)	Fair Value (\$)
7.00%, 1/1/32	4,447	4,428	U.S. Treasury Strip 3.59%, 11/15/50 <sup>6</sup>	175,000	61,838
7.00%, 3/1/33	12,258	12,409			1,922,813
7.00%, 12/1/38	9,447	9,571			
8.42%, 7/15/26	897	895	<b>Total Bonds</b>		
		991,539	<b>(cost \$15,915,873)</b>		14,579,577
<b>Government National Mortgage Association - 1.8%</b>			<b>Name of Issuer</b>		
3.50%, 1/20/52	181,026	167,101	<b>Quantity</b>	<b>Fair Value (\$)</b>	
3.50%, 2/20/52	274,369	253,274	<b>Investment Companies 2.8%</b>		
4.00%, 9/20/52	243,314	225,978	BlackRock Enhanced Government Fund	4,536	43,319
5.00%, 5/20/48	24,019	24,054	BlackRock Income Trust, Inc.	5,300	64,501
5.50%, 8/20/62	169,248	167,374	DWS Municipal Income Trust	9,800	84,378
6.50%, 11/20/38	9,028	9,146	MFS Intermediate Income Trust	63,700	174,538
7.00%, 12/15/24	1,966	1,933	Nuveen AMT-Free Muni Credit Income Fund	20,900	244,530
7.00%, 11/20/27	4,616	4,638	Nuveen AMT-Free Quality Muni Income Fund	15,100	165,043
7.00%, 9/20/29	13,831	14,112	Nuveen Multi-Market Income Fund	3,953	22,927
7.00%, 9/20/38	6,143	6,368	Nuveen Quality Municipal Income Fund	12,500	140,875
7.50%, 4/20/32	7,989	8,062	Putnam Master Intermediate Income Trust	61,000	192,760
		882,040	Putnam Premier Income Trust	40,492	142,532
			TCW Strategic Income Fund, Inc.	18,000	83,340
<b>Taxable Municipal Securities - 6.4%</b>			<b>Total Investment Companies</b>		1,358,743
Benton & Polk Sch. Dist. No. 17J G.O.,			<b>(cost: \$1,523,681)</b>		
5.47%, 6/15/27	150,000	153,819	<b>Short-Term Securities - 2.7%</b>		
Chicago Park Dist., 2.53%, 1/1/34	235,000	186,268	Fidelity Inst. Money Mkt. Gvt. Fund, 4.99%	1,359,290	1,359,290
CO Health Facs. Auth., 3.13%, 5/15/27	250,000	223,065	<b>(cost \$1,359,290)</b>		
Colorado Edu. & Cultural Fac. Auth., 3.97%,			<b>Total Investments in Securities - 99.8%</b>		49,330,870
3/1/56	205,000	160,720	<b>(cost \$35,796,027)</b>		
Coventry Local Sch. Dist., 2.20%, 11/1/29	200,000	168,986	<b>Other Assets and Liabilities, net - 0.2%</b>	120,991	
LaGrange Co. Regional Utility Dist., 2.98%,			<b>Net Assets - 100.0%</b>	49,451,861	
1/1/40	230,000	181,969			
Maricopa Co. Industrial Dev. Auth., 3.50%,					
7/1/44 <sup>4</sup>	100,000	73,452			
Massachusetts Edu. Auth.:					
4.00%, 1/1/32	20,000	19,417			
4.41%, 7/1/34	15,000	14,649			
4.95%, 7/1/38	200,000	190,162			
5.95%, 7/1/44	150,000	148,093			
MN Hsg. Fin. Agy., 2.31%, 1/1/27	135,000	123,954			
NJ Higher Edu. Student Assit. Auth., 3.50%,					
12/1/39 <sup>8</sup>	80,000	75,870			
NY State Dormitory Auth., 2.69%, 7/1/35	200,000	153,470			
Oregon State Fac. Auth., 2.68%, 7/1/31	350,000	286,738			
Public Fin. Auth., 4.23%, 7/1/32	105,000	98,285			
RI Student Loan Auth., 4.13%, 12/1/27	200,000	188,462			
Texas Children's Hospital, 3.37%, 10/1/29 <sup>17</sup>	115,000	105,557			
Utah Charter Sch. Fin. Auth., 2.40%, 10/15/27	205,000	185,648			
VA Hsg. Dev. Auth., 2.13%, 7/25/51	221,910	164,382			
WA State Hsg. Fin. Comm., 3.50%, 7/1/24 <sup>4</sup>	155,000	152,131			
Wichita Falls, 1.65%, 9/1/28	145,000	124,902			
		3,179,999			
<b>U.S. Treasury / Federal Agency Securities - 3.9%</b>					
<b>U.S. Treasury - 3.9%</b>					
U.S. Treasury Bonds 3.63%, 2/15/53	625,000	598,828			
<b>U.S. Treasury Notes:</b>					
2.75%, 4/30/27	300,000	283,289			
3.50%, 2/15/33	750,000	730,196			
4.50%, 11/15/25	250,000	248,662			

\* Non-income producing security.

<sup>1</sup> Variable rate security. Rate disclosed is as of June 30, 2023. Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and are based on current market conditions, or, for mortgage-backed securities, are impacted by the individual mortgages which are paying off over time. These securities do not indicate a reference rate and spread in their descriptions.

<sup>4</sup> 144A Restricted Security. The total value of such securities as of June 30, 2023 was \$2,823,987 and represented 5.7% of net assets. These securities have been determined to be liquid by the Adviser in accordance with guidelines established by the Board of Directors.

<sup>6</sup> Zero coupon or convertible capital appreciation bond, for which the rate disclosed is either the effective yield on purchase date or the coupon rate to be paid upon conversion to coupon paying.

<sup>8</sup> Securities the income from which is treated as a tax preference that is included in alternative minimum taxable income for purposes of computing federal alternative minimum tax (AMT). At June 30, 2023, 0.2% of net assets in the Fund was invested in such securities.

<sup>17</sup> Security that is either an absolute and unconditional obligation of the United States Government or is collateralized by securities, loans, or leases guaranteed by the U.S. Government or its agencies or instrumentalities.

See accompanying notes to financial statements.

ADR — American Depositary Receipt

LLC — Limited Liability Company

PLC — Public Limited Company

Numeric footnotes not disclosed are not applicable to this Schedule of Investments.

A summary of the levels for the Fund's investments as of June 30, 2023 is as follows (see Note 2 - significant accounting policies in the notes to financial statements):

	Investment in Securities			Total (\$)
	Level 1 Quoted Prices (\$)	Level 2 Other significant observable inputs (\$)	Level 3 Significant unobservable inputs (\$)	
Common Stocks**	32,033,260	—	—	32,033,260
Asset-Backed Securities	—	190,272	—	190,272
Collateralized Mortgage Obligations	—	2,994,868	—	2,994,868
Corporate Bonds	—	4,310,167	—	4,310,167
Federal Home Loan Mortgage Corporation	—	107,879	—	107,879
Federal National Mortgage Association	—	991,539	—	991,539
Government National Mortgage Association	—	882,040	—	882,040
Taxable Municipal Securities	—	3,179,999	—	3,179,999
U.S. Treasury / Federal Agency Securities	—	1,922,813	—	1,922,813
Investment Companies	1,358,743	—	—	1,358,743
Short-Term Securities	1,359,290	—	—	1,359,290
Total:	34,751,293	14,579,577	—	49,330,870

\*\* For equity securities categorized in a single level, refer to the detail above for further breakdown.

There were no transfers into or out of level 3 during the reporting period.

*See accompanying notes to financial statements.*

# Sit Dividend Growth Fund - Class I and Class S

## OBJECTIVE & STRATEGY

The objective of the Sit Dividend Growth Fund is to provide current income that exceeds the dividend yield of the S&P 500® Index and that grows over a period of years. Secondly, the Fund seeks long-term capital appreciation.

The Fund seeks to achieve its objectives by investing, under normal market conditions, at least 80% of its net assets in dividend-paying common stocks. The Fund may invest the balance of its assets in preferred stocks, convertible bonds, U.S. Treasury securities and closed-end investment companies.

## Fund Performance

The Sit Dividend Growth Fund Class I posted a +14.76% return during the 12-month period ended June 30, 2023, compared to the +19.59% return for the S&P 500® Index. The Fund's gross dividend yield (before deducting Fund expenses) was 2.00% as of 6/30/23, compared to 1.54% for the S&P 500® Index.

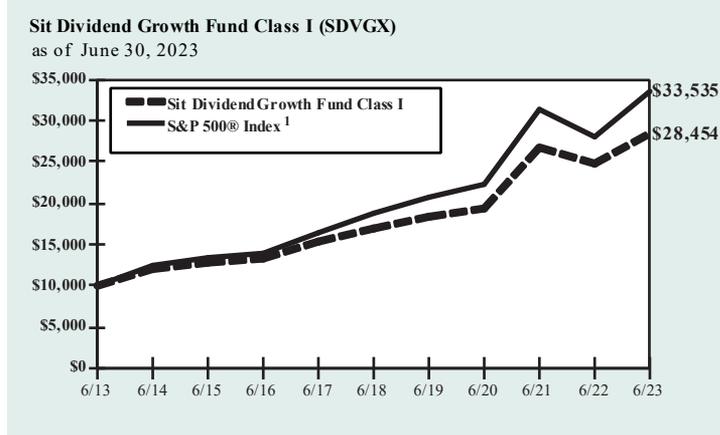
## Factors that Influenced the Fund's Performance

The Fund posted strong absolute returns over the 12-month period, although it underperformed the S&P500® Index. A large reason for the underperformance was that lower beta, dividend payers lagged, as investors embraced technology stocks, especially those linked to artificial intelligence. The Fund did not own non-dividend-paying names, such as Nvidia, Netflix, and Meta, that were some of the best-performing equities during the period. The biggest detractor to the Fund's performance during the period was holdings in the health technology sector, where many of its positions were impacted by continued supply chain headwinds. The Fund's holdings in the electronic technology sector performed well on an absolute basis (+42% total return), helped by an overweight position, but trailed the benchmark's sector return (+49%). This offset strong selections in Broadcom, Analog Devices, and Applied Materials. An overweight position in utilities also detracted from returns. On the other hand, strong stock performance in health services and consumer non-durables augmented returns, including holdings in HCA Healthcare, Quest Diagnostics, Mondelez, and PepsiCo. Finally, the Fund's underweight position in the communications sector, which was the worst-performing sector during the period, contributed positively to returns.

## Outlook and Positioning

Given the strong equity returns in the first half of 2023, we expect more subdued returns near-term, as investors struggle with the timing of the much-anticipated recession and the end of the Federal Reserve's tightening cycle. We strongly prefer "quality" stocks, as economic conditions will likely become more challenging during the second half of 2023. In this regard, we expect quality dividend-paying stocks to fare better, following a difficult first half as non-dividend-paying, "risk on" groups, primarily related to technology, drove market returns. Importantly, despite a slowing earnings backdrop, most holdings continue to increase dividend payouts (albeit at a more modest pace than in prior years). We believe dividend-paying growth stocks allow investors to

## HYPOTHETICAL GROWTH OF \$10,000



The chart above illustrates the total value of a hypothetical \$10,000 investment in the Fund over the past 10 years as compared to the performance of the S&P 500® Index. Past performance does not guarantee future results. Returns include the reinvestment of distributions. The chart does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>1</sup> S&P 500® Index is an unmanaged capitalization-weighted index that measures the performance of 500 widely held common stocks of large-cap companies. It is not possible to invest directly in an index. This is the Fund's primary index.

participate in equity market gains in upturns, while providing downside protection if the backdrop becomes more difficult. Given the narrow market leadership in the first half of 2023 that was driven by technology stocks, we would expect leadership to broaden in the coming months, with compelling valuations and growth prospects in diverse areas, including defense, semiconductors, transportation, insurance, waste management, and select utilities. Also, attractive valuations and the defensive nature of the healthcare industry lead us to be overweight in both the healthcare services and health technology sectors. Conversely, while consumer spending has remained strong so far in 2023, there are emerging signs of weakness, which prompts us to be broadly underweight consumer discretionary groups.

**Roger J. Sit**  
**Kent L. Johnson**  
*Portfolio Managers*

## COMPARATIVE RATES OF RETURNS

as of June 30, 2023

	Sit Dividend Growth Fund		S&P 500® Index <sup>1</sup>
	Class I	Class S	
One Year	14.76%	14.47%	19.59%
Five Year	10.93	10.67	12.31
Ten Year	11.02	10.76	12.86
Since Inception-Class I (12/31/03)	9.89	n/a	9.52
Since Inception-Class S (3/31/06)	n/a	9.36	9.59

Performance figures are historical and do not guarantee future results. Investment returns and principal value will vary, and you may have a gain or loss when you sell shares. Current performance may be lower or higher than the performance data quoted. Contact the Fund for performance data current to the most recent month-end. Returns include changes in share price as well as reinvestment of all dividends and capital gains. Returns do not reflect the deduction of the 2% redemption fee imposed if shares are redeemed or exchanged within 30 calendar days from their date of purchase. If imposed, the fee would reduce the performance quoted. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Management fees and administrative expenses are included in the Fund's performance. Returns for periods greater than one year are compounded average annual rates of return.

<sup>1</sup> S&P 500® Index is an unmanaged capitalization-weighted index that measures the performance of 500 widely held common stocks of large-cap companies. It is not possible to invest directly in an index.

## PORTFOLIO SUMMARY

### Class I:

Net Asset Value 6/30/23:	\$14.64	Per Share
Net Asset Value 6/30/22:	\$14.29	Per Share
Net Assets:	\$209.9	Million

### Class S:

Net Asset Value 6/30/23:	\$14.54	Per Share
Net Asset Value 6/30/22:	\$14.20	Per Share
Net Assets:	\$21.3	Million

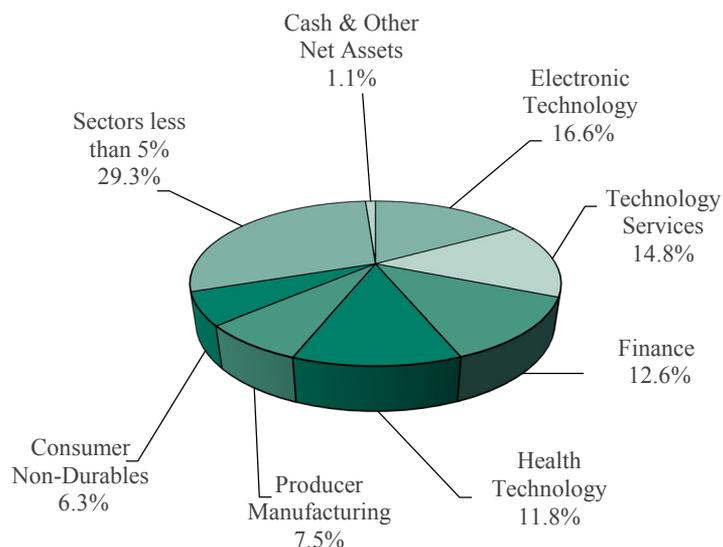
Weighted Average Market Cap:	\$517.1	Billion
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## TOP 10 HOLDINGS

1. Microsoft Corp.
2. Apple, Inc.
3. Broadcom, Inc.
4. UnitedHealth Group, Inc.
5. Johnson & Johnson
6. ConocoPhillips
7. Oracle Corp.
8. Exxon Mobil Corp.
9. PepsiCo, Inc.
10. AstraZeneca, PLC, ADR

Based on net assets as of June 30, 2023.

## SECTOR ALLOCATION



Based on net assets as of June 30, 2023.

Information on this page is unaudited.

## SCHEDULE OF INVESTMENTS

June 30, 2023

### Sit Dividend Growth Fund

Investments are grouped by economic sectors.

Name of Issuer	Quantity	Fair Value (\$)	Name of Issuer	Quantity	Fair Value (\$)
<b>Common Stocks - 98.9%</b>			<b>Health Services - 4.7%</b>		
<b>Commercial Services - 2.8%</b>			<b>Health Technology - 11.8%</b>		
Booz Allen Hamilton Holding Corp.	21,100	2,354,760	HCA Healthcare, Inc.	6,460	1,960,481
S&P Global, Inc.	4,650	1,864,138	Quest Diagnostics, Inc.	21,625	3,039,610
Sysco Corp.	29,925	2,220,435	UnitedHealth Group, Inc.	12,225	5,875,824
		<u>6,439,333</u>			<u>10,875,915</u>
<b>Communications - 1.4%</b>			<b>Industrial Services - 2.1%</b>		
American Tower Corp.	8,450	1,638,793	Waste Management, Inc.	15,200	2,635,984
SBA Communications Corp.	6,475	1,500,646	Williams Cos., Inc.	70,020	2,284,753
		<u>3,139,439</u>			<u>4,920,737</u>
<b>Consumer Durables - 0.6%</b>			<b>Non-Energy Minerals - 0.6%</b>		
Activision Blizzard, Inc. *	16,050	1,353,015	Glencore, PLC, ADR	119,875	1,349,793
<b>Consumer Non-Durables - 6.3%</b>			<b>Process Industries - 1.5%</b>		
Conagra Brands, Inc.	39,700	1,338,684	Air Products & Chemicals, Inc.	11,700	3,504,501
Constellation Brands, Inc.	8,125	1,999,806	<b>Producer Manufacturing - 7.5%</b>		
Mondelez International, Inc.	46,275	3,375,299	Carlisle Cos., Inc.	7,475	1,917,562
PepsiCo, Inc.	22,245	4,120,219	Eaton Corp., PLC	13,700	2,755,070
Procter & Gamble Co.	23,750	3,603,825	Emerson Electric Co.	20,850	1,884,632
		<u>14,437,833</u>	General Dynamics Corp.	13,975	3,006,721
<b>Consumer Services - 3.0%</b>			Honeywell International, Inc.	10,000	2,075,000
McDonald's Corp.	7,025	2,096,330	Lockheed Martin Corp.	3,510	1,615,934
Starbucks Corp.	18,000	1,783,080	Parker-Hannifin Corp.	4,750	1,852,690
Visa, Inc.	13,150	3,122,862	Siemens AG, ADR	25,925	2,162,404
		<u>7,002,272</u>			<u>17,270,013</u>
<b>Electronic Technology - 16.6%</b>			<b>Retail Trade - 2.2%</b>		
Analog Devices, Inc.	18,250	3,555,283	Home Depot, Inc.	6,475	2,011,394
Apple, Inc.	77,075	14,950,238	TJX Cos., Inc.	35,050	2,971,889
Applied Materials, Inc.	22,275	3,219,628			<u>4,983,283</u>
Broadcom, Inc.	8,600	7,459,898	<b>Technology Services - 14.8%</b>		
Garmin, Ltd.	18,350	1,913,722	Accenture, PLC	10,900	3,363,522
International Business Machines Corp.	14,825	1,983,733	Adobe, Inc. *	4,785	2,339,817
Skyworks Solutions, Inc.	23,650	2,617,818	Alphabet, Inc. - Class A *	32,675	3,911,198
TE Connectivity, Ltd.	19,775	2,771,664	Genpact, Ltd.	46,315	1,740,055
		<u>38,471,984</u>	Intuit, Inc.	5,590	2,561,282
<b>Energy Minerals - 3.9%</b>			Microsoft Corp.	46,625	15,877,677
ConocoPhillips	44,200	4,579,562	Oracle Corp.	37,425	4,456,943
Exxon Mobil Corp.	40,800	4,375,800			<u>34,250,494</u>
		<u>8,955,362</u>	<b>Transportation - 2.6%</b>		
<b>Finance - 12.6%</b>			FedEx Corp.	13,025	3,228,898
Air Lease Corp.	30,925	1,294,211	Union Pacific Corp.	13,975	2,859,564
American International Group, Inc.	46,825	2,694,310			<u>6,088,462</u>
Ameriprise Financial, Inc.	7,250	2,408,160	<b>Utilities - 3.9%</b>		
Bank of New York Mellon Corp.	47,900	2,132,508	NextEra Energy, Inc.	45,125	3,348,275
Carlyle Group, Inc.	51,550	1,647,023	PPL Corp.	103,200	2,730,672
Chubb, Ltd.	9,025	1,737,854			
Everest Re Group, Ltd.	8,085	2,763,938			
Goldman Sachs Group, Inc.	4,050	1,306,287			
JPMorgan Chase & Co.	18,250	2,654,280			
Morgan Stanley	22,050	1,883,070			
Realty Income Corp.	61,725	3,690,538			
Reinsurance Group of America, Inc.	21,400	2,967,966			
Willis Towers Watson, PLC	8,600	2,025,300			
		<u>29,205,445</u>			

See accompanying notes to financial statements.

<b>Name of Issuer</b>	<b>Quantity</b>	<b>Fair Value (\$)</b>
Xcel Energy, Inc.	48,150	2,993,485
		<u>9,072,432</u>
<b>Total Common Stocks</b> (cost: \$179,498,259)		<u>228,661,633</u>
<b>Short-Term Securities - 0.9%</b>		
Fidelity Inst. Money Mkt. Gvt. Fund, 4.99% (cost \$2,046,141)	2,046,141	<u>2,046,141</u>
<b>Total Investments in Securities - 99.8%</b> (cost \$181,544,400)		230,707,774
<b>Other Assets and Liabilities, net - 0.2%</b>		<u>446,832</u>
<b>Net Assets - 100.0%</b>		<u><u>\$231,154,606</u></u>

\* Non-income producing security.

ADR — American Depositary Receipt

PLC — Public Limited Company

Numeric footnotes not disclosed are not applicable to this Schedule of Investments.

A summary of the levels for the Fund's investments as of June 30, 2023 is as follows (see Note 2 - significant accounting policies in the notes to financial statements):

	<b>Investment in Securities</b>			<b>Total (\$)</b>
	<b>Level 1</b> Quoted Prices (\$)	<b>Level 2</b> Other significant observable inputs (\$)	<b>Level 3</b> Significant unobservable inputs (\$)	
Common Stocks**	228,661,633	—	—	228,661,633
Short-Term Securities	2,046,141	—	—	2,046,141
<b>Total:</b>	<u>230,707,774</u>	<u>—</u>	<u>—</u>	<u>230,707,774</u>

\*\* For equity securities categorized in a single level, refer to the detail above for further breakdown.

There were no transfers into or out of level 3 during the reporting period.

*See accompanying notes to financial statements.*

# Sit Global Dividend Growth Fund - Class I and Class S

## OBJECTIVE & STRATEGY

The objective of the Sit Global Dividend Growth Fund is to provide current income that exceeds the dividend yield of the MSCI World Index and that grows over a period of years. Secondly, the Fund seeks long-term capital appreciation. The Fund seeks to achieve its objectives by investing, under normal market conditions, at least 80% of its net assets in dividend-paying common stocks issued by U.S. and foreign companies. The Fund may invest the balance of its assets in preferred stocks, convertible bonds, U.S. Treasury securities and closed-end investment companies.

## Fund Performance

The Sit Global Dividend Growth Fund Class I shares provided a return of +16.46% during the 12-month period ended June 30, 2023, compared to the return of the MSCI World Index of +18.51%. The Fund's gross dividend yield (before deducting Fund expenses) was 2.03% as of June 30, 2023, compared to 2.00% for the MSCI World Index.

## Factors that Influenced the Fund's Performance

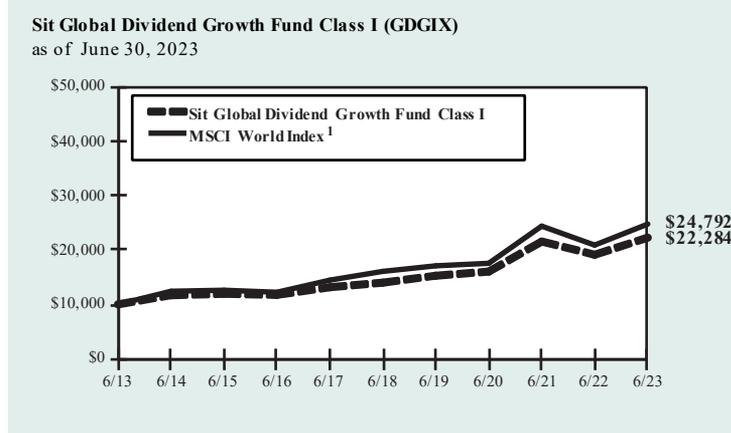
The Fund recorded strong absolute returns during the 12-month period but underperformed its benchmark, as global non-dividend-paying stocks lagged their dividend-paying counterparts. Contributing favorably to performance was not owning anything in telecommunications services, which was the worst-performing sector in the market. Also, the Fund benefited from stock selection in the insurance sector, where it held Arthur J. Gallagher, Munich Reinsurance, and Allianz SE ADR. Finally, owning JPMorgan Chase and a sector underweight in banks added to performance. Conversely, stock selections and sector allocations in the software & services, pharmaceuticals biotechnology & life sciences, and consumer discretionary distribution & retail sectors detracted from relative performance. Adverse holdings included Atlassian and Johnson & Johnson. The Fund was also hurt by not owning Meta Platforms, Eli Lilly, and Netflix.

Geographically, the Fund's exposure to Asia/Pacific ex Japan, where it owned Broadcom, added value during the 12-month period, while its exposure to Non-Euroland and North America took away from performance. Holdings that hurt performance included Partners Group Holding, Telefonaktiebolaget LM Ericsson, Chubb Limited, CVS Health, and Johnson & Johnson.

## Outlook and Positioning

Given the strong equity returns in the first half of 2023, we expect more subdued returns near-term, as investors struggle with the timing of the much-anticipated recession and the end of the Federal Reserve's tightening cycle. With the recent upward surge in technology stocks, we see better near-term opportunities in groups that lagged in the first half. Specifically, many industrials show steady growth and have tailwinds in end markets, such as infrastructure, electrification, automation, and aerospace. The healthcare sector is also attractive, with earnings generally immune to a softening economy. Here, we see compelling investment opportunities in medical devices, hospitals, HMOs, and select biopharma stocks. Finally, while lower energy prices have led to weak

## HYPOTHETICAL GROWTH OF \$10,000



The chart above illustrates the total value of a hypothetical \$10,000 investment in the Fund over the past 10 years as compared to the performance of the MSCI World Index. Past performance does not guarantee future results. Returns include the reinvestment of distributions. The chart does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>1</sup> The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. It is not possible to invest directly in an index.

share prices this year, we believe the energy sector is attractive given its still-healthy free cash generation, strong balance sheets, and leverage to higher prices when the next upcycle takes hold.

We strongly prefer “quality” stocks as economic conditions will likely become more challenging during the second half of 2023. In this regard, we expect quality dividend-paying stocks to fare better following a difficult first half, as non-dividend-paying, “risk on” groups (primarily related to technology) drove market returns during the past six months. We believe dividend-paying growth stocks allow investors to participate in equity market gains in upturns and provide downside protection if the backdrop becomes more difficult. In addition to the above-noted sectors, we see compelling investment opportunities in diverse areas, such as defense, semiconductors, transportation, insurance, waste management, and select utilities. Internationally, we prefer exposure to China, South Korea, India, Singapore, and Australia.

**Roger J. Sit**      **Raymond E. Sit**  
**Kent L. Johnson**  
*Portfolio Managers*

*Information on this page is unaudited.*

## COMPARATIVE RATES OF RETURNS

as of June 30, 2023

### Sit Global Dividend Growth Fund

	Class I	Class S	MSCI World Index <sup>1</sup>
One Year	16.46%	16.13%	18.51%
Five Year	9.76	9.47	9.07
Ten Year	8.34	8.07	9.50
Since Inception (9/30/08)	8.90	8.62	8.52

Performance figures are historical and do not guarantee future results. Investment returns and principal value will vary, and you may have a gain or loss when you sell shares. Current performance may be lower or higher than the performance data quoted. Contact the Fund for performance data current to the most recent month-end. Returns include changes in share price as well as reinvestment of all dividends and capital gains. Returns do not reflect the deduction of the 2% redemption fee imposed if shares are redeemed or exchanged within 30 calendar days from their date of purchase. If imposed, the fee would reduce the performance quoted. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Management fees and administrative expenses are included in the Fund's performance. Returns for periods greater than one year are compounded average annual rates of return.

<sup>1</sup> The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. It is not possible to invest directly in an index.

## PORTFOLIO SUMMARY

### Class I:

Net Asset Value 6/30/23:	\$22.75	Per Share
Net Asset Value 6/30/22:	\$19.77	Per Share
Net Assets:	\$43.9	Million

### Class S:

Net Asset Value 6/30/23:	\$22.71	Per Share
Net Asset Value 6/30/22:	\$19.74	Per Share
Net Assets:	\$4.0	Million

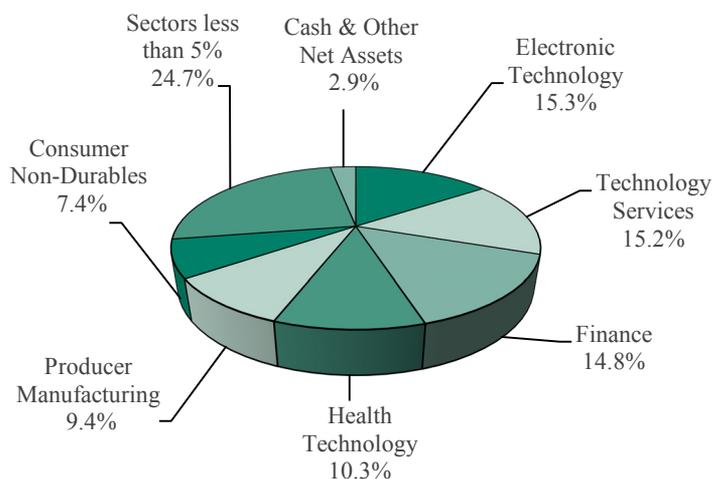
Weighted Average Market Cap:	\$579.9	Billion
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## TOP 10 HOLDINGS

1. Apple, Inc.
2. Microsoft Corp.
3. Broadcom, Inc.
4. Shell, PLC, ADR
5. Applied Materials, Inc.
6. Johnson & Johnson
7. Accenture, PLC
8. AstraZeneca, PLC, ADR
9. Alphabet, Inc. - Class A
10. JPMorgan Chase & Co.

Based on net assets as of June 30, 2023.

## SECTOR ALLOCATION



Based on net assets as of June 30, 2023.

*Information on this page is unaudited.*

## SCHEDULE OF INVESTMENTS

June 30, 2023

### Sit Global Dividend Growth Fund

Investments are grouped by geographic region

Name of Issuer	Quantity	Fair Value (\$)	Name of Issuer	Quantity	Fair Value (\$)
<b>Common Stocks - 97.1%</b>			<b>North America - 59.4%</b>		
<b>Asia - 5.6%</b>			<b>United States - 59.4%</b>		
<b>Australia - 3.1%</b>			Abbott Laboratories		
Atlassian Corp. *	3,525	591,530	AES Corp.	5,100	105,723
BHP Group, Ltd. ADR	6,150	366,970	Alphabet, Inc. - Class A *	9,000	1,077,300
Macquarie Group, Ltd.	3,900	464,053	Apple, Inc.	19,200	3,724,224
Woodside Energy Group, Ltd., ADR	2,222	51,528	Applied Materials, Inc.	8,175	1,181,614
		<u>1,474,081</u>	Arthur J Gallagher & Co.	3,775	828,877
			Bank of America Corp.	8,500	243,865
<b>Japan - 1.6%</b>			Broadcom, Inc.	1,825	1,583,060
Astellas Pharma, Inc.	29,900	445,285	Cheniere Energy, Inc.	2,900	441,844
Recruit Holdings Co., Ltd.	10,800	344,686	ConocoPhillips	4,125	427,391
		<u>789,971</u>	Constellation Brands, Inc.	2,750	676,858
			CVS Health Corp.	6,625	457,986
<b>Singapore - 0.9%</b>			Equifax, Inc.	1,000	235,300
Singapore Technologies Engineering, Ltd.	158,600	432,767	Euronet Worldwide, Inc. *	2,800	328,636
<b>Europe - 32.1%</b>			FedEx Corp.	1,950	483,405
<b>France - 0.6%</b>			Goldman Sachs Group, Inc.	1,400	451,556
Safran SA, ADR	7,700	302,148	Home Depot, Inc.	2,550	792,132
<b>Germany - 5.4%</b>			Honeywell International, Inc.	3,200	664,000
Allianz SE, ADR	35,000	812,700	Johnson & Johnson	6,925	1,146,226
DHL Group	4,050	197,892	JPMorgan Chase & Co.	7,350	1,068,984
Infineon Technologies AG	6,425	264,596	Lockheed Martin Corp.	1,565	720,495
Muenchener Rueckversicherungs AG	1,500	563,119	McDonald's Corp.	1,860	555,043
Siemens AG	4,350	725,149	Microsoft Corp.	10,725	3,652,291
Siemens Energy AG *	1,600	28,291	Mondelez International, Inc.	7,100	517,874
		<u>2,591,747</u>	Otis Worldwide Corp.	3,875	344,914
			PepsiCo, Inc.	4,875	902,947
<b>Ireland - 4.9%</b>			Salesforce, Inc. *	725	153,164
Accenture, PLC	3,675	1,134,031	Sherwin-Williams Co.	1,875	497,850
Linde, PLC	1,475	562,093	Starbucks Corp.	2,950	292,227
Medtronic, PLC	2,625	231,262	T Rowe Price Group, Inc.	2,450	274,449
Trane Technologies, PLC	2,175	415,991	Thermo Fisher Scientific, Inc.	1,175	613,056
		<u>2,343,377</u>	Union Pacific Corp.	4,050	828,711
			UnitedHealth Group, Inc.	1,625	781,040
<b>Spain - 1.6%</b>			Waste Management, Inc.	5,100	884,442
Iberdrola SA	60,400	788,752	WEC Energy Group, Inc.	6,150	542,676
			Williams Cos., Inc.	4,600	150,098
<b>Switzerland - 6.4%</b>					<u>28,437,006</u>
Chubb, Ltd.	2,650	510,284	<b>Total Common Stocks</b>		
Logitech International SA	9,625	571,725	<b>(cost: \$25,882,236)</b>		<u>46,534,273</u>
Lonza Group AG	950	567,827	<b>Short-Term Securities - 2.8%</b>		
Nestle SA	6,075	730,772	Fidelity Inst. Money Mkt. Gvt. Fund, 4.99%		
Partners Group Holding AG	725	683,559	<b>(cost \$1,331,333)</b>	1,331,333	1,331,333
		<u>3,064,167</u>			
<b>United Kingdom - 13.2%</b>			<b>Total Investments in Securities - 99.9%</b>		
AstraZeneca, PLC, ADR	15,400	1,102,178	<b>(cost \$27,213,569)</b>		47,865,606
BAE Systems, PLC	74,675	880,511	<b>Other Assets and Liabilities, net - 0.1%</b>		
Compass Group, PLC	14,500	406,046			<u>61,874</u>
Diageo, PLC, ADR	4,225	732,953	<b>Net Assets - 100.0%</b>		
Glencore, PLC, ADR	25,200	283,752			<u>\$47,927,480</u>
London Stock Exchange Group, PLC	6,875	731,730			
Man Group, PLC	162,675	451,762			
RELX, PLC	14,450	482,026			
Shell, PLC, ADR	20,525	1,239,299			
		<u>6,310,257</u>			

See accompanying notes to financial statements.

\* Non-income producing security.

ADR — American Depositary Receipt

PLC — Public Limited Company

Numeric footnotes not disclosed are not applicable to this Schedule of Investments.

A summary of the levels for the Fund's investments as of June 30, 2023 is as follows (see Note 2 - significant accounting policies in the notes to financial statements):

	Investment in Securities			Total (\$)
	Level 1 Quoted Prices (\$)	Level 2 Other significant observable inputs (\$)	Level 3 Significant unobservable inputs (\$)	
Common Stocks				
Australia	1,010,028	464,053	—	1,474,081
France	302,148	—	—	302,148
Germany	812,700	1,779,047	—	2,591,747
Ireland	2,343,377	—	—	2,343,377
Japan	—	789,971	—	789,971
Singapore	—	432,767	—	432,767
Spain	—	788,752	—	788,752
Switzerland	1,082,009	1,982,158	—	3,064,167
United Kingdom	3,358,182	2,952,075	—	6,310,257
United States	28,437,006	—	—	28,437,006
Short-Term Securities	1,331,333	—	—	1,331,333
Total:	38,676,783	9,188,823	—	47,865,606

Level 1 securities of foreign issuers are primarily American Depositary Receipts (ADRs), Public Limited Companies (PLCs) or Global Depositary Receipts (GDRs). There were no transfers into or out of level 3 during the reporting period.

*See accompanying notes to financial statements.*

# Sit Large Cap Growth Fund

## OBJECTIVE & STRATEGY

The objective of the Sit Large Cap Growth Fund is to maximize long-term capital appreciation. The Fund pursues this objective by investing, under normal market conditions, at least 80% of its net assets in the common stocks of domestic growth companies with capitalizations of \$5 billion or more at the time of purchase.

## Fund Performance

The Sit Large Cap Growth Fund's return was +25.20% over the 12-month period ended June 30, 2023, compared to a +27.11% return for the Russell 1000® Growth Index. The S&P 500® Index return for the period was +19.59%.

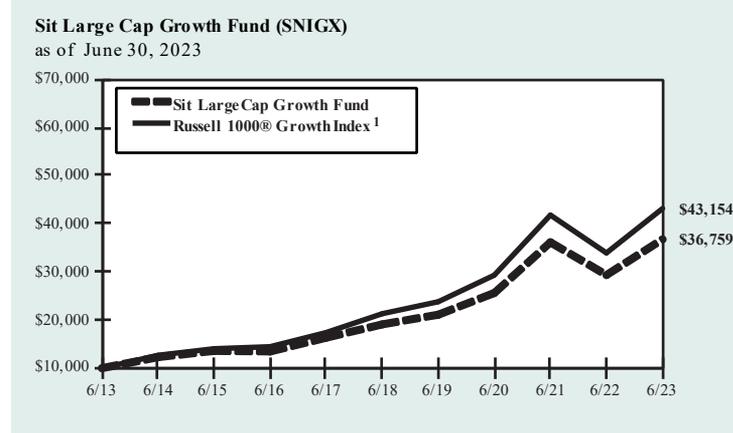
## Factors that Influenced the Fund's Performance

The Fund posted strong, positive returns but underperformed the Russell 1000® Growth Index during the period. The largest contributors to performance were stock selection and a slight overweight allocation in the electronic technology sector, where the Fund's holdings outperformed the benchmark's sector return. Key contributors of performance included Broadcom, Nvidia, and Applied Materials. These holdings were beneficiaries of increased spending on artificial intelligence/machine learning and greater utilization of semiconductors in industrial and consumer industries. The Fund also benefited from an underweight position and stock selection in the retail trade sector, where the trade down in consumer spending helped its position in TJX Cos. Contrarily, despite strong absolute returns, stock selection and an overweight position in the technology services sector detracted from performance. This resulted from holding Alphabet and Atlassian and not owning Meta Platforms, which had very strong performance in the first half of 2023. Also, while being underweight the health technology sector helped returns, this was more than offset by poor stock selection.

## Outlook and Positioning

In the first half of 2023, the stock market climbed a so-called "wall of worry," cheered by a respite from banking woes, the debt ceiling fix, and better-than-expected macro data. Also, the investors' fear of missing out was undeniably a significant influence driving the market. But, given the exceptional global uncertainty, investors still lack conviction despite the June rally, as there are emerging signs of economic weakness. The Atlanta Fed's GDPNow model currently forecasts second quarter real GDP growth of +2.3% (versus a revised +2.0% in first quarter 2023), putting the U.S. expansion on solid footing. Even so, gross domestic income (GDI), which is basically the other side of the ledger and should theoretically equal GDP, paints a different picture. Real GDI fell -3.3% in the final quarter of 2022 and -1.8% in the first quarter of 2023, implying the economy is in at least a "technical" recession. Although the

## HYPOTHETICAL GROWTH OF \$10,000



The chart above illustrates the total value of a hypothetical \$10,000 investment in the Fund over the past 10 years as compared to the performance of the Russell 1000® Growth Index. Past performance does not guarantee future results. Returns include the reinvestment of distributions. The chart does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>1</sup> Russell 1000® Growth Index is an unmanaged index that measures the performance of those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values. It is not possible to invest directly in an index. This is the Fund's primary index.

two measures of economic activity have never aligned perfectly, first quarter 2023 GDP outpaced GDI by the largest amount on record. Led by a slump in nonfarm productivity, a dip in corporate profits explains much of the recent contraction in GDI. Normally, firms slash headcount to shield profitability as margins ebb, fostering a negative feedback loop. But, having struggled to hire workers, many employers are reluctant to let any go and are hoarding them instead. If this mindset holds, a contraction in GDP should be relatively mild. The Fund remains overweight technology holdings that should benefit from growing secular trends surrounding artificial intelligence, cloud spending, and increased semiconductor penetration. It is also overweight in the more-resilient healthcare services sector, which should benefit from an aging population and increasing utilization. It is underweight in consumer sectors. While the consumer has remained resilient, there are emerging signs that spending power has eroded.

**Roger J. Sit**  
**Ronald D. Sit**  
Portfolio Managers

## COMPARATIVE RATES OF RETURNS

as of June 30, 2023

	Sit Large Cap Growth Fund	Russell 1000® Growth Index <sup>1</sup>	Russell 1000® Index <sup>2</sup>
One Year	25.20%	27.11%	19.36%
Five Year	13.99	15.14	11.92
Ten Year	13.90	15.74	12.64
Since Inception <sup>3</sup> (9/2/82)	10.65	11.88	11.85

Performance figures are historical and do not guarantee future results. Investment returns and principal value will vary, and you may have a gain or loss when you sell shares. Current performance may be lower or higher than the performance data quoted. Contact the Fund for performance data current to the most recent month-end. Returns include changes in share price as well as reinvestment of all dividends and capital gains. Returns do not reflect the deduction of the 2% redemption fee imposed if shares are redeemed or exchanged within 30 calendar days from their date of purchase. If imposed, the fee would reduce the performance quoted. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Management fees and administrative expenses are included in the Fund's performance. Returns for periods greater than one year are compounded average annual rates of return.

<sup>1</sup> Russell 1000® Growth Index is an unmanaged index that measures the performance of those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values. It is not possible to invest directly in an index.

<sup>2</sup> Russell 1000® Index is an unmanaged index that measures the performance of approximately 1,000 of the largest U.S. companies by market capitalization.

<sup>3</sup> On 6/6/93, the Fund's investment objective changed to allow for a portfolio of 100% stocks. Prior to that time, the portfolio was required to contain no more than 80% stocks.

## PORTFOLIO SUMMARY

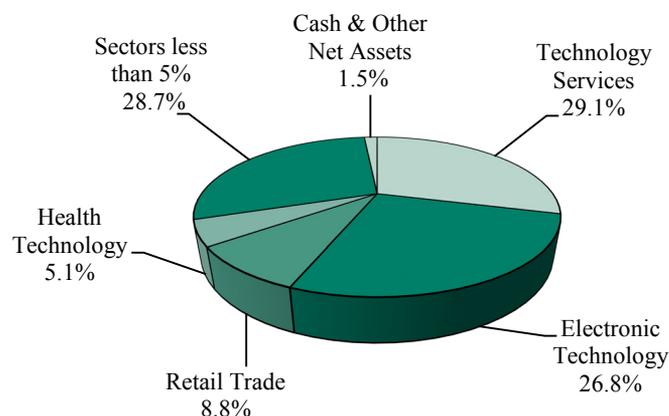
Net Asset Value 6/30/23:	\$58.26	Per Share
Net Asset Value 6/30/22:	\$48.29	Per Share
Net Assets:	\$162.8	Million
Weighted Average Market Cap:	\$987.6	Billion

## TOP HOLDINGS

1. Apple, Inc.
2. Microsoft Corp.
3. Alphabet, Inc.
4. NVIDIA Corp.
5. Amazon.com, Inc.
6. Broadcom, Inc.
7. UnitedHealth Group, Inc.
8. Applied Materials, Inc.
9. Visa, Inc.
10. salesforce.com, Inc.

Based on net assets as of June 30, 2023.

## SECTOR ALLOCATION



Based on net assets as of June 30, 2023.

*Information on this page is unaudited.*

## SCHEDULE OF INVESTMENTS

June 30, 2023

### Sit Large Cap Growth Fund

Investments are grouped by economic sectors.

Name of Issuer	Quantity	Fair Value (\$)	Name of Issuer	Quantity	Fair Value (\$)
<b>Common Stocks - 98.5%</b>			Sherwin-Williams Co.	5,225	1,387,342
<b>Communications - 0.8%</b>					3,271,127
American Tower Corp.	6,950	1,347,883	<b>Producer Manufacturing - 4.8%</b>		
<b>Consumer Durables - 1.0%</b>			Aptiv, PLC *	11,650	1,189,348
Activision Blizzard, Inc. *	8,250	695,475	Honeywell International, Inc.	8,425	1,748,188
YETI Holdings, Inc. *	23,950	930,218	Northrop Grumman Corp.	3,475	1,583,905
		1,625,693	Parker-Hannifin Corp.	3,950	1,540,658
<b>Consumer Non-Durables - 4.4%</b>			Siemens AG, ADR	21,675	1,807,912
Constellation Brands, Inc.	7,425	1,827,515			7,870,011
Estee Lauder Cos., Inc. - Class A	7,600	1,492,488	<b>Retail Trade - 8.8%</b>		
Mondelez International, Inc.	12,850	937,279	Amazon.com, Inc. *	63,000	8,212,680
NIKE, Inc.	9,050	998,849	Home Depot, Inc.	8,425	2,617,142
PepsiCo, Inc.	10,000	1,852,200	Lululemon Athletica, Inc. *	4,425	1,674,862
		7,108,331	Netflix, Inc. *	750	330,368
<b>Consumer Services - 3.2%</b>			TJX Cos., Inc.	18,075	1,532,579
McDonald's Corp.	6,650	1,984,426			14,367,631
Visa, Inc.	13,650	3,241,602	<b>Technology Services - 29.1%</b>		
		5,226,028	Accenture, PLC	10,200	3,147,516
<b>Electronic Technology - 26.8%</b>			Adobe, Inc. *	6,250	3,056,188
Apple, Inc.	110,825	21,496,725	Alphabet, Inc. - Class A *	12,500	1,496,250
Applied Materials, Inc.	30,000	4,336,200	Alphabet, Inc. - Class C *	73,500	8,891,295
Arista Networks, Inc. *	3,750	607,725	Atlassian Corp. *	7,675	1,287,942
Broadcom, Inc.	7,525	6,527,411	Autodesk, Inc. *	6,300	1,289,043
NVIDIA Corp.	20,250	8,566,155	Intuit, Inc.	5,200	2,382,588
Palo Alto Networks, Inc. *	5,400	1,379,754	Microsoft Corp.	57,600	19,615,104
QUALCOMM, Inc.	6,325	752,928	Paycom Software, Inc.	2,500	803,100
		43,666,898	salesforce.com, Inc. *	15,225	3,216,433
<b>Energy Minerals - 1.8%</b>			ServiceNow, Inc. *	2,275	1,278,482
Chevron Corp.	2,100	330,435	Splunk, Inc. *	8,100	859,329
ConocoPhillips	24,600	2,548,806			47,323,270
		2,879,241	<b>Transportation - 2.3%</b>		
<b>Finance - 2.1%</b>			FedEx Corp.	7,575	1,877,843
Chubb, Ltd.	5,050	972,428	Union Pacific Corp.	9,200	1,882,504
Goldman Sachs Group, Inc.	5,150	1,661,081			3,760,347
JPMorgan Chase & Co.	4,900	712,656	<b>Utilities - 0.6%</b>		
		3,346,165	NextEra Energy, Inc.	13,100	972,020
<b>Health Services - 4.4%</b>			<b>Total Common Stocks</b>		
Centene Corp. *	16,425	1,107,866	<b>(cost: \$57,530,869)</b>		
HCA Healthcare, Inc.	4,125	1,251,855	<b>Short-Term Securities - 1.5%</b>		
UnitedHealth Group, Inc.	10,125	4,866,480	Fidelity Inst. Money Mkt. Gvt. Fund, 4.99%	2,497,245	2,497,245
		7,226,201	<b>(cost \$2,497,245)</b>		
<b>Health Technology - 5.1%</b>			<b>Total Investments in Securities - 100.0%</b>		
Abbott Laboratories	15,500	1,689,810	<b>(cost \$60,028,114)</b>		
Dexcom, Inc. *	22,000	2,827,220	<b>Other Assets and Liabilities, net - (0.0)%</b>		
Johnson & Johnson	6,150	1,017,948	<b>(73,280)</b>		
Thermo Fisher Scientific, Inc.	5,250	2,739,187	<b>Net Assets - 100.0%</b>		
		8,274,165	<b>\$162,772,499</b>		
<b>Industrial Services - 1.3%</b>			* Non-income producing security.		
Cheniere Energy, Inc.	13,675	2,083,523	ADR — American Depositary Receipt		
<b>Process Industries - 2.0%</b>			PLC — Public Limited Company		
Darling Ingredients, Inc. *	13,700	873,923			
Linde, PLC	2,650	1,009,862			

See accompanying notes to financial statements.

Numeric footnotes not disclosed are not applicable to this Schedule of Investments.

A summary of the levels for the Fund's investments as of June 30, 2023 is as follows (see Note 2 - significant accounting policies in the notes to financial statements):

	<b>Investment in Securities</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
	Quoted	Other significant	Significant	
	Prices (\$)	observable inputs (\$)	unobservable inputs (\$)	Total (\$)
Common Stocks**	160,348,534	—	—	160,348,534
Short-Term Securities	2,497,245	—	—	2,497,245
Total:	162,845,779	—	—	162,845,779

\*\* For equity securities categorized in a single level, refer to the detail above for further breakdown.

There were no transfers into or out of level 3 during the reporting period.

# Sit ESG Growth Fund - Class I and Class S

## OBJECTIVE & STRATEGY

The objective of the Sit ESG Growth Fund is to maximize long-term capital appreciation. The Fund seeks to achieve its objectives by investing, under normal market conditions, at least 80% of its net assets in companies that the Adviser believes have strong environmental, social and corporate governance (ESG) practices at the time of purchase. The Fund invests primarily in common stocks of U.S. and foreign companies, primarily of large to medium capitalizations (companies with market capitalization in excess of \$2 billion).

## Fund Performance

The Sit ESG Growth Fund Class I shares provided a return of +21.57% during the 12-month period ended June 30, 2023, compared to the return of the MSCI World Index of +18.51%.

## Factors that Influenced the Fund's Performance

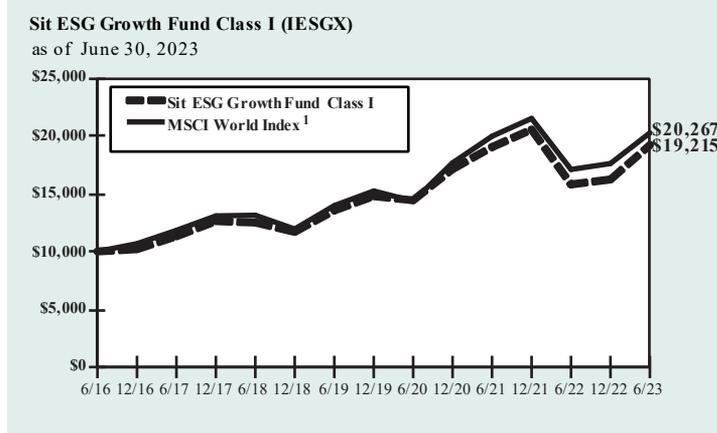
Contributing favorably to performance during the 12-month period were the Fund's positions in semiconductors & semiconductor equipment, where it held Nvidia and did not own Intel or Qualcomm, and utilities, where it owned Iberdrola ADR and avoided Dominion Energy and Duke Energy. Having no weight in the telecommunications services sector also helped performance. Conversely, the Fund's stock selection in consumer durables & apparel, health care equipment & services, and consumer staples distribution & retail detracted from returns. Holdings that hurt performance included adidas, UnitedHealthcare Group, Baxter International, Medtronic Plc, and CVS Health.

Geographically, the Fund's stock selection in North America and Euroland added value during the 12-month period. In North America, it was helped by owning Nvidia, DexCom, and Apple, while, in Euroland, positions in Siemens AG ADR and Safran SA ADR enhanced returns. However, stock selections in Non-Euroland and Japan detracted from performance. Adverse holdings included Telefonaktiebolaget LM Ericsson, Nestle S.A., and Astellas Pharma.

## Outlook and Positioning

Given the strong equity returns in the first half of 2023, we expect more subdued returns in the short term, as investors struggle with the timing of the much-anticipated recession and the end of the Federal Reserve's tightening cycle. With the recent upward surge in technology stocks, we see better near-term opportunities in groups that lagged in the first half. Specifically, many industrials show steady growth and have tailwinds in end markets, such as infrastructure, electrification, automation, and aerospace. The healthcare sector is also attractive, with earnings generally immune to a softening economy. Here, we see compelling investment opportunities in medical devices, hospitals, HMOs, and select biopharma stocks. Finally, while lower energy prices have led to weak share prices this year, we believe the sector is attractive given its still-healthy free cash generation, strong balance sheets, and leverage to higher prices when the next upcycle takes hold.

## HYPOTHETICAL GROWTH OF \$10,000



The chart above illustrates the total value of a hypothetical \$10,000 investment in the Fund over the past 10 years (or for the life of the Fund if shorter) as compared to the performance of the MSCI World Index. Past performance does not guarantee future results. Returns include the reinvestment of distributions. The chart does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>1</sup> The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. It is not possible to invest directly in an index. This is the Fund's primary index.

We strongly prefer "quality" stocks as economic conditions will likely become more challenging during the second half of 2023. In this regard, we expect quality dividend-paying stocks to fare better following a difficult first half, as non-dividend-paying, "risk on" groups (primarily related to technology) drove market returns during the past six months. We believe dividend-paying growth stocks allow investors to participate in equity market gains in upturns and provide downside protection if the backdrop becomes more difficult. In addition to the above-noted sectors, we see compelling investment opportunities in diverse areas, such as defense, semiconductors, transportation, insurance, waste management, and select utilities. Internationally, we prefer exposure to China, South Korea, India, Singapore, and Australia.

**Roger J. Sit**  
**David A. Brown**  
**Kent L. Johnson**  
**Michael T. Manns**  
*Portfolio Managers*

## COMPARATIVE RATES OF RETURNS

as of June 30, 2023

	Sit ESG Growth Fund		MSCI World Index <sup>1</sup>
	Class I	Class S	
One Year	21.57%	21.27%	18.51%
Five Year	8.96	8.67	9.07
Since Inception (6/30/16)	9.78	9.49	10.61

Performance figures are historical and do not guarantee future results. Investment returns and principal value will vary, and you may have a gain or loss when you sell shares. Current performance may be lower or higher than the performance data quoted. Contact the Fund for performance data current to the most recent month-end. Returns include changes in share price as well as reinvestment of all dividends and capital gains. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Management fees and administrative expenses are included in the Fund's performance. Returns for periods greater than one year are compounded average annual rates of return.

<sup>1</sup> The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. It is not possible to invest directly in an index.

## PORTFOLIO SUMMARY

### Class I:

Net Asset Value 6/30/23:	\$17.51	Per Share
Net Asset Value 6/30/22:	\$14.87	Per Share
Net Assets:	\$4.9	Million

### Class S:

Net Asset Value 6/30/23:	\$17.33	Per Share
Net Asset Value 6/30/22:	\$14.74	Per Share
Net Assets:	\$4.3	Million

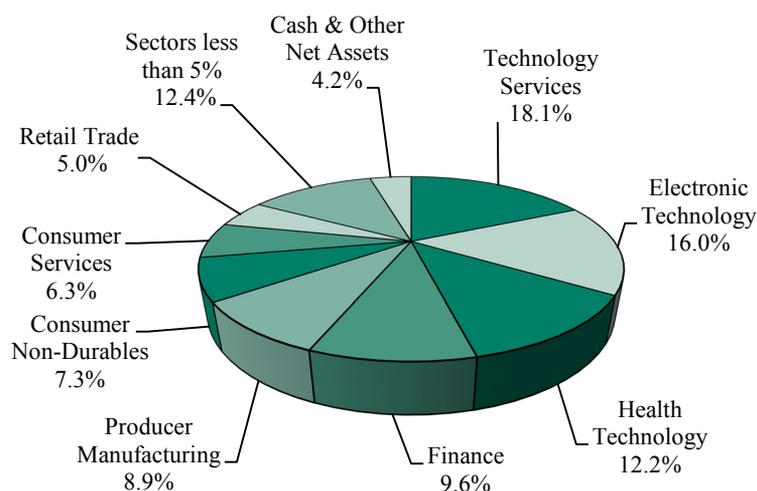
Weighted Average Market Cap: \$624.3 Billion

## TOP HOLDINGS

1. Apple, Inc.
2. Microsoft Corp.
3. NVIDIA Corp.
4. Alphabet, Inc. - Class A
5. AstraZeneca, PLC, ADR
6. UnitedHealth Group, Inc.
7. Home Depot, Inc.
8. Adobe, Inc.
9. Iberdrola SA, ADR
10. Allianz SE, ADR

Based on net assets as of June 30, 2023.

## SECTOR ALLOCATION



Based on net assets as of June 30, 2023.

Information on this page is unaudited.

## SCHEDULE OF INVESTMENTS

June 30, 2023

### Sit ESG Growth Fund

Investments are grouped by geographic region.

Name of Issuer	Quantity	Fair Value (\$)	Name of Issuer	Quantity	Fair Value (\$)
<b>Common Stocks - 95.8%</b>			<b>North America - 53.6%</b>		
<b>Asia - 6.9%</b>			<b>United States - 53.6%</b>		
<b>Japan - 6.0%</b>			Adobe, Inc. *		
Astellas Pharma, Inc.	6,400	95,312	AES Corp.	3,025	62,708
Keyence Corp.	200	95,031	Alphabet, Inc. - Class A *	2,500	299,250
Recruit Holdings Co., Ltd.	3,100	98,938	Apple, Inc.	3,600	698,292
Sony Group Corp., ADR	1,925	173,327	Broadcom, Inc.	75	65,057
Terumo Corp.	2,600	82,809	Cheniere Energy, Inc.	775	118,079
		<u>545,417</u>	CVS Health Corp.	1,550	107,152
			Dexcom, Inc. *	1,080	138,791
<b>Singapore - 0.9%</b>			Ecolab, Inc.	325	60,674
Singapore Technologies Engineering, Ltd.	31,200	85,134	FedEx Corp.	375	92,963
<b>Europe - 35.3%</b>			Goldman Sachs Group, Inc.	600	193,524
<b>France - 1.8%</b>			Home Depot, Inc.	745	231,427
Forvia *	2,358	55,651	Johnson & Johnson	1,175	194,486
Safran SA, ADR	2,750	107,910	JPMorgan Chase & Co.	1,075	156,348
		<u>163,561</u>	Lockheed Martin Corp.	185	85,170
			Microsoft Corp.	2,000	681,080
<b>Germany - 6.3%</b>			NIKE, Inc.	850	93,815
Allianz SE, ADR	8,800	204,336	NVIDIA Corp.	1,000	423,020
DHL Group	1,550	75,737	PepsiCo, Inc.	875	162,067
Infineon Technologies AG	1,225	50,448	salesforce.com, Inc. *	850	179,571
Muenchener Rueckversicherungs AG	275	103,238	Starbucks Corp.	1,000	99,060
Siemens AG, ADR	1,775	148,053	T Rowe Price Group, Inc.	475	53,209
		<u>581,812</u>	TJX Cos., Inc.	1,380	117,010
			UnitedHealth Group, Inc.	500	240,320
<b>Ireland - 5.2%</b>			Visa, Inc.	475	112,803
Accenture, PLC	575	177,434	Williams Cos., Inc.	900	29,367
CRH, PLC, ADR	1,200	66,876			<u>4,915,289</u>
Medtronic, PLC	725	63,872	<b>Total Common Stocks</b>		
Trane Technologies, PLC	875	167,353	<b>(cost: \$5,238,791)</b>		<u>8,788,882</u>
		<u>475,535</u>	<b>Short-Term Securities - 4.1%</b>		
<b>Netherlands - 0.5%</b>			Fidelity Inst. Money Mkt. Gvt. Fund, 4.99%		
ASML Holding NV	65	47,109	<b>(cost \$372,886)</b>	372,886	372,886
<b>Spain - 2.3%</b>			<b>Total Investments in Securities - 99.9%</b>		
Iberdrola SA, ADR	4,050	211,694	<b>(cost \$5,611,677)</b>		
<b>Switzerland - 4.8%</b>			<b>Other Assets and Liabilities, net - 0.1%</b>		
Chubb, Ltd.	250	48,140	<u>10,390</u>		
Logitech International SA	1,550	92,070	<b>Net Assets - 100.0%</b>		
Lonza Group AG	185	110,577	<u>\$9,172,158</u>		
Nestle SA, ADR	1,200	144,420			
Novartis AG, ADR	450	45,409			
		<u>440,616</u>			
<b>United Kingdom - 14.4%</b>			* Non-income producing security.		
AstraZeneca, PLC, ADR	3,625	259,441	ADR — American Depositary Receipt		
BAE Systems, PLC, ADR	3,500	167,860	PLC — Public Limited Company		
Coca-Cola Europacific Partners, PLC	2,100	135,303	Numeric footnotes not disclosed are not applicable to this Schedule of Investments.		
Compass Group, PLC	3,600	100,811			
Diageo, PLC, ADR	785	136,182			
Entain, PLC	6,900	111,572			
Man Group, PLC	44,850	124,552			
RELX, PLC, ADR	4,700	157,121			
Smith & Nephew, PLC	8,050	129,873			
		<u>1,322,715</u>			

See accompanying notes to financial statements.

A summary of the levels for the Fund's investments as of June 30, 2023 is as follows (see Note 2 - significant accounting policies in the notes to financial statements):

	<b>Investment in Securities</b>			<b>Total (\$)</b>
	<b>Level 1 Quoted Prices (\$)</b>	<b>Level 2 Other significant observable inputs (\$)</b>	<b>Level 3 Significant unobservable inputs (\$)</b>	
Common Stocks				
France	107,910	55,651	—	163,561
Germany	352,389	229,423	—	581,812
Ireland	475,535	—	—	475,535
Japan	173,327	372,090	—	545,417
Netherlands	47,109	—	—	47,109
Singapore	—	85,134	—	85,134
Spain	211,694	—	—	211,694
Switzerland	330,039	110,577	—	440,616
United Kingdom	855,907	466,808	—	1,322,715
United States	4,915,289	—	—	4,915,289
Short-Term Securities	372,886	—	—	372,886
<b>Total:</b>	<b>7,842,085</b>	<b>1,319,683</b>	<b>—</b>	<b>9,161,768</b>

Level 1 securities of foreign issuers are primarily American Depositary Receipts (ADRs), Public Limited Companies (PLCs) or Global Depositary Receipts (GDRs). There were no transfers into or out of level 3 during the reporting period.

*See accompanying notes to financial statements.*

# Sit Mid Cap Growth Fund

## OBJECTIVE & STRATEGY

The objective of the Sit Mid Cap Growth Fund is to maximize long-term capital appreciation. The Fund pursues this objective by investing, under normal market conditions, at least 80% of its net assets in common stocks that, at the time of purchase, have market capitalizations that fall within the range of companies included in the Russell Midcap® Growth Index during the most recent 12-month period. The Russell Midcap® Growth Index ranged from approximately \$271 million to \$69 billion during the 12-month period ended June 30, 2023.

## Fund Performance

The Sit Mid Cap Growth Fund's return for the 12-month period ended June 30, 2023 was +22.00%, compared to a +23.13% return for the Russell Midcap® Growth Index. The Russell Midcap® Index increased +14.92% during the period.

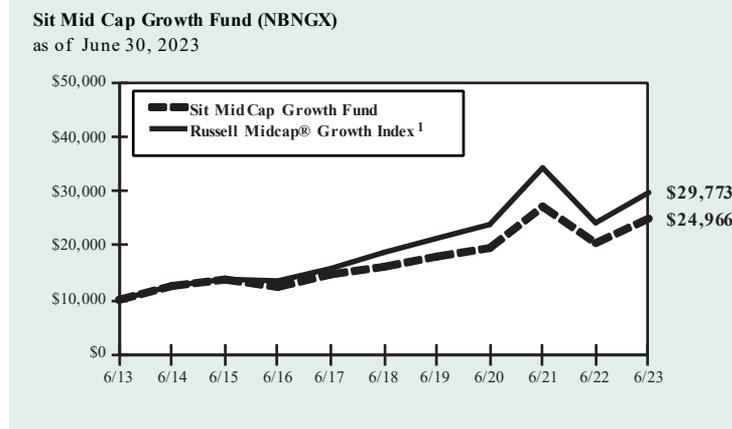
## Factors that Influenced the Fund's Performance

Despite posting strong absolute returns, the Fund slightly underperformed the Russell Midcap® Growth Index during the period. The main reason for underperformance was stock selection within the finance sector where the Fund owned First Republic Bank, which saw a massive withdrawal of deposits over a short period of time in the wake of the failure of Silicon Valley Bank, which ultimately led to solvency issues at the company. Stock selection in industrial services also weighed on performance during the period, where holdings such as Jacobs Solutions and Waste Connections lagged the market. Stock selection and an underweight position in commercial services detracted from performance during the period too. Conversely, stock selection within health technology added to returns during the period. Key holdings here included Exact Sciences, DexCom, and Sarepta Therapeutics, which benefited from growth in medical procedures. Additionally, stock selection and an overweight position in electronic technology helped performance, where positions, such as Broadcom, Arista Networks, and Applied Materials, benefitted from strength in cloud computing, investment in artificial intelligence, and increasing semiconductor penetration. Finally, stock selection within health services augmented returns, as holdings were positively impacted by a rebound in outpatient services and increasing healthcare utilization.

## Outlook and Positioning

Given the strong equity returns in the first half of 2023, we expect more subdued returns in the near future, as investors struggle with the timing of the much-anticipated recession and the end of the Federal Reserve's tightening cycle. We place a premium on quality growth stocks, as economic conditions will likely become more challenging in the second half. Portfolios remain well-diversified and consist of both secular and cyclical growers. With the recent upward surge in technology stocks, we see better near-term opportunities in groups that lagged in the first half.

## HYPOTHETICAL GROWTH OF \$10,000



The chart above illustrates the total value of a hypothetical \$10,000 investment in the Fund over the past 10 years as compared to the performance of the Russell Midcap® Growth Index. Past performance does not guarantee future results. Returns include the reinvestment of distributions. The chart does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>1</sup> Russell Midcap® Growth Index is an unmanaged index that measures the performance of those Russell Midcap Index companies with higher price-to-book ratios and higher forecasted growth values. It is not possible to invest directly in an index. This is the Fund's primary index.

Specifically, many industrials show steady growth and have tailwinds in end markets, such as infrastructure, electrification, automation, and aerospace. The healthcare sector is also attractive, with earnings generally immune to a softening economy. We see compelling investment opportunities in medical devices, hospitals, HMOs, and select biopharma stocks. Finally, while lower energy prices have led to weak share prices this year, we believe the energy sector is attractive, given its still-healthy free cash generation, strong balance sheets, and leverage to higher prices when the next upcycle takes hold. On the other hand, with signs of strain beginning to emerge in the consumer, the Fund remains underweight consumer cyclical groups.

**Roger J. Sit**  
**Kent L. Johnson**  
**Robert W. Sit**  
*Portfolio Managers*

## COMPARATIVE RATES OF RETURNS

as of June 30, 2023

	Sit Mid Cap Growth Fund	Russell Midcap® Growth Index <sup>1</sup>	Russell Midcap® Index <sup>2</sup>
One Year	22.00%	23.13%	14.92%
Five Year	9.19	9.71	8.46
Ten Year	9.58	11.53	10.32
Since Inception (9/2/82)	11.18	n/a	n/a

Performance figures are historical and do not guarantee future results. Investment returns and principal value will vary, and you may have a gain or loss when you sell shares. Current performance may be lower or higher than the performance data quoted. Contact the Fund for performance data current to the most recent month-end. Returns include changes in share price as well as reinvestment of all dividends and capital gains. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Management fees and administrative expenses are included in the Fund's performance. Returns for periods greater than one year are compounded average annual rates of return.

<sup>1</sup> Russell Midcap® Growth Index is an unmanaged index that measures the performance of those Russell Midcap Index companies with higher price-to-book ratios and higher forecasted growth values. It is not possible to invest directly in an index.

<sup>2</sup> Russell Midcap® Index is an unmanaged index that measures the performance of approximately 800 of the smallest companies in the Russell 1000® Index.

## PORTFOLIO SUMMARY

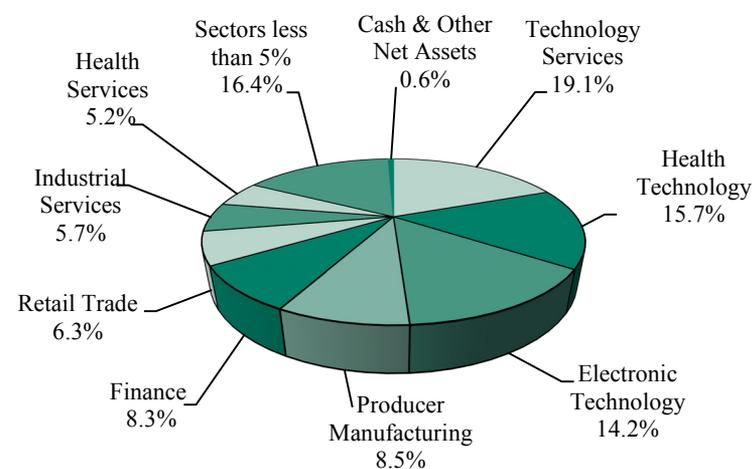
Net Asset Value 6/30/23:	\$20.07	Per Share
Net Asset Value 6/30/22:	\$16.96	Per Share
Net Assets:	\$185.2	Million
Weighted Average Market Cap:	\$43.0	Billion

## TOP 10 HOLDINGS

1. Broadcom, Inc.
2. Arista Networks, Inc.
3. Dexcom, Inc.
4. PTC, Inc.
5. TJX Cos., Inc.
6. Ulta Beauty, Inc.
7. Waste Connections, Inc.
8. Arthur J Gallagher & Co.
9. Tenet Healthcare Corp.
10. Insulet Corp.

Based on net assets as of June 30, 2023.

## SECTOR ALLOCATION



Based on net assets as of June 30, 2023.

Information on this page is unaudited.

## SCHEDULE OF INVESTMENTS

June 30, 2023

### Sit Mid Cap Growth Fund

Investments are grouped by economic sectors.

Name of Issuer	Quantity	Fair Value (\$)	Name of Issuer	Quantity	Fair Value (\$)
<b>Common Stocks - 99.4%</b>					
<b>Commercial Services - 2.6%</b>					
ASGN, Inc.*	13,525	1,022,896	Revvity, Inc.	6,700	795,893
Booz Allen Hamilton Holding Corp.	29,450	3,286,620	Sarepta Therapeutics, Inc.*	19,225	2,201,647
FactSet Research Systems, Inc.	1,100	440,715	Thermo Fisher Scientific, Inc.	6,100	3,182,675
		<u>4,750,231</u>			<u>29,086,980</u>
<b>Consumer Durables - 1.3%</b>			<b>Industrial Services - 5.7%</b>		
Take-Two Interactive Software, Inc.*	4,892	719,907	Cheniere Energy, Inc.	20,000	3,047,200
YETI Holdings, Inc.*	42,000	1,631,280	Jacobs Solutions, Inc.	27,800	3,305,142
		<u>2,351,187</u>	Waste Connections, Inc.	29,400	4,202,142
<b>Consumer Non-Durables - 1.4%</b>					<u>10,554,484</u>
Coca-Cola Europacific Partners, PLC	40,700	2,622,301	<b>Non-Energy Minerals - 1.4%</b>		
		<u>2,622,301</u>	Trex Co., Inc.*	38,625	2,532,255
<b>Consumer Services - 2.9%</b>			<b>Process Industries - 1.5%</b>		
Nexstar Media Group, Inc.	20,650	3,439,257	Albemarle Corp.	1,775	395,985
Vail Resorts, Inc.	7,700	1,938,552	Darling Ingredients, Inc.*	36,450	2,325,145
		<u>5,377,809</u>			<u>2,721,130</u>
<b>Electronic Technology - 14.2%</b>			<b>Producer Manufacturing - 8.5%</b>		
Applied Materials, Inc.	24,350	3,519,549	AGCO Corp.	12,700	1,669,034
Arista Networks, Inc.*	41,400	6,709,284	AMETEK, Inc.	14,675	2,375,589
Broadcom, Inc.	8,550	7,416,527	Aptiv, PLC*	13,800	1,408,842
Ciena Corp.*	16,525	702,147	Carlisle Cos., Inc.	11,975	3,071,947
Enphase Energy, Inc.*	6,675	1,117,929	Donaldson Co., Inc.	22,950	1,434,604
MKS Instruments, Inc.	15,100	1,632,310	Dover Corp.	21,875	3,229,844
Monolithic Power Systems, Inc.	5,400	2,917,242	Hubbell, Inc.	7,500	2,486,700
Skyworks Solutions, Inc.	21,400	2,368,766			<u>15,676,560</u>
		<u>26,383,754</u>	<b>Retail Trade - 6.3%</b>		
<b>Energy Minerals - 3.4%</b>			Lululemon Athletica, Inc.*	6,300	2,384,550
Northern Oil & Gas, Inc.	73,100	2,508,792	TJX Cos., Inc.	55,175	4,678,288
Oasis Petroleum, Inc.	18,850	2,899,130	Ulta Beauty, Inc.*	9,700	4,564,772
Texas Pacific Land Corp.	765	1,007,122			<u>11,627,610</u>
		<u>6,415,044</u>	<b>Technology Services - 19.1%</b>		
<b>Finance - 8.3%</b>			Altair Engineering, Inc.*	24,800	1,880,832
Air Lease Corp.	32,900	1,376,865	ANSYS, Inc.*	10,750	3,550,403
American Financial Group, Inc.	7,325	869,844	Aspen Technology, Inc.*	8,358	1,400,884
Ameriprise Financial, Inc.	10,000	3,321,600	Atlassian Corp.*	16,950	2,844,380
Arthur J Gallagher & Co.	18,900	4,149,873	Autodesk, Inc.*	14,800	3,028,228
Carlyle Group, Inc.	85,700	2,738,115	Booking Holdings, Inc.*	450	1,215,148
Intercontinental Exchange, Inc.	25,300	2,860,924	Dynatrace, Inc.*	65,375	3,364,851
		<u>15,317,221</u>	EPAM Systems, Inc.*	3,000	674,250
<b>Health Services - 5.2%</b>			Euronet Worldwide, Inc.*	16,075	1,886,723
Encompass Health Corp.	41,200	2,789,652	Globant SA*	6,975	1,253,547
Molina Healthcare, Inc.*	9,150	2,756,346	HubSpot, Inc.*	6,825	3,631,514
Tenet Healthcare Corp.*	50,950	4,146,311	Paycom Software, Inc.	7,600	2,441,424
		<u>9,692,309</u>	PTC, Inc.*	35,200	5,008,960
<b>Health Technology - 15.7%</b>			Science Applications International Corp.	8,450	950,456
Align Technology, Inc.*	6,025	2,130,681	Splunk, Inc.*	20,900	2,217,281
BioMarin Pharmaceutical, Inc.*	23,500	2,036,980			<u>35,348,881</u>
Bio-Techne Corp.	25,600	2,089,728	<b>Transportation - 1.3%</b>		
Cooper Cos., Inc.	4,250	1,629,578	Alaska Air Group, Inc.*	17,300	920,014
Dexcom, Inc.*	48,040	6,173,620	Knight-Swift Transportation Holdings, Inc.	28,500	1,583,460
Exact Sciences Corp.*	21,350	2,004,765			<u>2,503,474</u>
Inmode, Ltd.*	55,400	2,069,190			
Insulet Corp.*	14,100	4,065,594			
Jazz Pharmaceuticals, PLC*	5,700	706,629			

See accompanying notes to financial statements.

<b>Name of Issuer</b>	<b>Quantity</b>	<b>Fair Value (\$)</b>
<b>Utilities - 0.6%</b>		
WEC Energy Group, Inc.	12,800	<u>1,129,472</u>
<b>Total Common Stocks</b> (cost: \$92,819,332)		<u>184,090,702</u>
<b>Short-Term Securities - 1.2%</b>		
Fidelity Inst. Money Mkt. Gvt. Fund, 4.99% (cost \$2,247,966)	2,247,966	<u>2,247,966</u>
<b>Total Investments in Securities - 100.6%</b> (cost \$95,067,298)		186,338,668
<b>Other Assets and Liabilities, net - (0.6)%</b>		<u>(1,118,189)</u>
<b>Net Assets - 100.0%</b>		<u><u>\$185,220,479</u></u>

\* Non-income producing security.

PLC — Public Limited Company

Numeric footnotes not disclosed are not applicable to this Schedule of Investments.

A summary of the levels for the Fund's investments as of June 30, 2023 is as follows (see Note 2 - significant accounting policies in the notes to financial statements):

	<b>Investment in Securities</b>			<b>Total (\$)</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
	Quoted Prices (\$)	Other significant observable inputs (\$)	Significant unobservable inputs (\$)	
Common Stocks**	184,090,702	—	—	184,090,702
Short-Term Securities	2,247,966	—	—	2,247,966
<b>Total:</b>	<b>186,338,668</b>	<b>—</b>	<b>—</b>	<b>186,338,668</b>

\*\* For equity securities categorized in a single level, refer to the detail above for further breakdown.

There were no transfers into or out of level 3 during the reporting period.

*See accompanying notes to financial statements.*

# Sit Small Cap Dividend Growth Fund Class I and Class S

## OBJECTIVE & STRATEGY

The objective of the Sit Small Cap Dividend Growth Fund is to provide current income that exceeds the Fund's benchmark index and that grows over a period of years. Secondly the Fund seeks long-term capital appreciation. The Fund seeks to achieve its objectives by investing, under normal market conditions, at least 80% of its net assets in small cap dividend-paying common stocks that have market capitalizations at the time of purchase of up to \$3.0 billion, or up to the market capitalization of the largest company included in the Russell 2000® Index measured at the end of the previous twelve months (\$13.1 billion as of June 30, 2023). The Fund may invest the balance of its assets in preferred stocks, convertible bonds, U.S Treasury securities (including Treasury bills, notes and bonds), and closed-end investment companies.

## Fund Performance

The Sit Small Cap Dividend Growth Fund Class I posted a +16.20% return over 12-month period ended June 30, 2023, compared to the +12.31% return for the Russell 2000® Index. The Fund's gross dividend yield (before deducting Fund expenses) was 1.88% as of 6/30/23, compared to a yield of 1.45% for the Russell 2000® Index.

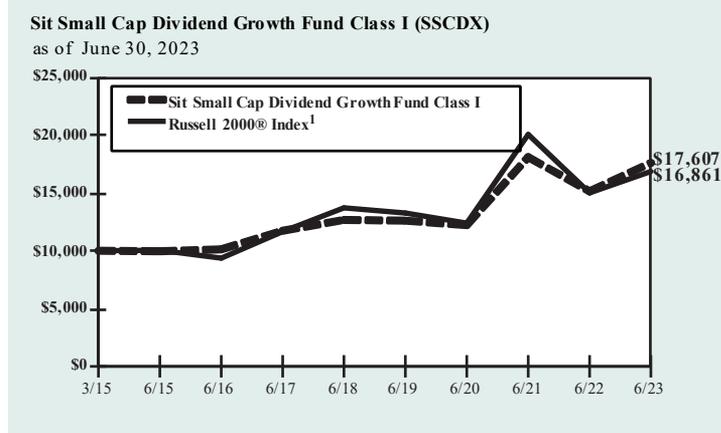
## Factors that Influenced the Fund's Performance

The Fund delivered strong absolute and relative returns during the past twelve months, outperforming the benchmark Russell 2000® Index by nearly four percentage points. The largest source of outperformance was the Fund's stock selection and overweight position in the producer manufacturing sector. Here, holdings, such as Hubbell, Crane NXT, and Belden, benefited from a resilient industrial economy. Similarly, an overweight position combined with good stock selection in the industrial services sector added to returns. Finally, strong stock selection in the finance sector contributed to the outperformance, offsetting a negative sector overweight impact. The Fund's holdings in select finance and leasing companies and certain investment banks performed well, while underweighting the challenged regional bank sector also boosted returns. Conversely, stock selection in the health technology sector, where equities were adversely impacted by excess supply from Covid ordering, hurt performance during the period. Stock selection and an underweight allocation to the consumer durables sector detracted from performance too, as more consumer-focused companies, such as Helen of Troy and Yeti, lagged, while non-held equities focused on homebuilding outpaced the broader market.

## Outlook and Positioning

Over the past twelve months, small capitalization stocks underperformed their large capitalization peers. However, looking ahead, we believe investors will increasingly rotate into quality growth stocks as economic momentum peaks, with emerging signs of weakness in the second half of 2023. Overall, we believe equity returns in the near to intermediate term will be largely driven by earnings growth and dividend-paying companies will remain attractive, based on our expectation for more muted equity returns. Also, we believe that dividend-paying growth stocks allow investors to participate in equity market gains during upturns, while providing downside protection if the backdrop becomes more difficult. Accordingly, the Fund is overweighted in those

## HYPOTHETICAL GROWTH OF \$10,000



The chart above illustrates the total value of a hypothetical \$10,000 investment in the Fund over the past 10 years (or for the life of the Fund if shorter) as compared to the performance of the Russell 2000® Index. Past performance does not guarantee future results. Returns include the reinvestment of distributions. The chart does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>1</sup> Russell 2000® Index is an unmanaged index that measures the performance of the 2,000 smallest companies in the Russell 3000® Index, an index consisting of the 3,000 largest U.S. companies based on market capitalization. It is not possible to invest directly in an index. This is the Fund's primary index.

sectors where we believe earnings growth will exceed the market average. The Fund's overweight positions in process industries, electronic technology, commercial services, and producer manufacturing all have strong pricing power and stable moats that should help protect margin and growth expectations, even in a slowing economic environment. Select technology companies should also benefit, as U.S. technology capital spending continues to grow, driven by investments in cloud computing and artificial intelligence/machine learning. Finally, we believe defensive "bond proxy" areas of the market, with compelling relative valuations, including REITs and select utilities, provide a good hedge to market risks and would benefit from interest rate cuts that are expected to begin in 2024.

**Roger J. Sit**  
**Kent L. Johnson**  
Portfolio Managers

**Michael T. Manns**  
**Robert W. Sit**

Information on this page is unaudited.

## COMPARATIVE RATES OF RETURNS

as of June 30, 2023

	Sit Small Cap Dividend Growth Fund		Russell 2000® Index <sup>1</sup>
	Class I	Class S	
One Year	16.20%	15.91%	12.31%
Five Year	6.80	6.53	4.21
Since Inception (3/31/15)	7.09	6.82	6.53

Performance figures are historical and do not guarantee future results. Investment returns and principal value will vary, and you may have a gain or loss when you sell shares. Current performance may be lower or higher than the performance data quoted. Contact the Fund for performance data current to the most recent month-end. Returns include changes in share price as well as reinvestment of all dividends and capital gains. Returns do not reflect the deduction of the 2% redemption fee imposed if shares are redeemed or exchanged within 30 calendar days from their date of purchase. If imposed, the fee would reduce the performance quoted. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Management fees and administrative expenses are included in the Fund's performance. Returns for periods greater than one year are compounded average annual rates of return.

<sup>1</sup> Russell 2000® Index is an unmanaged index that measures the performance of the 2,000 smallest companies in the Russell 3000® Index, an index consisting of the 3,000 largest U.S. companies based on market capitalization. It is not possible to directly invest in an index.

## PORTFOLIO SUMMARY

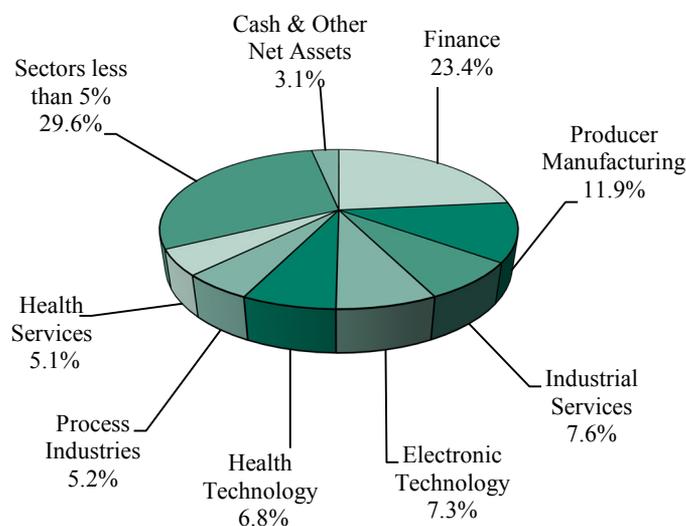
<b>Class I:</b>		
Net Asset Value 6/30/23:	\$14.31	Per Share
Net Asset Value 6/30/22:	\$12.85	Per Share
Net Assets:	\$16.5	Million
<b>Class S:</b>		
Net Asset Value 6/30/23:	\$14.30	Per Share
Net Asset Value 6/30/22:	\$12.84	Per Share
Net Assets:	\$5.0	Million
Weighted Average Market Cap:	\$6.6	Billion

## TOP 10 HOLDINGS

1. KBR, Inc.
2. Monolithic Power Systems, Inc.
3. Oasis Petroleum, Inc.
4. Northern Oil & Gas, Inc.
5. Tenet Healthcare Corp.
6. Olin Corp.
7. Nexstar Media Group, Inc.
8. Stifel Financial Corp.
9. Booz Allen Hamilton Holding Corp.
10. MKS Instruments, Inc.

Based on net assets as of June 30, 2023.

## SECTOR ALLOCATION



Based on net assets as of June 30, 2023.

Information on this page is unaudited.

## SCHEDULE OF INVESTMENTS

June 30, 2023

### Sit Small Cap Dividend Growth Fund

Investments are grouped by economic sectors.

Name of Issuer	Quantity	Fair Value (\$)	Name of Issuer	Quantity	Fair Value (\$)
<b>Common Stocks - 96.9%</b>					
<b>Commercial Services - 4.5%</b>					
Booz Allen Hamilton Holding Corp.	3,200	357,120	Provident Financial Services, Inc.	12,400	202,616
Brink's Co.	1,825	123,790	Stifel Financial Corp.	6,000	358,020
Colliers International Group, Inc.	2,050	201,289	Western Alliance Bancorp	2,100	76,587
FTI Consulting, Inc.*	600	114,120			5,027,360
World Kinect Corp.	8,675	179,399	<b>Health Services - 5.1%</b>		
		975,718	Addus HomeCare Corp.*	2,925	271,147
<b>Consumer Durables - 2.2%</b>			Encompass Health Corp.	4,200	284,382
MDC Holdings, Inc.	4,050	189,419	Patterson Cos., Inc.	2,000	66,520
National Presto Industries, Inc.	750	54,900	Tenet Healthcare Corp.*	5,900	480,142
Thor Industries, Inc.	1,100	113,850			1,102,191
YETI Holdings, Inc.*	2,700	104,868	<b>Health Technology - 6.8%</b>		
		463,037	AtriCure, Inc.*	5,500	271,480
<b>Consumer Non-Durables - 1.5%</b>			Bio-Techne Corp.	1,300	106,119
Crocs, Inc.*	1,375	154,605	Halozyme Therapeutics, Inc.*	6,175	222,732
Sensient Technologies Corp.	2,450	174,269	Inmode, Ltd.*	6,250	233,438
		328,874	Intellia Therapeutics, Inc.*	4,050	165,159
<b>Consumer Services - 2.6%</b>			Seres Therapeutics, Inc.*	31,400	150,406
Nexstar Media Group, Inc.	2,250	374,738	STERIS, PLC	975	219,355
Vail Resorts, Inc.	700	176,232	Twist Bioscience Corp.*	4,325	88,490
		550,970			1,457,179
<b>Electronic Technology - 7.3%</b>			<b>Industrial Services - 7.6%</b>		
Coherent Corp.*	2,450	124,901	DT Midstream, Inc.	3,050	151,189
Entegris, Inc.	991	109,823	EMCOR Group, Inc.	1,850	341,843
MKS Instruments, Inc.	3,275	354,027	KBR, Inc.	10,775	701,021
Monolithic Power Systems, Inc.	1,200	648,276	MYR Group, Inc.*	1,400	193,676
Power Integrations, Inc.	3,400	321,878	TechnipFMC, PLC*	14,150	235,173
		1,558,905			1,622,902
<b>Energy Minerals - 4.6%</b>			<b>Non-Energy Minerals - 3.8%</b>		
Northern Oil & Gas, Inc.	14,350	492,492	AZEK Co., Inc.*	5,700	172,653
Oasis Petroleum, Inc.	3,210	493,698	Commercial Metals Co.	3,950	208,007
		986,190	Eagle Materials, Inc.	1,575	293,611
<b>Finance - 23.4%</b>			MP Materials Corp.*	6,600	151,008
Air Lease Corp.	4,225	176,816			825,279
American Financial Group, Inc.	1,875	222,656	<b>Process Industries - 5.2%</b>		
Artisan Partners Asset Management, Inc.	6,300	247,653	Avient Corp.	2,125	86,913
Associated Banc-Corp.	10,100	163,923	Cabot Corp.	700	46,823
Axis Capital Holdings, Ltd.	6,300	339,129	Huntsman Corp.	4,650	125,643
Broadstone Net Lease, Inc.	11,800	182,192	Olin Corp.	7,625	391,849
Cadence Bank	9,450	185,598	Silgan Holdings, Inc.	6,650	311,818
Carlyle Group, Inc.	8,075	257,996	Stepan Co.	1,525	145,729
CNO Financial Group, Inc.	14,000	331,380			1,108,775
CubeSmart	5,250	234,465	<b>Producer Manufacturing - 11.9%</b>		
Essential Properties Realty Trust, Inc.	10,050	236,577	AGCO Corp.	1,350	177,417
Evercore Partners, Inc.	1,900	234,821	AZZ, Inc.	3,650	158,629
H&E Equipment Services, Inc.	6,750	308,813	Belden, Inc.	3,175	303,689
Hannon Armstrong Sust. Inf. Cap., Inc.	4,825	120,625	Carlisle Cos., Inc.	1,175	301,423
Hanover Insurance Group, Inc.	1,275	144,113	Crane Co.	3,275	291,868
Hercules Capital, Inc.	7,725	114,330	Crane NXT Co.	3,275	184,841
Horace Mann Educators Corp.	3,625	107,518	Donaldson Co., Inc.	2,675	167,214
Old National Bancorp	20,675	288,209	EnPro Industries, Inc.	2,050	273,736
Physicians Realty Trust	11,250	157,388	Hubbell, Inc.	850	281,826
Piper Sandler Cos.	1,450	187,427	Lincoln Electric Holdings, Inc.	1,325	263,185
PotlatchDeltic Corp.	2,810	148,508	Regal Rexnord Corp.	1,042	160,364
					2,564,192

See accompanying notes to financial statements.

<b>Name of Issuer</b>	<b>Quantity</b>	<b>Fair Value (\$)</b>
<b>Retail Trade - 2.6%</b>		
Boot Barn Holdings, Inc. *	3,700	313,353
Casey's General Stores, Inc.	1,025	249,977
		<u>563,330</u>
<b>Technology Services - 2.7%</b>		
Altair Engineering, Inc. *	1,725	130,824
Globant SA *	1,625	292,045
nCino, Inc. *	3,100	93,372
Science Applications International Corp.	500	56,240
		<u>572,481</u>
<b>Transportation - 3.3%</b>		
Knight-Swift Transportation Holdings, Inc.	3,700	205,572
Marten Transport, Ltd.	8,450	181,675
TFI International, Inc.	2,875	327,635
		<u>714,882</u>
<b>Utilities - 1.8%</b>		
Black Hills Corp.	3,400	204,884
Chesapeake Utilities Corp.	1,575	187,425
		<u>392,309</u>
<b>Total Common Stocks</b> (cost: \$15,477,091)		<u>20,814,574</u>
<b>Short-Term Securities - 3.0%</b>		
Fidelity Inst. Money Mkt. Gvt. Fund, 4.99% (cost \$638,390)	638,390	<u>638,390</u>
<b>Total Investments in Securities - 99.9%</b> (cost \$16,115,481)		21,452,964
<b>Other Assets and Liabilities, net - 0.1%</b>		<u>19,991</u>
<b>Net Assets - 100.0%</b>		<u>\$21,472,955</u>

\* Non-income producing security.

PLC — Public Limited Company

Numeric footnotes not disclosed are not applicable to this Schedule of Investments.

A summary of the levels for the Fund's investments as of June 30, 2023 is as follows (see Note 2 - significant accounting policies in the notes to financial statements):

	<b>Investment in Securities</b>			<b>Total (\$)</b>
	<b>Level 1</b> Quoted Prices (\$)	<b>Level 2</b> Other significant observable inputs (\$)	<b>Level 3</b> Significant unobservable inputs (\$)	
Common Stocks**	20,814,574	—	—	20,814,574
Short-Term Securities	638,390	—	—	638,390
<b>Total:</b>	<u>21,452,964</u>	<u>—</u>	<u>—</u>	<u>21,452,964</u>

\*\* For equity securities categorized in a single level, refer to the detail above for further breakdown.

There were no transfers into or out of level 3 during the reporting period.

See accompanying notes to financial statements.

# Sit Small Cap Growth Fund

## OBJECTIVE & STRATEGY

The objective of the Sit Small Cap Growth Fund is to maximize long-term capital appreciation. The Fund seeks to achieve its objective by investing, under normal market conditions, at least 80% of its net assets in common stocks of companies with market capitalizations at the time of purchase of up to \$3.0 billion, or up to the market capitalization of the largest company included in the Russell 2000® measured at the end of the previous twelve months (\$13.1 billion as of June 30, 2023). The Adviser invests in a diversified group of growing small companies it believes exhibit the potential for superior growth. The Adviser believes that a company's earnings growth is the primary determinant of its potential long-term return and evaluates a company's potential for above average long-term earnings and revenue growth.

## Fund Performance

The Sit Small Cap Growth Fund return was +17.01% for the 12-month period ended June 30, 2023. This compares to the return of +18.53% for the Russell 2000® Growth Index and +12.31% for the Russell 2000® Index.

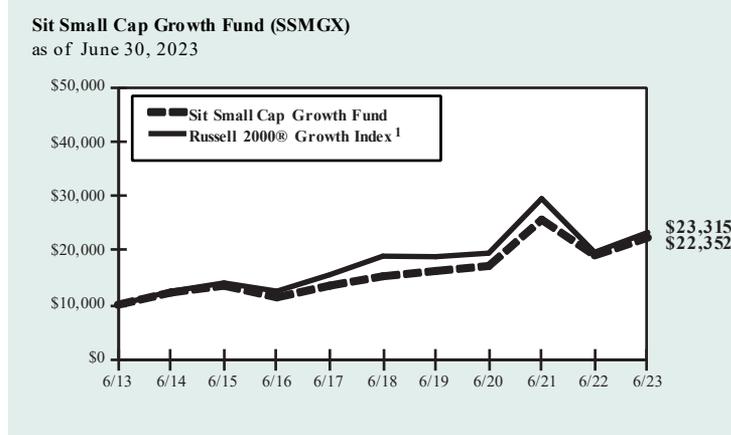
## Factors that Influenced the Fund's Performance

During the 12-month period ended June 30, 2023, the Fund had strong absolute returns, while slightly underperforming the Russell 2000® Growth Index. Stock selection in the health technology and finance sectors weighed on the Fund's performance. The largest sources of underperformance in health technology were holdings of 908 Devices, where the stock market has been more focused on near-term business results than on long-term promise, and STAAR Surgical, where there are concerns about the impact of a weaker economy on the volume of elective eye surgery procedures. Within finance, the Fund held positions in Silicon Valley Bank, which went into receivership after a rapid drawdown of deposits due to solvency concerns. Shares in First Republic Bank also declined, as its customers rapidly withdrew deposits, and, despite being better capitalized than its peers, positions in Western Alliance struggled during the period, as the company was not immune to deposit withdrawals surrounding broad concerns over regional banks' solvency. Finally, an underweight position in the consumer non-durables sector inhibited performance. Favorably affecting performance was stock selection in the technology services sector, where holdings of HubSpot, PTC, and Altair Engineering contributed to the Fund's returns. Stock selection within the producer manufacturing sector also augmented returns, as holdings, such as Hubbell, Crane NXT, and Belden, benefited from a strong industrial economy. Finally, strong stock selection and an overweight position in the health services sector added to returns, as holdings were positively impacted by a rebound in outpatient services and increasing healthcare utilization.

## Outlook and Positioning

The Russell 2000® Growth Index lagged larger capitalization benchmarks during the period, due mainly to narrow market leadership, driven by several large technology stocks. Investor sentiment has improved from late 2022 lows, but some measures have begun to soften again as global economic momentum ebbs and core inflation remains sticky. The State Street Risk Appetite Index indicates institutional investors remain risk-averse across and within asset classes, starkly contrasting the

## HYPOTHETICAL GROWTH OF \$10,000



The chart above illustrates the total value of a hypothetical \$10,000 investment in the Fund over the past 10 years as compared to the performance of the Russell 2000® Growth Index. Past performance does not guarantee future results. Returns include the reinvestment of distributions. The chart does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>1</sup> Russell 2000® Growth Index is an unmanaged index that measures the performance of those Russell 2000 Index companies with higher price-to-book ratios and higher forecasted growth values. It is not possible to invest directly in an index. This is the Fund's primary index.

S&P 500®'s year-to-date performance. State Street claims it is the longest run of defensive behavior since the global financial crisis. We are beginning to see signs of economic weakness emerging, as seen in declining household savings and weakening Purchasing Managers' Index, although they have not fully made their way into corporate earnings. Nevertheless, given strong year-to-date returns, investors appear to be looking through potential weakness into the second half of 2023 and towards a return to growth in 2024 and 2025. Accordingly, the Fund retains a preference for sectors, such as healthcare, while also owning early-stage cyclicals, such as transportation and energy, that should be among the first to benefit when signs of economic strength begin to emerge. Additionally, we remain focused on identifying equities that will benefit from emerging trends, especially in the technology industry, where increasing adoption should offset potential economic weakness later in 2023.

**Roger J. Sit**      **Kent L. Johnson**  
**Robert W. Sit**  
*Portfolio Managers*

*Information on this page is unaudited.*

## COMPARATIVE RATES OF RETURNS

as of June 30, 2023

	Sit Small Cap Growth Fund	Russell 2000® Growth Index <sup>1</sup>	Russell 2000® Index <sup>2</sup>
One Year	17.01%	18.53%	12.31%
Five Year	7.95	4.22	4.21
Ten Year	8.38	8.83	8.26
Since Inception (7/1/94)	9.82	7.81	8.81

Performance figures are historical and do not guarantee future results. Investment returns and principal value will vary, and you may have a gain or loss when you sell shares. Current performance may be lower or higher than the performance data quoted. Contact the Fund for performance data current to the most recent month-end. Returns include changes in share price as well as reinvestment of all dividends and capital gains. Return do not reflect the deduction of the 2% redemption fee imposed if shares are redeemed or exchanged within 30 calendar days from their date of purchase. If imposed, the fee would reduce the performance quoted. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Management fees and administrative expenses are included in the Fund's performance. Returns for periods greater than one year are compounded average annual rates of return.

<sup>1</sup> Russell 2000® Growth Index is an unmanaged index that measures the performance of those Russell 2000 Index companies with higher price-to-book ratios and higher forecasted growth values. It is not possible to invest directly in an index.

<sup>2</sup> Russell 2000® Index is an unmanaged index that measures the performance of the 2,000 smallest companies in the Russell 3000® Index, an index consisting of the 3,000 largest U.S. companies based on market capitalization.

## PORTFOLIO SUMMARY

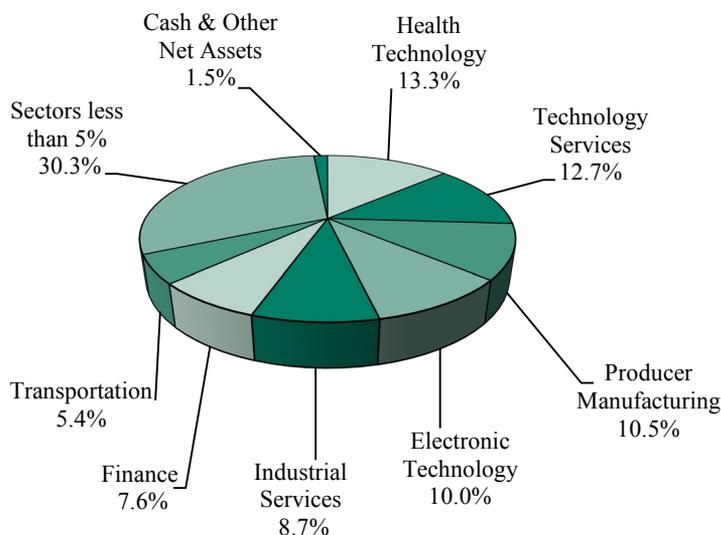
Net Asset Value 6/30/23:	\$60.29	Per Share
Net Asset Value 6/30/22:	\$52.41	Per Share
Net Assets:	\$109.8	Million
Weighted Average Market Cap:	\$10.5	Billion

## TOP 10 HOLDINGS

1. Monolithic Power Systems, Inc.
2. KBR, Inc.
3. Waste Connections, Inc.
4. Northern Oil & Gas, Inc.
5. PTC, Inc.
6. Tenet Healthcare Corp.
7. Olin Corp.
8. Oasis Petroleum, Inc.
9. Arista Networks, Inc.
10. Nexstar Media Group, Inc.

Based on net assets as of June 30, 2023.

## SECTOR ALLOCATION



Based on net assets as of June 30, 2023.

Information on this page is unaudited.

## SCHEDULE OF INVESTMENTS

June 30, 2023

### Sit Small Cap Growth Fund

Investments are grouped by economic sectors.

Name of Issuer	Quantity	Fair Value (\$)	Name of Issuer	Quantity	Fair Value (\$)
<b>Common Stocks - 98.5%</b>			Encompass Health Corp.	19,675	1,332,194
<b>Commercial Services - 4.6%</b>			Tenet Healthcare Corp. *	30,700	2,498,366
ASGN, Inc. *	19,450	1,471,003			5,221,060
Booz Allen Hamilton Holding Corp.	16,900	1,886,040	<b>Health Technology - 13.3%</b>		
Colliers International Group, Inc.	11,050	1,085,000	Align Technology, Inc. *	2,150	760,326
FTI Consulting, Inc. *	3,075	584,865	AtriCure, Inc. *	28,300	1,396,888
		5,026,908	Bio-Techne Corp.	14,800	1,208,124
<b>Consumer Durables - 2.0%</b>			Exact Sciences Corp. *	12,425	1,166,708
Take-Two Interactive Software, Inc. *	4,075	599,677	Halozyne Therapeutics, Inc. *	33,000	1,190,310
Thor Industries, Inc.	5,600	579,600	Inmode, Ltd. *	32,900	1,228,815
YETI Holdings, Inc. *	25,325	983,623	Insulet Corp. *	3,525	1,016,398
		2,162,900	Intellia Therapeutics, Inc. *	20,750	846,185
<b>Consumer Non-Durables - 0.5%</b>			Lantheus Holdings, Inc. *	7,200	604,224
Crocs, Inc. *	5,000	562,200	Revvity, Inc.	7,000	831,530
<b>Consumer Services - 2.7%</b>			Sarepta Therapeutics, Inc. *	9,450	1,082,214
Nexstar Media Group, Inc.	12,725	2,119,349	Seres Therapeutics, Inc. *	159,800	765,442
Vail Resorts, Inc.	3,550	893,748	STAAR Surgical Co. *	10,125	532,271
		3,013,097	STERIS, PLC	6,675	1,501,742
<b>Electronic Technology - 10.0%</b>			Twist Bioscience Corp. *	22,000	450,120
Arista Networks, Inc. *	14,125	2,289,098			14,581,297
Ciena Corp. *	14,150	601,233	<b>Industrial Services - 8.7%</b>		
Coherent Corp. *	20,075	1,023,424	EMCOR Group, Inc.	9,600	1,773,888
Entegris, Inc.	5,249	581,694	KBR, Inc.	43,500	2,830,110
MKS Instruments, Inc.	13,400	1,448,540	MYR Group, Inc. *	8,675	1,200,099
Monolithic Power Systems, Inc.	5,675	3,065,805	TechnipFMC, PLC *	73,550	1,222,401
Skyworks Solutions, Inc.	10,800	1,195,452	Waste Connections, Inc.	17,575	2,511,995
Stratasys, Ltd. *	46,175	820,068			9,538,493
		11,025,314	<b>Non-Energy Minerals - 4.3%</b>		
<b>Energy Minerals - 4.4%</b>			AZEK Co., Inc. *	24,200	733,018
Northern Oil & Gas, Inc.	73,075	2,507,934	Eagle Materials, Inc.	10,300	1,920,126
Oasis Petroleum, Inc.	15,100	2,322,380	MP Materials Corp. *	33,350	763,048
		4,830,314	Trex Co., Inc. *	20,825	1,365,287
					4,781,479
<b>Finance - 7.6%</b>			<b>Process Industries - 3.0%</b>		
Air Lease Corp.	27,625	1,156,106	Avient Corp.	13,200	539,880
American Financial Group, Inc.	4,800	570,000	Cabot Corp.	3,700	247,493
Artisan Partners Asset Management, Inc.	31,825	1,251,041	Olin Corp.	48,175	2,475,713
Axis Capital Holdings, Ltd.	22,975	1,236,744			3,263,086
H&E Equipment Services, Inc.	34,350	1,571,512	<b>Producer Manufacturing - 10.5%</b>		
Hannon Armstrong Sust. Inf. Cap., Inc.	25,800	645,000	AZZ, Inc.	22,575	981,110
Physicians Realty Trust	61,600	861,784	Belden, Inc.	20,275	1,939,304
Stifel Financial Corp.	11,800	704,106	Carlisle Cos., Inc.	2,200	564,366
Western Alliance Bancorp	10,825	394,788	Crane Co.	19,075	1,699,964
		8,391,081	Crane NXT Co.	19,075	1,076,593
<b>Health Services - 4.8%</b>			Donaldson Co., Inc.	13,575	848,573
Addus HomeCare Corp. *	15,000	1,390,500			

See accompanying notes to financial statements.

<b>Name of Issuer</b>	<b>Quantity</b>	<b>Fair Value (\$)</b>
Hubbell, Inc.	4,375	1,450,575
Lincoln Electric Holdings, Inc.	7,100	1,410,273
Regal Rexnord Corp.	6,755	1,039,594
Zurn Water Solutions Corp.	19,325	<u>519,649</u>
		<u>11,530,001</u>
<b>Retail Trade - 3.8%</b>		
Boot Barn Holdings, Inc.*	19,875	1,683,214
Casey's General Stores, Inc.	4,300	1,048,684
Ulta Beauty, Inc.*	3,050	<u>1,435,315</u>
		<u>4,167,213</u>
<b>Technology Services - 12.7%</b>		
Altair Engineering, Inc.*	25,933	1,966,759
ANSYS, Inc.*	2,950	974,297
Aspen Technology, Inc.*	5,281	885,148
Euronet Worldwide, Inc.*	9,550	1,120,883
Globant SA*	11,350	2,039,822
HubSpot, Inc.*	3,175	1,689,386
nCino, Inc.*	15,975	481,167
Paycom Software, Inc.	6,225	1,999,719
PTC, Inc.*	17,600	2,504,480
Science Applications International Corp.	2,700	<u>303,696</u>
		<u>13,965,357</u>
<b>Transportation - 5.4%</b>		
Alaska Air Group, Inc.*	11,500	611,570
Golar LNG, Ltd.	68,100	1,373,577
Knight-Swift Transportation Holdings, Inc.	18,725	1,040,361
Marten Transport, Ltd.	48,000	1,032,000
TFI International, Inc.	16,525	<u>1,883,189</u>
		<u>5,940,697</u>
<b>Utilities - 0.2%</b>		
Chesapeake Utilities Corp.	2,025	<u>240,975</u>
<b>Total Common Stocks</b> (cost: \$63,628,565)		<u>108,241,472</u>
<b>Short-Term Securities - 1.5%</b>		
Fidelity Inst. Money Mkt. Gvt. Fund, 4.99% (cost \$1,632,816)	1,632,816	<u>1,632,816</u>
<b>Total Investments in Securities - 100.0%</b> (cost \$65,261,381)		109,874,288
<b>Other Assets and Liabilities, net - (0.0)%</b>		<u>(50,137)</u>
<b>Net Assets - 100.0%</b>		<u>\$109,824,151</u>

\* Non-income producing security.

PLC — Public Limited Company

Numeric footnotes not disclosed are not applicable to this Schedule of Investments.

*See accompanying notes to financial statements.*

## SCHEDULE OF INVESTMENTS

June 30, 2023

### Sit Small Cap Growth Fund (Continued)

A summary of the levels for the Fund's investments as of June 30, 2023 is as follows (see Note 2 - significant accounting policies in the notes to financial statements):

	Investment in Securities			Total (\$)
	Level 1 Quoted Prices (\$)	Level 2 Other significant observable inputs (\$)	Level 3 Significant unobservable inputs (\$)	
Common Stocks**	108,241,472	—	—	108,241,472
Short-Term Securities	1,632,816	—	—	1,632,816
Total:	109,874,288	—	—	109,874,288

\*\* For equity securities categorized in a single level, refer to the detail above for further breakdown.

There were no transfers into or out of level 3 during the reporting period.

*See accompanying notes to financial statements.*

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# Sit International Growth Fund

## OBJECTIVE & STRATEGY

The objective of the Sit International Growth Fund is long-term growth. The Fund seeks to achieve its objective by investing, under normal market conditions, at least 90% of its net assets in common stocks of growth companies domiciled outside the United States. In selecting investments for the Fund, the Adviser begins by selecting countries or regions in which to invest by considering several factors affecting the economy and equity market of foreign countries and regions. After the country and regional allocations are determined, the Adviser seeks industries and sectors that it believes have earnings growth prospects that are greater than the average. Within the selected industries and sectors, the Adviser invests in foreign growth-oriented companies it believes exhibit the potential for superior growth.

## Fund Performance

The Sit International Growth Fund posted a return of +18.27% for the 12-month period ended June 30, 2023, underperforming the MSCI EAFE Index return of +18.77%.

## Factors that Influenced the Fund's Performance

The Fund slightly underperformed its benchmark during the past twelve months, due to elevated inflation in developed markets, high interest rates, China's slower economic recovery, and global recession. Sectors that detracted from performance included consumer durables & apparel and banks, where Fund was hurt by not owning LVMH Moët Hennessy Louis Vuitton, Hermes International, UniCredit S.p.A., and Banco Bilbao Vizcaya Argentaria S.A. Stock selections in the software & services and media & entertainment sectors also impaired performance. Adverse holdings included Atlassian, Globant SA, Tencent Holdings, and Baidu. Contributing favorably to performance were the Fund's overweight and stock selection in the semiconductors & semiconductor equipment sector, where it held Broadcom and Infineon Technologies, and its underweights in the real estate management & development and telecommunications services sectors.

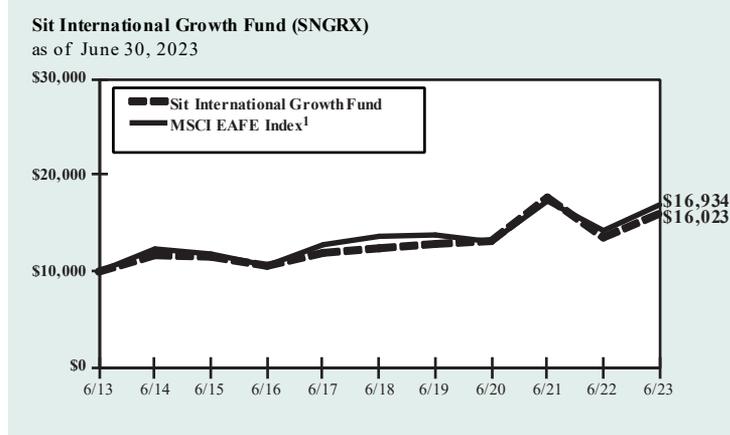
Geographically, performance was hurt by stock selection in Non-Euro-land and by both stock selection and region weightings in Japan (underweight) and Asia/Pacific ex Japan (overweight). Conversely, allocations to Euro-land and the United Kingdom contributed to performance.

## Outlook and Positioning

Global and U.S. economies have been resilient; however, we expect a mild recession towards the end of 2023. Interest rate increases and quantitative tightening are having some impact, but economic slowing and reducing inflation are taking longer. The lagged impact of monetary tightening and the risk of "higher for longer" interest rates are notable headwinds for economic growth and corporate profits. In the Euro Area, warmer-than-seasonal winter weather helped stave off a looming energy crisis and lift services demand in the first half of 2023. Japan's economy continues to rebound, stemming from easing of Covid-related restrictions, which has led to a boost in services-focused consumer spending, a resurgence in inbound tourism, and steady domestic-oriented capital spending. In China, we see downside risk to its 2023 GDP forecast of +5.5%, following a broad-based slowdown in the second quarter. As a result, Chinese government policy has turned stimulative, as signaled by a surprise policy rate cut in June. In emerging markets (EM), inflation has peaked, and upcoming interest rate cuts should help economic growth.

*Information on this page is unaudited.*

## HYPOTHETICAL GROWTH OF \$10,000



The chart above illustrates the total value of a hypothetical \$10,000 investment in the Fund over the past 10 years as compared to the performance of the MSCI EAFE Index. Past performance does not guarantee future results. Returns include the reinvestment of distributions. The chart does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>1</sup> MSCI EAFE Index (Europe, Australasia, Far East) is an unmanaged free float adjusted market capitalization index that measures the equity market performance of developed markets, excluding the US & Canada. It is not possible to invest directly in an index. This is the Fund's primary index.

Regarding strategy, we are overweight the United Kingdom and Asia/Pacific ex Japan, particularly China, South Korea, and Singapore. Our European holdings remain diversified, given lingering macro risks and uncertainties, as central banks continue to tighten into slowing economic growth. We own stocks with secular and niche growth drivers. We continue to underweight Japan because monetary policy will likely need to be tightened in response to rising inflation, which will dampen near-term growth prospects. Japan holdings are comprised of defensive consumption stocks and companies with exposure to overseas markets. We have an earnings recovery theme in China, based on expected upturns in the online travel industry, restaurants, Macau gaming, life insurance, and the internet space, along with defensive holdings in consumer staples, healthcare, and utilities. Our EM portfolio consists of non-cyclical sectors, such as consumer staples, and cyclical, such as financials, technology, and energy.

**Roger J. Sit**  
*Portfolio Manager*

## COMPARATIVE RATES OF RETURNS

as of June 30, 2023

	Sit International Growth Fund	MSCI EAFE Index <sup>1</sup>
One Year	18.27%	18.77%
Five Year	5.21	4.39
Ten Year	4.83	5.41
Since Inception (11/1/91)	4.18	5.25

Performance figures are historical and do not guarantee future results. Investment returns and principal value will vary, and you may have a gain or loss when you sell shares. Current performance may be lower or higher than the performance data quoted. Contact the Fund for performance data current to the most recent month-end. Returns include changes in share price as well as reinvestment of all dividends and capital gains and all fee waivers. Without the fee waivers total return and yield figures would have been lower. Returns do not reflect the deduction of the 2% redemption fee imposed if shares are redeemed or exchanged within 30 calendar days from their date of purchase. If imposed, the fee would reduce the performance quoted. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Management fees and administrative expenses are included in the Fund's performance. Returns for periods greater than one year are compounded average annual rates of return.

<sup>1</sup> MSCI EAFE Index (Europe, Australasia Far East) is an unmanaged free float adjusted market capitalization index that measures the equity market performance of developed markets, excluding the US & Canada.

## FUND DIVERSIFICATION-BY REGION

	Sit International Growth Fund	MSCI EAFE Index
Europe	62.4%	66.2%
Asia/Pacific	24.3	33.2
North America	9.5	—
Latin America	1.4	—
Africa/Middle East	—	0.6
Cash & Other Net Assets	2.4	—

Based on net assets as of June 30, 2023.

## PORTFOLIO SUMMARY

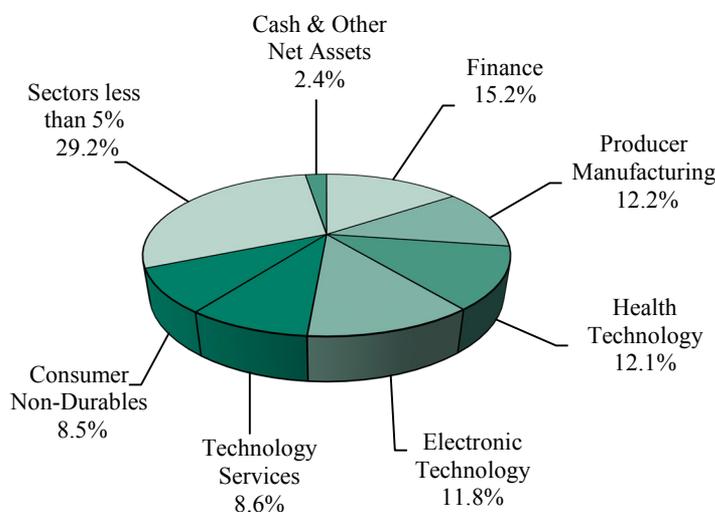
Net Asset Value 6/30/23:	\$20.62	Per Share
Net Asset Value 6/30/22:	\$17.78	Per Share
Net Assets:	\$26.6	Million
Weighted Average Market Cap:	\$90.5	Billion

## TOP 10 HOLDINGS

- Schneider Electric SE
- Broadcom, Inc.
- ASML Holding NV
- Shell, PLC, ADR
- BAE Systems, PLC
- Iberdrola SA
- AstraZeneca, PLC, ADR
- Sony Group Corp., ADR
- London Stock Exchange Group, PLC
- Allianz SE

Based on net assets as of June 30, 2023.

## SECTOR ALLOCATION



Based on net assets as of June 30, 2023.

Information on this page is unaudited.

JUNE 30, 2023

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## SCHEDULE OF INVESTMENTS

June 30, 2023

### Sit International Growth Fund

Investments are grouped by geographic region.

Name of Issuer	Quantity	Fair Value (\$)	Name of Issuer	Quantity	Fair Value (\$)
<b>Common Stocks - 97.1%</b>					
<b>Asia - 23.8%</b>					
<b>Australia - 5.3%</b>					
Atlassian Corp. *	1,825	306,253	Aptiv, PLC *	1,225	125,060
BHP Group, Ltd., ADR	4,200	250,614	CRH, PLC, ADR	4,800	267,504
Lynas Rare Earths, Ltd. *	46,625	214,249	Linde, PLC	500	190,540
Macquarie Group, Ltd.	2,225	264,748	STERIS, PLC	1,175	264,352
Rio Tinto, PLC, ADR	4,400	280,896			
Westpac Banking Corp.	4,425	63,006			
Woodside Energy Group, Ltd., ADR	1,517	35,179			
		<u>1,414,945</u>			<u>1,017,175</u>
<b>China/Hong Kong - 5.0%</b>			<b>Netherlands - 4.4%</b>		
AIA Group, Ltd.	32,200	327,039	Adyen NV *	84	145,460
Baidu, Inc., ADR *	1,575	215,633	ASML Holding NV	1,025	742,869
Budweiser Brewing Co. APAC, Ltd.	45,100	116,703	Stellantis NV	16,375	287,217
CSPC Pharmaceutical Group, Ltd.	262,960	228,849			
ENN Energy Holdings, Ltd.	18,400	230,149			
Ping An Insurance Group Co. of China, Ltd.	33,500	213,962			
		<u>1,332,335</u>			<u>1,175,546</u>
<b>Japan - 8.5%</b>			<b>Spain - 3.1%</b>		
Astellas Pharma, Inc.	17,700	263,597	Cellnex Telecom SA	5,200	210,100
Keyence Corp.	1,000	475,157	Iberdrola SA	45,900	599,399
Recruit Holdings Co., Ltd.	11,200	357,452			
Shiseido Co., Ltd.	4,100	185,852			
Sony Group Corp., ADR	6,300	567,252			
Terumo Corp.	13,100	417,230			
		<u>2,266,540</u>			<u>809,499</u>
<b>Singapore - 2.2%</b>			<b>Sweden - 1.2%</b>		
DBS Group Holdings, Ltd.	15,600	364,303	Evolution AB, ADR	1,000	126,500
Singapore Technologies Engineering, Ltd.	78,400	213,928	Hexagon AB	16,200	199,265
		<u>578,231</u>			<u>325,765</u>
<b>South Korea - 2.8%</b>			<b>Switzerland - 9.9%</b>		
LG Chem, Ltd.	975	496,335	Logitech International SA	6,650	395,010
Samsung Electronics Co., Ltd., GDR	185	256,451	Lonza Group AG	590	352,651
		<u>752,786</u>	Nestle SA	3,600	433,050
<b>Europe - 62.4%</b>			<b>United Kingdom - 23.1%</b>		
<b>France - 9.8%</b>			Ashtead Group, PLC		
AXA SA	11,750	347,228	AstraZeneca, PLC, ADR	8,300	594,031
Dassault Systemes SE	11,700	518,438	BAE Systems, PLC	52,600	620,220
Elis SA	8,125	158,057	Coca-Cola Europacific Partners, PLC	5,400	347,922
Forvia *	7,166	169,126	Compass Group, PLC	10,625	297,533
Safran SA	3,200	501,471	Dechra Pharmaceuticals, PLC	6,300	295,020
Schneider Electric SE	5,000	908,384	Diageo, PLC, ADR	2,775	481,407
		<u>2,602,704</u>	Entain, PLC	20,350	329,055
<b>Germany - 7.1%</b>			Glencore, PLC, ADR		
Allianz SE	2,250	524,078	London Stock Exchange Group, PLC	14,500	163,270
DHL Group	6,550	320,048	Man Group, PLC	5,100	542,810
Infineon Technologies AG	5,700	234,739	Reckitt Benckiser Group, PLC	38,950	108,167
Muenchener Rueckversicherungs AG	800	300,330	RELX, PLC	3,100	232,968
Siemens AG	3,100	516,773	RENTX, PLC	12,275	409,472
		<u>1,895,968</u>	Rentokil Initial, PLC	47,250	369,434
<b>Ireland - 3.8%</b>			Shell, PLC, ADR		
Accenture, PLC	550	169,719	Smith & Nephew, PLC	25,250	407,367
					<u>6,151,523</u>
			<b>Latin America - 1.4%</b>		
			<b>Argentina - 1.4%</b>		
			Globant SA *		
			2,050		
			<u>368,426</u>		
			<b>North America - 9.5%</b>		
			<b>Canada - 4.1%</b>		
			Alimentation Couche-Tard, Inc.		
			7,400		
			379,454		
			Colliers International Group, Inc.		
			1,600		
			157,104		

See accompanying notes to financial statements.

<b>Name of Issuer</b>	<b>Quantity</b>	<b>Fair Value (\$)</b>
Lululemon Athletica, Inc. *	400	151,400
Waste Connections, Inc.	2,750	393,058
		<u>1,081,016</u>
<b>United States - 5.4%</b>		
Broadcom, Inc.	1,025	889,115
Euronet Worldwide, Inc. *	1,775	208,332
Mondelez International, Inc.	4,800	350,112
		<u>1,447,559</u>
<b>Total Common Stocks</b> (cost: \$17,988,153)		<u>25,863,337</u>
<b>Investment Companies - 0.5%</b>		
iShares MSCI India ETF (cost \$95,523)	3,200	139,840
<b>Short-Term Securities - 1.9%</b>		
Fidelity Inst. Money Mkt. Gvt. Fund, 4.99% (cost \$495,601)	495,601	495,601
<b>Total Investments in Securities - 99.5%</b> (cost \$18,579,277)		26,498,778
<b>Other Assets and Liabilities, net - 0.5%</b>		<u>124,782</u>
<b>Net Assets - 100.0%</b>		<u>\$26,623,560</u>

\* Non-income producing security.

ADR — American Depositary Receipt

GDR — Global Depositary Receipt

PLC — Public Limited Company

Numeric footnotes not disclosed are not applicable to this Schedule of Investments.

*See accompanying notes to financial statements.*

## SCHEDULE OF INVESTMENTS

June 30, 2023

### Sit International Growth Fund (Continued)

A summary of the levels for the Fund's investments as of June 30, 2023 is as follows (see Note 2 - significant accounting policies in the notes to financial statements):

	Investment in Securities			Total (\$)
	Level 1 Quoted Prices (\$)	Level 2 Other significant observable inputs (\$)	Level 3 Significant unobservable inputs (\$)	
Common Stocks				
Argentina	368,426	—	—	368,426
Australia	872,942	542,003	—	1,414,945
Canada	1,081,016	—	—	1,081,016
China/Hong Kong	215,633	1,116,702	—	1,332,335
France	—	2,602,704	—	2,602,704
Germany	—	1,895,968	—	1,895,968
Ireland	1,017,175	—	—	1,017,175
Japan	567,252	1,699,288	—	2,266,540
Netherlands	1,030,086	145,460	—	1,175,546
Singapore	—	578,231	—	578,231
South Korea	—	752,786	—	752,786
Spain	—	809,499	—	809,499
Sweden	126,500	199,265	—	325,765
Switzerland	671,286	1,972,033	—	2,643,319
United Kingdom	2,326,285	3,825,238	—	6,151,523
United States	1,447,559	—	—	1,447,559
Investment Companies	139,840	—	—	139,840
Short-Term Securities	495,601	—	—	495,601
<b>Total:</b>	<b>10,359,601</b>	<b>16,139,177</b>	<b>—</b>	<b>26,498,778</b>

Level 1 securities of foreign issuers are primarily American Depositary Receipts (ADRs), Public Limited Companies (PLCs) or Global Depositary Receipts (GDRs). There were no transfers into or out of level 3 during the reporting period.

*See accompanying notes to financial statements.*

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# Sit Developing Markets Growth Fund

## OBJECTIVE & STRATEGY

The objective of the Sit Developing Markets Growth Fund is to maximize long-term capital appreciation. The Fund seeks to achieve its objective by investing, under normal market conditions, at least 80% of its net assets in common stocks of companies domiciled or operating in a developing market. In selecting investments for the Fund, the Adviser begins by selecting countries or regions in which to invest by considering several factors affecting the economy and equity market of foreign countries and regions. After the country and regional allocations are determined, the Adviser seeks industries and sectors that appear to have strong earnings growth prospects. Within the selected industries and sectors, the Adviser invests in foreign growth-oriented companies it believes exhibit the potential for superior growth.

## Fund Performance

The Sit Developing Markets Growth Fund returned +6.42% during the 12-month period ended June 30, 2023, compared to the MSCI Emerging Markets Index return of -1.12%.

## Factors that Influenced the Fund's Performance

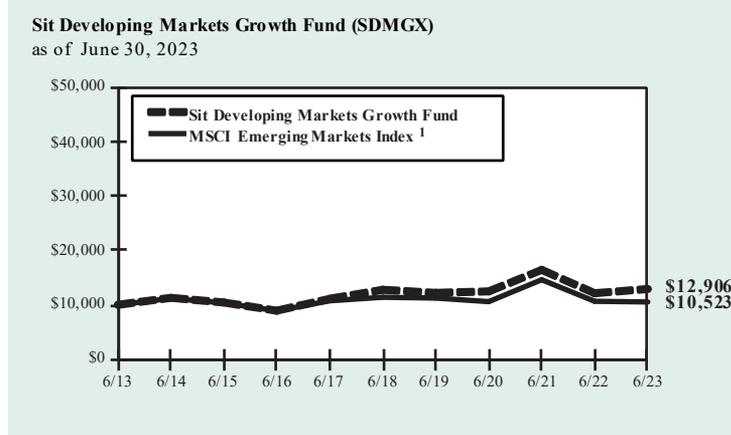
The Fund outperformed its benchmark amidst signs of slowing inflation (e.g., energy and food prices), China's faster-than-expected re-opening, and expected interest rate cuts. Yet, emerging markets still face risks from the Russia-Ukraine conflict, China's slower economic recovery, and global recession. Contributing to outperformance during the 12-month period were the Fund's holdings in the semiconductors & semiconductor equipment, materials, and banks sectors, where Broadcom, LG Chem, HDFC Bank Ltd, and DBS Group Holdings posted strong returns. On the negative side, sectors that hurt performance included financial services, capital goods, and consumer discretionary distribution & retail, which were hurt by Hong Kong Exchanges & Clearing Ltd, L.K. Technology Holdings Ltd. and JD.com ADR.

Geographically, holdings in the Asia/Pacific ex Japan, Africa/Mideast, and North America regions added value, while having no exposure to Non-Euroland hurt results. By country, Singapore, Hong Kong, and South Africa helped performance, while Brazil, Taiwan, and India detracted, largely due to the Fund's underweights in each of these latter markets.

## Outlook and Positioning

We project emerging market (EM) GDP growth of +4.3% in 2023 (versus +3.7% in 2022) on robust India GDP growth, expected interest rate cuts, and greater China stimulus. We project India's GDP will grow at a robust +6.2% pace in fiscal 2024, led by construction, financial services, and consumption. In emerging markets, inflation has surprised on the downside, due to lower oil/commodity prices and supply chain improvements. Accordingly, we expect EM central banks to cut interest rates soon. In China, we see downside risk to the 2023 GDP growth forecast of +5.5 percent, following a broad-based growth slowdown in the second quarter. As a result, China's government policy has turned stimulative, as signaled by the unexpected policy rate cut in June. Still, given elevated debt levels and the government's "housing is for living,

## HYPOTHETICAL GROWTH OF \$10,000



The chart above illustrates the total value of a hypothetical \$10,000 investment in the Fund over the past 10 years as compared to the performance of the MSCI Emerging Markets Index. Past performance does not guarantee future results. Returns include the reinvestment of distributions. The chart does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>1</sup> MSCI Emerging Markets Index is an unmanaged free float-adjusted market capitalization index that measures equity market performance of emerging markets. It is not possible to invest directly in an index. This is the Fund's primary index.

not for speculation" mantra, any property or infrastructure stimulus should be moderate. Nevertheless, we expect better economic growth momentum into the second half of the year, as increased government stimulus takes hold.

Regarding strategy, we are maintaining an overweight position in Chinese stocks, as anticipated policy easing should help mitigate the downside in the economy. We are optimistic the macro recovery regains momentum and U.S./China relations improve. Our Chinese holdings are a diversified portfolio, incorporating an earnings recovery theme and defensive exposure. They include stocks in the online travel industry, restaurants, Macau gaming, life insurance, and the internet space, along with consumer staples, healthcare, and utilities. We also like South Korea, Singapore, and India, based on a stronger economic growth outlook. Our portfolio's favored themes include financials, e-commerce, gaming, renewable energy, technology, and basic materials.

**Roger J. Sit**      **Raymond E. Sit**  
*Portfolio Managers*

*Information on this page is unaudited.*

## COMPARATIVE RATES OF RETURNS

as of June 30, 2023

	Sit Developing Markets Growth Fund	MSCI Emerging Markets Index <sup>1</sup>
One Year	6.42%	-1.12%
Five Year	0.22	-1.54
Ten Year	2.58	0.51
Since Inception (7/1/94)	3.69	2.53

Performance figures are historical and do not guarantee future results. Investment returns and principal value will vary, and you may have a gain or loss when you sell shares. Current performance may be lower or higher than the performance data quoted. Contact the Fund for performance data current to the most recent month-end. Returns include changes in share price as well as reinvestment of all dividends and capital gains. Returns do not reflect the deduction of the 2% redemption fee imposed if shares are redeemed or exchanged within 30 calendar days from their date of purchase. If imposed, the fee would reduce the performance quoted. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Management fees and administrative expenses are included in the Fund's performance. Returns for periods greater than one year are compounded average annual rates of return.

<sup>1</sup> MSCI Emerging Markets Index is an unmanaged free float-adjusted market capitalization index that measures equity market performance of emerging markets. It is not possible to invest directly in an index.

## FUND DIVERSIFICATION BY- REGION

	Sit Developing Markets Growth Fund	MSCI Emerging Markets Index
Asia/Pacific	70.5%	78.0%
Africa/Middle East	8.3	10.5
North America	8.2	—
Latin America	7.8	9.3
Europe	1.2	2.2
Cash & Other Net Assets	4.0	—

Based on net assets as of June 30, 2023.

## PORTFOLIO SUMMARY

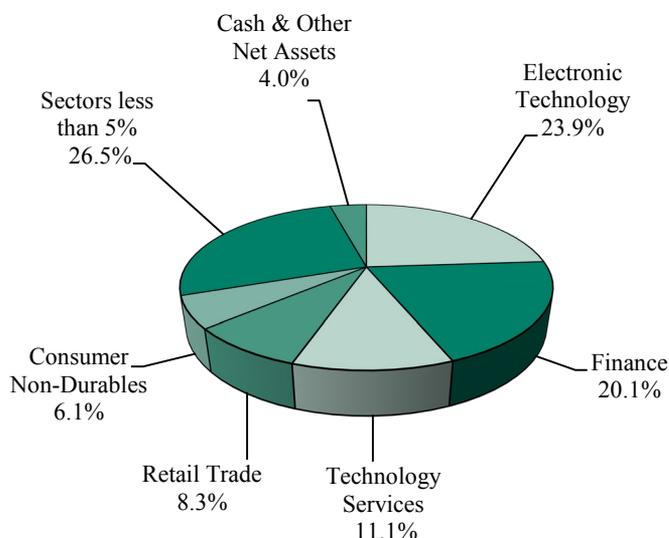
Net Asset Value 6/30/23:	\$16.06	Per Share
Net Asset Value 6/30/22:	\$15.46	Per Share
Net Assets:	\$10.1	Million
Weighted Average Market Cap:	\$123.1	Billion

## TOP 10 HOLDINGS

1. Taiwan Semiconductor Co.
2. Samsung Electronics Co., Ltd.
3. Broadcom, Inc.
4. iShares MSCI India ETF
5. HDFC Bank, Ltd., ADR
6. Tencent Holdings, Ltd.
7. DBS Group Holdings, Ltd.
8. LG Chem, Ltd.
9. Bid Corp., Ltd.
10. Southern Copper Corp.

Based on net assets as of June 30, 2023.

## SECTOR ALLOCATION



Based on net assets as of June 30, 2023.

*Information on this page is unaudited.*



\* Non-income producing security.

ADR — American Depositary Receipt

GDR — Global Depositary Receipt

PLC — Public Limited Company

Numeric footnotes not disclosed are not applicable to this Schedule of Investments.

A summary of the levels for the Fund's investments as of June 30, 2023 is as follows (see Note 2 - significant accounting policies in the notes to financial statements):

	Investment in Securities			Total (\$)
	Level 1 Quoted Prices (\$)	Level 2 Other significant observable inputs (\$)	Level 3 Significant unobservable inputs (\$)	
Common Stocks				
Argentina	211,171	—	—	211,171
Australia	233,518	—	—	233,518
Brazil	207,381	—	—	207,381
Chile	88,595	—	—	88,595
China/Hong Kong	665,254	2,249,996	—	2,915,250
India	372,895	—	—	372,895
Indonesia	—	203,982	—	203,982
Israel	216,825	—	—	216,825
Mexico	260,513	—	—	260,513
Netherlands	—	124,498	—	124,498
Peru	279,786	—	—	279,786
Singapore	145,384	458,677	—	604,061
South Africa	366,657	257,442	—	624,099
South Korea	—	1,143,406	—	1,143,406
Taiwan	223,386	815,671	—	1,039,057
Thailand	—	178,732	—	178,732
United States	562,871	—	—	562,871
Investment Companies	426,075	—	—	426,075
Short-Term Securities	380,955	—	—	380,955
<b>Total:</b>	<b>4,641,266</b>	<b>5,432,404</b>	<b>—</b>	<b>10,073,670</b>

Level 1 securities of foreign issuers are primarily American Depositary Receipts (ADRs), Public Limited Companies (PLCs) or Global Depositary Receipts (GDRs). There were no transfers into or out of level 3 during the reporting period.

*See accompanying notes to financial statements.*

## STATEMENTS OF ASSETS AND LIABILITIES

June 30, 2023

	Sit Balanced Fund	Sit Dividend Growth Fund	Sit Global Dividend Growth Fund
<b>ASSETS</b>			
Investments in securities, at identified cost . . . . .	\$35,796,027	\$181,544,400	\$27,213,569
Investments in securities, at fair value - see accompanying schedule for detail . . . . .	\$49,330,870	\$230,707,774	\$47,865,606
Cash in bank on demand deposit . . . . .	—	—	8
Accrued interest and dividends receivable . . . . .	149,376	219,503	124,519
Receivable for investment securities sold . . . . .	168,549	1,226,550	—
Receivable for Fund shares sold . . . . .	20,630	38,902	2,536
<b>Total assets . . . . .</b>	<b>49,669,425</b>	<b>232,192,729</b>	<b>47,992,669</b>
<b>LIABILITIES</b>			
Payable for investment securities purchased . . . . .	171,078	827,685	—
Payable for Fund shares redeemed . . . . .	14,701	75,510	25,748
Accrued investment management fees and advisory fees . . . . .	31,785	130,599	38,621
Accrued Rule 12b-1 fees (Class S) . . . . .	—	4,329	820
<b>Total liabilities . . . . .</b>	<b>217,564</b>	<b>1,038,123</b>	<b>65,189</b>
<b>Net assets applicable to outstanding capital stock . . . . .</b>	<b>\$49,451,861</b>	<b>\$231,154,606</b>	<b>\$47,927,480</b>
<b>Net assets consist of:</b>			
Capital (par value and paid-in surplus) . . . . .	\$36,090,756	\$177,523,451	\$27,726,879
Total distributable earnings (loss), including unrealized appreciation (depreciation) . . . . .	13,361,105	53,631,155	20,200,601
	<u>\$49,451,861</u>	<u>\$231,154,606</u>	<u>\$47,927,480</u>
Outstanding shares:			
Common Shares (Class I)* . . . . .	1,719,628	14,332,491	1,929,697
Common Shares (Class S)* . . . . .	—	1,465,232	177,624
Net assets applicable to outstanding shares:			
Common Shares (Class I)* . . . . .	\$49,451,861	\$209,856,079	\$43,893,013
Common Shares (Class S)* . . . . .	—	21,298,527	4,034,467
Net asset value per share of outstanding capital stock:			
Common Shares (Class I)* . . . . .	\$28.76	\$14.64	\$22.75
Common Shares (Class S)* . . . . .	—	14.54	22.71

\* Dividend Growth, Global Dividend Growth, ESG Growth and Small Cap Dividend Growth Funds offer multiple share classes (I and S). All other Funds offer a single share class.

See accompanying notes to financial statements.

Sit Large Cap Growth Fund	Sit ESG Growth Fund	Sit Mid Cap Growth Fund	Sit Small Cap Dividend Growth Fund	Sit Small Cap Growth Fund	Sit International Growth Fund	Sit Developing Markets Growth Fund
\$60,028,114	\$5,611,677	\$95,067,298	\$16,115,481	\$65,261,381	\$18,579,277	\$7,822,565
\$162,845,779	\$9,161,768	\$186,338,668	\$21,452,964	\$109,874,288	\$26,498,778	\$10,073,670
—	2	—	—	—	6	1
65,454	18,650	72,836	33,112	91,036	142,255	30,009
—	—	—	—	—	—	—
18,410	—	11,244	3,098	5,218	2,161	2,081
162,929,643	9,180,420	186,422,748	21,489,174	109,970,542	26,643,200	10,105,761
—	—	1,008,745	—	—	—	—
27,401	—	8,491	—	16,194	1,102	120
129,743	7,389	185,033	15,232	130,197	18,538	7,790
—	873	—	987	—	—	—
157,144	8,262	1,202,269	16,219	146,391	19,640	7,910
\$162,772,499	\$9,172,158	\$185,220,479	\$21,472,955	\$109,824,151	\$26,623,560	\$10,097,851
\$56,761,367	\$5,697,648	\$94,588,901	\$16,106,667	\$63,782,867	\$18,329,006	\$7,728,967
106,011,132	3,474,510	90,631,578	5,366,288	46,041,284	8,294,554	2,368,884
\$162,772,499	\$9,172,158	\$185,220,479	\$21,472,955	\$109,824,151	\$26,623,560	\$10,097,851
2,793,865	277,956	9,226,483	1,153,421	1,821,542	1,291,347	628,805
—	248,419	—	347,222	—	—	—
\$162,772,499	\$4,865,974	\$185,220,479	\$16,507,977	\$109,824,151	\$26,623,560	\$10,097,851
—	4,306,184	—	4,964,978	—	—	—
\$58.26	\$17.51	\$20.07	\$14.31	\$60.29	\$20.62	\$16.06
—	17.33	—	14.30	—	—	—

## STATEMENTS OF OPERATIONS

Year Ended June 30, 2023

	Sit Balanced Fund	Sit Dividend Growth Fund	Sit Global Dividend Growth Fund
<b>Investment income:</b>			
<b>Income:</b>			
Dividends*	\$427,326	\$4,705,053	\$898,357
Interest	612,990	53,843	29,675
Total income	<u>1,040,316</u>	<u>4,758,896</u>	<u>928,032</u>
<b>Expenses (note 4):</b>			
Investment management and advisory service fee	468,253	2,211,828	536,086
12b-1 fees (Class S)	—	54,225	8,764
Total expenses	<u>468,253</u>	<u>2,266,053</u>	<u>544,850</u>
Less fees and expenses waived by investment adviser	<u>(93,651)</u>	<u>(663,548)</u>	<u>(107,217)</u>
Total net expenses	<u>374,602</u>	<u>1,602,505</u>	<u>437,633</u>
Net investment income (loss)	<u>665,714</u>	<u>3,156,391</u>	<u>490,399</u>
<b>Realized and unrealized gain (loss):</b>			
Net realized gain (loss) on investments	(296,792)	8,612,443	(553,670)
Net realized gain (loss) on foreign currency transactions	—	—	(125)
Net change in unrealized appreciation (depreciation) on investments and foreign currency transactions	<u>5,025,324</u>	<u>18,864,045</u>	<u>6,762,490</u>
Net gain (loss)	<u>4,728,532</u>	<u>27,476,488</u>	<u>6,208,695</u>
Net increase (decrease) in net assets resulting from operations	<u>\$5,394,246</u>	<u>\$30,632,879</u>	<u>\$6,699,094</u>
*Foreign taxes withheld on dividends received	\$2,821	\$12,003	\$30,904

See accompanying notes to financial statements.

Sit Large Cap Growth Fund	Sit ESG Growth Fund	Sit Mid Cap Growth Fund	Sit Small Cap Dividend Growth Fund	Sit Small Cap Growth Fund	Sit International Growth Fund	Sit Developing Markets Growth Fund
\$1,536,511	\$140,068	\$2,055,458	\$441,322	\$1,239,071	\$556,334	\$222,170
36,360	10,265	76,243	20,996	62,075	10,747	7,102
1,572,871	150,333	2,131,701	462,318	1,301,146	567,081	229,272
1,423,951	99,114	2,186,994	249,980	1,549,713	359,663	189,184
—	9,678	—	11,836	—	—	—
1,423,951	108,792	2,186,994	261,816	1,549,713	359,663	189,184
—	(19,823)	—	(69,995)	—	(155,854)	(99,322)
1,423,951	88,969	2,186,994	191,821	1,549,713	203,809	89,862
148,920	61,364	(55,293)	270,497	(248,567)	363,272	139,410
3,554,651	(121,879)	818,612	205,656	2,436,394	326,460	35,346
—	(145)	—	(4)	(29)	(773)	(1,007)
29,320,184	1,653,170	33,871,734	2,493,454	14,084,650	3,397,851	419,970
32,874,835	1,531,146	34,690,346	2,699,106	16,521,015	3,723,538	454,309
<u>\$33,023,755</u>	<u>\$1,592,510</u>	<u>\$34,635,053</u>	<u>\$2,969,603</u>	<u>\$16,272,448</u>	<u>\$4,086,810</u>	<u>\$593,719</u>
\$7,431	\$7,424	\$7,313	\$1,294	\$7,082	\$50,952	\$20,936

## STATEMENTS OF CHANGES IN NET ASSETS

	Sit Balanced Fund		Sit Dividend Growth Fund	
	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2023	Year Ended June 30, 2022
<b>Operations:</b>				
Net investment income (loss) . . . . .	\$665,714	\$474,954	\$3,156,391	\$3,335,617
Net realized gain (loss) on investments and foreign currency transactions . . . . .	(296,792)	2,359,977	8,612,443	25,349,263
Net change in unrealized appreciation (depreciation) of investments and foreign currency transactions. . . . .	<u>5,025,324</u>	<u>(12,491,710)</u>	<u>18,864,045</u>	<u>(44,984,342)</u>
Net increase (decrease) in net assets resulting from operations . . . . .	<u>5,394,246</u>	<u>(9,656,779)</u>	<u>30,632,879</u>	<u>(16,299,462)</u>
<b>Distributions from:</b>				
Net investment income and net realized gains				
Common shares (Class I) . . . . .	(2,221,064)	(2,956,313)	(21,774,304)	(25,681,861)
Common shares (Class S) . . . . .	<u>—</u>	<u>—</u>	<u>(2,372,811)</u>	<u>(3,168,345)</u>
Total distributions . . . . .	<u>(2,221,064)</u>	<u>(2,956,313)</u>	<u>(24,147,115)</u>	<u>(28,850,206)</u>
<b>Capital share transactions:</b>				
Proceeds from shares sold				
Common Shares (Class I) . . . . .	3,894,958	13,412,686	16,884,847	28,157,324
Common Shares (Class S) . . . . .	<u>—</u>	<u>—</u>	<u>1,073,831</u>	<u>1,509,331</u>
Reinvested distributions				
Common Shares (Class I) . . . . .	2,174,246	2,928,301	20,490,706	24,442,835
Common Shares (Class S) . . . . .	<u>—</u>	<u>—</u>	<u>2,366,839</u>	<u>3,159,382</u>
Payments for shares redeemed				
Common Shares (Class I) . . . . .	(7,916,953)	(21,844,017)	(24,480,723)	(28,473,035)
Common Shares (Class S) . . . . .	<u>—</u>	<u>—</u>	<u>(4,592,175)</u>	<u>(9,393,310)</u>
Increase (decrease) in net assets from capital transactions . . . . .	<u>(1,847,749)</u>	<u>(5,503,030)</u>	<u>11,743,325</u>	<u>19,402,527</u>
Total increase (decrease) in net assets . . . . .	1,325,433	(18,116,122)	18,229,089	(25,747,141)
<b>Net assets:</b>				
Beginning of year . . . . .	<u>48,126,428</u>	<u>66,242,550</u>	<u>212,925,517</u>	<u>238,672,658</u>
End of year . . . . .	<u>\$49,451,861</u>	<u>\$48,126,428</u>	<u>\$231,154,606</u>	<u>\$212,925,517</u>
<b>Capital transactions in shares:</b>				
Sold				
Common Shares (Class I) . . . . .	141,588	398,336	1,190,785	1,663,335
Common Shares (Class S) . . . . .	<u>—</u>	<u>—</u>	<u>74,506</u>	<u>89,054</u>
Reinvested distributions				
Common Shares (Class I) . . . . .	83,352	88,175	1,492,898	1,442,952
Common Shares (Class S) . . . . .	<u>—</u>	<u>—</u>	<u>173,605</u>	<u>187,577</u>
Redeemed				
Common Shares (Class I) . . . . .	(296,842)	(711,508)	(1,717,513)	(1,676,083)
Common Shares (Class S) . . . . .	<u>—</u>	<u>—</u>	<u>(326,696)</u>	<u>(545,058)</u>
Net increase (decrease) . . . . .	<u>(71,902)</u>	<u>(224,997)</u>	<u>887,585</u>	<u>1,161,777</u>

See accompanying notes to financial statements.

Sit Global Dividend Growth Fund		Sit Large Cap Growth Fund		Sit ESG Growth Fund	
Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2023	Year Ended June 30, 2022
\$490,399	\$410,390	\$148,920	(\$266,176)	\$61,364	\$38,713
(553,795)	802,964	3,554,651	9,487,470	(122,024)	282,988
<u>6,762,490</u>	<u>(6,395,328)</u>	<u>29,320,184</u>	<u>(40,967,507)</u>	<u>1,653,170</u>	<u>(1,847,947)</u>
<u>6,699,094</u>	<u>(5,181,974)</u>	<u>33,023,755</u>	<u>(31,746,213)</u>	<u>1,592,510</u>	<u>(1,526,246)</u>
(446,552)	(334,135)	(4,952,920)	(10,822,278)	(120,779)	(71,656)
<u>(31,454)</u>	<u>(22,870)</u>	<u>—</u>	<u>—</u>	<u>(116,450)</u>	<u>(59,748)</u>
<u>(478,006)</u>	<u>(357,005)</u>	<u>(4,952,920)</u>	<u>(10,822,278)</u>	<u>(237,229)</u>	<u>(131,404)</u>
1,615,055	1,661,272	3,760,728	4,420,115	347,403	157,956
300,231	199,533	—	—	125,749	72,207
417,990	314,053	4,756,966	10,641,515	120,779	71,656
31,454	22,870	—	—	116,450	59,748
(915,118)	(1,306,482)	(10,251,212)	(13,154,398)	(55,305)	(473,310)
<u>(190,973)</u>	<u>(458,731)</u>	<u>—</u>	<u>—</u>	<u>(155,989)</u>	<u>(32,242)</u>
<u>1,258,639</u>	<u>432,515</u>	<u>(1,733,518)</u>	<u>1,907,232</u>	<u>499,087</u>	<u>(143,985)</u>
7,479,727	(5,106,464)	26,337,317	(40,661,259)	1,854,368	(1,801,635)
<u>40,447,753</u>	<u>45,554,217</u>	<u>136,435,182</u>	<u>177,096,441</u>	<u>7,317,790</u>	<u>9,119,425</u>
<u>\$47,927,480</u>	<u>\$40,447,753</u>	<u>\$162,772,499</u>	<u>\$136,435,182</u>	<u>\$9,172,158</u>	<u>\$7,317,790</u>
79,480	72,461	71,837	71,691	21,896	8,598
13,785	8,666	—	—	7,983	4,130
21,219	13,860	100,912	163,590	8,057	3,783
1,602	1,014	—	—	7,836	3,176
(45,193)	(57,269)	(204,325)	(219,041)	(3,587)	(27,259)
<u>(9,514)</u>	<u>(20,277)</u>	<u>—</u>	<u>—</u>	<u>(10,041)</u>	<u>(1,728)</u>
<u>61,379</u>	<u>18,455</u>	<u>(31,576)</u>	<u>16,240</u>	<u>32,144</u>	<u>(9,300)</u>

## STATEMENTS OF CHANGES IN NET ASSETS

	Sit Mid Cap Growth Fund		Sit Small Cap Dividend Growth Fund	
	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2023	Year Ended June 30, 2022
<b>Operations:</b>				
Net investment income (loss) . . . . .	(\$55,293)	(\$1,117,433)	\$270,497	\$188,059
Net realized gain (loss) on investments and foreign currency transactions . . . . .	818,612	11,614,655	205,652	862,066
Net change in unrealized appreciation (depreciation) of investments and foreign currency transactions. . . . .	<u>33,871,734</u>	<u>(64,721,093)</u>	<u>2,493,454</u>	<u>(4,651,240)</u>
Net increase (decrease) in net assets resulting from operations . . . .	<u>34,635,053</u>	<u>(54,223,871)</u>	<u>2,969,603</u>	<u>(3,601,115)</u>
<b>Distributions from:</b>				
Net investment income and net realized gains				
Common shares (Class I) . . . . .	(5,106,424)	(26,173,363)	(619,836)	(1,438,331)
Common shares (Class S) . . . . .	<u>—</u>	<u>—</u>	<u>(182,623)</u>	<u>(429,103)</u>
Total distributions . . . . .	<u>(5,106,424)</u>	<u>(26,173,363)</u>	<u>(802,459)</u>	<u>(1,867,434)</u>
<b>Capital share transactions:</b>				
Proceeds from shares sold				
Common Shares (Class I) . . . . .	1,684,465	1,319,860	698,064	844,902
Common Shares (Class S) . . . . .	<u>—</u>	<u>—</u>	<u>169,792</u>	<u>219,344</u>
Reinvested distributions				
Common Shares (Class I) . . . . .	4,614,072	25,308,092	576,207	1,350,645
Common Shares (Class S) . . . . .	<u>—</u>	<u>—</u>	<u>177,090</u>	<u>414,564</u>
Payments for shares redeemed				
Common Shares (Class I) . . . . .	(15,036,435)	(9,971,539)	(634,237)	(924,477)
Common Shares (Class S) . . . . .	<u>—</u>	<u>—</u>	<u>(213,821)</u>	<u>(204,817)</u>
Increase (decrease) in net assets from capital transactions . . . . .	<u>(8,737,898)</u>	<u>16,656,413</u>	<u>773,095</u>	<u>1,700,161</u>
Total increase (decrease) in net assets . . . . .	20,790,731	(63,740,821)	2,940,239	(3,768,388)
<b>Net assets:</b>				
Beginning of year . . . . .	<u>164,429,748</u>	<u>228,170,569</u>	<u>18,532,716</u>	<u>22,301,104</u>
End of year . . . . .	<u>\$185,220,479</u>	<u>\$164,429,748</u>	<u>\$21,472,955</u>	<u>\$18,532,716</u>
<b>Capital transactions in shares:</b>				
Sold				
Common Shares (Class I) . . . . .	89,278	60,388	50,029	52,492
Common Shares (Class S) . . . . .	<u>—</u>	<u>—</u>	<u>12,109</u>	<u>13,840</u>
Reinvested distributions				
Common Shares (Class I) . . . . .	256,911	1,096,063	44,217	85,026
Common Shares (Class S) . . . . .	<u>—</u>	<u>—</u>	<u>13,592</u>	<u>26,101</u>
Redeemed				
Common Shares (Class I) . . . . .	(813,255)	(441,904)	(46,458)	(54,966)
Common Shares (Class S) . . . . .	<u>—</u>	<u>—</u>	<u>(15,223)</u>	<u>(13,515)</u>
Net increase (decrease) . . . . .	<u>(467,066)</u>	<u>714,547</u>	<u>58,266</u>	<u>108,978</u>

See accompanying notes to financial statements.

<u>Sit Small Cap Growth Fund</u>		<u>Sit International Growth Fund</u>		<u>Sit Developing Markets Growth Fund</u>	
<u>Year Ended June 30, 2023</u>	<u>Year Ended June 30, 2022</u>	<u>Year Ended June 30, 2023</u>	<u>Year Ended June 30, 2022</u>	<u>Year Ended June 30, 2023</u>	<u>Year Ended June 30, 2022</u>
(\$248,567)	(\$875,254)	\$363,272	\$259,074	\$139,410	\$134,915
2,436,365	7,511,737	325,687	692,622	34,339	80,939
<u>14,084,650</u>	<u>(41,245,382)</u>	<u>3,397,851</u>	<u>(8,092,173)</u>	<u>419,970</u>	<u>(3,750,421)</u>
<u>16,272,448</u>	<u>(34,608,899)</u>	<u>4,086,810</u>	<u>(7,140,477)</u>	<u>593,719</u>	<u>(3,534,567)</u>
(1,688,086)	(19,675,197)	(453,404)	(72,739)	(222,145)	(252,776)
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>(1,688,086)</u>	<u>(19,675,197)</u>	<u>(453,404)</u>	<u>(72,739)</u>	<u>(222,145)</u>	<u>(252,776)</u>
1,523,686	1,398,827	1,165,079	767,114	998,232	682,993
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
1,564,134	19,201,055	420,136	71,582	216,826	247,111
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
(6,292,024)	(13,730,915)	(1,048,990)	(2,516,151)	(888,402)	(1,625,794)
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>(3,204,204)</u>	<u>6,868,967</u>	<u>536,225</u>	<u>(1,677,455)</u>	<u>326,656</u>	<u>(695,690)</u>
11,380,158	(47,415,129)	4,169,631	(8,890,671)	698,230	(4,483,033)
<u>98,443,993</u>	<u>145,859,122</u>	<u>22,453,929</u>	<u>31,344,600</u>	<u>9,399,621</u>	<u>13,882,654</u>
<u>\$109,824,151</u>	<u>\$98,443,993</u>	<u>\$26,623,560</u>	<u>\$22,453,929</u>	<u>\$10,097,851</u>	<u>\$9,399,621</u>
26,818	19,358	60,251	33,021	63,927	36,524
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
29,138	276,393	22,996	3,120	14,484	13,548
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
(112,711)	(193,154)	(54,715)	(120,475)	(57,576)	(90,929)
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>(56,755)</u>	<u>102,597</u>	<u>28,532</u>	<u>(84,334)</u>	<u>20,835</u>	<u>(40,857)</u>

## FINANCIAL HIGHLIGHTS

Per share income and capital changes for a share outstanding throughout the period. See accompanying notes to financial statements.

### Sit Balanced Fund

	Year Ended June 30,				
	2023	2022	2021	2020	2019
<b>Net Asset Value:</b>					
Beginning of period . . . . .	\$26.86	\$32.85	\$26.37	\$25.06	\$23.76
<b>Operations:</b>					
Net investment income <sup>1</sup> . . . . .	0.38	0.23	0.22	0.25	0.32
Net realized and unrealized gains (losses) . . . . .	2.84	(4.86)	6.71	2.64	1.52
Total from operations . . . . .	3.22	(4.63)	6.93	2.89	1.84
<b>Distributions to Shareholders:</b>					
From net investment income . . . . .	(0.36)	(0.22)	(0.20)	(0.27)	(0.31)
From net realized gains . . . . .	(0.96)	(1.14)	(0.25)	(1.31)	(0.23)
Total distributions . . . . .	(1.32)	(1.36)	(0.45)	(1.58)	(0.54)
<b>Net Asset Value</b>					
End of period . . . . .	\$28.76	\$26.86	\$32.85	\$26.37	\$25.06
Total investment return <sup>2</sup> . . . . .	12.53%	(14.87%)	26.48%	11.91%	7.98%
Net assets at end of period (000's omitted) . . . . .	\$49,452	\$48,126	\$66,243	\$46,658	\$34,465
<b>Ratios:</b> <sup>3</sup>					
Expenses (without waiver) . . . . .	1.00% <sup>4</sup>	1.00% <sup>4</sup>	1.00%	1.00%	1.00%
Expenses (with waiver) . . . . .	0.80% <sup>4</sup>	0.91% <sup>4</sup>	—	—	—
Net investment income (without waiver) . . . . .	1.22%	0.62%	0.74%	0.99%	1.33%
Net investment income (with waiver) . . . . .	1.42%	0.71%	—	—	—
Portfolio turnover rate (excluding short-term securities) . . . . .	39.71%	39.92%	38.30%	58.63%	50.45%

<sup>1</sup> The net investment income per share is based on average shares outstanding for the period.

<sup>2</sup> Total investment return is based on the change in net asset value of a share during the period (not annualized) and assumes reinvestment of distributions at net asset value.

<sup>3</sup> Ratios are annualized for periods less than one year. In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>4</sup> Total Fund expenses are limited to 1.00% of average daily net assets. However, during the period above, the investment adviser voluntarily absorbed expenses that were otherwise payable by the Fund.

## FINANCIAL HIGHLIGHTS

Per share income and capital changes for a share outstanding throughout the period. See accompanying notes to financial statements.

### Sit Dividend Growth Fund

Class I	Year Ended June 30,				
	2023	2022	2021	2020	2019
<b>Net Asset Value:</b>					
Beginning of period . . . . .	\$14.29	\$17.37	\$13.48	\$14.45	\$16.69
<b>Operations:</b>					
Net investment income <sup>1</sup> . . . . .	0.21	0.24	0.21	0.22	0.38
Net realized and unrealized gains (losses) . . . . .	1.78	(1.19)	4.75	0.64	0.55
Total from operations . . . . .	1.99	(0.95)	4.96	0.86	0.93
<b>Redemption fee</b> <sup>2</sup> . . . . .	—	—	—	—	—
<b>Distributions to Shareholders:</b>					
From net investment income . . . . .	(0.20)	(0.24)	(0.21)	(0.24)	(0.40)
From net realized gains . . . . .	(1.44)	(1.89)	(0.86)	(1.59)	(2.77)
Total distributions . . . . .	(1.64)	(2.13)	(1.07)	(1.83)	(3.17)
<b>Net Asset Value</b>					
End of period . . . . .	\$14.64	\$14.29	\$17.37	\$13.48	\$14.45
Total investment return <sup>3</sup> . . . . .	14.76%	(7.27%)	38.13%	5.46%	8.37%
Net assets at end of period (000's omitted) . . . . .	\$209,856	\$191,010	\$207,378	\$172,746	\$214,204
<b>Ratios:</b> <sup>4</sup>					
Expenses (without waiver) <sup>5</sup> . . . . .	1.00%	1.00%	1.00%	1.00%	1.00%
Expenses (with waiver) <sup>5</sup> . . . . .	0.70%	0.70%	0.70%	0.70%	0.70%
Net investment income (without waiver) . . . . .	1.15%	1.11%	1.08%	1.30%	2.04%
Net investment income (with waiver) . . . . .	1.45%	1.41%	1.38%	1.60%	2.34%
Portfolio turnover rate (excluding short-term securities) . . . . .	51.49%	58.96%	42.93%	68.43%	51.52%

<sup>1</sup> The net investment income per share is based on average shares outstanding for the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total investment return is based on the change in net asset value of a share during the period (not annualized) and assumes reinvestment of distributions at net asset value.

<sup>4</sup> Ratios are annualized for periods less than one year. In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>5</sup> Total Fund expenses are limited to 1.00% of average daily net assets. However, during the period above, the investment adviser voluntarily absorbed expenses that were otherwise payable by the Fund.

## FINANCIAL HIGHLIGHTS

Per share income and capital changes for a share outstanding throughout the period. See accompanying notes to financial statements.

### Sit Dividend Growth Fund

Class S	Year Ended June 30,				
	2023	2022	2021	2020	2019
<b>Net Asset Value:</b>					
Beginning of period . . . . .	\$14.20	\$17.27	\$13.40	\$14.37	\$16.61
<b>Operations:</b>					
Net investment income <sup>1</sup> . . . . .	0.17	0.19	0.17	0.19	0.32
Net realized and unrealized gains (losses) . . . . .	1.77	(1.17)	4.73	0.63	0.57
Total from operations . . . . .	1.94	(0.98)	4.90	0.82	0.89
<b>Redemption fee</b> . . . . .	— <sup>2</sup>	—	— <sup>2</sup>	— <sup>2</sup>	— <sup>2</sup>
<b>Distributions to Shareholders:</b>					
From net investment income . . . . .	(0.16)	(0.20)	(0.17)	(0.20)	(0.36)
From net realized gains . . . . .	(1.44)	(1.89)	(0.86)	(1.59)	(2.77)
Total distributions . . . . .	(1.60)	(2.09)	(1.03)	(1.79)	(3.13)
<b>Net Asset Value</b>					
End of period . . . . .	\$14.54	\$14.20	\$17.27	\$13.40	\$14.37
Total investment return <sup>3</sup> . . . . .	14.47%	(7.50%)	37.87%	5.19%	8.12%
Net assets at end of period (000's omitted) . . . . .	\$21,299	\$21,915	\$31,295	\$29,106	\$39,729
<b>Ratios:</b> <sup>4</sup>					
Expenses (without waiver) <sup>5</sup> . . . . .	1.25%	1.25%	1.25%	1.25%	1.25%
Expenses (with waiver) <sup>5</sup> . . . . .	0.95%	0.95%	0.95%	0.95%	0.95%
Net investment income (without waiver) . . . . .	0.90%	0.85%	0.83%	1.05%	1.80%
Net investment income (with waiver) . . . . .	1.20%	1.15%	1.13%	1.35%	2.10%
Portfolio turnover rate (excluding short-term securities) . . . . .	51.49%	58.96%	42.93%	68.43%	51.52%

<sup>1</sup> The net investment income per share is based on average shares outstanding for the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total investment return is based on the change in net asset value of a share during the period (not annualized) and assumes reinvestment of distributions at net asset value.

<sup>4</sup> Ratios are annualized for periods less than one year. In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>5</sup> Total Fund expenses are limited to 1.25% of average daily net assets. However, during the period above, the investment adviser voluntarily absorbed expenses that were otherwise payable by the Fund.

## FINANCIAL HIGHLIGHTS

Per share income and capital changes for a share outstanding throughout the period. See accompanying notes to financial statements.

### Sit Global Dividend Growth Fund

Class I	Year Ended June 30,				
	2023	2022	2021	2020	2019
<b>Net Asset Value:</b>					
Beginning of period . . . . .	\$19.77	\$22.47	\$16.87	\$16.34	\$15.24
<b>Operations:</b>					
Net investment income <sup>1</sup> . . . . .	0.24	0.21	0.20	0.22	0.28
Net realized and unrealized gains (losses) . . . . .	2.98	(2.73)	5.59	0.57	1.10
Total from operations . . . . .	3.22	(2.52)	5.79	0.79	1.38
<b>Redemption fee</b> . . . . .	—	—	—	— <sup>2</sup>	— <sup>2</sup>
<b>Distributions to Shareholders:</b>					
From net investment income . . . . .	(0.24)	(0.18)	(0.19)	(0.26)	(0.28)
<b>Net Asset Value</b>					
End of period . . . . .	\$22.75	\$19.77	\$22.47	\$16.87	\$16.34
Total investment return <sup>3</sup> . . . . .	16.46%	(11.31%)	34.61%	4.93%	9.18%
Net assets at end of period (000's omitted) . . . . .	\$43,893	\$37,057	\$41,461	\$31,361	\$30,823
<b>Ratios:</b> <sup>4</sup>					
Expenses (without waiver) <sup>5</sup> . . . . .	1.25%	1.25%	1.25%	1.25%	1.25%
Expenses (with waiver) <sup>5</sup> . . . . .	1.00%	1.00%	1.00%	1.00%	1.00%
Net investment income (without waiver) . . . . .	0.91%	0.66%	0.77%	1.11%	1.53%
Net investment income (with waiver) . . . . .	1.16%	0.91%	1.02%	1.36%	1.78%
Portfolio turnover rate (excluding short-term securities) . . . . .	6.09%	4.64%	11.55%	22.15%	15.07%

<sup>1</sup> The net investment income per share is based on average shares outstanding for the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total investment return is based on the change in net asset value of a share during the period (not annualized) and assumes reinvestment of distributions at net asset value.

<sup>4</sup> Ratios are annualized for periods less than one year. In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>5</sup> Total Fund expenses are limited to 1.25% of average daily net assets. However, during the period above, the investment adviser voluntarily absorbed expenses that were otherwise payable by the Fund.

## FINANCIAL HIGHLIGHTS

Per share income and capital changes for a share outstanding throughout the period. See accompanying notes to financial statements.

### Sit Global Dividend Growth Fund

Class S	Year Ended June 30,				
	2023	2022	2021	2020	2019
<b>Net Asset Value:</b>					
Beginning of period . . . . .	\$19.74	\$22.45	\$16.85	\$16.33	\$15.22
<b>Operations:</b>					
Net investment income <sup>1</sup> . . . . .	0.19	0.15	0.15	0.18	0.24
Net realized and unrealized gains (losses) . . . . .	2.96	(2.73)	5.60	0.56	1.11
Total from operations . . . . .	3.15	(2.58)	5.75	0.74	1.35
<b>Redemption fee</b> . . . . .	—	—	— <sup>2</sup>	— <sup>2</sup>	—
<b>Distributions to Shareholders:</b>					
From net investment income . . . . .	(0.18)	(0.13)	(0.15)	(0.22)	(0.24)
<b>Net Asset Value</b>					
End of period . . . . .	\$22.71	\$19.74	\$22.45	\$16.85	\$16.33
Total investment return <sup>3</sup> . . . . .	16.13%	(11.58%)	34.32%	4.60%	8.98%
Net assets at end of period (000's omitted) . . . . .	\$4,034	\$3,391	\$4,093	\$3,391	\$3,241
<b>Ratios:</b> <sup>4</sup>					
Expenses (without waiver) <sup>5</sup> . . . . .	1.50%	1.50%	1.50%	1.50%	1.50%
Expenses (with waiver) <sup>5</sup> . . . . .	1.25%	1.25%	1.25%	1.25%	1.25%
Net investment income (without waiver) . . . . .	0.66%	0.39%	0.52%	0.87%	1.28%
Net investment income (with waiver) . . . . .	0.91%	0.64%	0.77%	1.12%	1.53%
Portfolio turnover rate (excluding short-term securities) . . . . .	6.09%	4.64%	11.55%	22.15%	15.07%

<sup>1</sup> The net investment income per share is based on average shares outstanding for the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total investment return is based on the change in net asset value of a share during the period (not annualized) and assumes reinvestment of distributions at net asset value.

<sup>4</sup> Ratios are annualized for periods less than one year. In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>5</sup> Total Fund expenses are limited to 1.50% of average daily net assets. However, during the period above, the investment adviser voluntarily absorbed expenses that were otherwise payable by the Fund.

## FINANCIAL HIGHLIGHTS

Per share income and capital changes for a share outstanding throughout the period. See accompanying notes to financial statements.

### Sit Large Cap Growth Fund

	Year Ended June 30,				
	2023	2022	2021	2020	2019
<b>Net Asset Value:</b>					
Beginning of period . . . . .	\$48.29	\$63.04	\$47.07	\$42.53	\$42.40
<b>Operations:</b>					
Net investment income (loss) <sup>1</sup> . . . . .	0.05	(0.09)	(0.06)	0.07	0.16
Net realized and unrealized gains (losses) . . . . .	11.70	(10.74)	18.95	8.60	3.61
Total from operations . . . . .	11.75	(10.83)	18.89	8.67	3.77
<b>Redemption fee</b> . . . . .	— <sup>2</sup>	—	— <sup>2</sup>	— <sup>2</sup>	— <sup>2</sup>
<b>Distributions to Shareholders:</b>					
From net investment income . . . . .	—	—	(0.02)	(0.12)	(0.15)
From net realized gains . . . . .	(1.78)	(3.92)	(2.90)	(4.01)	(3.49)
Total distributions . . . . .	(1.78)	(3.92)	(2.92)	(4.13)	(3.64)
<b>Net Asset Value</b>					
End of period . . . . .	\$58.26	\$48.29	\$63.04	\$47.07	\$42.53
Total investment return <sup>3</sup> . . . . .	25.20%	(18.78%)	41.12%	21.34%	10.54%
Net assets at end of period (000's omitted) . . . . .	\$162,772	\$136,435	\$177,096	\$129,154	\$116,581
<b>Ratios: <sup>4</sup></b>					
Expenses . . . . .	1.00%	1.00%	1.00%	1.00%	1.00%
Net investment income (loss) . . . . .	0.10%	(0.15%)	(0.11%)	0.17%	0.39%
Portfolio turnover rate (excluding short-term securities). . . . .	2.96%	10.83%	9.75%	14.53%	16.02%

<sup>1</sup> The net investment income per share is based on average shares outstanding for the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total investment return is based on the change in net asset value of a share during the period (not annualized) and assumes reinvestment of distributions at net asset value.

<sup>4</sup> Ratios are annualized for periods less than one year. In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

## FINANCIAL HIGHLIGHTS

Per share income and capital changes for a share outstanding throughout the period. See accompanying notes to financial statements.

### Sit ESG Growth Fund

Class I	Year Ended June 30,				
	2023	2022	2021	2020	2019
<b>Net Asset Value:</b>					
Beginning of period . . . . .	\$14.87	\$18.17	\$13.85	\$13.21	\$12.37
<b>Operations:</b>					
Net investment income <sup>1</sup> . . . . .	0.14	0.10	0.12	0.12	0.17
Net realized and unrealized gains (losses) . . . . .	2.99	(3.13)	4.30	0.74	0.83
Total from operations . . . . .	3.13	(3.03)	4.42	0.86	1.00
<b>Redemption fee</b> . . . . .	—	—	— <sup>2</sup>	—	—
<b>Distributions to Shareholders:</b>					
From net investment income . . . . .	(0.10)	(0.08)	(0.10)	(0.17)	(0.16)
From net realized gains . . . . .	(0.39)	(0.19)	—	(0.05)	—
Total distributions . . . . .	(0.49)	(0.27)	(0.10)	(0.22)	(0.16)
<b>Net Asset Value</b>					
End of period . . . . .	\$17.51	\$14.87	\$18.17	\$13.85	\$13.21
Total investment return <sup>3</sup> . . . . .	21.57%	(16.97%)	31.97%	6.47%	8.30%
Net assets at end of period (000's omitted) . . . . .	\$4,866	\$3,740	\$4,841	\$3,477	\$3,387
<b>Ratios: <sup>4</sup></b>					
Expenses (without waiver) <sup>5</sup> . . . . .	1.25%	1.25%	1.25%	1.25%	1.25%
Expenses (with waiver) <sup>5</sup> . . . . .	1.00%	1.00%	1.00%	1.00%	1.00%
Net investment income (without waiver) . . . . .	0.65%	0.30%	0.48%	0.63%	1.14%
Net investment income (with waiver) . . . . .	0.90%	0.55%	0.73%	0.88%	1.38%
Portfolio turnover rate (excluding short-term securities) . . . . .	7.12%	9.23%	7.39%	25.28%	9.26%

<sup>1</sup> The net investment income per share is based on average shares outstanding for the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total investment return is based on the change in net asset value of a share during the period (not annualized) and assumes reinvestment of distributions at net asset value.

<sup>4</sup> Ratios are annualized for periods less than one year. In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>5</sup> Total Fund expenses are limited to 1.25% of average daily net assets. However, during the period above, the investment adviser voluntarily absorbed expenses that were otherwise payable by the Fund.

## FINANCIAL HIGHLIGHTS

Per share income and capital changes for a share outstanding throughout the period. See accompanying notes to financial statements.

### Sit ESG Growth Fund

Class S	Year Ended June 30,				
	2023	2022	2021	2020	2019
<b>Net Asset Value:</b>					
Beginning of period . . . . .	\$14.74	\$18.05	\$13.78	\$13.16	\$12.34
<b>Operations:</b>					
Net investment income <sup>1</sup> . . . . .	0.10	0.05	0.08	0.08	0.14
Net realized and unrealized gains (losses) . . . . .	2.96	(3.11)	4.27	0.74	0.83
Total from operations . . . . .	3.06	(3.06)	4.35	0.82	0.97
<b>Distributions to Shareholders:</b>					
From net investment income . . . . .	(0.08)	(0.06)	(0.08)	(0.15)	(0.15)
From net realized gains . . . . .	(0.39)	(0.19)	—	(0.05)	—
Total distributions . . . . .	(0.47)	(0.25)	(0.08)	(0.20)	(0.15)
<b>Net Asset Value</b>					
End of period . . . . .	\$17.33	\$14.74	\$18.05	\$13.78	\$13.16
Total investment return <sup>2</sup> . . . . .	21.27%	(17.24%)	31.61%	6.22%	8.01%
Net assets at end of period (000's omitted) . . . . .	\$4,306	\$3,577	\$4,279	\$3,158	\$2,895
<b>Ratios:</b> <sup>3</sup>					
Expenses (without waiver) <sup>4</sup> . . . . .	1.50%	1.50%	1.50%	1.50%	1.50%
Expenses (with waiver) <sup>4</sup> . . . . .	1.25%	1.25%	1.25%	1.25%	1.25%
Net investment income (without waiver) . . . . .	0.40%	0.05%	0.23%	0.38%	0.89%
Net investment income (with waiver) . . . . .	0.65%	0.30%	0.48%	0.63%	1.14%
Portfolio turnover rate (excluding short-term securities) . . . . .	7.12%	9.23%	7.39%	25.28%	9.26%

<sup>1</sup> The net investment income per share is based on average shares outstanding for the period.

<sup>2</sup> Total investment return is based on the change in net asset value of a share during the period (not annualized) and assumes reinvestment of distributions at net asset value.

<sup>3</sup> Ratios are annualized for periods less than one year. In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>4</sup> Total Fund expenses are limited to 1.50% of average daily net assets. However, during the period above, the investment adviser voluntarily absorbed expenses that were otherwise payable by the Fund.

## FINANCIAL HIGHLIGHTS

Per share income and capital changes for a share outstanding throughout the period. See accompanying notes to financial statements.

### Sit Mid Cap Growth Fund

	Year Ended June 30,				
	2023	2022	2021	2020	2019
<b>Net Asset Value:</b>					
Beginning of period . . . . .	\$16.96	\$25.41	\$19.05	\$18.84	\$18.96
<b>Operations:</b>					
Net investment loss <sup>1</sup> . . . . .	(0.01)	(0.12)	(0.10)	(0.05)	(0.03)
Net realized and unrealized gains (losses) . . . . .	3.67	(5.37)	7.44	1.64	1.79
Total from operations . . . . .	3.66	(5.49)	7.34	1.59	1.76
<b>Redemption fee</b> <sup>2</sup> . . . . .	—	—	—	—	—
<b>Distributions to Shareholders:</b>					
From net realized gains . . . . .	(0.55)	(2.96)	(0.98)	(1.38)	(1.88)
<b>Net Asset Value</b>					
End of period . . . . .	\$20.07	\$16.96	\$25.41	\$19.05	\$18.84
Total investment return <sup>3</sup> . . . . .	22.00%	(24.70%)	38.99%	8.75%	11.76%
Net assets at end of period (000's omitted) . . . . .	\$185,220	\$164,430	\$228,171	\$172,744	\$169,099
<b>Ratios:</b> <sup>4</sup>					
Expenses . . . . .	1.25%	1.25%	1.25%	1.25%	1.25%
Net investment loss . . . . .	(0.03%)	(0.52%)	(0.46%)	(0.27%)	(0.16%)
Portfolio turnover rate (excluding short-term securities). . . . .	7.00%	13.16%	19.54%	25.58%	27.70%

<sup>1</sup> The net investment income per share is based on average shares outstanding for the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total investment return is based on the change in net asset value of a share during the period (not annualized) and assumes reinvestment of distributions at net asset value.

<sup>4</sup> Ratios are annualized for periods less than one year. In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

## FINANCIAL HIGHLIGHTS

Per share income and capital changes for a share outstanding throughout the period. See accompanying notes to financial statements.

### Sit Small Cap Dividend Growth Fund

Class I	Year Ended June 30,				
	2023	2022	2021	2020	2019
<b>Net Asset Value:</b>					
Beginning of period . . . . .	\$12.85	\$16.73	\$11.39	\$11.89	\$12.27
<b>Operations:</b>					
Net investment income <sup>1</sup> . . . . .	0.19	0.14	0.13	0.13	0.15
Net realized and unrealized gains (losses) . . . . .	1.83	(2.61)	5.32	(0.49)	(0.25)
Total from operations . . . . .	2.02	(2.47)	5.45	(0.36)	(0.10)
<b>Redemption fee</b> . . . . .	—	— <sup>2</sup>	—	—	—
<b>Distributions to Shareholders:</b>					
From net investment income . . . . .	(0.19)	(0.14)	(0.11)	(0.14)	(0.15)
From net realized gains . . . . .	(0.37)	(1.27)	—	—	(0.13)
Total distributions . . . . .	(0.56)	(1.41)	(0.11)	(0.14)	(0.28)
<b>Net Asset Value</b>					
End of period . . . . .	\$14.31	\$12.85	\$16.73	\$11.39	\$11.89
Total investment return <sup>3</sup> . . . . .	16.20%	(16.30%)	48.13%	(3.05%)	(0.54%)
Net assets at end of period (000's omitted) . . . . .	\$16,508	\$14,209	\$17,114	\$11,786	\$12,559
<b>Ratios:</b> <sup>4</sup>					
Expenses (without waiver) <sup>5</sup> . . . . .	1.25%	1.25%	1.25%	1.25%	1.25%
Expenses (with waiver) <sup>5</sup> . . . . .	0.90%	0.95%	1.00%	1.00%	1.00%
Net investment income (without waiver) . . . . .	1.06%	0.59%	0.67%	0.90%	1.07%
Net investment income (with waiver) . . . . .	1.41%	0.89%	0.92%	1.15%	1.32%
Portfolio turnover rate (excluding short-term securities) . . . . .	15.05%	18.47%	27.91%	27.58%	24.17%

<sup>1</sup> The net investment income per share is based on average shares outstanding for the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total investment return is based on the change in net asset value of a share during the period (not annualized) and assumes reinvestment of distributions at net asset value.

<sup>4</sup> Ratios are annualized for periods less than one year. In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>5</sup> Total Fund expenses are limited to 1.25% of average daily net assets. However, during the period above, the investment adviser voluntarily absorbed expenses that were otherwise payable by the Fund.

## FINANCIAL HIGHLIGHTS

Per share income and capital changes for a share outstanding throughout the period. See accompanying notes to financial statements.

### Sit Small Cap Dividend Growth Fund

Class S	Year Ended June 30,				
	2023	2022	2021	2020	2019
<b>Net Asset Value:</b>					
Beginning of period . . . . .	\$12.84	\$16.72	\$11.38	\$11.88	\$12.26
<b>Operations:</b>					
Net investment income <sup>1</sup> . . . . .	0.16	0.11	0.10	0.10	0.12
Net realized and unrealized gains (losses) . . . . .	1.83	(2.62)	5.32	(0.49)	(0.25)
Total from operations . . . . .	1.99	(2.51)	5.42	(0.39)	(0.13)
<b>Redemption fee</b> . . . . .	—	— <sup>2</sup>	—	—	—
<b>Distributions to Shareholders:</b>					
From net investment income . . . . .	(0.16)	(0.10)	(0.08)	(0.11)	(0.12)
From net realized gains . . . . .	(0.37)	(1.27)	—	—	(0.13)
Total distributions . . . . .	(0.53)	(1.37)	(0.08)	(0.11)	(0.25)
<b>Net Asset Value</b>					
End of period . . . . .	\$14.30	\$12.84	\$16.72	\$11.38	\$11.88
Total investment return <sup>3</sup> . . . . .	15.91%	(16.48%)	47.73%	(3.30%)	(0.80%)
Net assets at end of period (000's omitted) . . . . .	\$4,965	\$4,323	\$5,187	\$3,720	\$3,981
<b>Ratios: <sup>4</sup></b>					
Expenses (without waiver) <sup>5</sup> . . . . .	1.50%	1.50%	1.50%	1.50%	1.50%
Expenses (with waiver) <sup>5</sup> . . . . .	1.15%	1.20%	1.25%	1.25%	1.25%
Net investment income (without waiver) . . . . .	0.81%	0.42%	0.42%	0.64%	0.82%
Net investment income (with waiver) . . . . .	1.16%	0.72%	0.67%	0.89%	1.07%
Portfolio turnover rate (excluding short-term securities) . . . . .	15.05%	18.47%	27.91%	27.58%	24.17%

<sup>1</sup> The net investment income per share is based on average shares outstanding for the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total investment return is based on the change in net asset value of a share during the period (not annualized) and assumes reinvestment of distributions at net asset value.

<sup>4</sup> Ratios are annualized for periods less than one year. In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>5</sup> Total Fund expenses are limited to 1.50% of average daily net assets. However, during the period above, the investment adviser voluntarily absorbed expenses that were otherwise payable by the Fund.

## FINANCIAL HIGHLIGHTS

Per share income and capital changes for a share outstanding throughout the period. See accompanying notes to financial statements.

### Sit Small Cap Growth Fund

	Year Ended June 30,				
	2023	2022	2021	2020	2019
<b>Net Asset Value:</b>					
Beginning of period . . . . .	\$52.41	\$82.14	\$56.81	\$55.46	\$57.18
<b>Operations:</b>					
Net investment loss <sup>1</sup> . . . . .	(0.13)	(0.48)	(0.44)	(0.28)	(0.25)
Net realized and unrealized gains (losses) . . . . .	8.93	(17.68)	28.28	3.38	2.88
Total from operations . . . . .	8.80	(18.16)	27.84	3.10	2.63
<b>Redemption fee</b> <sup>2</sup> . . . . .	—	—	—	—	—
<b>Distributions to Shareholders:</b>					
From net realized gains . . . . .	(0.92)	(11.57)	(2.51)	(1.75)	(4.35)
<b>Net Asset Value</b>					
End of period . . . . .	\$60.29	\$52.41	\$82.14	\$56.81	\$55.46
Total investment return <sup>3</sup> . . . . .	17.01%	(25.57%)	49.65%	5.68%	6.45%
Net assets at end of period (000's omitted) . . . . .	\$109,824	\$98,444	\$145,859	\$100,613	\$99,630
<b>Ratios:</b> <sup>4</sup>					
Expenses . . . . .	1.50%	1.50%	1.50%	1.50%	1.50%
Net investment loss . . . . .	(0.24%)	(0.67%)	(0.62%)	(0.53%)	(0.47%)
Portfolio turnover rate (excluding short-term securities). . . . .	13.76%	15.64%	30.54%	25.74%	26.34%

<sup>1</sup> The net investment income per share is based on average shares outstanding for the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total investment return is based on the change in net asset value of a share during the period (not annualized) and assumes reinvestment of distributions at net asset value.

<sup>4</sup> Ratios are annualized for periods less than one year. In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

## FINANCIAL HIGHLIGHTS

Per share income and capital changes for a share outstanding throughout the period. See accompanying notes to financial statements.

### Sit International Growth Fund

	Year Ended June 30,				
	2023	2022	2021	2020	2019
<b>Net Asset Value:</b>					
Beginning of period . . . . .	\$17.78	\$23.27	\$17.38	\$17.13	\$16.75
<b>Operations:</b>					
Net investment income <sup>1</sup> . . . . .	0.28	0.20	0.05	0.06	0.16
Net realized and unrealized gains (losses) . . . . .	2.92	(5.63)	5.89	0.36	0.40
Total from operations . . . . .	3.20	(5.43)	5.94	0.42	0.56
Redemption fee . . . . .	—	—	—	— <sup>2</sup>	—
<b>Distributions to Shareholders:</b>					
From net investment income . . . . .	(0.27)	(0.06)	(0.05)	(0.17)	(0.18)
From net realized gains . . . . .	(0.09)	—	—	—	—
Total distributions . . . . .	(0.36)	(0.06)	(0.05)	(0.17)	(0.18)
<b>Net Asset Value</b>					
End of period . . . . .	\$20.62	\$17.78	\$23.27	\$17.38	\$17.13
Total investment return <sup>3</sup> . . . . .	18.27%	(23.41%)	34.18%	2.43%	3.55%
Net assets at end of period (000's omitted) . . . . .	\$26,624	\$22,454	\$31,345	\$23,005	\$23,463
<b>Ratios: <sup>4</sup></b>					
Expenses (without waiver) . . . . .	1.50% <sup>5</sup>	1.50% <sup>5</sup>	1.50%	1.50%	1.50%
Expenses (with waiver) . . . . .	0.85% <sup>5</sup>	1.20% <sup>5</sup>	—	—	—
Net investment income (without waiver) . . . . .	0.87%	0.59%	0.26%	0.35%	0.97%
Net investment income (with waiver) . . . . .	1.52%	0.88%	—	—	—
Portfolio turnover rate (excluding short-term securities) . . . . .	7.65%	7.76%	12.61%	13.38%	27.38%

<sup>1</sup> The net investment income per share is based on average shares outstanding for the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total investment return is based on the change in net asset value of a share during the period (not annualized) and assumes reinvestment of distributions at net asset value.

<sup>4</sup> Ratios are annualized for periods less than one year. In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>5</sup> Total Fund expenses are limited to 1.50% of average daily net assets. However, during the period above, the investment adviser voluntarily absorbed expenses that were otherwise payable by the Fund.

## FINANCIAL HIGHLIGHTS

Per share income and capital changes for a share outstanding throughout the period. See accompanying notes to financial statements.

### Sit Developing Markets Growth Fund

	Year Ended June 30,				
	2023	2022	2021	2020	2019
<b>Net Asset Value:</b>					
Beginning of period . . . . .	\$15.46	\$21.40	\$16.28	\$16.21	\$17.25
<b>Operations:</b>					
Net investment income <sup>1</sup> . . . . .	0.23	0.21	0.01	0.26	0.10
Net realized and unrealized gains (losses) . . . . .	0.74	(5.76)	5.17	0.11	(0.90)
Total from operations . . . . .	0.97	(5.55)	5.18	0.37	(0.80)
<b>Redemption fee</b> . . . . .	— <sup>2</sup>	—	—	— <sup>2</sup>	—
<b>Distributions to Shareholders:</b>					
From net investment income . . . . .	(0.29)	(0.02)	(0.02)	(0.30)	(0.08)
From net realized gains . . . . .	(0.08)	(0.37)	(0.04)	—	(0.16)
Total distributions . . . . .	(0.37)	(0.39)	(0.06)	(0.30)	(0.24)
<b>Net Asset Value</b>					
End of period . . . . .	\$16.06	\$15.46	\$21.40	\$16.28	\$16.21
Total investment return <sup>3</sup> . . . . .	6.42%	(26.19%)	31.79%	2.20%	(4.43%)
Net assets at end of period (000's omitted) . . . . .	\$10,098	\$9,400	\$13,883	\$10,260	\$9,996
<b>Ratios:</b> <sup>4</sup>					
Expenses (without waiver) <sup>5</sup> . . . . .	2.00%	2.00%	2.00%	2.00%	2.00%
Expenses (with waiver) <sup>5</sup> . . . . .	0.95%	1.20%	1.40%	1.40%	1.40%
Net investment income (without waiver) . . . . .	0.42%	0.35%	(0.55%)	1.05%	0.03%
Net investment income (with waiver) . . . . .	1.47%	1.15%	0.05%	1.65%	0.63%
Portfolio turnover rate (excluding short-term securities) . . . . .	0.76%	2.49%	7.52%	4.15%	10.28%

<sup>1</sup> The net investment income per share is based on average shares outstanding for the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total investment return is based on the change in net asset value of a share during the period (not annualized) and assumes reinvestment of distributions at net asset value.

<sup>4</sup> Ratios are annualized for periods less than one year. In addition to fees and expenses which the Fund bears directly, the Fund indirectly bears a pro rata share of the fees and expenses of the acquired funds in which it invests. Such indirect expenses are not included in the above reported expense ratios.

<sup>5</sup> Total Fund expenses are limited to 2.00% of average daily net assets. However, during the period above, the investment adviser voluntarily absorbed expenses that were otherwise payable by the Fund.

## NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2023

### (1) Organization

The Sit Mutual Funds covered by this report are Sit Balanced Fund, Sit Dividend Growth Fund, Sit Global Dividend Growth Fund, Sit Large Cap Growth Fund, Sit ESG Growth Fund, Sit Mid Cap Growth Fund, Sit Small Cap Dividend Growth Fund, Sit Small Cap Growth Fund, Sit International Growth Fund, and Sit Developing Markets Growth Fund (each a “Fund” and collectively, the “Funds”). The Funds are no-load funds, and are registered under the Investment Company Act of 1940 (as amended) as diversified, open-end management investment companies, or series thereof. The Sit Balanced Fund, Sit Dividend Growth Fund, Sit Global Dividend Growth Fund, Sit ESG Growth Fund, Sit Small Cap Dividend Growth Fund, Sit Small Cap Growth Fund, Sit International Growth Fund, and Sit Developing Markets Growth Fund are series funds of Sit Mutual Funds, Inc. Each Fund has 10 billion authorized shares of capital stock with a par value of \$0.001. This report covers the equity Funds of the Sit Mutual Funds.

The investment objective for each Fund is as follows:

<b>Fund</b>	<b>Investment Objective</b>
Balanced Fund	Long-term growth consistent with the preservation of principal and to provide regular income.
Dividend Growth Fund	Provide current income that exceeds the dividend yield of the S&P 500® Index and that grows over a period of years. Secondly, seek long-term capital appreciation.
Global Dividend Growth Fund	Provide current income that exceeds the dividend yield of the MSCI World Index that grows over a period of years. Secondly, seek long-term capital appreciation.
Large Cap Growth Fund	Maximize long-term capital appreciation.
ESG Growth Fund	Maximize long-term capital appreciation.
Mid Cap Growth Fund	Maximize long-term capital appreciation.
Small Cap Dividend Growth Fund	Provide current income that exceeds the yield of the Russell 2000® Index and that grows over a period of years. Secondly, seek long-term capital appreciation.
Small Cap Growth Fund	Maximize long-term capital appreciation.
International Growth Fund	Seek long-term growth.
Developing Markets Growth Fund	Maximize long-term capital appreciation.

The Dividend Growth, Global Dividend Growth, ESG Growth and Small Cap Dividend Growth Funds offer Class I and Class S shares. Both classes of shares have identical voting, dividend, and liquidation rights. The distribution fee differs among classes, the Class S shares have a 0.25% distribution fee, whereas Class I has no distribution fee. Income, expenses (other than class specific expenses) and realized and unrealized gains or losses on investments are allocated to each class of shares based upon its relative net assets.

### (2) Significant Accounting Policies

The Funds are investment companies and follow accounting and reporting guidance under Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 946, “Financial Services-Investment Companies”. The following is a summary of significant accounting policies consistently followed by the Funds in the preparation of their financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”).

#### *Investments in Securities*

Investments in securities traded on national or international securities exchanges are valued at the last reported sales price prior to the time when assets are valued. Equity securities traded on the over-the-counter market are valued at the last reported sales price or if the last sales price is not available, at the last reported bid price. The sale and bid prices or prices deemed best to reflect fair value quoted by dealers who make markets in these securities are obtained from independent pricing services. Consistent with the Funds’ valuation policies and procedures, debt securities maturing in more than 60 days are priced by an independent pricing service. The pricing service may use models that price securities based on current yields and relative security characteristics, such as coupon rate, maturity date, issuer credit quality, and prepayment speeds as applicable. When market quotations are not readily available, or when Sit Investment Associates, Inc. (the “Adviser” or “SIA”) becomes aware that a significant event impacting the value of a security or group of securities has occurred after the closing

of the exchange on which the security or securities principally trade, but before the calculation of the daily net asset value, securities are valued at fair value as determined in good faith using procedures established by the Funds' Board of Directors. The procedures consider, among others, the following factors to determine a security's fair value: the nature and pricing history (if any) of the security; whether any dealer quotations for the security are available; and possible valuation methodologies that could be used to determine the fair value of the security. Debt securities of sufficient credit quality maturing in less than 60 days when acquired, or which subsequently are within 60 days of maturity, are valued at amortized cost, which approximates fair value.

Security transactions are accounted for on the date the securities are purchased or sold. Securities gains and losses are calculated on the identified-cost basis. Dividend income is recorded on the ex-dividend date or upon the receipt of ex-dividend notification in the case of certain foreign securities. Interest income is recorded on an accrual basis, including level-yield amortization of long-term bond premium and discount using the effective yield method.

#### *Fair Value Measurements*

The inputs and valuation techniques used to measure fair value of the Funds' investments are summarized into three levels as described in the hierarchy below:

- Level 1 – quoted prices in active markets for identical securities. An active market for the security is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. A quoted price in an active market provides the most reliable evidence of fair value.
- Level 2 – debt securities are valued based on evaluated prices received from independent pricing services or from dealers who make markets in such securities. For corporate bonds, U.S. government and government agency obligations, and municipal securities the pricing services utilize matrix pricing which considers yield or price of bonds of comparable quality, coupon, maturity, and type as well as dealer supplied prices. For asset-backed securities and mortgage-backed securities, the pricing services utilize matrix pricing which considers prepayment speed assumptions, attributes of the collateral, yield or price of bonds of comparable quality, coupon, maturity, and type as well as dealer supplied prices. For foreign equities, the pricing services adjust closing prices by applying a systematic process for events occurring after the close of the foreign exchange by utilizing such inputs as Depositary Receipts, quoted prices for similar securities, exchange rates, and certain indexes. All of these inputs are derived principally from or corroborated by observable market data. An adjustment to any observable input that is significant to the fair value may render the measurement a Level 3 measurement.
- Level 3 – significant unobservable inputs, including the Adviser's own assumptions in determining the fair value of investments. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

A summary of the levels for the Funds' investments as of June 30, 2023 is included with the Funds' schedules of investments.

#### *Foreign Currency Translations and Forward Foreign Currency Contracts*

The fair value of securities and other assets and liabilities denominated in foreign currencies for Global Dividend Growth, ESG Growth, International Growth and Developing Markets Growth Funds are translated daily into U.S. dollars at the closing rate of exchange (approximately 4:00 p.m. Eastern Time). Purchases and sales of securities, income and expenses are translated at the exchange rate on the transaction date. Dividend and interest income includes currency exchange gains (losses) realized between the accrual and payment dates on such income. Exchange gains (losses) may also be realized between the trade and settlement dates on security and forward contract transactions. For securities denominated in foreign currencies, the effect of changes in foreign exchange rates on realized and unrealized gains or losses is reflected as a component of such gains or losses.

The Global Dividend Growth, ESG Growth, International Growth and Developing Markets Growth Funds may enter into forward foreign currency exchange contracts generally for operational purposes, but the Adviser may occasionally utilize contracts to protect against adverse exchange rate fluctuation. Any gains (losses) generated by these contracts are disclosed separately on the statements of operations.

## NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2023 (Continued)

The net U.S. dollar value of foreign currency underlying all contractual commitments held by the Funds and the resulting unrealized appreciation or depreciation is determined using foreign currency exchange rates from an independent pricing service. The Funds are subject to the credit risk that the other party will not complete the obligations of the contract.

### *Federal Taxes*

The Funds' policy is to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of their taxable income to shareholders. Therefore, no income tax provision is required. In order to avoid the payment of any federal excise taxes, the Funds will distribute substantially all of their net investment income and net realized gains on a calendar year basis. Also, the Funds may utilize equalization accounting for tax purposes, whereby a portion of redemption payments are treated as distributions of income or gain for income tax purposes.

Management has analyzed the Funds' tax positions taken in federal tax returns for all open tax years and has concluded that as of June 30, 2023, no provision for income tax would be required in the Funds' financial statements. The Funds' federal and state income and federal excise tax returns remain subject to examination by the Internal Revenue Service and state departments of revenue until such time as the applicable statute of limitations for audit has expired. For example, U.S. tax returns are generally subject to audit for three years from the date they are filed.

At June 30, 2023, the gross unrealized appreciation (depreciation) on investments and cost of securities on a tax basis for federal income tax purposes were as follows:

	<b>Unrealized Appreciation</b>	<b>Unrealized Depreciation</b>	<b>Net Unrealized Appreciation (Depreciation)</b>	<b>Cost of Securities on a Tax Basis</b>
Balanced Fund	\$15,247,538	(\$1,729,439)	\$13,518,099	\$35,812,771
Dividend Growth Fund	52,345,693	(3,937,640)	48,408,053	182,299,721
Global Dividend Growth Fund	21,105,440	(457,079)	20,648,361	27,218,263
Large Cap Growth Fund	104,258,102	(1,440,437)	102,817,665	60,028,114
ESG Growth Fund	3,698,432	(148,390)	3,550,042	5,611,741
Mid Cap Growth Fund	95,098,136	(3,942,148)	91,155,988	95,182,680
Small Cap Dividend Growth Fund	6,770,571	(1,432,202)	5,338,369	16,114,595
Small Cap Growth Fund	48,747,724	(4,121,879)	44,625,845	65,248,442
International Growth Fund	8,676,548	(767,712)	7,908,836	18,591,624
Developing Markets Growth Fund	3,360,307	(1,114,181)	2,246,126	7,827,408

Net investment income and net realized gains differ for financial statement and tax purposes because of corporate actions on shares held and/or losses deferred due to "wash sale" transactions. A "wash sale" occurs when a Fund sells a security that it has acquired within a period beginning thirty days before and ending thirty days after the date of sale (a sixty one day period). The character of distributions made during the year from net investment income or net realized gains may also differ from its ultimate characterization for tax purposes. Also, due to the timing of dividend distributions, the fiscal year in which amounts are distributed may differ from the year that the income or realized gains (losses) were recorded by the Funds. The tax character of distributions paid during the fiscal years ended June 30, 2023 and 2022 was as follows:

**Year Ended June 30, 2023:**

	<b>Ordinary Income</b>	<b>Long Term Capital Gain</b>	<b>Total</b>
Balanced Fund	\$619,854	\$1,601,210	\$2,221,064
Dividend Growth Fund (Class I)	2,683,114	19,091,190	21,774,304
Dividend Growth Fund (Class S)	241,918	2,130,893	2,372,811
Global Dividend Growth Fund (Class I)	446,552	—	446,552
Global Dividend Growth Fund (Class S)	31,454	—	31,454
Large Cap Growth Fund	—	4,952,920	4,952,920
ESG Growth Fund (Class I)	23,820	96,959	120,779
ESG Growth Fund (Class S)	19,181	97,269	116,450
Mid Cap Growth Fund	—	5,106,424	5,106,424
Small Cap Dividend Growth Fund (Class I)	236,730	383,106	619,836
Small Cap Dividend Growth Fund (Class S)	61,510	121,113	182,623
Small Cap Growth Fund	—	1,688,086	1,688,086
International Growth Fund	337,000	116,404	453,404
Developing Markets Growth Fund	176,000	46,145	222,145

**Year Ended June 30, 2022:**

	<b>Ordinary Income</b>	<b>Long Term Capital Gain</b>	<b>Total</b>
Balanced Fund	\$682,176	\$2,274,137	\$2,956,313
Dividend Growth Fund (Class I)	3,242,312	22,439,549	25,681,861
Dividend Growth Fund (Class S)	349,898	2,818,447	3,168,345
Global Dividend Growth Fund (Class I)	334,135	—	334,135
Global Dividend Growth Fund (Class S)	22,870	—	22,870
Large Cap Growth Fund	4,575	10,817,703	10,822,278
ESG Growth Fund (Class I)	23,120	48,536	71,656
ESG Growth Fund (Class S)	15,486	44,262	59,748
Mid Cap Growth Fund	—	26,173,363	26,173,363
Small Cap Dividend Growth Fund (Class I)	170,582	1,267,749	1,438,331
Small Cap Dividend Growth Fund (Class S)	38,830	390,273	429,103
Small Cap Growth Fund	1,227,477	18,447,720	19,675,197
International Growth Fund	72,739	—	72,739
Developing Markets Growth Fund	14,001	238,775	252,776

As of June 30, 2023, the components of distributable earnings on a tax basis were as follows:

	<b>Undistributed Ordinary Income</b>	<b>Undistributed Long-Term Capital Gains</b>	<b>Unrealized Appreciation (Depreciation)</b>
Balanced Fund	\$176,536	—	\$13,518,099
Dividend Growth Fund	909,847	\$4,313,255	48,408,053
Global Dividend Growth Fund	223,446	—	20,648,361
Large Cap Growth Fund	122,457	3,071,010	102,817,665
ESG Growth Fund	46,347	—	3,550,042
Mid Cap Growth Fund	—	—	91,155,988
Small Cap Dividend Growth Fund	69,342	—	5,338,369
Small Cap Growth Fund	—	1,826,605	44,625,845
International Growth Fund	281,702	104,016	7,908,836
Developing Markets Growth Fund	89,176	33,582	2,246,126

## NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2023 (Continued)

On the statements of assets and liabilities, as a result of permanent book-to-tax differences, reclassification adjustments were made to the following capital accounts:

	<b>Distributable Earnings</b>	<b>Additional Paid-in Capital</b>
Mid Cap Growth Fund	\$368,691	(\$368,691)
Small Cap Growth Fund	273,856	(273,856)

Net capital loss carryovers and late year losses, if any, as of June 30, 2023, are available to offset future realized capital gains and thereby reduce future capital gains distributions. The Funds' are permitted to carry forward capital losses for an unlimited period. Capital losses that are carried forward retain their character as either short-term or long-term capital losses. The net capital loss carryovers and the late year losses deferred as of June 30, 2023, were as follows:

	<b>Unlimited Period of Net Capital Loss Carryover</b>		<b>Late Year Losses Deferred</b>	
	<b>Short-Term</b>	<b>Long-Term</b>	<b>Ordinary</b>	<b>Capital</b>
Balanced Fund	—	—	—	\$333,530
Global Dividend Growth Fund	\$167,196	\$504,010	—	—
ESG Growth Fund	—	121,879	—	—
Mid Cap Growth Fund	—	—	\$102,823	421,587
Small Cap Dividend Growth Fund	—	—	14,022	27,401
Small Cap Growth Fund	—	—	211,955	199,211

For the year ended June 30, 2023, the Funds' utilized capital losses and expired capital losses as follows:

	<b>Utilized</b>	<b>Expired</b>
International Growth Fund	\$93,954	—

### *Distributions*

Distributions to shareholders are recorded as of the close of business on the record date. Such distributions are payable in cash or reinvested in additional shares of the Funds' capital stock. Distributions from net investment income, if any, are declared and paid quarterly for the Balanced, Dividend Growth, Global Dividend Growth and Small Cap Dividend Growth Funds and declared and paid annually for Developing Markets Growth, Small Cap Growth, International Growth, Mid Cap Growth, Large Cap Growth and ESG Growth Funds. Distributions from net realized gains, if any, will be made annually for each of the Funds.

### *Concentration of Investments*

The Developing Markets Growth Fund may concentrate investments in countries with limited or developing capital markets which may involve greater risks than investments in more developed markets and the prices of such investments may be volatile. The consequences of political, social or economic changes in these markets may have disruptive effects on the market prices of the Fund's investments and the income it generates, as well as the Fund's ability to repatriate such amounts.

### *Use of Estimates*

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported results for the respective periods. Actual results could differ from those estimates.

### *Guarantees and Indemnifications*

Under each Fund's organizational documents, its officers and directors are indemnified against certain liability arising out of the performance of their duties to each Fund. In addition, certain of each Fund's contracts with its service providers contain general indemnification clauses. Each Fund's maximum exposure under these arrangements is unknown since the amount of any future claims that may be made against each Fund cannot be determined and each Fund has no historical basis for predicting the likelihood of any such claims.

### **(3) Investment Security Transactions**

The cost of purchases and proceeds from sales and maturities of investment securities, other than short-term securities, for the year ended June 30, 2023, were as follows:

	<b>Purchases</b>		<b>Proceeds</b>	
	<b>U.S. Government</b>	<b>Other</b>	<b>U.S. Government</b>	<b>Other</b>
Balanced Fund	\$11,039,673	\$6,950,434	\$8,860,252	\$10,299,887
Dividend Growth Fund	—	112,974,144	—	121,340,275
Global Dividend Growth Fund	—	3,000,309	—	2,564,768
Large Cap Growth Fund	—	4,192,346	—	11,788,126
ESG Growth Fund	—	545,872	—	547,549
Mid Cap Growth Fund	—	12,104,800	—	24,768,100
Small Cap Dividend Growth Fund	—	2,920,056	—	2,929,440
Small Cap Growth Fund	—	13,928,142	—	15,604,485
International Growth Fund	—	1,906,835	—	1,803,505
Developing Markets Growth Fund	—	89,378	—	69,978

### **(4) Affiliated Fees and Transactions**

#### *Investment Adviser*

The Funds each have entered into an investment management agreement with SIA, under which SIA manages the Funds' assets and provides research, statistical and advisory services, and pays related office rental, executive expenses and executive salaries. The current fee for investment management and advisory services is based on the average daily net assets of the Funds at the annual rate of:

	<b>Management Fees</b>	<b>Net of Adviser's Voluntary Fee Waiver</b>
	Balanced Fund	1.00%
Dividend Growth Fund Class I and Class S	1.00%	0.70%
Global Dividend Growth Fund Class I and Class S	1.25%	1.00%
Large Cap Growth Fund	1.00%	N/A
ESG Growth Fund Class I and Class S	1.25%	1.00%
Mid Cap Growth Fund	1.25%	N/A
Small Cap Dividend Growth Fund Class I and Class S	1.25%	0.90%
Small Cap Growth Fund	1.50%	N/A
International Growth Fund	1.50%	0.85%
Developing Markets Growth Fund	2.00%	0.95%

SIA is obligated to pay all of the Funds' expenses (excluding extraordinary expenses, stock transfer taxes, interest, brokerage commissions, 12b-1 fees and other transaction charges relating to investing activities).

In addition to the annual management fees, the Class S shares of the Dividend Growth, Global Dividend Growth, ESG Growth and Small Cap Dividend Growth Funds also have a 0.25% annual distribution (12b-1) fee, which is used to pay for distribution fees related to the sale and distribution of such shares.

## NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2023 (Continued)

Effective January 1, 2022, the Adviser has agreed to voluntarily limit the management fee of the Balanced Fund to 0.80%, the Small Cap Dividend Growth Fund to 0.90% (prior to January 1, 2022, the limitation was 1.00%), the International Growth Fund to 0.85% and the Developing Markets Growth Fund to 0.95% (prior to January 1, 2022, the limitation was 1.40%) for the period through June 30, 2024 of the Fund's daily average net assets, respectively.

Effective October 1, 2017, the Adviser has agreed to limit the management fee of the Dividend Growth Fund to 0.70%, the Global Dividend Growth Fund to 1.00% and the ESG Growth Fund to 1.00% for the period through June 30, 2024 of the Fund's daily average net assets, respectively.

### *Transactions with affiliates*

The Adviser, affiliates of the Adviser, directors and officers of the Funds as a whole owned the following shares as of June 30, 2023:

	<b>Shares</b>	<b>% Shares Outstanding</b>
Balanced Fund	441,660	25.7
Dividend Growth Fund	1,850,745	11.7
Global Dividend Growth Fund	520,165	24.7
Large Cap Growth Fund	854,374	30.6
ESG Growth Fund	479,794	91.2
Mid Cap Growth Fund	4,578,882	49.6
Small Cap Dividend Growth Fund	733,597	48.9
Small Cap Growth Fund	1,094,651	60.1
International Growth Fund	743,781	57.6
Developing Markets Growth Fund	311,944	49.6

### **(5) Credit Facility**

The Funds, together with the 4 bond Sit Mutual Funds managed by SIA, are borrowers in a \$20 million credit facility (Credit Facility) maturing November 28, 2023. The Credit Facility provides a source of funds to the Borrowers for temporary and emergency purposes, including the ability to meet future unanticipated or unusually large redemption requests. Under the terms of the Credit Facility, each Fund shall pay interest charged on any borrowings made by the Fund. During the year ended June 30, 2023, the Funds did not use the Credit Facility.

### **(6) Capital Share Activity**

#### *Short-Term Trading (Redemption) Fees*

The Funds (except the Balanced Fund) charge a redemption fee equal to 2.00% of the proceeds on shares held for less than 30 calendar days. The fee is retained by the Fund for the benefit of its long-term shareholders and accounted for as an addition to paid in capital. For the year ended June 30, 2023, the Funds received the following redemption fees:

	<b>Class I</b>	<b>Class S</b>
Dividend Growth Fund	\$7,534	\$11
Large Cap Growth Fund	341	—
Mid Cap Growth Fund	457	—
Small Cap Growth Fund	7	—
Developing Markets Growth Fund	82	—

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors  
Sit Mutual Funds, Inc.  
Sit Large Cap Growth Fund  
Sit Mid Cap Growth Fund:

### *Opinion on the Financial Statements*

We have audited the accompanying statements of assets and liabilities of the Sit Balanced Fund, Sit Dividend Growth Fund, Sit Global Dividend Growth Fund, Sit ESG Growth Fund, Sit Small Cap Dividend Growth Fund, Sit Small Cap Growth Fund, Sit International Growth Fund, Sit Developing Markets Growth Fund (each a series of Sit Mutual Funds, Inc.), Sit Large Cap Growth Fund, and Sit Mid Cap Growth Fund (collectively, the Funds), including the schedules of investments, as of June 30, 2023, the related statements of operations for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended, and the related notes (collectively, the financial statements) and the financial highlights for each of the years in the five-year period then ended. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Funds as of June 30, 2023, the results of their operations for the year then ended, the changes in their net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the five-year period then ended, in conformity with U.S. generally accepted accounting principles.

### *Basis for Opinion*

These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Such procedures also included confirmation of securities owned as of June 30, 2023, by correspondence with custodians and brokers. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. We believe that our audits provide a reasonable basis for our opinion.

/s/KPMG LLP

We have served as the auditor of one or more Sit Mutual Funds investment companies since 1982.

Minneapolis, Minnesota  
August 17, 2023

## EXPENSE EXAMPLE

As a shareholder of the Funds, you incur two types of costs: (1) transaction costs, including redemption fees (if applicable) and (2) ongoing costs, including management fees; and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period January 1, 2023 to June 30, 2023.

### Actual Expenses

The first line of the following table provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

### Hypothetical Example for Comparison Purposes

The second line of the table provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as redemption fees. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs (redemption fees) were included, your costs would have been higher.

	<b>Beginning Account Value (1/1/23)</b>	<b>Ending Account Value (6/30/23)</b>	<b>Expenses Paid During Period * (1/1/23- 6/30/23)</b>
<b>Balanced Fund</b>			
Actual	\$1,000	\$1,131.50	\$4.23
Hypothetical	\$1,000	\$1,020.83	\$4.01
<b>Dividend Growth Fund</b>			
Actual			
Class I	\$1,000	\$1,081.10	\$3.61
Class S	\$1,000	\$1,080.20	\$4.90
Hypothetical			
Class I	\$1,000	\$1,021.32	\$3.51
Class S	\$1,000	\$1,020.08	\$4.76
<b>Global Dividend Growth Fund</b>			
Actual			
Class I	\$1,000	\$1,137.50	\$5.30
Class S	\$1,000	\$1,135.40	\$6.62
Hypothetical			
Class I	\$1,000	\$1,019.84	\$5.01
Class S	\$1,000	\$1,018.60	\$6.26
<b>Large Cap Growth Fund</b>			
Actual	\$1,000	\$1,264.60	\$5.61
Hypothetical	\$1,000	\$1,019.84	\$5.01
<b>ESG Growth Fund</b>			
Actual			
Class I	\$1,000	\$1,183.90	\$5.41
Class S	\$1,000	\$1,182.10	\$6.76
Hypothetical			
Class I	\$1,000	\$1,019.84	\$5.01
Class S	\$1,000	\$1,018.60	\$6.26
<b>Mid Cap Growth Fund</b>			
Actual	\$1,000	\$1,130.60	\$6.60
Hypothetical	\$1,000	\$1,018.60	\$6.26
<b>Small Cap Dividend Growth Fund</b>			
Actual			
Class I	\$1,000	\$1,094.30	\$4.67
Class S	\$1,000	\$1,093.60	\$5.97
Hypothetical			
Class I	\$1,000	\$1,020.33	\$4.51
Class S	\$1,000	\$1,019.09	\$5.76

	<b>Beginning Account Value (1/1/23)</b>	<b>Ending Account Value (6/30/23)</b>	<b>Expenses Paid During Period * (1/1/23- 6/30/23)</b>
<b>Small Cap Growth Fund</b>			
Actual	\$1,000	\$1,131.30	\$7.93
Hypothetical	\$1,000	\$1,017.36	\$7.50
<b>International Growth Fund</b>			
Actual	\$1,000	\$1,139.90	\$4.51
Hypothetical	\$1,000	\$1,020.58	\$4.26
<b>Developing Markets Growth Fund</b>			
Actual	\$1,000	\$1,069.20	\$4.87
Hypothetical	\$1,000	\$1,020.08	\$4.76

\* Expenses are equal to the Fund's annualized expense ratio of 0.70% for the Dividend Growth, Class I Fund; 0.95% for the Dividend Growth, Class S, and Developing Markets Growth Funds; 0.80%, for the Balanced Fund; 1.00% for the Global Dividend Growth, Class I, Large Cap Growth, and ESG Growth, Class I Funds; 0.90% for the Small Cap Dividend Growth, Class I Fund; 1.25% for Global Dividend Growth, Class S, ESG Growth, Class S, and Mid Cap Growth Funds; 1.15% for the Small Cap Dividend Growth, Class S Fund; 1.50% for Small Cap Growth Fund; and 0.85% for International Growth Fund, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period.)

## FEDERAL TAX INFORMATION (Unaudited)

### Sit Equity Funds

For corporate shareholders, the percentage of investment income (dividend income and short-term gains, if any), for each of the Funds that qualify for the Dividends Received Deductions for the period of July 1, 2022 to June 30, 2023 is as follows:

<b>Fund</b>	<b>Percentage</b>
Balanced Fund	52.6%
Dividend Growth Fund	100.0
Global Dividend Growth Fund	94.4
Large Cap Growth Fund	0.0
ESG Growth Fund	99.0
Mid Cap Growth Fund	0.0
Small Cap Dividend Growth Fund	100.0
Small Cap Growth Fund	0.0
International Growth Fund	8.5
Developing Markets Growth Fund	40.6

For the year ended June 30, 2023, certain dividends paid by the Funds may be subject to a maximum tax rate of 20%, as provided by the American Taxpayer Relief Act of 2012. Of the distributions made by the following Funds, the corresponding percentages represent the amount of each distribution which may qualify for the lower dividend income tax rates.

<b>Fund</b>	<b>Percentage</b>
Balanced Fund	60.3%
Dividend Growth Fund	100.0
Global Dividend Growth Fund	100.0
Large Cap Growth Fund	0.0
ESG Growth Fund	100.0
Mid Cap Growth Fund	0.0
Small Cap Dividend Growth Fund	100.0
Small Cap Growth Fund	0.0
International Growth Fund	100.0
Developing Markets Growth Fund	98.6

The following Funds designated the listed amounts as long-term capital gain dividends during the year ended June 30, 2023. Distributable long-term gains are based on net realized long term gains determined on a tax basis and may differ from such amounts for financial reporting purposes.

<b>Fund</b>	<b>Amount</b>
Balanced Fund	\$1,601,210
Dividend Growth Fund	21,222,083
Global Dividend Growth Fund	—
Large Cap Growth Fund	4,952,920
ESG Growth Fund	194,228
Mid Cap Growth Fund	5,106,424
Small Cap Dividend Growth Fund	504,220
Small Cap Growth Fund	2,502,875
International Growth Fund	220,420
Developing Markets Growth Fund	46,145

## INFORMATION ABOUT DIRECTORS AND OFFICERS (Unaudited)

The Sit Mutual Funds are a family of no-load mutual funds. The stock Funds described in this Annual Report are the Sit Mid Cap Growth Fund, Sit Large Cap Growth Fund, Sit International Growth Fund, Sit Balanced Fund, Sit Developing Markets Growth Fund, Sit ESG Growth Fund, Sit Small Cap Growth Fund, Sit Dividend Growth Fund, Sit Global Dividend Growth Fund, and Sit Small Cap Dividend Growth Fund (the “Funds” or individually, a “Fund”). The bond funds within the Sit Mutual Fund family are described in a separate Annual Report. The Sit Mid Cap Growth Fund and Sit Large Cap Growth Fund, and the corporate issuer of the Sit International Growth Fund, Sit Balanced Fund, Sit Developing Markets Growth Fund, Sit ESG Growth Fund, Sit Small Cap Growth Fund, Sit Dividend Growth Fund, Sit Global Dividend Growth Fund and Sit Small Cap Dividend Growth Fund each have a Board of Directors (together, the “Boards”) and officers. Pursuant to Minnesota law, the Boards are responsible for the management of the Funds and the establishment of the Funds’ policies. The officers of the Funds manage the day-to-day operation of the Funds. Information pertaining to the directors and officers of the Funds is set forth below. The business address is that of the Funds’ investment adviser – 3300 IDS Center, 80 South Eighth Street, Minneapolis, Minnesota 55402. The Boards have a separate Audit Committee. The stock Funds’ Statement of Additional Information has additional information about the directors and is available without charge upon request by calling the Sit Funds at 800-332-5580.

Name, Age and Position with Funds	Term of Office <sup>(1)</sup> and Length of Time Served	Principal Occupations During Past Five Years	Number of Funds Overseen in Fund Complex	Other Directorships Held by Director <sup>(3)</sup>
<b>INTERESTED DIRECTOR:</b>				
Roger J. Sit <sup>(2)</sup> Age: 61 Chairman and President	Chairman since 2008; Officer since 1998.	Chairman, President, CEO and Global CIO of Sit Investment Associates, Inc. (the “Adviser”); Chairman and CEO of Sit Investment Fixed Income Advisors II, LLC (“SF”); Chairman of SIA Securities Corp. (the “Distributor”).	14	The Huntington National Bank.
<b>INDEPENDENT DIRECTORS:</b>				
Edward M. Giles Age: 87 Director	Director since 2012 or the Fund’s inception, if later.	Senior Vice President of Peter B. Cannell & Co., July 2011 to present.	14	None.
Sidney L. Jones Age: 89	Director from 1988 to 1989 and since 1993 or the Fund’s inception, if later.	Lecturer, Washington Campus Consortium of 17 Universities.	14	None.
Bruce C. Lueck Age: 82 Director	Director since 2004 or the Fund’s inception, if later.	Consultant for Zephyr Management, L.P. (investment management) from 2014 – 2017, and committee member of several investment funds and foundations.	14	None.
Donald W. Phillips Age: 75 Director	Director of the International Fund since 1993, and since 1990 or the Fund’s inception, if later for all other Funds.	Chairman and CEO of WP Global Partners Inc., July 2005 to present.	14	None.
Barry N. Winslow Age: 75 Director	Director since 2010 or the Fund’s inception, if later.	Board member, TCF Financial Corporation, July 2014 to July 2019.	14	None.

## INFORMATION ABOUT DIRECTORS AND OFFICERS (Unaudited) (Continued)

Name, Age and Position with Funds	Term of Office <sup>(1)</sup> and Length of Time Served	Principal Occupations During Past Five Years	Number of Funds Overseen in Fund Complex	Other Directorships Held by Director <sup>(3)</sup>
<b>OFFICERS:</b>				
Mark H. Book Age: 60 Vice President – Investments of Balanced Fund only.	Officer since 2002; Re-Elected by the Boards annually.	Vice President and Portfolio Manager of SF.	N/A	N/A
Kelly K. Boston Age: 54 Assistant Secretary & Assistant Treasurer	Officer since 2000; Re-Elected by the Boards annually.	Staff Attorney of the Adviser; Secretary of the Distributor.	N/A	N/A
Bryce Doty Age: 56 Vice President - Investments of Balanced Fund only.	Officer since 1996; Re-Elected by the Boards annually.	Senior Vice President and Senior Portfolio Manager of SF.	N/A	N/A
Kent L. Johnson Age: 57 Vice President - Investments	Officer since 2003; Re-Elected by the Boards annually.	Senior Vice President - Research and Investment Management of the Adviser.	N/A	N/A
Paul E. Rasmussen Age: 62 Vice President, Treasurer, Secretary & Chief Compliance Officer	Officer since 1994; Re-Elected by the Boards annually.	Vice President, Secretary, Controller and Chief Compliance Officer of the Adviser; Vice President, Secretary, and Chief Compliance Officer of SF; President and Treasurer of the Distributor.	N/A	N/A
Carla J. Rose Age: 57 Vice President, Assistant Secretary & Assistant Treasurer	Officer since 2000; Re-Elected by the Boards annually.	Vice President, Administration & Deputy Controller of the Adviser; Vice President, Controller, Treasurer & Assistant Secretary of SF; Vice President and Assistant Secretary of the Distributor.	N/A	N/A
Robert W. Sit Age: 54 Vice President - Investments	Officer since 1997; Re-Elected by the Boards annually.	Vice President - Research and Investment Management of the Adviser.	N/A	N/A
Ronald D. Sit Age: 63 Vice President - Investments	Officer since 1985; Re-Elected by the Boards annually.	Vice President - Research and Investment Management of the Adviser.	N/A	N/A

<sup>1</sup> Each Director serves until their resignation, removal or the next meeting of the shareholders at which election of directors is an agenda item and until a successor is duly elected and shall qualify.

<sup>2</sup> Director who is deemed to be an “interested person” of the Funds as that term is defined by the Investment Company Act of 1940. Mr. Sit is considered an “interested person” because he is an officer of Sit Investment Associates, Inc., the Funds’ investment adviser.

<sup>3</sup> Includes only directorships of companies required to report under the Securities Exchange Act of 1934 (i.e. public companies) or other investment companies registered under the 1940 Act.

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## **ADDITIONAL INFORMATION (Unaudited)**

### **PROXY VOTING**

A description of the policies and procedures that the Adviser uses to vote proxies related to the Funds' portfolio securities is set forth in the Funds' Statement of Additional Information, which is available on the Funds' website at [www.sitfunds.com](http://www.sitfunds.com), without charge by calling 800-332-5580 and on the Securities and Exchange Commission's (SEC) website at [www.sec.gov](http://www.sec.gov). The Funds' proxy voting record is available without charge by calling 800-332-5580 and on the SEC's website at [www.sec.gov](http://www.sec.gov) no later than August 31 for the prior 12 months ending June.

### **QUARTERLY SCHEDULES OF INVESTMENTS**

Each Fund files a complete schedule of investments with the SEC for the first and third quarters of each fiscal year on Form N-PORT. The Funds' Form N-PORT is available on the SEC's website at [www.sec.gov](http://www.sec.gov). Each Fund's complete schedule of investments, as filed on Form N-PORT, is also available on its website at [www.sitfunds.com](http://www.sitfunds.com), or without charge by calling 800-332-5580.

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# Annual Report

## June 30, 2023

### **INVESTMENT ADVISER**

Sit Investment Associates, Inc.  
80 S. Eighth Street  
Suite 3300  
Minneapolis, MN 55402

### **CUSTODIAN**

The Bank Of New York Mellon  
111 Sanders Creek Parkway  
Syracuse, NY 13057

### **TRANSFER AGENT AND DISBURSING AGENT**

Sit Mutual Funds  
Attention: 534459  
500 Ross Street, 154-0520  
Pittsburgh, PA 15262

### **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

**KPMG LLP**  
Minneapolis, MN

### **GENERAL COUNSEL**

Faegre Drinker Biddle & Reath LLP  
Minneapolis, MN

 **Sit Mutual Funds**  
**1-800-332-5580**  
**[www.sitfunds.com](http://www.sitfunds.com)**