



Needham Growth Fund

Institutional Class | NEEIX

Semi-Annual Shareholder Report | June 30, 2024



This semi-annual shareholder report contains important information about the Needham Growth Fund for the period of January 1, 2024, to June 30, 2024. You can find additional information about the Fund at www.needhamfunds.com/resources-forms. You can also request this information by contacting us at 1-800-625-7071.

This report describes changes to the Fund that occurred during the reporting period.

WHAT WERE THE FUND COSTS FOR THE LAST SIX MONTHS? (based on a hypothetical \$10,000 investment)

Class Name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Institutional Class	\$75	1.32%

HOW DID THE FUND PERFORM OVER THE LAST SIX MONTHS AND WHAT AFFECTED ITS PERFORMANCE?

Performance

For the six-month period ended June 30, 2024, the Needham Growth Fund outperformed its benchmarks, the Russell 3000, the Russell MidCap Growth Index, and the S&P MidCap 400 Total Return Index.

The key factor affecting the Fund's performance was stock selection. The top contributor was Super Micro Computer, Inc. (SMCI). Super Micro manufactures server racks used in data centers and saw strong demand from artificial intelligence (AI) applications. The Fund has owned Super Micro since 2009. None of the detractors was significant relative to the contribution from the contributors.

The Fund had significant inflows and ended June with 15.5% cash.

Investment Themes

The Fund's major investment theme remains the importance of U.S. infrastructure. We are invested in the lesser-known "pick and shovel" providers behind engineering and manufacturing. Our portfolio companies sell into data centers, life sciences labs, semiconductor and other manufacturing plants, roads, airports, airbases, power plants, and more. The U.S. has underinvested in these areas, so there could be long tailwinds.

Four areas present throughout our portfolio are: 1) Semiconductor manufacturing, 2) Data Centers/AI processing, 3) U.S. manufacturing, and 4) Defense technology.

We believe the AI buildout is still in an early stage. Economic returns on AI projects could be substantial for productivity and the economy.

Our investment strategy is to invest in companies investing in new products and services and hold those that are successful. The Fund had trailing twelve-month turnover of 15%.

Macroeconomic Factors

At the start of 2024, the market expected the Federal Reserve to lower interest rates at least once in 2024. In the first half of 2024, the Fed did not lower rates and inflation remained at 3%, above the Fed's 2% target. The delay in rate cuts was a headwind to equities in the second quarter. The market expects one rate cut in September and another in December.

Top Contributors

- ↑ Super Micro Computer, Inc.
- ↑ Nova, Ltd.
- ↑ Aspen Aerogels, Inc.
- ↑ FormFactor, Inc.
- ↑ Parsons Corp.

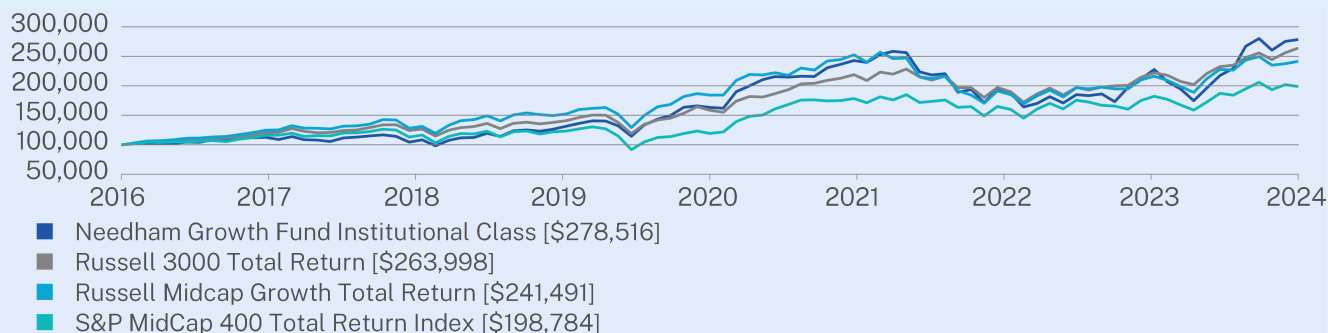
Top Detractors

- ↓ Vicor Corp.
- ↓ Akamai Technologies, Inc.
- ↓ Photronics, Inc.
- ↓ Unisys Corp.
- ↓ CryoPort, Inc.

HOW DID THE FUND PERFORM SINCE INCEPTION?*

The \$100,000 chart reflects a hypothetical \$100,000 investment in the class of shares noted and assumes the maximum sales charge. The chart uses total return NAV performance and assumes reinvestment of dividends and capital gains. Fund expenses, including management fees and other expenses were deducted.

CUMULATIVE PERFORMANCE



ANNUAL AVERAGE TOTAL RETURN (%)

	1 Year	5 Year	Since Inception (12/30/2016)
Institutional Class (without sales charge)	31.66	17.65	14.64
Russell 3000 Total Return	23.13	14.14	13.82
Russell Midcap Growth Total Return	15.05	9.93	12.48
S&P MidCap 400 Total Return Index	13.57	10.27	9.60

Visit www.needhamfunds.com/resources-forms for more recent performance information.

* The Fund's past performance is not a good predictor of the Fund's future performance. The returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares.

KEY FUND STATISTICS (as of June 30, 2024)

Net Assets	\$235,401,285
Number of Holdings	68
Portfolio Turnover	11%

Visit www.needhamfunds.com/resources-forms for more recent performance information.

WHAT DID THE FUND INVEST IN? (as of June 30, 2024)

Top Sectors	(%) of net assets
Information Technology	51.7%
Industrials	10.6%
Health Care	8.7%
Materials	4.7%
Consumer Discretionary	3.7%
Communication Services	3.5%
Real Estate	0.5%
Energy	0.5%
Financials	0.3%
Cash & Other	15.8%

Top 10 Issuers	(%) of net assets
Dreyfus Treasury Securities Cash Management	15.5%
Super Micro Computer, Inc.	10.7%
Entegris, Inc.	5.4%
PDF Solutions, Inc.	4.4%
Nova, Ltd.	4.3%
Aspen Aerogels, Inc.	4.1%
Thermo Fisher Scientific, Inc.	3.8%
FormFactor, Inc.	2.8%
Parsons Corp.	2.8%
CarMax, Inc.	2.4%

For additional information about the Fund; including its prospectus, financial information, holdings and proxy information, scan the QR code or visit www.needhamfunds.com/resources-forms

HOUSEHOLDING

To reduce Fund expenses, only one copy of most shareholder documents may be mailed to shareholders with multiple accounts at the same address (Householding). If you would prefer that your Needham Investment Management, LLC documents not be househanded, please contact Needham Investment Management, LLC at 1-800-625-7071, or contact your financial intermediary. Your instructions will typically be effective within 30 days of receipt by Needham Investment Management, LLC or your financial intermediary.