SIBAX

Sit Balanced Fund

Sit Mutual Funds
Annual Shareholder Report
June 30, 2026

Fund Overview

This annual shareholder report contains important information about Sit Balanced Fund for the period of July 1, 2025 to June 30, 2026. You can find additional information about the Fund at www.sitfunds.com/documents. You can also request this information by contacting us at 1-800-332-5580. **This report describes changes to the Fund that occurred during the reporting period.**

What were the Fund's costs for the last year?

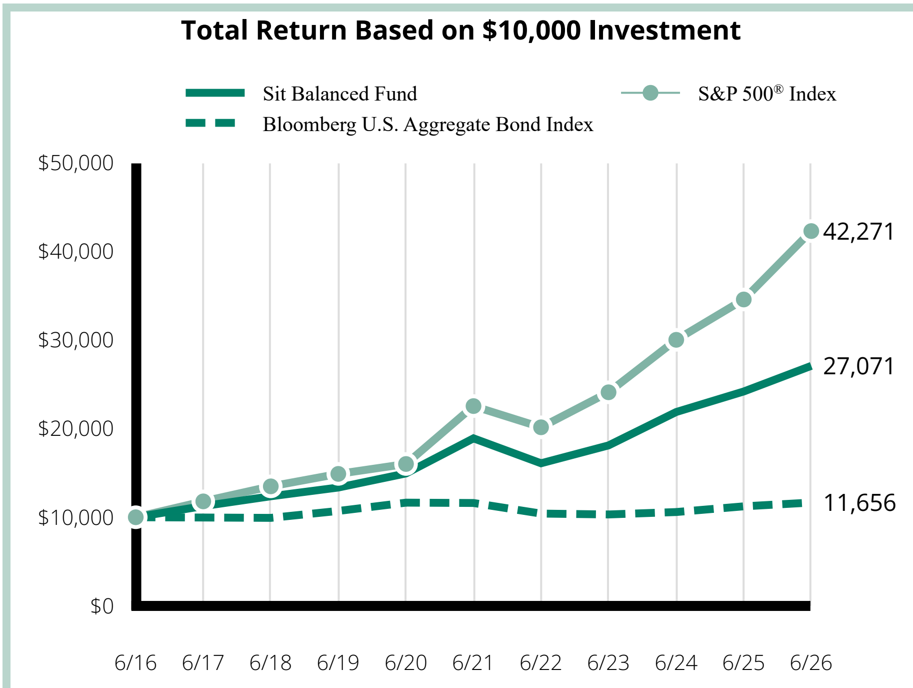
(based on a hypothetical $10,000 investment)

Fund Name	Costs of a $10,000 investment	Costs paid as a percentage of a $10,000 investment
Sit Balanced Fund	$85	0.80%

How did the Fund perform in the past 12 months and what affected its performance?

For the 12-month period ended June 30, 2026, the Sit Balanced Fund returned +11.94%. The S&P 500® Index's return was +22.32%, and the Bloomberg Aggregate Bond Index's return was +3.79%. During the period, stock selection in the electronic technology sector was the largest detractor from performance. In this sector, the Fund's underweight positions in several outperforming stocks, including Micron, Advanced Micro Devices, Intel, Lam Research, and Sandisk, were significant detractors from relative returns. In addition, within the health technology sector, our positions in Intuitive Surgical (-27%) and DexCom (-37%) and an underweight position in Johnson & Johnson (+70%) negatively impacted stock selection. Relative returns were also negatively impacted from the Fund's underweight position in the technology services sector. Conversely, strong stock selection in the finance sector augmented returns over the period, with the Fund's position in Goldman Sachs (+46%) outperforming the sector index return.

How did the Fund perform over the last 10 years?



The line graph above shows the value of a hypothetical $10,000 investment in the Fund over the past 10 fiscal years (or since inception if shorter). The graph above and table below are total returns, which assume the reinvestment of dividends and capital gains, if any. Neither the Fund's returns nor the index returns reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares. **The Fund's past performance is not a good predictor of the Fund's future performance.** Updated performance information is available at www.sitfunds.com/documents.

Fund Statistics (as of 06/30/26)

Total Net Assets	$77,403,948
# of Portfolio Holdings	215
Portfolio Turnover Rate	19.79%
Investment Advisory Fees Paid	$594,024

Average Annual Total Returns (as of 06/30/26)

	1 Year	5 Years	10 Years
Sit Balanced Fund	11.94%	7.45%	10.47%
Bloomberg U.S. Aggregate Bond Index	3.79%	0.08%	1.54%
S&P 500® Index	22.32%	13.41%	15.51%

What did the Fund invest in?

The Fund invested in a diversified portfolio of stocks and bonds to achieve long-term capital growth. The tables below reflect the investment makeup of the Fund as of June 30, 2026. Portfolio holdings are subject to change.

Top 10 Equity (% of Net Assets)	
NVIDIA Corp.	8.0%
Alphabet, Inc.	7.4
Broadcom, Inc.	5.3
Apple, Inc.	5.0
Microsoft Corp.	3.6
Amazon.com, Inc.	3.0
Goldman Sachs Group, Inc.	2.1
Palo Alto Networks, Inc.	1.9
Applied Materials, Inc.	1.8
Meta Platforms, Inc.	1.5

Equity Sector (% of Net Assets)	
Electronic Technology	24.1%
Technology Services	14.5
Retail Trade	5.4
Finance	5.0
Producer Manufacturing	4.5
Health Technology	3.8
Consumer Services	1.8
Industrial Services	1.7
Health Services	1.0
Others	2.5
Total	64.3%

Portfolio Composition of Bonds (% of Net Assets)	
Collateralized Mortgage Obligations	6.6%
Mortgage Pass-Through Securities	6.5
Corporate Bonds	5.9
Taxable Municipal Securities	5.2
U.S. Treasury / Federal Agency Securities	4.9
Others	4.9
Total	34.0%

Asset Weighting (% of Net Assets)	
Equities	64.3%
Bonds	34.0
Cash and other net assets	1.7
Total	100.0%

Material Fund Changes

Effective November 1, 2025, the Fund's investment management fee was contractually reduced to 0.80% of average daily net assets. Prior to this date, the Fund's contractual management fee was 1.00% of average daily net assets, with the investment adviser voluntarily limiting the effective rate to 0.80%. The fee reduction formalizes this lower rate on a contractual basis.

Additional Information

Additional Information is available on the Fund’s website at www.sitfunds.com/documents, including its prospectus, financial information, holdings, and proxy voting information.

Householding

The SEC permits funds to deliver only one copy of shareholder documents, including prospectuses, proxy statements and shareholder reports, to fund investors with multiple accounts at the same residential or post office box address. The Sit Funds, or your financial intermediary, may household the mailing of your documents indefinitely unless you instruct the Sit Funds, or your financial intermediary, otherwise. If you would prefer that your Sit Fund documents not be householded, please contact the Sit Funds at 1-800-332-5580, or contact your financial intermediary. Your instructions that householding not apply to delivery Fund documents will typically be effective within 30 days of receipt by the Fund or your financial intermediary.