

Macquarie Large Cap Growth Fund (Formerly Delaware Ivy Large Cap Growth Fund)

Share class: Institutional: IYGIX A: WLGA X C: WLG CX R: WLGR X R6: ILGR X Y: WLG YX

Quarterly commentary / June 30, 2025

Market review

Significant government policy actions and geopolitical events shaped 2Q2025, resulting in a volatile yet ultimately strong performance for equity markets. The quarter began with the announcement of unprecedentedly high tariffs, which rattled markets and triggered a sharp risk-off sentiment. However, as the Trump administration softened its stance in response to market pressures, investor confidence rebounded, driving a swift recovery in risk assets. The quarter concluded with heightened geopolitical tension in the Middle East, now at a ceasefire, and heated debates over a new tax bill, dubbed “One Big Beautiful Bill.” Despite concerns about its fiscal budget implications, the proposed legislation bolstered bullish sentiment in equities.

In the face of these developments, several major equity indices reached all-time highs. The Russell 1000® Index rose nearly 18% for the quarter, recovering from an 11% pullback early on, making it one of the strongest-performing asset classes. Mid-cap growth stocks slightly outpaced large-cap growth, while value stocks and small-caps lagged. Technology and communication services led sector performance, driven by enthusiasm for artificial intelligence (AI), while energy and healthcare underperformed.

The rally was largely fueled by multiple expansion rather than earnings growth, as earnings estimates declined over the quarter. Market breadth narrowed significantly, with an equal-weighted version of the Russell 1000 Growth Index underperforming its market-cap-weighted counterpart by approximately 7%. This was in stark contrast to the healthier breadth seen in 1Q, when the equal-weighted index outperformed by approximately 4%. During the quarter, companies viewed as more stable fell out of favor. This was evident at a factor level in which quality-related factors lagged momentum, high beta (a measure of volatility), high sales growth, and high valuation.

Source: Bloomberg, unless otherwise noted.

Within the Fund

For 2Q25, Macquarie Large Cap Growth Fund Institutional Class shares posted absolute positive returns but underperformed the Fund’s benchmark, the Russell 1000 Growth Index.

While the market environment and low market breadth were not favorable to our investment style, poor stock selection primarily drove the Fund’s underperformance. Unfortunately, we underestimated several risk factors that led to significant pullbacks in these holdings. Continuous improvement is a cornerstone of our investment process, and 2Q provided valuable insights into areas in which we can enhance the execution of our proven philosophy.

Healthcare, financials, and industrials detracted most from the Fund’s relative performance, caused by both stock selection and overweight allocations to these sectors. Underweight allocations to consumer staples, energy, and materials contributed the most to relative performance.

At a stock level, the largest detractors were **UnitedHealth Group Inc.**, an underweight to **Broadcom Inc.**, and our position in **Waste Connections Inc.** UnitedHealth is the largest health insurance company in the US. The company has achieved this status through long-term innovation and strong execution – qualities we believe remain integral to its operations today. Recently, however, UnitedHealth has encountered challenges on multiple fronts. These include higher utilization (such as increased doctor visits, tests, and treatments) from members and newer members being incorrectly “coded” for their true health risk. This coding issue has resulted in a mismatch with actual reimbursement being temporarily below member utilization. These factors pressured the company’s margins. We expect these issues to self-correct over time as the company adjusts premiums and the level of benefits, and contracts to more appropriate levels. While we were aware of these headwinds, we underestimated the magnitude of their impact. Broadcom is a holding in the portfolio, but it is underweighted relative to the benchmark due to elevated expectations that are already priced into the stock, resulting in a less favorable risk-reward profile. For Waste Connections, there was no specific event or change in its fundamentals. The stock’s performance lagged the benchmark return as stable companies fell out of favor. Nevertheless, we remain confident in the long-term fundamentals of this business.

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The largest contributors were our underweight to **Apple Inc.**, underweight to Eli Lilly and Co., and position in **Microsoft Corp.** Apple is a position in the portfolio but is underweight relative to the benchmark. The stock performed poorly, so it was a relative contributor to performance. Similarly, Eli Lilly underperformed and contributed to relative performance because it is not held in the portfolio. Currently, we believe that the stock's upside and long-term valuation depend on the success of its Alzheimer's drug franchise (in addition to its GLP-1 franchise), an area in which we remain unconvinced given the difficulty of early Alzheimer's diagnosis. Microsoft, a significant position in the portfolio, rallied following better-than-expected results. The business demonstrated strength across every segment, but what particularly encouraged the market was accelerated growth of its cloud computing platform Azure. While AI services continue to contribute meaningfully to Azure growth, the segment also saw strength in Azure cloud (non-AI) services as companies continue to recognize the importance of moving from on-premises to cloud.

Toward the end of the quarter, we did some repositioning of the portfolio focused on both opportunities and around the Russell "reconstitution." One notable portfolio change was our exit from **LVMH Moët Hennessey Louise Vuitton SE**. We continue to believe in the company's power as a luxury brand but are concerned that the post-pandemic normalization is ongoing and a growth catalyst is difficult to foresee.

Outlook

As we reflect on the past quarter, we remain surprised by the market's continued appetite for risk and its strong preference for a narrow subset of stocks. Valuations for these favored names have climbed steadily, outpacing the broader market, with high-momentum stocks seeing the most significant gains. While this trend feels increasingly unsustainable, we acknowledge that similar observations could have been made months ago.

The current market environment, which seems buoyed by an unrelenting focus on good news while ignoring potential hazards, has created a sense of market asymmetry. This asymmetry should, going forward, favor stocks that have not participated in the rally to the same extent – particularly stable earners that are perceived to have less direct exposure to AI. We believe this dynamic presents an opportunity. Many of these overlooked companies, which the market has yet to associate with AI, possess potentially valuable AI-related assets, particularly in their proprietary data sets.

To date, the primary beneficiaries of the AI-driven rally have been hardware companies or those facilitating AI workstreams. However, we argue that companies owning unique and valuable data are poised to play a critical role in the AI ecosystem. While hardware and AI models may eventually become commoditized, proprietary data remain irreplaceable. Our portfolio includes many of these data-rich companies, which we believe are well-positioned to benefit from AI's long-term potential.

Looking ahead, we continue to have confidence in our "quality without compromise" approach, which we believe has the potential to drive consistent, compounding returns over the long term. While short-term underperformance can be frustrating, it is not unexpected in periods of heightened risk-on sentiment. Historically, market preferences have shifted quickly, often rewarding quality companies following such periods.

We remain steadfast in our belief that a focus on quality provides inherent advantages, and we have positioned the portfolio accordingly. As always, we are committed to maintaining discipline and adhering to our proven investment philosophy, confident that it will deliver value for our investors over time.

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Performance attribution (quarter ended June 30, 2025)

Leading contributors	Sector	Total effect	Leading detractors	Sector	Total effect
Apple Inc	Information Technology	1.15	Unitedhealth Group Inc	Health Care	-2.16
Microsoft Corp	Information Technology	0.36	Broadcom Inc	Information Technology	-1.07
Taiwan Semiconductor Manufacturing	Information Technology	0.26	Waste Connections Inc	Industrials	-0.63
Intuit Inc	Information Technology	0.15	Danaher Corp	Health Care	-0.48
Home Depot Inc	Consumer Discretionary	0.14	Visa Inc Class A	Financials	-0.48

Source for contributors and detractors: FactSet. The leading contributors and detractors are calculated based on their “total effect,” or contribution relative to the benchmark index, on Fund performance. They do not represent all of the Fund’s investments and may not be representative of the Fund’s current or future investments. Holdings are provided for informational purposes only, do not represent all of the securities purchased or sold, are subject to change, and should not be deemed as a recommendation to buy or sell the securities shown. A complete list of holdings is available on our website.

Sector	Macquarie Large Cap Growth Fund		Russell 1000 Growth Index		Attribution analysis		
	Average weight (%)	Total return (%)	Average weight (%)	Total return (%)	Allocation effect	Selection + Interaction	Total effect
Consumer Staples	2.30	-0.67	3.64	0.05	0.28	0.00	0.28
Energy	—	—	0.45	-9.66	0.14	—	0.14
Materials	—	—	0.61	1.97	0.10	—	0.10
Consumer Discretionary	11.82	13.38	14.79	14.17	0.14	-0.15	-0.01
Utilities	—	—	0.27	64.26	-0.10	—	-0.10
Real Estate	4.08	-0.15	0.54	4.11	-0.47	-0.22	-0.69
Information Technology	42.25	24.00	47.39	25.05	-0.35	-0.45	-0.79
Communication Services	6.00	13.03	13.02	23.87	-0.40	-0.55	-0.95
Industrials	8.03	0.27	4.90	13.09	-0.13	-1.08	-1.21
Financials	15.15	3.24	7.28	5.87	-0.97	-0.43	-1.40
Health Care	10.09	-10.13	7.11	-1.98	-0.55	-1.09	-1.65

Source: FactSet. The data source is separate from the data source used for other data and marketing materials presented for this Fund on our website. List may exclude cash, cash equivalents, and exchange-traded funds (ETFs) that are used for cash management purposes. Please see the Fund’s complete list of holdings on our website for more information. **Past performance is not a guarantee of future results.** **Allocation Effect** represents the effect on the portfolio’s performance from over or under weight of the sector relative to the benchmark. **Selection + Interaction** represents the effects of the portfolio managers’ stock selection, showing the performance of the sector due to over or under weight of any particular stock with that sector relative to the benchmark. **Total Effect** is the sum of the Allocation and Selection + Interaction effects of that sector and displays outperformance or underperformance relative to the benchmark.

Average annual total returns (%)

as of June 30, 2025

Share class								Inception date	Expense ratio (%)	
	2Q25 ¹	YTD ¹	1 year	3 year	5 year	10 year	Lifetime		Gross	Net ²
Institutional	11.24	3.69	11.44	21.25	15.40	15.34	12.46	04/02/2007	0.74	0.64
A (at NAV)	11.16	3.58	11.16	20.95	15.08	15.01	9.49	06/30/2000	0.99	0.89
A (at offer) ³	4.76	-2.38	4.77	18.58	13.73	14.34	9.23			
R	11.10	3.45	10.88	20.64	14.72	14.63	11.22	12/29/2005	1.24	1.14
R6	11.28	3.73	11.54	21.31	15.45	15.43	15.37	07/31/2014	0.65	0.56
Russell 1000 Growth Index	17.84	6.09	17.22	25.76	18.15	17.01	—			

1. Returns for less than one year are not annualized. **2.** Net expense ratio reflects contractual waivers of certain fees and/or expense reimbursements from July 31, 2024 through July 30, 2025. Please see the fee table in the Fund’s prospectus for more information. Expenses are from the Fund’s prospectus that is effective as of the date of this commentary indicated above. **3.** Includes maximum 5.75% front-end sales charge. For Class A shares, a 1% contingent deferred sales charge (CDSC) is only imposed on certain Class A shares that are purchased at net asset value (NAV) for \$1 million or more that are subsequently redeemed within 18 months of purchase.

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 800 523-1918 or visiting macquarie.com/mam/performance.

Total returns may reflect waivers and/or expense reimbursements by the manager and/or distributor (as applicable) for some or all of the periods shown. Performance would have been lower without such waivers and reimbursements.

Performance at NAV assumes that no front-end sales charge applied. Performance at offer assumes that a front-end sales charge applied to the extent applicable.

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In April 2025, Macquarie Group Limited and Nomura Holding America Inc. (Nomura) announced that they had entered into an agreement for Nomura to acquire Macquarie Asset Management's US and European public investments business. The transaction is subject to customary closing conditions, including the receipt of applicable regulatory, client, and shareholder approvals. Subject to such approvals and the satisfaction of these conditions, the transaction is expected to close by the end of 2025.

Carefully consider the Fund's investment objectives, risk factors, charges, and expenses before investing. This and other information can be found in the Fund's prospectus and its summary prospectus, which may be obtained by visiting macquarie.com/mam/literature or calling 800 523-1918. Investors should read the prospectus and the summary prospectus carefully before investing.

The views expressed represent the investment team's assessment of the Fund and market environment as of the date indicated, and should not be considered a recommendation to buy, hold, or sell any security, and should not be relied on as research or investment advice.

As of June 30, 2025, the weightings of the top 10 holdings (by issuer) indicated as a percentage of the Fund's net assets were: MICROSOFT CORPORATION 15.50%; NVIDIA CORPORATION 12.49%; APPLE INC 6.70%; AMAZON.COM INC 6.63%; VISA INC 4.82%; ALPHABET INC 3.54%; INTERCONTINENTAL EXCHANGE INC 3.54%; INTUIT INC 2.88%; MASTERCARD INC 2.70%; WASTE CONNECTIONS INC 2.50%. Holdings are as of the date indicated and subject to change. List may exclude cash and cash equivalents. Please see the Fund's complete list of holdings on our website for more information.

Investing involves risk, including the possible loss of principal.

Market risk is the risk that all or a majority of the securities in a certain market – like the stock market or bond market – will decline in value because of factors such as adverse political or economic conditions, future expectations, investor confidence, or heavy institutional selling. • The prices of growth stocks may rise or fall dramatically and may be more volatile, particularly over the short term. • Because large-capitalization companies tend to be less volatile than companies with smaller

capitalizations, the value of a fund or strategy that invests in large-capitalization companies may not rise as much as a fund or strategy that invests in smaller-capitalization companies. • A fund or strategy that holds a limited number of securities may be more sensitive to the price fluctuations of a single security in its portfolio and may be more volatile than a fund or strategy that holds a greater number of securities. • Because a non-diversified fund or strategy may invest its assets in fewer issuers, the value of its shares may increase or decrease more rapidly than if it were fully diversified. • Issuers in the information technology sector may be impacted by intense competition; dramatic and often unpredictable changes in growth rates and competition for qualified personnel; effects on profitability from being heavily dependent on patent and intellectual property rights and the loss or impairment of those rights; obsolescence of existing technology; general economic conditions; and government regulation. • The value of securities in a particular industry or sector will decline because of changing expectations for the performance of that industry or sector. • The fund or strategy is subject to liquidity risk, which is the risk that the fund or strategy's investments cannot be readily sold within seven calendar days at approximately the price at which the fund or strategy has valued them.

Index performance returns do not reflect any management fees, transaction costs, or expenses. Indices are unmanaged and one cannot invest directly in an index.

Russell 1000 Growth Index measures the performance of the large-cap growth segment of the US equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. **Russell 1000 Index** measures the performance of the large-cap segment of the US equity universe. The Russell 1000 Index is a subset of the Russell 3000® Index and includes approximately 1,000 of the largest securities based on a combination of their market capitalization and current index membership.

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Institutional Class shares, Class R shares, Class R6 shares, and Class Y shares are available only to certain investors. See the prospectus for more information.

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Nothing presented should be construed as a recommendation to purchase or sell any security or follow any investment technique or strategy.

The Fund's investment manager, Delaware Management Company (Manager), may permit its affiliate, Macquarie Investment Management Global Limited (MIMGL), to execute Fund security trades on behalf of the Manager. The Manager may also seek quantitative support from MIMGL.

On December 31, 2024, Delaware Funds by Macquarie was renamed Macquarie Funds.

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