

TimesSquare Global Concentrated Small Cap Strategy

Representative Commentary — 1Q26

Performance	Annualized					
	1Q26	1YR	3YR	5YR	7YR	Since Inception (3/1/2019)
TimesSquare Global Concentrated Small Cap Composite (Gross)	-3.83%	16.23%	8.04%	3.25%	7.27%	7.37%
TimesSquare Global Concentrated Small Cap Composite (Net)	-4.04%	15.21%	7.09%	2.33%	6.32%	6.41%
MSCI World Small Cap (Net) Index	1.36%	26.22%	13.40%	5.51%	9.10%	8.89%

Please see the important performance and other related disclosures at the end of this Commentary, which are an integral part of this quarterly Commentary Newsletter.

In the first quarter, markets navigated a complex backdrop of geopolitical tensions and economic resilience, alongside temporary global tariffs following a Supreme Court decision. Prior to the Iran conflict, markets had reached all-time highs with lower volatility, a dynamic that reversed following U.S. and Israeli engagement. Oil prices spiked, supply chains were disrupted, financial conditions tightened, and investors shifted toward safer assets. The conflict in Iran further underscored the growing importance of national resilience, prompting a re-evaluation of global supply chains and energy dependencies and accelerating the shift away from efficiency toward resilience and strategic autonomy. Central banks largely held policy steady in response to energy-driven inflation, with both the Federal Reserve and the ECB adopting a wait-and-see approach. Meanwhile, Japan's snap election delivered political stability and a mandate for fiscal expansion, despite ongoing concerns around long-term debt sustainability.

Amidst this volatility, international equities outperformed their US peers. For the quarter, the Russell 3000's -5% return underperformed both the MSCI EAFE (-1%) and MSCI Emerging Markets (-0.2%). Value indexes outpaced growth in both developed and emerging markets. Among global risk factors, Momentum, Liquidity, and Dividend Yield enjoyed positive performance, while Beta, Profitability, and Growth were punished.

The Global Small Cap Concentrated Portfolio underperformed the MSCI World Small Cap benchmark in the first quarter of 2026. The portfolio's positive exposure to Profitability and negative exposure to Book-to-Price and Dividend Yield were the primary detractors. On a regional basis, holdings in Asia/Pacific ex-Japan and Emerging Markets contributed to relative performance, while our positioning in the Americas, Europe, and Japan lagged.

Regional Performance: The Americas

Within Information Technology, we prioritize critical system providers, specialized component designers, and platforms that enhance client productivity. During the quarter, the IT and Communication Services sectors faced broad-based sell-offs. Sentiment pressured software companies given short-term fears that AI might render certain platforms obsolete, outweighing solid bookings activity. Notably, industry leaders like NVIDIA have recently reaffirmed the ongoing necessity of enterprise software to manage AI workloads. Specific detractors included **JFrog**, which provides systems to accelerate software updates. Despite reporting a strong fourth-quarter 2025 beat, the stock fell -25% after being caught in the "Claude trade" sell-off. As has been common recently, investors reacted to AI-related fears first and assessed fundamental reality later. A provider of AI-powered deal and relationship management software, **Intapp** reported a solid beat, which would be rewarded in a normal environment. However, the positive results weren't enough to combat the broad-based software self-off and the share price of Intapp dropped -44%. Later, Intapp announced a partnership with Anthropic to build industry-specific agents that will allow professional firms to bring their Intapp and Claude ecosystems together; we view this positively. Similar multiple compression also impacted leading cloud-based compliance and regulatory reporting platform, **Workiva**, which finished the month -31% lower. The company reported a solid quarter with inline guidance across

all KPIs. **ServiceTitan** provides an end-to-end, cloud-based software platform that streamlines a wide range of business workflows, including advertising, job scheduling, and management. Its stock declined -41% as investors sold everything software. The company has been gaining traction in new markets, supported by recent enterprise wins and increased adoption of its Pro products and AI virtual agents which are doubling contract sizes. Conversely, shares of **MACOM Technology Solutions**, an analog semiconductor solutions provider, ascended 30% after the company reported another robust quarter and investors gained a deeper appreciation for its LEO satellite opportunity. **Onto Innovation**, a developer of high-performance control metrology, defect inspection, lithography, and data analysis systems for microelectronic device manufacturers also enjoyed a 30% boost to their share price. The company reported a first quarter beat and guided above expectation.

Many of our Industrial holdings provide essential business-to-business services, highly technical components, equipment that enables automation and efficiency gains, or critical infrastructure solutions. **Regal Rexnord**, a U.S.-based manufacturer of motion and power transmission components, supports a broad range of industrial end markets. During the quarter, the company announced significant contract wins related to its modular power management solutions for data center applications, which drove a 34% increase in the share price. The share price of **Clean Harbors** had become increasingly attractive toward the end of last year following its most recent earnings report. With negative earnings revisions now in the rear-view mirror, and upside potential from higher recycling commodity prices, a cyclical volume recovery, and possible M&A activity, we added to our position during the quarter. The company's shares increased 22% over the period.

In the Financials sector, we continue to avoid banks facing credit deterioration or rising deposit costs, instead favoring asset managers, specialized insurers, and financial technology providers. During the quarter, alternative asset management came under pressure as concerns surrounding private credit intensified. **Hamilton Lane** reported a strong fourth quarter, including a beat driven by higher management fees and growing fee-paying AUM. However, the shares declined 26% following the publication of a Financial Times article that we believe relied on selective interpretation and omitted key contextual factors. We used this weakness to add to our position.

During the quarter, we initiated a position in **Guardian Pharmacy Services**, which operates onsite pharmacies in long-term care facilities. The company delivers technology-enabled solutions that support appropriate medication management and regulatory compliance, helping care centers improve patient outcomes.

Regional Performance: Europe

Europe is on a multi-year journey to redefine its strategic priorities, and we believe our local, fundamental approach uniquely positions us to capitalize on this transition. European markets are currently rich with sectors experiencing meaningful dislocation (most notably energy) as well as companies that we believe will prove far more resilient than top-down thematic trends might imply. Our European holdings underperformed the benchmark's regional return. Strength in Sweden and Switzerland was offset by relative weakness in Italy, Germany, and France.

Within Industrials, German forklift truck maker **KION Group** traded down -36% for the quarter. The company delivered a mixed print, with softer margins, stable revenues, and sharply lower EPS. Despite improving truck demand, a recovery in factory automation, and fiscal spending underway in Germany, an inflection in tangible orders reflective of these tailwinds are likely to materialize in the second half of the year.

On the topic of energy transition, France-based **Technip Energies** is one of only a handful of companies capable of building liquefied natural gas (LNG) plants. The company reported strong annual results, with better-than-expected 2026 guidance supported by robust order intake. After we added to our position on price weakness last quarter, the shares rose 10%.

Regional Performance: Japan

The administration is prioritizing strategic growth over immediate debt reduction. Prime Minister Takaichi has accelerated the 2% GDP defense spending target, now set to be achieved as early as Fiscal Year 2026. Our portfolio is positioned to benefit from increased structural investments in infrastructure, electrification, and technology. We see a natural extension into renewable energy and, as a second derivative, battery storage. **KRAFTIA Corporation**, a specialist in the design, construction, administration, and maintenance of facilities, reported strong earnings, raised its full-year operating profit target, and increased its dividend outlook. With the completion of the Ukujima solar power plant is now in sight, KRAFTIA gained 21% during the quarter and we trimmed our position on this strength.

We trimmed our holdings in **SWCC**, whose shares rose 14% on better-than-expected results and expanding operating margins across its energy and infrastructure businesses. We exited our position in Japan's oldest and largest Internet Service Provider (ISP), **Internet Initiative Japan**, after the share price declined -17% during the quarter. The company reported a disappointing third quarter, marked by notable weakness in the high-margin Network Management business.

Regional Performance: Middle East

Our holdings in the Middle East lagged the benchmark's regional performance.

In Israel, **Cellebrite**, a leading developer of digital evidence software, serves over 7,000 customers across 140 countries. Its solutions are critical for law enforcement and defense agencies to access and leverage digital evidence stored on electronic devices involved in criminal activity or industrial espionage. Despite reporting generally positive results, shares of Cellebrite traded -24% lower during the quarter. Investors appeared concerned that margin guidance for the first half of 2026 assumes some dilution associated with the Corellium acquisition and ongoing FX headwinds.

Conclusion

We are moving into a world where capital is increasingly directed by strategic necessity rather than pure economic returns, transforming energy, defense, and supply chains into critical instruments of national policy. Our investment team is closely monitoring interest rate paths, geopolitical developments in Iran, and the evolving regulatory landscape following recent trade-related legal rulings. While these macro forces and shifting trade frameworks create headlines and near-term volatility, they also generate the dislocations where our fundamental, bottom-up approach thrives. We remain focused on identifying disciplined management teams capable of compounding value by navigating this new era of complexity. As always, we are available to answer any questions you may have.

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Firm and Composite Information

TimesSquare Capital Management, LLC (“TimesSquare”) is a registered investment adviser that is owned by the former equity management team of TimesSquare Capital Management, Inc. (“TimesSquare Inc.”) and Affiliated Managers Group, Inc. TimesSquare was formed to manage TimesSquare Inc.’s growth equity investment advisory business which was sold to TimesSquare in a transaction that closed on November 19, 2004.

This composite generally invests in stocks with market capitalizations at time of purchase generally within the range of capitalizations of stocks in the MSCI World Small Cap Index. The process is fundamental research driven. The investment style is growth. Primary selection criteria include quality management, distinct competitive advantage, and strong, sustainable growth. Portfolios will hold approximately 110 stocks. Composite inclusion threshold \$500,000. Fee basis is 90 basis points. The composite creation and inception date is January 1, 2018.

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TimesSquare’s list of composites is available upon request. Past performance does not guarantee future results. The firm’s list of limited distributed pooled funds are available upon request.

Benchmark

Performance is measured against the MSCI World Small Cap (Net) Index. MSCI World Small Cap (Net) Index is a trade or service mark of MSCI Inc. The MSCI World Small Cap (Net) Index is an unmanaged, market-weighted index of small companies in developed markets. Its returns include net reinvested dividends but, unlike the Composite returns shown, do not reflect the payment of sales commissions or other expenses incurred in the purchase or sale of the securities included in the Index. All indexes, including the MSCI World Small Cap (Net) Index, are based on gross-of-fee returns, including net reinvested dividends.

Benchmark returns are not covered by the report of independent verifiers.

Performance Calculations

The performance figures shown are calculated in U.S. dollars on a size-weighted basis and reflect the reinvestment of dividends and other earnings, and the deduction of brokerage commissions and other transaction costs. Performance is provided on a gross basis (before the deduction of management fees) as well as net of the highest fee level from the standard fee schedule listed for this strategy during the period presented. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. TimesSquare’s fee schedule is available upon request and may also be found in Part 2A of our Form ADV.

Investment advisory fees generally charged by TimesSquare are described in Part 2A of its Form ADV. To illustrate performance net of fees, assume \$20,000,000 is placed under management for ten years sustaining 10% compound gross total return. If an advisory fee of 0.90% of average assets under management is charged per year, for each year of the ten-year period, the resulting compound annual return would be reduced to 9.0%. The ending dollar value of the account would be \$47,347,274 compared with the unreduced account value of \$51,874,849. Net of fee performance is available upon request.

Internal dispersion is calculated using the equal-weighted standard deviation of all accounts included in the composite on a gross basis for the entire year; it is not presented for periods less than one year or when there were five or fewer portfolios in the composite for the entire year.

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns on a gross basis over the preceding 36-month period. The three-year annualized standard deviation calculation is not presented for the composite and/or benchmark for years when 36 monthly returns are not available. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. To receive additional information regarding TimesSquare Capital Management, LLC, including a GIPS Composite Report for the strategy presented in this commentary, contact TimesSquare at info@tscmlc.com.

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