



## AMG TimesSquare Small Cap Growth Fund

### Quarterly Review — First Quarter 2026

#### Quarterly Update

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.

#### Fund Update

Amidst first-quarter volatility, the Fund underperformed the Russell 2000® Growth Index.

Our preferences in the Consumer-oriented sectors lean toward value-oriented or specialty retailers, franchise models, premium brands, or support services for other consumer companies. **Valvoline Inc.** offers engine and automotive maintenance products and services. The combination of a better-than-expected December quarter and accelerating same-store sales resulted in a 16% lift in the stock price. **BJ's Wholesale Club Holdings Inc.** operates membership warehouse clubs in the eastern half of the U.S. Its shares rose 9% due to a strong fourth quarter, which included better same-store sales and higher gross margins. **Wingstop Inc.**, a franchiser and operator of chicken wings-focused restaurants, retreated -35%. While fourth-quarter comparisons were better than feared, underlying trends softened. This can be attributed to economic challenges faced by lower-income consumers, including high gasoline prices.

Often, the Energy sector moves in lockstep with the underlying commodity prices. Here, we aim to find companies that are either low-cost exploration and production companies with high-yielding fields, or specialized service providers. **Matador Resources Co.**, an exploration and production company with operations in Southeast New Mexico and West Texas, surged ahead 50%. They reported a slight miss on fourth-quarter profit estimates, but production beat. **Excelerate Energy** offers liquefied natural solutions including floating storage and regassification units. Fourth quarter results were in line with Street projections, which served to boost the stock by 19%. Management is being conservative with 2026 guidance.

In the Financials sector, we tend to avoid banks experiencing credit deterioration or rising deposit costs, preferring asset managers, specialized insurance companies, or financial technology providers. **Victory Capital** operates as an asset management company offering specialized investment strategies. Their stock price gained 5% after earnings for the fourth quarter beat the consensus. **Hamilton Lane** engaged in the provision of private markets investment solutions. There was a negative FT article in February, largely based on selective interpretation and the omission of facts, which triggered a -26% sell-off. Their results for the fourth quarter beat the consensus, aided by higher management fees.

Our preferences among Health Care stocks are those companies providing novel therapies for unmet needs that command premium pricing, or specialized service providers. **Guardian Pharmacy Services Inc.**, a pharmacy services company provider to long-term health care facilities, improved 25%. Their latest quarter came in ahead of consensus, with management noting higher patient acuity. **CG Oncology Inc.** is a late-stage clinical biopharmaceutical company focused on developing therapeutics to treat bladder cancer. The earlier-than-expected topline data represent a critical near-term inflection point and served to lift the stock by 64%. **Mirum Pharmaceuticals Inc.** is a biopharmaceutical company focused on developing novel therapies for liver disease. Its shares rose 17% due to strong sales of Livmarli, an oral medication used to treat cholestatic pruritus. It works to lower bile acid levels in the body. **Stevanato Group** supplies drug containment, drug delivery, and diagnostic solutions to the biopharmaceutical industry. Its shares declined by -32% on market concerns that the shift to oral formulations could slow growth in injectable products. **Repligen Corp.** is a global life sciences company offering bioprocessing technologies and solutions used in manufacturing biological drugs. Fourth quarter revenues and earnings were ahead of the consensus. Forward guidance factored in uncertainty regarding biopharmaceutical industry capital expenditures and the pace of FDA approvals causing the stock price to retreat by -28%.

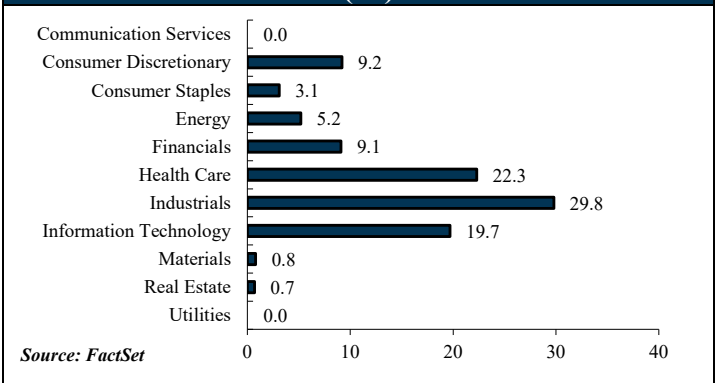
Many of our Industrials positions provide necessary business-to-business operational services, highly technical components, equipment enabling automation and efficiency improvements, or essential infrastructure services. **Regal Rexnord Corp.**, a provider of power and control motion products, climbed 34%. Rising on the back of impressive contract wins for its data center power management solutions. Mixed results included a slight beat on earnings and a slight miss on revenue. **RBC Bearings** manufactures engineered precision bearings, components, and systems. The stock price rose 21% after they reported fiscal third-quarter earnings and revenue that outpaced consensus estimates. **Legence Corp.**, which is engaged in mission-critical systems in buildings, jumped 32%. Its fourth-quarter results were well above consensus estimates, and it increased forward guidance. **Casella Waste Systems Inc.** operates as a vertically integrated solid waste services company. Mixed fourth-quarter results caused the stock to tumble -19%. That included

#### Profile as of 03/31/26

	Fund	Russell 2000® Growth Index
Weighted Average Market Cap	\$7.4 bil	\$5.9 bil
Weighted Median Market Cap	\$5.6 bil	\$4.2 bil
P/E (FY1 Forecast)*	25.4x	19.1x
Forecast EPS Growth*	19.4%	19.3%
Number of Holdings	81	1,107
Percent Cash & Other**	3.7%	-

\* Source: FactSet Estimates (see disclosures)  
\*\* Includes all cash-like instruments and other assets and liabilities

#### Fund Sector Allocation (%) as of 03/31/26



#### Total Returns

For Periods Ended	TSCIX Class Z	TSCPX Class N	TSQIX Class I	Russell 2000® Growth Index
03/31/26				
One Month	-7.69%	-7.66%	-7.69%	-6.30%
1 <sup>st</sup> Qtr. 2026	-7.20%	-7.20%	-7.19%	-2.81%
One Year	9.50%	9.30%	9.41%	23.58%
Three Year*	7.47%	7.27%	7.42%	12.27%
Five Year*	0.80%	0.58%	0.71%	1.62%
Seven Year*	6.15%	5.93%	6.06%	7.68%
Ten Year*	9.13%	8.91%	-	9.79%
Since Inception**	8.44%	8.26%	8.05%	5.61%

TSCIX Class Z Expense Ratio (Gross/Net): 1.02% / 0.97%

TSCPX Class N Expense Ratio (Gross/Net): 1.22% / 1.17%

TSQIX Class I Expense Ratio (Gross/Net): 1.08% / 1.03%

\*\*Since 01/21/00 for the Fund's Class Z & N Shares & the Russell 2000® Growth Index; Since 02/24/17 for the Fund's I Shares.

Annual expense ratio as of May 1, 2025.

The fund's investment manager has contractually agreed, through at least May 1, 2026, to limit fund operating expenses. The net expense ratio reflects this limitation, while gross expense ratio does not. The Fund has no up-front sales charges or deferred sales charges. Please refer to the fund's prospectus for additional information on the fund's expenses.

Performance data quoted represents past performance. Past performance does not guarantee future results. Your investment return and principal value of your investment will fluctuate so that your shares in the Fund, when redeemed, may be worth more or less than their original cost. Current performance data may be lower or higher than the performance data quoted. Please call toll free at 1.800.548.4539 to obtain performance data current to the most recent month-end.

Performance data reflects waivers of all or a portion of the advisory fees and/or reimbursement of other expenses. Without these waivers and reimbursements, investment performance would have been lower. At times, the funds' performance may be extraordinarily high due to investing in sectors that achieved unprecedented returns. There can be no assurance that this performance can be repeated in the future.

lower revenues, higher profits, steady solid waste prices, and lower disposal volumes.

Among the wide variety of Information Technology companies, we prefer critical system providers, specialized component designers, systems that improve productivity or efficiency for their clients, and others that are growing their shares of corporate IT budgets. **MACOM Technology Solutions** provides analog semiconductor solutions for use in wireless and wireline applications. Solid first fiscal quarter results drove the stock up 30%. **Onto Innovation Inc.**, a semiconductor inspection and metrology company, advanced 30%. Revenues in the latest quarter were in line with Street expectations. Management highlighted strong visibility through 2026 and 2027, with backlog doubling over the past three months. **Lattice Semiconductor Corp.** develops semiconductor, silicon-based, silicon-enabled products including programmable gate arrays. A solid quarter with strengthening demand was rewarded with a 26% rise in the stock price. **Onestream Inc.** delivers a unified, AI-enabled, and extensible software platform. The company entered into a definitive agreement to be acquired by private equity firm Hg in an all-cash transaction. Its shares gained 27% while held in the quarter. **JFrog Ltd.** offers a platform for software supply management. It continues to experience significant cloud growth, driven by increased AI adoption and higher data-transfer intensity. Despite reporting a strong fourth-quarter

2025 beat, the stock fell -24% after being caught in the "Claude trade" sell-off. As has been common recently, investors reacted to AI-related first and assessed fundamental reality later. **ServiceTitan Inc.** provides an end-to-end cloud-based software platform to connect with and manage a range of business workflows for trade-based businesses. Its shares declined by -40% as investors sold everything software-related. Fiscal fourth quarter results were solid, with overall subscription revenues above the street.

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 are 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.

**Top Ten Holdings as of 03/31/26**  
(Excluding Money Market Investments)

Holding	Description	% of Total
Casella Waste Systems	Handles solid waste collection, transfer, disposal, and recycling for residential, commercial, municipal, & industrial customers	2.40
RBC Bearings Inc.	Manufactures & markets custom bearing products	2.23
ITT Inc.	Manufactures brake pads, shims, shock absorbers, energy absorption components & sealing technologies for transportation industry & industrial pumps, valves, plant optimization & remote monitoring systems	2.18
Lattice Semiconductor Corp.	Leading provider of low-power, programmable integrated circuits	2.13
Bloom Energy Corp.	Manufactures fuel cell energy platforms	2.13
MACOM Technology Solutions	Operates as a holding company whose subsidiaries provide high-performance analog semiconductor solutions	2.10
Guardian Pharmacy Services	Operates onsite pharmacies at care centers	2.09
Onto Innovation Inc.	Develops inspection technologies for use across the entire semiconductor fabrication process	2.05
Mirium Pharmaceuticals Inc.	Commercial-stage biopharma developer of liver disease treatments	1.88
Victory Capital	Global asset manager comprising several autonomous boutiques with centralized operations & distribution	1.87
<b>Total:</b>		<b>21.06</b>

**Disclosures**

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**In choosing a Fund, investors should carefully consider the amount they plan to invest, their investment objectives, the Fund's investment objectives, risks, charges and expenses before investing. For this and other information, please call 1. 800.548.4539, or visit [wealth.amg.com](http://wealth.amg.com) for a free prospectus. Read it carefully before investing or sending money.**

*Small capitalization securities are subject to market, liquidity and information risk. Small company securities may underperform, as compared to the securities of larger companies, and may also pose greater risk due to narrow product lines, limited financial resources, less depth in management or a limited trading market for their stocks. Companies that are in similar businesses may be similarly affected by particular economic or market events; to the extent the Fund has substantial holdings within a particular sector, the risks associated with that sector increase. Also, growth stocks may be more volatile than other types of stocks. The Fund may not be able to dispose of particular investments, such as illiquid securities, readily at favorable times or prices, or the Fund may have to sell them at a loss. Market prices of investments held by the Fund may fall rapidly or unpredictably due to a variety of economic or political factors, market conditions, disasters or public health issues, or in response to events that affect particular industries or companies. Actively managed portfolios are subject to the risk that security selection or focus on securities in a particular style, market sector or group of companies may cause a portfolio to incur losses or underperform the market. There can be no guarantee that active management will produce the desired result.*

*Forecast EPS Growth is a growth rate based on either the average long-term EPS growth estimate or, when that's not available, the estimated EPS growth in each of the next three fiscal years, as collected and calculated by FactSet Research Systems' Portfolio Analysis Workstation. P/E (FY1 Forecast) is the current price divided by the FactSet Estimates consensus earnings per share estimate for the next reported fiscal year as calculated by FactSet's Portfolio Analysis Workstation. Sector classifications are Global Industry Classification Standard (GICS) sector classifications and the data is un-audited. Please note that the Fund uses different industry classifications for purposes of determining concentrations.*

*The top ten holdings, sector allocation, market capitalization, price to earnings and forecasted earnings per share growth are presented to illustrate examples of the securities that the Fund has bought and the diversity of areas in which the Fund may invest, and may not be representative of the Fund's current or future investments. The figures presented are as of date shown and may change at any time.*

*Mention of a specific security should not be considered a recommendation to buy or a solicitation to sell that security.*

*Fund is measured against the Russell 2000® Growth Index – a market capitalization-weighted index that measures the performance of those Russell 2000® companies with higher price-to-book ratios and higher forecasted growth rates. The Russell indices are trademarks of the London Stock Exchange Group Companies. Unlike the Fund, the Russell 2000® Growth Index is unmanaged, is not available for investment, and does not incur expenses.*

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