



AMG TimesSquare Small Cap Growth Fund

Quarterly Review — Second Quarter 2026

Quarterly Update

Global markets navigated a turbulent second quarter amid shifting geopolitical and macro crosscurrents. Early in the period, Middle East tensions and disruption around the Strait of Hormuz triggered a spike in energy prices and elevated inflation expectations, pivoting global central banks to raise, rather than the expected cuts to, interest rates. As those tensions eased into quarter-end, energy prices retreated toward pre-crisis ranges and the inflationary impulse faded. Against that improving backdrop, corporate earnings and equity markets showed resilience, driven by an insatiable, secular wave of AI infrastructure capital expenditure and strong nominal growth.

In the U.S., the market bounced back strongly from a very challenging first quarter. Until recently, a ceasefire had been holding between the U.S. and Iran. Falling energy prices eased consumer inflation fears. April and May nonfarm payroll reports were both above the consensus, with expectations that June will continue the solid growth trend. AI remained the predominant market narrative for the quarter, with all signs pointing to sustained compute demand and robust capital expenditures.

Global equities rallied broadly in the second quarter. The Russell 3000 returned 15%, outpacing the MSCI EAFE (11%) but trailing a resurgent MSCI Emerging Markets (24%). Growth outperformed Value in both developed and emerging markets. Among U.S. risk factors, Beta, Momentum, and Residual Volatility were the strongest performers, while Mid-Capitalization and Size lagged.

Fund Update

The Small Cap Growth Fund returned 24%, trailing the Russell 2000® Growth Index return of 26%. Relative performance was hindered by the benchmark's strength in higher-beta, and AI-infrastructure-linked names. At the factor level, the Fund's positive exposure to Earnings Quality and Prospect were the primary contributors to relative return, while its underweight to Residual Volatility and Momentum, together with a tilt toward Mid-Capitalization, were the largest detractors. On a sector basis, Information Technology and Materials were the largest positive contributors to relative return, while Health Care, Financials, and Energy lagged.

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. We added to our position in **Pursuit Attractions and Hospitality**, an operator of experiential travel attractions and hospitality assets. The stock climbed 53% on strong visitation trends and accretive capacity additions. Conversely, we reduced our position in **BJ's Wholesale Club**, which operates membership warehouse clubs in the eastern half of the U.S. Shares of BJ's fell -11% as persistent tariff-related cost uncertainty and record-low consumer sentiment weighed on the sector, though membership growth continued to prove resilient among bargain-conscious shoppers. **Ollie's Bargain Outlet**, a specialty retailer for closeouts, excess inventory, and salvage merchandise, declined -16%. The company reported better-than-feared first-quarter revenue, but near-term macroeconomic uncertainty continued to weigh on its stock, prompting us to trim our position as a result. During the quarter, we exited **Planet Fitness**, a franchisor and operator of fitness clubs, which fell -38% while held within the Fund. Although the company reported a beat in its first-quarter results, management withdrew its three-year outlook and paused the planned national Black Card price increase slated for June to focus on raw member acquisition, reducing near-term growth visibility.

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. Energy was a detractor for the quarter as crude and natural gas prices, which spiked on the Iran conflict early in the period, retreated sharply toward quarter-end. **Matador Resources**, an exploration and production company with operations in Southeast New Mexico and West Texas, was the sector's largest detractor, falling -21% as prices reversed from intra-quarter highs.

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. Financials detracted from relative performance, largely on stock selection. **Hamilton Lane**, a provider of private markets investment solutions, was the sector's largest detractor, falling -21% as the space contended with ongoing concerns around private credit redemptions and optimistic marks on software investments; our granular analysis of the company's exposures continues to suggest the decline is overdone, and we trimmed the position modestly.

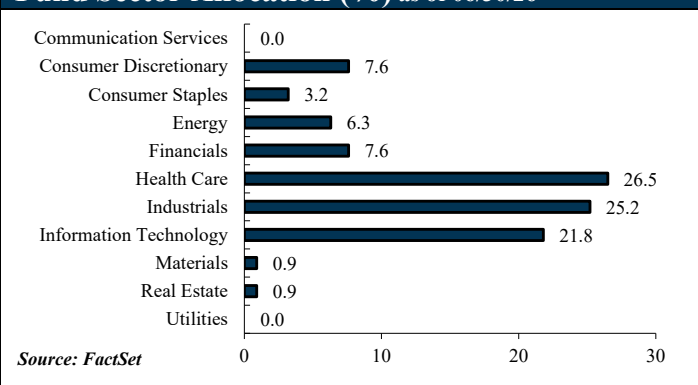
Our preferences among Health Care stocks are those companies providing novel therapies for unmet needs that command premium pricing, or specialized service providers. Health Care was the largest detractor from relative performance, as the Fund's holdings trailed the benchmark's strong sector return. **Tarsus Pharmaceuticals**, a commercial-stage company focused on eye care, declined -10% despite continued commercial progress for its demodex blepharitis treatment, XDEMZY. While actual script volume continues to track well above consensus, the stock contracted during the period as the market prematurely priced in a potential competitor that is years away and gated by an untested ocular-tolerability profile. **Krystal Biotech**, a commercial-stage biotechnology company whose lead gene therapy Vyjuvek treats the rare skin disorder dystrophic epidermolysis bullosa, was a standout contributor, rising 44% on continued Vyjuvek uptake and UK regulatory approval. With the latest Russell reconstitution, the benchmark's Health Care weight — particularly in Biopharma — grew significantly. As a result, we have taken steps to increase our Biopharma exposure. Up

Profile as of 06/30/26

	Fund	Russell 2000® Growth Index
Weighted Average Market Cap	\$9.9 bil	\$4.8 bil
Weighted Median Market Cap	\$6.6 bil	\$4.4 bil
P/E (FY1 Forecast)*	29.2x	22.6x
Forecast EPS Growth*	19.7%	21.1%
Number of Holdings	91	1,109
Percent Cash & Other**	3.6%	-

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

Fund Sector Allocation (%) as of 06/30/26



Total Returns

For Periods Ended 06/30/26	TSCIX Class Z	TSCPX Class N	TSQIX Class I	Russell 2000® Growth Index
One Month	6.15%	6.11%	6.21%	3.55%
2nd Qtr. 2026	24.08%	24.00%	24.16%	25.71%
One Year	22.26%	22.02%	22.23%	38.74%
Three Year*	14.44%	14.23%	14.40%	18.44%
Five Year*	4.29%	4.06%	4.21%	5.57%
Seven Year*	8.81%	8.57%	8.73%	10.82%
Ten Year*	11.02%	10.79%	-	11.97%
Since Inception**	9.24%	9.06%	10.35%	6.48%

TSCIX Class Z Expense Ratio (Gross/Net): 1.07% / 0.97%

TSCPX Class N Expense Ratio (Gross/Net): 1.27% / 1.17%

TSQIX Class I Expense Ratio (Gross/Net): 1.13% / 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, 2026.

The fund's investment manager has contractually agreed, through at least May 1, 2027, 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.

16%, one of the new positions we initiated this quarter is **Dianthus Therapeutics**, a clinical-stage biotechnology company developing novel complement-pathway antibodies for severe autoimmune and neuromuscular diseases, led by its lead candidate DNTH103.

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. Demand tied to data center and power infrastructure buildouts was a powerful tailwind for the Fund's holdings. **Bloom Energy**, a manufacturer of solid-oxide fuel cell power platforms, surged 130% on accelerating demand for on-site and data center power generation, and we trimmed into that strength. With Bloom leaving the benchmark and its market capitalization significantly expanding, we have begun exiting the position. **Legence**, a provider of energy infrastructure and commercial HVAC services, climbed 55% on accelerating demand for building electrification and energy-efficiency projects. Conversely, **Karman Holdings**, a supplier of defense and space systems components, was the sector's largest detractor. Elevated near-term investment and integration costs, alongside a secondary offering, pushed the stock -38% lower during the quarter.

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. Information Technology was the Fund's largest positive contributor to relative return, led by a powerful rally across semiconductor and connectivity holdings tied to AI infrastructure demand. **Credo Technology**, a provider of high-speed connectivity solutions for data centers, soared 190% on surging hyperscaler demand for its active electrical cable products. As Credo's market capitalization has outgrown the benchmark following its removal from the index, we have begun

exiting the position. **SiTime**, a designer of precision silicon timing semiconductors, rose 116% after strong results and raised guidance driven by AI data center buildouts. **JFrog**, a developer of software supply chain and DevOps platform solutions, gained 94% as cloud revenue grew more than 50% and now accounts for over half of total sales. **Onto Innovation**, a provider of semiconductor process control, inspection, and metrology equipment, advanced 85% on strong advanced-packaging demand. **MACOM Technology Solutions**, a provider of analog and mixed-signal semiconductor solutions for industrial and communications markets, rose 70% on continued strength across its defense and data center end markets. We trimmed the latter four names on strength. On the negative side, **Workiva**, a cloud platform for financial reporting and compliance, fell -19%. We reduced our position on persistent weakness due to a combination of multiple compression and weak sentiment regarding AI monetization.

We are operating in an environment where capital allocation is increasingly driven by strategic necessity rather than purely optimized economic returns, effectively recasting energy, defense, and technology supply chains as instruments of national policy. While the easing of tensions around the Strait of Hormuz has provided near-term relief, the structural shift toward regional self-reliance and the relentless pace of AI-driven capital expenditure remain the dominant forces shaping the global landscape. These macro crosscurrents create a complex tapestry of risks and opportunities, yet they consistently produce the pricing dislocations where our fundamental, bottom-up approach thrives. We remain steadfast in our focus: identifying disciplined management teams capable of compounding intrinsic 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 06/30/26
(Excluding Money Market Investments)

Holding	Description	% of Total
Onto Innovation Inc.	Develops inspection technologies for use across the entire semiconductor fabrication process	2.37
SiTime Corp.	Designs micro-electro-mechanical systems (MEMS), such as oscillators & resonators, for electronic components	2.27
Credo Technology Group	Develops highspeed connectivity components for data infrastructure	2.25
Casella Waste Systems	Handles solid waste collection, transfer, disposal, and recycling for residential, commercial, municipal, & industrial customers	2.20
Lattice Semiconductor Corp.	Leading provider of low-power, programmable integrated circuits	2.05
Pursuit Attractions and Hospitality	Owner-operator of select lodgings & sightseeing at high-demand locations	2.01
Mirium Pharmaceuticals Inc.	Commercial-stage biopharma developer of liver disease treatments	2.00
JFrog Ltd.	Provides a platform that enables organizations to securely build, manage, & release software updates continuously from development to deployment	1.95
Krystal Biotech	Commercial-stage biopharma developer of topical therapies for skin diseases	1.94
Valvoline Inc.	Automotive aftermarket product producer & service provider	1.93
Total:		20.97

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 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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