

Alger Small Cap Focus Fund

1st Quarter 2026 As of March 31, 2026

Ticker Symbols

Class A	AOFAX
Class C	AOFCX
Class I	AOFIX
Class Y	AOFYX
Class Z	AGOZX

Investment Strategy

Invests in a focused portfolio of approximately 50 holdings of primarily small cap companies identified through our fundamental research as demonstrating promising growth potential. Seeks long-term capital appreciation.

Portfolio Management



Amy Zhang, CFA
Executive Vice President
Portfolio Manager
31 Years Investment Experience

Benchmark

Russell 2000 Growth Index

Standardized performance is available on page 3.

HIGHLIGHTS

- During the first quarter of 2026, the largest portfolio sector weightings were Health Care and Industrials. The largest sector overweight was Health Care and the largest sector underweight was Financials.
- The Information Technology and Consumer Discretionary sectors contributed to relative performance while Health Care and Energy were among sectors that detracted from relative performance.

MARKET ENVIRONMENT

U.S. equities endured a turbulent first quarter, with the S&P 500 Index declining 4.33% as two distinct forces converged to reshape the investment landscape. The period began with a sharp recalibration across the software industry, as the emergence of agentic artificial intelligence (AI) tools raised questions about the durability of traditional software business models. Investors moved swiftly to reprice companies most exposed to AI disruption, triggering a broad sell-off that weighed heavily on the technology-heavy corners of the market. The dislocation also spilled into private credit, where several firms with outsized exposure to software faced redemption pressures. Despite this turbulence, the underlying economy remained strong through the opening months of the year — consumers continued to spend, and expectations held firm for another quarter of solid earnings growth within the S&P 500 Index.

The second, and more consequential, disruption arrived in late February with the outbreak of the U.S.–Iran conflict and the subsequent closure of the Strait of Hormuz — a critical chokepoint through which roughly 20% of the world's seaborne oil transits. The resulting supply shock sent crude prices surging past \$100 per barrel for the first time in four years, injecting potential inflationary pressure into an economy the Federal Reserve (Fed) had been carefully guiding lower. Higher energy costs complicated the Fed's rate-cutting path; markets entered the quarter pricing in two rate cuts in 2026 but exited with expectations that the Fed will remain on hold. At its March meeting, the Fed held rates steady and raised its 2026 inflation projections, acknowledging that the economic implications of the conflict remain uncertain. Accordingly, Energy was the top performing sector within the S&P 500 Index, while the Financials sector was the weakest.

While we understand the equity market's focus this year will likely be on which industries and companies may be disrupted by AI progress, we continue to see opportunity in those companies enabling and adopting the technology as it enters the agentic phase — where systems move beyond generating answers to autonomously executing tasks, making decisions, and coordinating workflows. This shift is accelerating demand for compute capacity and, in turn, driving growth across the ecosystem of companies that build, service, and power data centers. Moreover, U.S. business spending is emerging as a more prominent driver of economic growth, supported by a confluence of factors — most notably burgeoning demand for AI infrastructure and tax incentives from the One Big Beautiful Bill, which allow companies to deduct 100% of eligible equipment and qualifying manufacturing-facility costs in the year placed in service, boosting near-term cash flow and after-tax returns.

PORTFOLIO UPDATE

Class A shares of the Alger Small Cap Focus Fund underperformed the Russell 2000 Growth Index during the first quarter of 2026. RBC Bearings Incorporated, Nebius Group, and Cognex Corporation were among the top contributors to performance.

- RBC Bearings is a leading manufacturer of highly engineered precision bearings and components that are essential to the operation of machines, aircraft, and mechanical systems across a wide range of applications. The company's products reduce friction, minimize wear, facilitate power transmission, and control pressure and flow — all critical functions in demanding operating environments. RBC focuses on technically complex, regulated markets that require sophisticated design, testing, and manufacturing capabilities, and the company holds a market-leading position with sole-source status on the vast majority of its products, providing a strong competitive moat.

1st Quarter 2026

During the quarter, shares contributed positively to performance as the company benefited from multiple converging tailwinds, including an acceleration in commercial aircraft production, continued strength in the aerospace aftermarket, increased global defense spending, an early cyclical recovery in industrial end markets, and growing demand from the space sector. In our view, the company is executing well, with expanding profitability and strong free cash flow generation reinforcing our confidence in the durability of the long-term growth trajectory.

- Nebius Group is a specialized AI infrastructure company that provides a full-stack platform, including GPU-accelerated cloud computing, to help enterprises build, train, and deploy large-scale artificial intelligence models. The company has positioned itself as a leading next-generation cloud provider purpose-built for machine learning and high-performance computing workloads. We believe the company is anchored by its vertically integrated approach, which combines proprietary data center design with in-house software to deliver superior performance and lower operating costs compared to traditional GPU cloud providers. During the quarter, shares contributed positively to performance driven by several reinforcing catalysts. The company announced a landmark multi-year infrastructure agreement with a major AI hyperscaler, significantly expanding its contracted backlog and validating its platform at scale. Additionally, fiscal fourth-quarter results were exceptionally strong, with revenue increasing dramatically year over year as demand for dedicated AI compute capacity accelerated. Profitability also reached a meaningful milestone, as the company reported positive adjusted earnings at the group level for the first time, reflecting strong pricing power and growing operating leverage within the core AI cloud business. We believe Nebius's differentiated infrastructure model and rapidly expanding customer base position the company to capitalize on the sustained buildout of AI computing capacity.
- Cognex is a global leader in machine vision technology, providing vision systems, sensors, and software that enable manufacturers and logistics operators to automate inspection, guidance, and identification tasks across factory and warehouse environments. We find the company compelling given its dominant market position, expanding addressable market driven by automation and AI-enabled inspection, and a growing recurring revenue base. We believe its new, more commercially minded CEO is driving meaningful change, exiting low-return businesses and optimizing the company toward higher-margin, higher-return opportunities. The company has also diversified from three core end markets to five, reducing its historical cyclicality and earnings volatility. During the quarter, shares contributed positively to performance after the company delivered fourth-quarter results that exceeded expectations, with an industrial recovery in semiconductor-related end markets materializing ahead of schedule. Management also announced a significant cost reduction initiative that they believe should drive considerable margin expansion over the coming year.

Repligen Corporation, GeneDx Holdings Corp., and Agilysys, Inc. were among the top detractors from performance.

- Repligen is a life sciences company that develops and provides advanced bioprocessing technologies and systems used in the manufacture of biologic drugs, including monoclonal antibodies and cell and gene therapies. The company's products, including filtration, chromatography, process analytics, and proteins, play a critical role in the purification stage of biologics manufacturing, helping ensure that drug products meet rigorous safety and efficacy standards. We believe Repligen is a high-quality compounder operating in a structurally attractive market, as the growing complexity and volume of biologic drug development drive sustained demand for increasingly sophisticated manufacturing tools. During the quarter, shares detracted from performance driven by a broader rotation away from the life sciences tools industry, while full-year revenue guidance that investors viewed as conservative at the low end further weighed on sentiment. Despite the near-term pressure, we continue to believe Repligen's market-leading portfolio and deep integration into customers' manufacturing workflows position the company well for durable long-term growth.
- GeneDx is a specialty genomics laboratory focused on delivering complex genetic tests, including whole exome and genome sequencing, to diagnose pediatric rare diseases. The company possesses a comprehensive and proprietary database of genetic data that enables it to deliver superior diagnostic yields relative to competitors and alternative testing modalities, creating a meaningful competitive advantage in a highly specialized market. During the quarter, shares detracted from performance driven by two primary factors. First, while the company reported fiscal fourth-quarter revenue above analyst estimates, the magnitude of the upside was lower than investors anticipated as average selling prices per test remained steady on a sequential basis. Second, the launch of a competing genomics assay by a well-known diagnostics peer introduced concerns around potential market share erosion in the rare disease testing space. Despite these headwinds, we believe GeneDx's established market access and the depth of its genomic database represent a durable competitive moat.
- Agilysys is a hospitality-focused software provider that delivers cloud-native solutions spanning property management, point-of-sale, inventory and procurement, and guest engagement to hotels, resorts, casinos, cruise lines, and other hospitality venues worldwide. The investment thesis rests on the company's ongoing transition toward a subscription-based recurring revenue model, its deepening relationships with marquee customers, and the long runway for technology modernization across the hospitality industry. During the quarter, shares detracted from performance after the company's fiscal third-quarter earnings report revealed a shortfall in profitability relative to expectations despite continued revenue strength and raised full-year revenue guidance. The earnings miss triggered a sharp sell-off, compounded by a broader pullback across the software space as investors rotated away from higher-valuation growth names amid mounting macroeconomic uncertainty. Despite the near-term sell-off, we believe the fundamental story remains intact — subscription revenue continues to grow at an impressive pace, the company's customer pipeline is expanding, and its position as a purpose-built platform for a large and underpenetrated addressable market continues to differentiate it from more generalized enterprise software peers, in our view.

1st Quarter 2026

Average Annual Total Returns (%) (as of 3/31/26)

	QTR	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Class A (Incepted 3/3/08)							
Without Sales Charge	-7.60	-7.60	19.77	6.00	-7.28	8.22	7.08
With Sales Charge	-12.45	-12.45	13.51	4.11	-8.28	7.64	6.76
Russell 2000 Growth Index	-2.81	-2.81	23.58	12.27	1.62	9.79	(Since 3/03/08) 9.20

Total Annual Operating Expenses by Class Without Waiver: A: 1.30%
(Prospectus Dated 2/28/26, unless otherwise amended)

Performance shown is net of fees and expenses.

Only periods greater than 12 months are annualized.

Prior to August 7, 2015, the Fund followed different investment strategies under the name "Alger Growth Opportunities Fund" and prior to February 12, 2015 was managed by a different portfolio manager. Effective August 7, 2015, the Fund's primary benchmark is the Russell 2000 Growth Index.

The performance data quoted represents past performance, which is not an indication or a guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's 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 figures assume all distributions are reinvested. Returns with sales charges reflect a maximum front-end sales charge on Class A Shares of 5.25%. Class A shares may be subject to a maximum deferred sales charge of 1.00%. For performance current to the most recent month end, visit www.alger.com or call 800.992.3863.

The views expressed are the views of Fred Alger Management, LLC ("FAM") and its affiliates as of March 2026. These views are subject to change at any time and may not represent the views of all portfolio management teams. These views should not be interpreted as a guarantee of the future performance of the markets, any security or any funds managed by FAM. These views are not meant to provide investment advice and should not be considered a recommendation to purchase or sell securities. Holdings and sector allocations are subject to change.

Risk Disclosures: Investing in the stock market involves risks, including the potential loss of principal. Growth stocks may be more volatile than other stocks as their prices tend to be higher in relation to their companies' earnings and may be more sensitive to market, political, and economic developments. A significant portion of assets may be invested in securities of companies in related sectors or industries, and may be similarly affected by economic, political, or market events and conditions and may be more vulnerable to unfavorable sector or industry developments. Investing in companies of small capitalizations involves the risk that such issuers may have limited product lines or financial resources, lack management depth, or have limited liquidity. Assets may be focused in a small number of holdings, making them susceptible to risks associated with a single economic, political or regulatory event than a more diversified portfolio. Private placements are offerings of a company's securities not registered with the SEC and not offered to the public, for which limited information may be available. Such investments are generally considered to be illiquid. At times, cash may be a larger position in the portfolio and may underperform relative to equity securities. **Companies involved in, or exposed to, AI-related businesses may have limited product lines, markets, financial resources or personnel as they face intense competition and potentially rapid product obsolescence, and many depend significantly on retaining and growing their consumer base.** These companies may be substantially exposed to the market and business risks of other industries or sectors, and may be adversely affected by negative developments impacting those companies, industries or sectors, as well as by loss or impairment of intellectual property rights or misappropriation of their technology. Companies that utilize AI could face reputational harm, competitive harm, and legal liability, and/or an adverse effect on business operations as content, analyses, or recommendations that AI applications produce may be deficient, inaccurate, biased, misleading or incomplete, may lead to errors, and may be used in negligent or criminal ways. AI companies, especially smaller companies, tend to be more volatile than companies that do not rely heavily on technology. **Investing in innovation is not without risk and there is no guarantee that investments in research and development will result in a company gaining market share or achieving enhanced revenue.** Companies exploring new technologies may face regulatory, political or legal challenges that may adversely impact their competitive positioning and financial prospects. Developing technologies to displace older technologies or create new markets may not in fact do so, and there may be sector-specific risks. There will be winners and losers that emerge, and investors need to conduct a significant amount of due diligence on individual companies to assess these risks and opportunities.

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S&P 500® Index: An index of large company stocks considered to be representative of the U.S. stock market. Index performance does not reflect deductions for fees, expenses, or taxes. Russell 2000® Growth Index: Measures the performance of the small-cap growth segment of the U.S. equity universe. Index performance does not reflect deductions for fees, expenses, or taxes. Index performance does not reflect deduction for fees, expenses, or taxes. The indices presented are provided for illustrative purposes, reflect the reinvestment of dividends and do not assess fees and expenses that would have the effect of reducing returns. Investors cannot invest directly in any index. The index performance does not represent the returns of any portfolio advised by Fred Alger Management, LLC and actual client results might differ materially than the indices shown. **The performance data quoted represents past performance, which is not an indication or a guarantee of future results.**

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Alger pays compensation to third party marketers to sell various strategies to prospective investors.

The following positions represented the noted percentages of portfolio assets as of March 31, 2026: RBC Bearings Incorporated, 6.59%; Nebius Group N.V. Class A, 2.42%; Cognex Corporation, 0%; Repligen Corporation, 3.14%; GeneDx Holdings Corp. Class A, 1.04%; Agilytics, Inc., 1.41%.

Before investing, carefully consider the Fund's investment objective, risks, charges, and expenses. For a prospectus and a summary prospectus containing this and other information about the Fund, call (800) 992-3863, visit www.alger.com, or consult your financial advisor. Read it carefully before investing. Distributor: Fred Alger & Company, LLC. NOT FDIC INSURED. NOT BANK GUARANTEED. MAY LOSE VALUE.