

U.S. Small Cap Growth Strategy

Representative Commentary — 4Q25

Performance	Annualized						
	4Q25	YTD	1YR	3YR	5YR	7YR	10YR
U.S. Small Cap Growth Composite (Gross)	3.70%	6.91%	6.91%	13.31%	3.11%	10.95%	10.44%
U.S. Small Cap Growth Composite (Net)	3.45%	5.85%	5.85%	12.20%	2.09%	9.86%	9.35%
Russell 2000® Growth Index	1.22%	13.01%	13.01%	15.57%	3.18%	10.58%	9.57%

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.

Global equity markets ended the fourth quarter in positive territory, with Europe as a standout performer, followed by Emerging Markets. Large caps outperformed small in most markets. The U.S. and China extended their trade truce for another year, though geopolitical issues—tariffs or otherwise—continued to simmer worldwide. Manufacturing activity decreased, while service industries fared better. In Europe, the U.K. and France signed a declaration of intent to deploy troops to Ukraine if a peace deal is reached with Russia; territory remains a key outstanding issue in negotiations. Within the Western Hemisphere, the Trump administration launched a strike in Venezuela to seize Maduro. This signals a tougher approach toward Latin America, with additional ramifications for the Energy sector. Across major central banks, the U.S. Federal Reserve and the Bank of England eased further, while the ECB held steady and the Bank of Japan tightened.

In the U.S., third-quarter GDP was better than expected; however, consumers remain cautious amid continued signs of labor-market softening. That proved to be the key consideration for the Fed's further interest rate cuts. There was a low-quality bias in the market across small- to mid-cap stocks, with strong results for companies with low Returns on Equity. Among small cap growth stocks, where companies without earnings were far more common, those stocks were highly rewarded.

After a challenging period through the late summer and early fall, the strategy rebounded and outperformed the Russell 2000® Growth Index in the fourth quarter. The Information Technology and Industrial sectors, which saw significant weakness in the third quarter, provided the greatest relative contributions this quarter.

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. Kicking off the contributors this quarter was **Boot Barn**, the leader in a highly fragmented retail segment focused on western and work footwear, apparel, and accessories. Early in the quarter, Boot Barn's revenues and earnings handily exceeded estimates, with greater transaction volumes and new store openings. Boot Barn increased its guidance for the next fiscal year—including the number of new stores—and expects no disruption from planned price increases in mid-2026. Though its shares gained 6%, the underlying volatility was meaningful as sentiment began to shift. We grew concerned that the next report from Boot might include slower growth and cautious near-term guidance, so we trimmed our position, ultimately exiting entirely in early January. It was a rollercoaster ride for shares in **Warby Parker**, which ended the quarter down by -22%. The online eyewear retailer's shares slid down sharply through October as the market was cautious ahead of November's fiscal quarterly report, and we added to our

position. Warby reported lower-than-expected sales, though better margins led to higher earnings. After speaking with management, we believe Warby's core operations were stable, and the prevailing stock price undervalued the benefits from 2026's Google's smart glasses launch. Toward the end of the year, enthusiasm for smart glasses lifted Warby's shares, and we trimmed the position. While **Ollie's Bargain Outlet** saw a -15% return, we have been increasing our position in the specialty retailer for closeouts, excess inventory, and salvage merchandise. Revenues were slightly below expectations as consumers shifted to even lower-priced store inventory, though Ollie's managed costs and reported better-than-expected earnings. Membership in Ollie's Army loyalty club grew as did the number of Ollie's stores, which we believe bodes well for its 2026 results.

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. For example, **Uranium Energy** is the largest licensed uranium miner in the U.S. We believe it is well-positioned to benefit from the renewed focus on nuclear power as a long-term energy solution and from U.S. efforts to strengthen domestic nuclear fuel supply chains for national security. However, recent volatility in uranium prices weighed on the stock, which declined -12% during the quarter. We continued to build our position in Uranium Energy after our first purchases at the end of September.

Our preferences among Health Care stocks are those companies providing novel therapies for unmet needs that command premium pricing, or specialized service providers. That includes the biopharma developer of treatments for bowel diseases, **Abivax SA**. We first purchased Abivax in the summer, after it reported strong clinical trial results for its obefazimod treatment to address ulcerative colitis in a longer-lasting manner with fewer side effects than current medicines. Toward the end of the year, there was speculation that Abivax was in the acquisition crosshairs of a larger pharmaceutical company, and we trimmed our position as it rose by 58%. The share price of **Ceribell**, a leader in portable electroencephalogram (EEG) technology, surged 91% after reporting inline financial results and elevating its sales outlook for the remainder of its fiscal year. The recent FDA clearance for the company's Clarity algorithm for neonates significantly broadens Ceribell's total addressable markets and is expected to enable an earlier-than-anticipated neonatal launch. Shares in the biopharma developer of cholesterol inhibitors for cardiovascular diseases, **NewAmsterdam Pharma**, rose by 23%. Indications were strongly positive for the upcoming trial results for its CETP inhibitor to reduce LDL levels. Pulling back by -22% was **Stevanato Group**, which manufactures glass packaging for syringes, autoinjectors, and other pharmaceutical needs. Recent revenues and earnings each exceeded expectations, though management was conservative and merely reaffirmed its guidance for the balance of its fiscal year. There may have been some advanced purchasing from customers, though Stevanato's core business grew well, and we added to our position on the weakness. We closed our position in biopharma developer **Soleno Therapeutics**, which recorded a -34% decline while held within the portfolio this quarter. Even though the company's Vykate XR stands as the sole approved therapy for hyperphagia in Prader-Willi Syndrome (PWS), investor sentiment remains subdued due to ongoing concerns regarding the growth trajectory. New to the strategy was **Axogen, Inc.**, which develops technologies for peripheral nerve regeneration and repair from injuries caused by trauma, chronic conditions, or surgical procedures. Its flagship product, Avance Nerve Graft, is a decellularized human nerve allograft that preserves native nerve microarchitecture while eliminating immune rejection risk. It is the only FDA-approved implantable biological nerve allograft on the market.

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. Gaining 40% was **Legence Corp.**, which provides engineering, installation, and maintenance services for mission-critical systems in buildings. Purchased through its IPO in September, Legence serves high-growth sectors with technically demanding buildings, including data centers, other technology, life sciences, other health care, and education. As its shares continued to climb, we trimmed the position. The fortunes of **Casella Waste Systems** waxed and waned during the quarter. At the beginning of the quarter, Casella's shares slipped ahead of its fiscal quarterly report. After showing revenues and earnings higher than anticipated, along with better full-year guidance, its share price recovered and ended the quarter up 3% for this provider of solid waste collection, transfer, disposal, and recycling services for residential, commercial, municipal, and industrial customers. Elsewhere in the sector, we exited our position in **Tetra Tech**, a consulting and engineering firm focused on water and related environmental services. We expected that the slowing national infrastructure spending in Australia would limit Tetra Tech's opportunities in the near term.

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. At the beginning of the quarter, we added to our position in **MACOM Technology**, an analog

semiconductor solutions provider. Later, the company bested expectations for revenues and earnings, with management increasing its guidance for the next quarter. That lifted its shares by 38%, and we trimmed our position at later peaks. A recent IPO, the cybersecurity company providing security, networking, and analytics solutions **Netskope, Inc.** is a leader in modern security and networking for the cloud and AI era. Shares of Netskope sold off with other software and cybersecurity names during the quarter and declined by -23%, though we continued adding to our holdings. Lastly was **JFrog Ltd.**, the portfolio's strongest performer this quarter. JFrog manages the software supply chain and enables organizations to securely deliver software updates across their enterprises. Demand for security increased following the recent NPM supply chain attack. JFrog's security add-on—which secures open-source packages before organizations onboard them—has seen significant pipeline growth, driving a 32% rally in its shares.

We are awaiting the Supreme Court decision on the Trump Administration tariffs. If the court rules against them, they are expected to pivot and pursue alternative approaches. The One Big Beautiful Bill is expected to result in higher tax refunds and more corporate spending. There are expectations for increased AI adoption as the year unfolds. In our investing approach, we remain focused on fundamentals, seeking steady management teams capable of driving economic growth at their companies, which we believe will be rewarded over time by the markets. 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. From October 1, 2000 to November 18, 2004, the performance is that of the TimesSquare Inc. small cap composite. From November 19, 2004, the performance is that of the TimesSquare small cap composite which consists of all small cap accounts managed by the team at TimesSquare and TimesSquare Inc. There has been no change in the investment management responsibility or strategy from the prior firm.

This composite invests in stocks with market capitalizations at time of purchase generally within the range of capitalizations of stocks in the Russell 2000 Growth 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 90-120 stocks. Historical turnover has averaged 54% per year. Composite inclusion threshold \$5mm. Fee basis is 100 basis points. The composite creation and inception date is October 1, 2000.

From 04/01/2015 until 12/31/16, accounts are removed from the composites when significant cash flows occur. A significant cash flow is defined as an external flow that exceeds 10% of the composite's market value on the day of the cash flow. Effective January 1, 2017 this composite does not have a significant cash flow policy.

In July 2014, TimesSquare modified its purchase capitalization range to match the changes in the small cap market as represented by the Russell 2000® Growth Index. The purchase range was amended to reflect a range bounded by the approximate value of the smallest security in the index (in most cases) and the approximate value of 75% of the largest security's capitalization. These targets will be maintained for the subsequent 12 months, and may be adjusted based on the above rules each July following the reconstitution. In that manner, the targets would be responsive to higher or lower capitalization profiles of the indexes over time. Previously, in June 2012, TimesSquare had modified its purchase capitalization range to match the changes in the small cap market as represented by the Russell 2000® Growth Index at that time, with a change from \$50 million to \$1.5 billion at time of purchase to \$50 million to \$2 billion.

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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 Russell 2000® Growth – 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. All indexes, including the Russell 2000® Growth Index, are based on gross-of-fee returns. FTSE Russell is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. 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. Investment advisory fees generally charged by TimesSquare are described in Part 2A of its Form ADV. This composite may contain some accounts that have used performance based fees. 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 1.00% 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.

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. 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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