

Small Cap Growth Fund

Fund Facts

OBJECTIVE

Seeks long-term capital growth from investments in common stocks or other equity securities

Share class	I
Inception	12/31/1996
Ticker	LSSIX
CUSIP	543487854
Benchmark	Russell 2000® Growth Index

Russell 2000® Growth Index measures the performance of the small cap growth segment of the US equity universe. It includes those Russell 2000® companies with higher price-to-value ratios and higher forecasted growth values. The Russell 2000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the small cap growth segment. Indexes are unmanaged and do not incur fees. It is not possible to invest directly in an index. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

Market Conditions

- As the calendar turned to 2026, there were two dynamics at work where the market direction corrected from extreme levels in 2025 - a broadening of leadership which now includes smaller cap stocks and a return to quality. In both cases, there was some evidence of this trend in 4Q25, but importantly, there was a clear continuation of these factors in 1Q26.
- A decade plus of large cap outperformance relative to small caps had us questioning whether this trend would ever change, despite small cap earnings emerging from its “recession” late last year. This emergence of relative earning strength of small cap stocks versus large caps continued in earnest in the first quarter of 2026 and small cap performance followed. As the market normalized with broader participation from small caps, nowhere was this more evident than in the growth style. The “Magnificent 7” declined on average by over 12% in the first quarter compared to a 4.6% decline for the overall S&P 500 Index. This was the driver of large growth (Russell 1000 Growth Index) being the only size and style box to see near double digit declines. It appears that small caps have a floor (historically low relative valuation levels), but also a catalyst for upside performance in relative earnings growth.

Portfolio Review

- The Small Cap Growth Fund outperformed its benchmark, the Russell 2000 Growth index, primarily due to security selection within the Energy, Materials, and Industrials sectors.

Class I Performance as of March 31, 2026 (%)

	CUMULATIVE TOTAL RETURN		ANNUALIZED TOTAL RETURN			
	3 MONTH	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
FUND	0.61	0.61	16.91	8.74	2.04	10.58
BENCHMARK	-2.81	-2.81	23.59	12.27	1.62	9.79

Performance data shown represents past performance and is no guarantee of future results. Investment return and value will vary and you may have a gain or loss when shares are sold. Current performance may be lower or higher than quoted. For most recent month-end performance, visit www.loomissayles.com.

Additional share classes may be available for eligible investors. Performance will vary based on the share class. Performance for periods less than one year is cumulative, not annualized. Returns reflect changes in share price and reinvestment of dividends and capital gains, if any. You may not invest directly in an index.

Gross expense ratio 0.93% (Class I). Net expense ratio 0.93%. As of the most recent prospectus, the investment advisor has contractually agreed to waive fees and/or reimburse expenses once the expense cap of the fund has been exceeded. This arrangement is set to expire on 1/31/2027. When an expense cap has not been exceeded, the fund may have similar expense ratios.

The Class I inception date is 12/31/1996. Class I shares are only available to certain institutional investors only; minimum initial investment of \$100,000.



TOP TEN EQUITY HOLDINGS (%)

ESCO Technologies Inc.	2.4
RBC Bearings Incorporated	2.2
Advanced Energy Industries, Inc.	2.0
MACOM Technology Solutions Holdings, Inc.	2.0
Ligand Pharmaceuticals Incorporated	2.0
ATI, Inc.	1.9
Sterling Infrastructure, Inc.	1.9
Construction Partners, Inc.	1.7
AAR Corp.	1.6
Oceaneering International, Inc.	1.5
Total	19.3

Contributors

- The Fund was overweight Energy and Industrials, along with strong stock selection in those sectors, which contributed meaningfully to the relative strength of the Fund’s return.
- Information Technology was another area of relative performance strength, largely driven by semiconductor stocks such as Silicon Laboratories.
- The fundamentals of these sectors and individual stocks, could be attributed to the continued growth of capital spending, which in turn is driven by artificial intelligence investments as well as tax incentives.
- Silicon Labs is a semiconductor company that we originally bought in October of 2008 , and in February of this year, Texas Instruments announced it was acquiring the company. While we don’t typically own stocks for this long a period, Silicon Labs is representative of the type of company we endeavor to invest in - one with strong competitive advantages, secular tailwinds, and the ability to create wealth for shareholders by compounding over time

Detractors

- Healthcare and Financials were the more challenging sectors for the Fund during the first quarter. Both sectors underperformed the benchmark and there were multiple stocks within the sector with lagging performance.
- Within Healthcare, Wave Life Sciences and Establishment Labs detracted from performance. Wave Life Sciences has an obesity asset that had disappointing clinical data that caused the stock to retreat and was sold from the Fund. Establishment Labs has a very compelling new breast augmentation product that is safe and had a very strong launch. While the fundamentals of the company have been strong, the valuation of the stock has declined due to investor concerns about consumer confidence.

Outlook

- We find ourselves in a much different place today than when we entered the year. At the beginning of the quarter, economic growth was steady, earnings were resilient, inflation seemed under control, and stimulus in the form of tax returns was poised to benefit the consumer. This macro scenario changed materially by the end of the quarter as conflict kicked off in Iran, creating a domino of effects threatening to disrupt any economic momentum.
- Mid-term elections pose another complicating factor as the market typically struggles from this point until near election day. Determining the next course of action in the face of this is an impossible task. We believe that barring any energy-induced recession, small cap earnings seem poised to continue their positive trend relative to large caps.
- Additionally, the market appears to have shifted back to a more traditional profile where high quality and company specific factors will drive returns. We believe our process, where the track record now spans over two decades, should thrive in this environment.

About Risk

Equity securities are volatile and can decline significantly in response to broad market and economic conditions. **Smaller company** investments can be more volatile than those of larger companies. **Growth stocks** may be more sensitive to market conditions than other equities, as their prices strongly reflect future expectations. **Foreign and emerging market securities**



may be subject to greater political, economic, environmental, credit, currency and information risks. Foreign securities may be subject to higher volatility than US securities due to varying degrees of regulation and limited liquidity. These risks are magnified in emerging markets.

Important Disclosure

Outlook as presented in this material reflects subjective judgments and assumptions of the portfolio team and does not necessarily reflect the views of Loomis, Sayles & Company, L.P. There is no assurance that developments will transpire as stated. Opinions expressed will evolve as future events unfold. These perspectives are as of the date indicated and may change based on market and other conditions. Actual results may vary. Please refer to the Fund prospectus for a comprehensive discussion of risks.

*The **S&P SmallCap 600® Quality Index** is designed to measure the 120 highest-quality stocks in the S&P SmallCap 600 on the basis of their quality score, which is calculated using three fundamental measures: return on equity, accruals ratio, and financial leverage ratio.*

This marketing communication is provided for informational purposes only and should not be construed as investment advice. Investment decisions should consider the individual circumstances of the particular investor. Investment recommendations may be inconsistent with these opinions. Information, including that obtained from outside sources, is believed to be correct, but we cannot guarantee its accuracy. This information is subject to change at any time without notice.

Holdings data is based on total gross assets before any fees are paid; any cash held is included. The portfolio is actively managed and holdings are subject to change. References to specific securities or industries should not be considered a recommendation. Holdings may combine more than one security from the same issuer and related depositary receipts. Portfolio weight calculations include accrued interest. For current holdings, please visit www.loomissayles.com.

Market conditions are extremely fluid and change frequently.

Diversification does not ensure a profit or guarantee against a loss.

Commodity, interest and derivative trading involves substantial risk of loss.

Any investment that has the possibility for profits also has the possibility of losses, including the loss of principal.

There is no guarantee that the investment objective will be realized or that the Fund will generate positive or excess return.

Past performance is no guarantee of future results.

Before investing, consider the fund's investment objectives, risks, charges, and expenses. Please visit www.loomissayles.com or call 800-633-3330 for a prospectus and a summary prospectus, containing this and other information. Read it carefully.

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