

Alger Dynamic Opportunities Fund

 WEATHERBIE CAPITAL

1st Quarter 2025 As of March 31, 2025

Advisor

Fred Alger Management, LLC

Sub-Advisor

Weatherbie Capital, LLC

Ticker Symbols

Class A	SPEDX
Class C	ADOCX
Class Z	ADOZX

Investment Strategy

A long/short hedged equity strategy seeking long-term capital appreciation and lower volatility by primarily investing in long and short positions in equity securities.

Portfolio Management

Dan Chung, CFA

Chief Executive Officer
Chief Investment Officer
Portfolio Manager
31 Years Investment Experience

Gregory Adams, CFA

Senior Vice President
Portfolio Manager and Director of Quantitative & Risk Management
38 Years Investment Experience

H. George Dai, Ph.D.

Chief Investment Officer
Senior Portfolio Manager
Senior Analyst
Weatherbie Capital, LLC
26 Years Investment Experience

Joshua D. Bennett, CFA

Director of Research
Portfolio Manager
Senior Portfolio Manager
Weatherbie Capital, LLC
25 Years Investment Experience

Daniel J. Brazeau, CFA

Senior Vice President
Portfolio Manager
Senior Analyst
Weatherbie Capital, LLC
25 Years Investment Experience

George Ortega

Senior Vice President
Portfolio Manager
Senior Analyst
12 Years Investment Experience

Benchmark

S&P 500

HIGHLIGHTS

- During the first quarter of 2025, the largest portfolio sector weightings were Information Technology and Health Care. The largest sector overweight was Industrials and the largest sector underweight was Information Technology.
- The Communication Services and Consumer Discretionary sectors contributed to relative performance while Health Care and Financials were among sectors that detracted from relative performance.

MARKET ENVIRONMENT

In the first quarter of 2025, U.S. equities experienced heightened volatility, driven by evolving fiscal, monetary, and trade policies. Contributing further uncertainty was the emergence of advanced artificial intelligence (AI) models from China, which demonstrated capabilities comparable to leading U.S. models but reportedly at significantly lower development costs. This prompted investors to reassess the substantial capital expenditures of U.S. large-cap technology companies, resulting in a sell-off in AI-related stocks and concerns over the potential returns on domestic AI initiatives.

Escalating trade tensions further compounded market apprehension. The Trump administration's announcement of significant tariff increases, to be announced on April 2, created substantial investor uncertainty. Anticipated retaliatory measures from trading partners further complicated business spending plans, and the expected pass-through of tariff-related costs raised inflationary concerns. Consequently, the S&P 500 Index entered into market correction territory on March 13, declining more than 10% from its prior all-time high on February 19. During the quarter, the Information Technology and Consumer Discretionary sectors were the worst performers within the S&P 500 Index, while the Energy and Health Care sectors outperformed. This period also highlighted concerns about market concentration, as the top ten companies accounted for approximately 37% of the S&P 500 Index at the start of 2025. As a result, the collective underperformance of these leading firms had a significant impact on the S&P 500 Index's -4.27% return for the quarter.

During the quarter, we continued to observe secular themes that we believe are creating attractive investment opportunities - corporations are digitizing their operations, cloud computing is growing and supporting innovation, and AI is at an inflection point, potentially enabling significant increases in productivity, in our view. In the Health Care sector, we believe that advances in surgical technologies and innovations within genomic sequencing offer compelling opportunities ahead.

PORTFOLIO UPDATE

Class A shares of the Alger Dynamic Opportunities Fund underperformed the S&P 500 Index during the first quarter of 2025. For the quarter, the portfolio's average long exposure was 80.98% and the average short exposure was -29.98%. The portfolio's average cash exposure was 48.99%. Among long positions, the Information Technology and Industrials sectors were the largest absolute sector weightings, while the Health Care and Industrials sectors were the largest relative sector weightings. During the quarter, long positions, in aggregate, detracted from both absolute and relative performance. Short positions, in aggregate, contributed to absolute and relative performance.

Long positions HEICO Corporation, TransDigm Group Incorporated, and Spotify Technology were among the top contributors to performance.

- Heico is a leading manufacturer of Federal Aviation Administration (FAA) approved jet engine and aircraft component replacement parts. Its Flight Support Group (FSG) provides FAA-approved aircraft and engine replacement parts, while the Electronics Technologies Group (ETG) serves industries such as aerospace, defense, homeland security, space, and medical with specialized electronic components. We believe the company is well-positioned to benefit from the steady aging of the global commercial aerospace fleet, resulting in increased consumption of aftermarket parts. Additionally, ongoing production issues from two major aircraft manufacturers have reduced the projected new plane deliveries, further supporting our view that the average age of the global fleet is likely to remain elevated over the next few years. During the quarter, shares contributed positively to performance after the company reported strong fiscal first-quarter results, driven by continued strength in the FSG segment as commercial flight hours remained robust. Furthermore, management highlighted a recovery within the ETG segment, supported by increased demand from the U.S. Department of Defense.

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- TransDigm Group specializes in the production of engineered aerospace components, systems and subsystems. Its core Power and Control segment includes operations that primarily develop, produce and market systems and components that provide power to or control power of aircraft utilizing electronic, fluid, power and mechanical motion control technologies. During the quarter, shares performed positively after the company reported strong fiscal first-quarter results, beating analyst estimates. Management highlighted slightly better-than-expected aftermarket demand driven by increased air travel. Additionally, all submarkets have now surpassed pre-Covid-19 levels, with the exception of aircraft interiors. Recovery in this area depends on airline refurbishment activity, which remains constrained due to existing aircraft operating longer hours amid delays in new aircraft deliveries.
- Spotify is a leading global streaming platform providing users access to an extensive library of music, podcasts, and other audio and video content. The company primarily generates revenue through its Premium subscription service, offering ad-free listening, offline access, and enhanced audio quality, and also from its ad-supported free tier, where advertisers reach Spotify's large user base. By recently integrating AI, Spotify enriches user experiences with personalized features such as AI Playlist and AI DJ, tailoring content specifically to individual preferences. We believe this strategic use of AI, combined with its expansion into various audio formats, positions Spotify for sustained growth in the evolving digital audio market. During the quarter, shares contributed positively after the company reported better-than-expected fiscal fourth-quarter results driven by strong user growth and margin improvement due to favorable trends in audiobooks and music content costs.

Our short position in a clean energy solutions provider contributed positively to performance. We initiated this position due to the company's significant dependence on government incentives for clean energy and renewable natural gas projects, which are susceptible to potential policy changes in Washington, D.C. During its fiscal fourth quarter, the company reported mixed operating results: revenues slightly exceeded analyst expectations, but gross profits declined due to unforeseen cost overruns on two large-scale legacy projects. Additionally, quarterly earnings included a substantial one-time gain from the sale of its energy technology and advisory services unit; excluding this gain, earnings would have fallen short of analyst estimates. Consequently, management lowered full-year earnings guidance, leading to a decline in the company's share price, which benefitted our short position.

Long positions Semtech Corporation, Upstart Holdings, Inc., and NVIDIA Corporation were among the top detractors from performance.

- Semtech Corporation designs and manufactures analog and mixed-signal semiconductors for a wide range of applications, including Internet of Things (IoT), data centers, industrial equipment, and consumer electronics. The company is a global leader in low-power, high-performance solutions, with a focus on enabling connectivity, energy efficiency, and miniaturization across its target markets. Semtech operates in three business segments: Protection, Signal Integrity, and Wireless & Sensing. In February 2025, the company lowered revenue projections for its core data center product, Advanced Copper Cable (ACC), which connects GPUs at a lower power consumption while preserving signal integrity. Management attributed the revised guidance to architectural changes in GPUs from a major supplier, rather than issues with Semtech's product or execution. Consequently, shares

declined due to delayed ACC revenues, negatively impacting performance during the quarter.

- Upstart is a leading AI-powered lending platform that partners with banks and credit unions to improve access to affordable credit. By leveraging machine learning algorithms, the company evaluates non-traditional risk factors to provide more accurate credit assessments, enabling better loan approvals and pricing. Upstart aims to make the lending process more inclusive and efficient while helping its financial institution partners drive growth and manage risk effectively. After delivering impressive share price performance throughout 2024, shares detracted from performance this quarter. While the company reported solid fiscal fourth-quarter operating results with all three major product lines showing considerable growth, we believe shares were under pressure due in large part to macroeconomic concerns. Specifically, escalating trade tensions and potential recession fears pressured financial technology stocks, making investors wary of the company's consumer credit exposure.
- Nvidia Corporation is a leading supplier of graphics processing units (GPUs) for a variety of end markets, such as gaming, PCs, data centers, virtual reality, and high-performance computing. The company is leading in most secular growth categories in computing, and especially artificial intelligence and super-computing parallel processing techniques for solving complex computational problems. In our view, Nvidia's computational power is a critical enabler of AI and therefore essential to AI adoption. During the quarter, shares detracted from performance due to several factors. In January 2025, investor concerns grew regarding the emergence of advanced AI models from China, reportedly developed at lower costs and with reduced computing requirements, raising doubts about Nvidia's market dominance. Additionally, U.S. President Donald Trump's announcement of new tariffs targeting industries increased worries about higher operational costs. Despite these headwinds, Nvidia reported robust fiscal fourth-quarter results, highlighted by significant revenue growth driven by its data center segment. On the earnings call, CEO Jensen Huang emphasized the increasing computational requirements of future AI models, noting, "The more computation, the more the model thinks, the smarter the answer," and adding that future reasoning models could demand substantially more compute resources. We believe Nvidia's leadership in scaling AI infrastructure—including advancements in inference and reasoning during inference—continues to drive adoption among enterprises and startups, ensuring sustained demand for its high-performance chips and software solutions. As older-generation chips are repurposed and new clusters deployed, we see Nvidia as well-positioned to capitalize on rising computational needs across AI applications.

Our short position in a global coffee retailer detracted from performance during the quarter. We initiated the position based on our view that new management would struggle to deliver sufficient sales and earnings reacceleration to justify the company's elevated valuation multiple, as their plan to simplify operations would entail significant upfront implementation costs, pressuring near-term profit margins. Additionally, ongoing labor issues, including unionization efforts and worker strikes, were likely to disrupt operations and increase expenses. However, the company reported stronger-than-expected fiscal first-quarter same-store sales (SSS) growth, driven primarily by increased customer spending per transaction, causing shares to rise and negatively impact our short position. Despite this, we maintain our view that sustained SSS and earnings growth is unlikely, given intensifying international competition and persistent labor challenges.

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Average Annual Total Returns (%) (as of 3/31/25)

	QTR	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Class A (Incepted 11/2/09)							
Without Sales Charge	-5.31	-5.31	6.80	3.85	9.63	7.34	7.23
With Sales Charge	-10.30	-10.30	1.18	2.00	8.45	6.77	6.86
S&P 500 Index	-4.27	-4.27	8.25	9.06	18.59	12.50	(Since 11/02/09) 13.69
HFRI Equity Hedge (Total) Index	-1.28	-1.28	5.05	4.94	11.24	5.95	(Since 12/29/10) 5.80

Total Annual Operating Expenses by Class

(Prospectus Dated 2/28/25, unless otherwise amended) A: 2.07%

Performance shown is net of fees and expenses.

Fred Alger Management, LLC has contractually agreed to waive and/or reimburse Fund expenses (excluding custody fees, acquired fund fees and expenses, interest, taxes, brokerage expenses, fees in connection with the ReFlow Fund, LLC liquidity program, extraordinary expenses, and certain proxy expenses, to the extent applicable, but including dividend expense on short sales and net borrowing costs) through October 31, 2026 to the extent necessary to limit the other expenses and any other applicable share class-specific expenses of Class A to 0.80% of the class's average daily net assets. This expense reimbursement may only be amended or terminated prior to its expiration date by agreement between Fred Alger Management, LLC and the Fund's Board of Trustees, and will terminate automatically in the event of termination of the Investment Advisory Agreement. Fred Alger Management, LLC may recoup any fees waived or expenses reimbursed pursuant to the contract; however, the Fund will only make repayments to Fred Alger Management, LLC if such repayment does not cause the Fund's expense ratio after the repayment is taken into account, to exceed both (i) the expense cap in place at the time such amounts were waived or reimbursed, and (ii) the Fund's current expense cap. Such recoupment is limited to two years from the date the amount is initially waived or reimbursed.

Only periods greater than 12 months are annualized.

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.

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The views expressed are the views of Fred Alger Management, LLC ("FAM") and its affiliates as of March 2025. 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, and may be similarly affected by economic, political, or market events and conditions and may be more vulnerable to unfavorable sector developments. Options and Short sales could increase market exposure, magnifying losses and increasing volatility. Assets may be invested in Financial Derivatives Instruments (FDIs) such as Total Return Swaps (TRS) or options, which involve risks including possible counterparty default, illiquidity, and the risk of losses greater than if they had not been used. Issuers of convertible securities may be more sensitive to economic changes. 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. Leverage increases volatility in both up and down markets and its costs may exceed the returns of borrowed securities. Foreign securities involve special risks including currency fluctuations, inefficient trading, political and economic instability, and increased volatility. Active trading may increase transaction costs, brokerage commissions, and taxes, which can lower the return on investment. 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.

The S&P 500 Index is an index of large company stocks considered to be representative of the U.S. stock market. Index performance does not reflect deduction for fees, expenses, or taxes. Investors cannot invest directly in an index. **The performance data quoted represents past performance, which is not an indication or a guarantee of future results.**

Fred Alger Management, LLC has changed its methodology as of May 31, 2019 for classifying long put positions as short positions. Previously, such option positions had been treated as long positions. For purposes of calculating Exposure, an option's delta adjusted exposure will be used. Delta adjusted exposure represents the expected amount an option price will change if an option's underlying reference security changed by \$1. The formula for calculating delta adjusted exposure is the number option contracts multiplied by 100 (option multiplier) and multiplied by both the underlying security price and the option's delta (ranges from -1 to 0 for put options and 0 to 1 for call options based on whether option is in- or out-of-the-money). Fred Alger Management, LLC uses the Global Industry Classification Standard (GICS®) for categorizing companies into sectors and industries. GICS® is used for all portfolio characteristics involving sector and industry data such as benchmark, active and relative weights and attribution. The Global Industry Classification Standard (GICS®) is the exclusive intellectual property of MSCI Inc. (MSCI) and Standard & Poor's Financial Services, LLC (S&P). Neither MSCI, S&P, their affiliates, nor any of their third party providers ("GICS Parties") makes any representations or warranties, express or implied, with respect to GICS or the results to be obtained by the use thereof, and expressly disclaim all warranties, including warranties of accuracy, completeness, merchantability and fitness for a particular purpose. The GICS Parties shall not have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of such damages. Sector and industry classifications are sourced from GICS. Historical classifications use GICS categories available as of the date of this presentation.

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. **Note that past performance is no guarantee of future results.**

The HFRI Equity Hedge (Total) Index ("HFRI") publishes equally weighted monthly performance based on a number of hedge funds reporting to create a composite, net of fees. HFRI constituents may change without notice. HFRI, therefore, may have possibly lower risk, and differ in asset allocation, portfolio structure, and holdings. Unlike asset-weighting, the equal-weighting of HFRI presents a more general picture of performance of the hedge fund industry. Any bias towards the larger funds potentially created by alternative weightings is greatly reduced, especially for strategies that encompass a small number of funds. HFRI returns are as of the date shown based on the initial provided information and are subject to change. Please visit www.alger.com for the most recent return information. Performance data for the HFRI Equity Hedge (Total) Index is only available on a month-end basis. As a result, since inception performance data for the index is as of the month end prior to the Fund's inception date if the Fund's inception date is on or prior to the 15th or is as of the Fund's inception month end if the Fund's inception date is after the 15th of the month.

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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, 2025: TransDigm Group Incorporated, 3.63%; HEICO Corporation, 2.11%; Spotify Technology SA, 1.05%; Semtech Corporation, 0.49%; Upstart Holdings, Inc., 1.88%; NVIDIA Corporation, 3.95%.

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.