

# Alger Mid Cap Growth Fund

1st Quarter 2023 As of March 31, 2023

### Ticker Symbols

Class A **AMGAX**  
Class Z **AMCZK**

### Investment Strategy

Primarily invests in growth equity securities of U.S. mid cap companies identified through our fundamental research as demonstrating promising growth potential. Seeks long-term capital appreciation.

### Portfolio Management



**Dan Chung, CFA**  
Chief Executive Officer, Chief Investment Officer  
Portfolio Manager  
29 Years Investment Experience



**Brandon Geisler**  
Senior Vice President  
Portfolio Manager  
22 Years Investment Experience

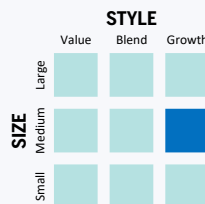
### Benchmark

Russell Midcap Growth

### Morningstar

**Category:** Mid-Cap Growth

**Morningstar Style Box™** reveals a fund's investment strategy by showing its investment style and market capitalization based on the portfolio holdings. As of 1/31/2023

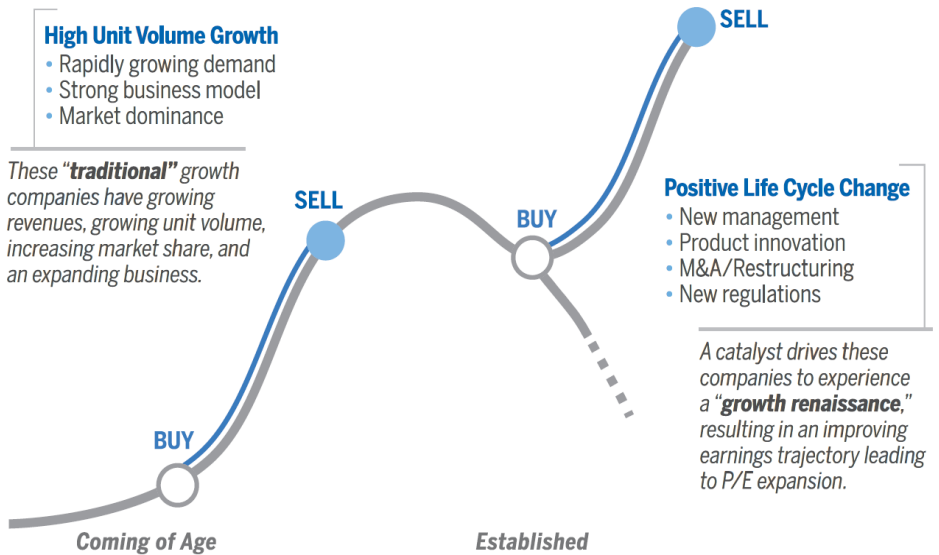


### Who We Are

Fred Alger Management, LLC is widely recognized as a pioneer of growth-style investment management. We have been an independent, privately owned firm since our founding in 1964. For more than 50 years, we have had **three leaders with one vision**: Maintaining the legacy and continuity of the Alger Investment Philosophy.

### Philosophy

Alger has been committed to a growth style of investing since the firm was founded in 1964. We believe that the best way to uncover and evaluate such companies is through intensive, fundamental, proprietary investment research. At Alger, we believe companies undergoing **Positive Dynamic Change** offer the best investment opportunities. By Positive Dynamic Change, we mean those companies experiencing High Unit Volume Growth and Positive Life Cycle Change.



### Process

- NEW IDEAS** Identify companies with strong competitive positions and high financial quality metrics such as revenue growth and consistency, margin profiles, debt levels and return on capital
- ANALYSIS** Analysts perform in-depth company analysis to develop a differentiated view supported by detailed financial models and stress-tested for a range of potential outcomes
- DIALOGUE** Ongoing communication between the Portfolio Managers and analysts discussing new ideas and current portfolio holdings
- CONSTRUCTION** Broadly diversified portfolio of 50-75 names balancing reward and risk. 60-80% in Growth Compounders, 0-20% in Aggressive Growers and 0-20% in Life Cycle Changers
- MONITORING** Individual holdings and the collective portfolio are monitored to ensure risk characteristics are consistent with expectations

## 1st Quarter 2023

## Average Annual Total Returns (%) (as of 3/31/23)

	QTR	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
<b>Class A</b> (Incepted 12/31/96)							
Without Sales Charge	9.32	9.32	-16.87	13.57	8.00	9.68	8.59
With Sales Charge	3.55	3.55	-21.25	11.56	6.84	9.09	8.37
<b>Class Z</b> (Incepted 5/28/15)	9.40	9.40	-16.61	13.90	8.33	—	7.80
<b>Morningstar Category Average</b> (Mid-Cap Growth)	7.65	7.65	-11.95	14.85	8.12	10.34	—
<b>Russell Midcap Growth Index</b>	9.14	9.14	-8.52	15.20	9.07	11.17	(Since 12/31/96) 9.00 (Since 5/28/15) 9.15
<b>Morningstar Percentile Rank</b> (Mid-Cap Growth) Based on Total Returns							
<b>Class A</b>	—	—	85% 488/577	68% 328/529	57% 284/498	66% 263/387	—
<b>Class Z</b>	—	—	84% 480/577	66% 318/529	50% 254/498	—	—

Total Annual Operating Expenses by Class  
(Prospectus Dated 3/1/23)

A: 1.24% Z: 0.93%

Performance shown is net of fees and expenses.

Fred Alger Management, LLC has contractually agreed to waive fees or to reimburse Fund expenses (excluding acquired fund fees and expenses, dividend expense on short sales, borrowing costs, interest, taxes, brokerage and extraordinary expenses) through February 29, 2024 to the extent necessary to limit the total annual fund operating expenses of Class Z to 0.99% 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, during the term of the contract, 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%. For performance current to the most recent month end, visit [www.alger.com](http://www.alger.com) or call 800.992.3863.

## Calendar Year Returns (%) (as of 12/31/22)

	Fund (Class A)	Morningstar Mid-Cap Growth Category Average	Russell Midcap Growth Index
2022	-35.10	-27.79	-26.72
2021	7.01	13.05	12.73
2020	63.60	39.26	35.59
2019	29.85	32.52	35.47
2018	-7.38	-6.65	-4.75
2017	29.77	23.91	25.27
2016	0.76	6.03	7.33
2015	-1.77	-0.95	-0.20
2014	7.62	7.00	11.90
2013	35.60	34.93	35.74

## Portfolio Exposure (%) (as of 3/31/23)

	Alger Mid Cap Growth Fund
Equity Holdings	99.51
Cash	0.49

## 1st Quarter 2023

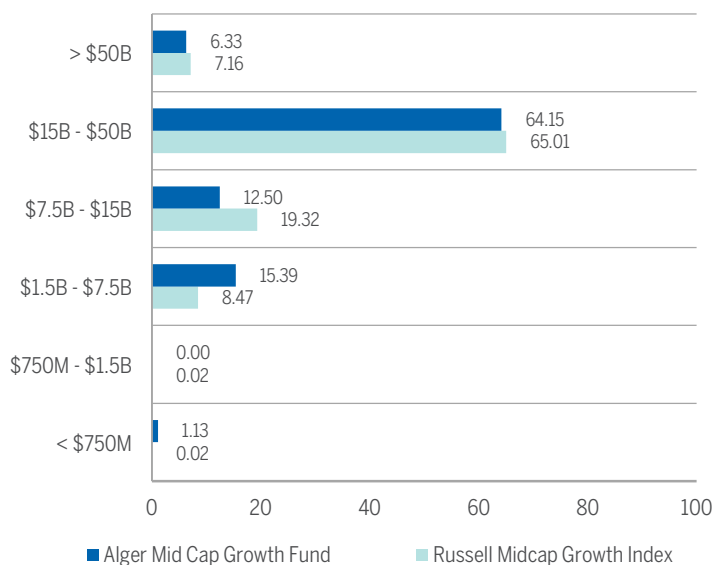
## Characteristics (as of 3/31/23)

	Alger Mid Cap Growth Fund	Russell Midcap Growth Index
Equity Holdings	59	397
Active Share (%)	77.93	—
Market Cap (Median-\$Bn)	\$20.52	\$11.57
Market Cap (Wtd Average-\$Bn)	\$27.13	\$26.50
P/E Ratio	29.33	21.56
Sales Growth (Next 12 Months) (%)	9.45	8.21
EPS Growth (3-5 Yr Forecasted) (%)	16.75	14.11

## Top 10 Holdings (%) (as of 3/31/23)

	Alger Mid Cap Growth Fund	Russell Midcap Growth Index	Active Weight
GFL Environmental Inc	3.44	—	3.44
West Pharmaceutical Services, Inc.	3.40	0.72	2.67
FirstService Corp	3.23	—	3.23
MSCI Inc. Class A	3.04	0.92	2.12
Constellation Software Inc.	2.99	—	2.99
Cadence Design Systems, Inc.	2.97	1.61	1.36
AutoZone, Inc.	2.86	1.18	1.68
Diamondback Energy, Inc.	2.78	0.39	2.39
TransDigm Group Incorporated	2.58	0.41	2.17
Chipotle Mexican Grill, Inc.	2.55	1.32	1.22
Total	29.84	6.56	23.28

## Market Capitalization (%) (as of 3/31/23)



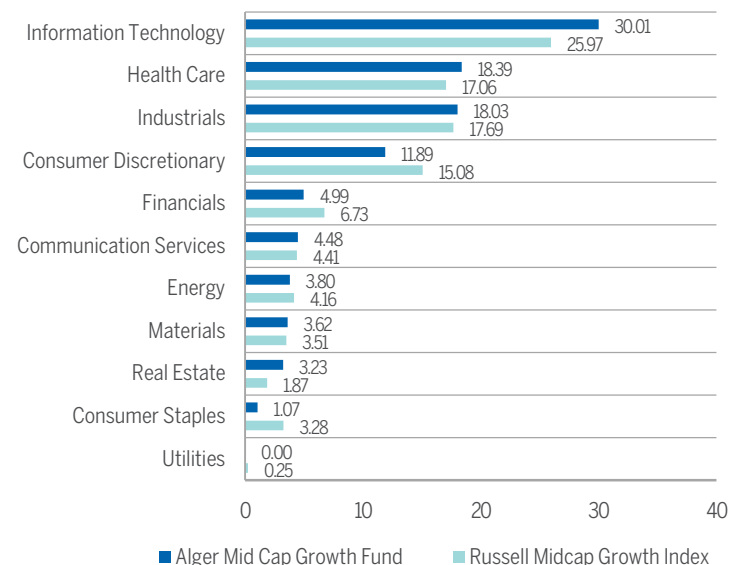
## Risk Metrics (5 Years as of 3/31/23 for Class A)

	Alger Mid Cap Growth Fund	Russell Midcap Growth Index
Alpha (%)	-0.87	—
Beta	1.03	1.00
Standard Deviation (%)	23.72	22.07
Sharpe Ratio	0.38	0.44
Information Ratio	-0.14	—
Upside Capture (%)	97.77	—
Downside Capture (%)	100.97	—

## Top 10 Active Holdings (%) (as of 1/31/23)

	Alger Mid Cap Growth Fund	Russell Midcap Growth Index	Active Weight
Constellation Software Inc.	3.19	—	3.19
FirstService Corp	2.84	—	2.84
Diamondback Energy, Inc.	3.15	0.41	2.74
HEICO Corporation	2.71	0.20	2.50
CoStar Group, Inc.	2.58	0.13	2.45
McKesson Corporation	2.40	—	2.40
TransDigm Group Incorporated	2.63	0.40	2.22
Novanta Inc	2.21	—	2.21
MSCI Inc. Class A	3.08	0.88	2.20
AutoZone, Inc.	3.36	1.18	2.18
Total	28.14	3.20	24.93

## Sector Allocation (%) (as of 3/31/23)



## 1st Quarter 2023

On September 10, 2021, the Alger Mid Cap Growth Fund received a Fair Fund distribution of \$9,346,397, which contributed approximately 0.60% and 0.31% to its five and ten year annual returns as of October 31, 2022, respectively.

**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. Local, regional or global events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases and similar public health threats, recessions, or other events could have a significant impact on investments. 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. Investing in companies of medium capitalizations involves the risk that such issuers may have limited product lines or financial resources, lack management depth, or have limited liquidity. 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, the Portfolio may hold a large cash position, which may underperform relative to equity securities. This material is not meant to provide investment advice and should not be considered a recommendation to purchase or sell securities.

Alger pays compensation to third party marketers to sell various strategies to prospective investors. Market capitalization and sector allocation are inclusive of cash but cash is not displayed in the chart. Top holdings are inclusive of cash but cash is not displayed as a top holding.

Risk metrics are statistical measures designed to show the expected risk for a portfolio and are not a measure of performance. Risk Metrics are sourced from Morningstar, an independent source, and include the impact of cash. Fred Alger Management, LLC, makes no representation that Morningstar is complete, reliable, or accurate.

Active Share is a measure of the percentage of stock holdings in a portfolio that differs from the benchmark index. The calculation is inclusive of cash. Alpha measures the difference between a portfolio's actual returns and its expected performance, given its level of risk (as measured by beta). Beta measures a portfolio's sensitivity to market movements relative to a particular index; a portfolio with a beta of 1.00 would be expected to have returns equal to such index. Characteristics are sourced from FactSet, an independent source, using all available data. Fred Alger Management, LLC, makes no representation that FactSet is complete, reliable, or accurate. With the exception of active share, the calculation excludes cash. Downside Capture Ratio measures a portfolio's performance in down markets relative to the benchmark. It is calculated by taking the portfolio's downside return and dividing it by the benchmark's downside return. A down-market is defined as those time periods in which market return is less than 0. Equity Holdings for the referenced product represents individual securities held, excluding private placements, private equity, rights, warrants, options, other derivatives, cash or cash equivalents and securities where the total market value in the portfolio is less than one dollar. A list of all holdings can be found at [www.alger.com](http://www.alger.com) for the applicable fund or composite.

Information Ratio was calculated as the portfolio's rate of return less the index's rate of return relative to the portfolio's standard deviation less the index's standard deviation for the period shown. P/E Ratios were calculated using a weighted harmonic average. Sales Growth and EPS Growth rates were calculated using a weighted median. Please note that alternative methodologies exist for calculating P/E Ratios, Sales Growth, and EPS Growth, and utilizing another methodology might produce materially different results than those shown. Earnings per share (EPS) is the portion of a company's earnings or profit allocated to each share of common stock. Sales Growth is a measure of the estimated sales growth rate of a company over the next 12-months. Sharpe Ratio was calculated as the portfolio's rate of return less the 3 month T-Bill's rate of return relative to the portfolio's standard deviation less the 3 month T-Bill's standard deviation for the period. Please note that using different points of comparison may have materially different results. Standard Deviation measures how much the portfolio's return has deviated from its average historical return. Upside Capture Ratio measures a portfolio's performance in up markets relative to the benchmark. It is calculated by taking the portfolio's upside return and dividing it by the benchmark's upside return. Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company. Neither Russell nor its licensors accept any liability for any errors or

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The Russell Midcap® Growth Index measures the performance of the mid-cap growth segment of the U.S. equity universe. It includes those Russell Midcap Index companies with higher growth earning potential as defined by Russell's leading style methodology. The Russell Midcap Growth Index is constructed to provide a comprehensive and unbiased barometer of the mid-cap growth market. Russell Midcap® Growth Index performance does not reflect deductions for fees or expenses. Investors cannot invest directly in any index. Index performance does not reflect deductions for taxes. Note that comparing the performance to a different index might have materially different results than those shown. **The performance data quoted represents past performance, which is not an indication or a guarantee of future results.**

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