

Transamerica Large Cap Value

A | TWQAX | 11/15/2010 C | TWQCX | 11/15/2010 I | TWQIX | 11/15/2010

Investment objective

The fund seeks long-term capital appreciation.

Key facts

Investment Manager

Transamerica Asset Management, Inc. (TAM)

Morningstar Category

Large Value

Lipper Category

Large-Cap Value Funds

Dividend Frequency

Quarterly

Benchmark

Russell 1000[®] Value Index

SUB-ADVISER



Great Lakes Advisors LLC (Great Lakes)

PORTFOLIO MANAGERS

Paul Roukis, CFA
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MACROECONOMIC OVERVIEW

Ignoring the negative headlines of tariffs, inflation and geopolitics, U.S. equity markets rallied to new highs in 2025 by taking their cue from stronger-than-expected economic growth and corporate profits. Incorporating a solid fourth-quarter finish, which saw the S&P 500[®] add just under 3%, the broader U.S. equity market ended the year ahead by nearly 18%, marking a third consecutive year of double-digit gains (+25% in 2024 and +26% in 2023). It has been a strong multi-year run for Corporate America. While earnings growth supported most of the gains in 2025, reflecting an estimated 10% plus increase in S&P 500[®] profits, sentiment also played a role as investors were willing to pay higher multiples on cash flow and earnings alongside the growing conviction the U.S. Federal Reserve (Fed) has their backs. As we enter 2026, it is difficult to ignore the strong momentum in the things that matter to U.S. equities: 1) corporate profits/economy complemented by unprecedented infrastructure investment; 2) monetary support; and 3) constructive fiscal policy. The flipside to this optimism is that it sets a high bar for expectations as we enter the new year, reflecting consensus views for another 14% jump in S&P 500[®] earnings and a market already trading at a forward-P/E multiple of 22x.

FUND OVERVIEW

For the quarter, Transamerica Large Cap Value outperformed the Russell 1000[®] Value benchmark on a gross-of-fees basis. Performance was mainly driven by positive stock selection, though sector allocation also provided a tailwind to results. At the sector level, the Fund's underweight to commercial services and telecommunications were positive contributors to relative performance, though this was partially offset by a modest underweight to technology. Stock selection was most favorable in the manufacturing and consumer discretionary sectors, with healthcare and consumer staples being the biggest detractors. The Russell 1000[®] Value benchmark ended the year with a risk-on tone. Absolute returns in the fourth quarter were solid led by the Technology, Transportation and Healthcare sectors. Conversely, investors gravitated away from yield-oriented holdings, such as Utilities, Telecommunications and Consumer Staples. The highest market beta and growthiest names in the benchmark outperformed, as did smaller market capitalization ones, which is a clear indication that investors are positioning for an acceleration in economic growth in 2026, especially with a Federal Reserve that seems less likely to stand in the way.

OUTLOOK

As investors, it's often productive to play devil's advocate, especially when sentiment is as one-sided as it seems right now. The reality is that it's hard to poke holes in the fundamental story for U.S. equities, which is why investors have been willing to bid up the broader market to 22x forward earnings. That said, it's important to note that that valuation multiple is based on forward earnings, which already incorporate a high hurdle of 14% growth. When expectations are high for the market, as they appear to us now, it's all-the-more important to stay focused on bottom-up stock selection. The large-cap value universe provides broad representation to a solid U.S. economy, and at valuations that appear reasonable for the associated risk, return and growth profiles. While Artificial Intelligence (AI) will remain the dominant theme in the market once again in 2026, and have a broad influence on investor sentiment, breadth appears to be finally expanding beyond this concentrated band of leadership, which should add to the opportunity set for bottom-up stock pickers.

All opinions, estimates, projections and security selections contained herein are those of the sub-adviser. It does not constitute investment advice and should not be used as a basis for any investment decision.

Average annual total returns and expense ratios (%)

	3M	YTD	1 YR	3 YRS	5 YRS	10 YRS	Inception	Gross	Net
Class I (at NAV)	6.70	23.94	23.94	17.98	14.87	11.36	11.95	0.72	0.63
Class A (at NAV)	6.68	23.54	23.54	17.58	14.46	10.99	11.56	0.99	0.99
Class A (at POP)	0.83	16.71	16.71	15.38	13.17	10.36	11.15	0.99	0.99
Russell 1000® Value Index	3.81	15.91	15.91	13.90	11.33	10.53	-	-	-

The data shown represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Please see [transamerica.com](https://www.transamerica.com) for performance data current to the most recent month-end. The investment return and principal value of mutual funds will fluctuate over time so that shares, when redeemed, may be worth more or less than their original cost. Net asset value (NAV) returns include reinvestment of dividends and capital gains but do not reflect the deduction of any sales charges. If a sales charge had been deducted, the results would have been lower. Public offering price (POP) returns include reinvestment of dividends and capital gains and reflect the maximum sales charge. Performance for other share classes will vary.

The Max Sales Charge for Class A shares is 5.50%. There are no sales charges for Class I shares. Class I shares are primarily offered for investment to institutional investors including, but not limited to, fee-based programs, pension plans, and certain endowment plans and foundations. The minimum investment for Class I shares is \$1,000,000 per fund account, but will be waived for certain investors.

Performance figures reflect any fee waivers and/or expense reimbursements by the Investment Manager. Without such waivers and/or reimbursements, the performance would be lower. Future waivers and/or reimbursements are at the discretion of the Investment Manager. Contractual arrangements, if any, have been made with Transamerica Asset Management, Inc. through 3/1/2026.

Top 10 holdings (%)

JPMorgan Chase & Co.	4.02
Alphabet, Inc., Class A	3.97
Wells Fargo & Co.	3.79
Exxon Mobil Corp.	3.16
Amazon.com, Inc.	3.11
Micron Technology, Inc.	2.94
RTX Corp.	2.94
Blackrock, Inc.	2.86
Abbott Laboratories	2.69
Parker-Hannifin Corp.	2.56
Total	32.04

Holdings and weights are subject to change and are not recommendations to buy or sell a security. Holdings display excludes net other assets (liabilities).

Contributors & Detractors (%)

Leading Contributors	Contribution	Weight*	Return**
Micron Technology Inc	1.52	2.79	70.75
Alphabet Inc Class A	0.95	3.75	28.84
General Motors Co	0.63	2.09	33.64

Leading Detractors	Contribution	Weight	Return
Meta Platforms Inc Class A	-0.21	1.86	-10.04
BLACKROCK INC COMMON STOCK	-0.27	3.04	-8.19
Motorola Solutions Inc	-0.28	1.48	-15.90

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*Average portfolio weight for each security during the course of the quarter, calculated using daily holdings.

**The return for each security corresponds to the portion of the quarter when the fund held the security.

The Russell 1000® Value Index is an unmanaged index used as a general measure of market performance. It is not possible to invest directly into an index. Calculations assume dividends and capital gains are reinvested and do not include any managerial expenses. Russell® and other service marks and trademarks related to the Russell indexes are trademarks of the London Stock Exchange Group companies.

The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions. If the market prices of the equity securities owned by the fund fall, the value of the fund will decline. Value approach carries the risk that the market will not recognize a security's intrinsic value for a long time or that an undervalued stock is actually appropriately priced. The Fund may be more concentrated than that of a more diversified fund, subjecting it to greater fluctuation and risk.

Shares may be sold (or "redeemed") on any day the New York Stock Exchange is open for business. Proceeds from the redemption of shares will usually be sent to the redeeming shareholder within two business days after receipt in good order of a request for redemption. However, Transamerica Funds has the right to take up to seven days to pay redemption proceeds, and may postpone payment under certain circumstances, as authorized by law.

Mutual funds are subject to market risk, including loss of principal. Past performance is not indicative of future results.

Mutual funds are sold by prospectus. Before investing, consider the funds' investment objectives, risks, charges, and expenses. This and other important information is contained in the prospectus. Please visit [transamerica.com](https://www.transamerica.com) or contact your financial professional to obtain a prospectus or, if available, a summary prospectus containing this information.

Please read it carefully before investing.

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