

## Transamerica International Focus

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### Investment objective

The fund seeks long-term capital appreciation.

### Key facts

#### Investment Manager

Transamerica Asset Management, Inc. (TAM)

#### Morningstar Category

Foreign Large Growth

#### Lipper Category

International Multi-Cap Growth

#### Dividend Frequency

Annually

#### Benchmark

MSCI EAFE Index

### SUB-ADVISER



**SANDS CAPITAL**

Sands Capital Management, LLC (Sands Capital)

#### PORTFOLIO MANAGERS

Danielle J. Menichella, CFA

Michael F. Raab, CFA

Sunil H. Thakor, CFA

### MACROECONOMIC OVERVIEW

In the first quarter of 2025, non-U.S. markets showed mixed performance. Looking to Europe, equities experienced a notable upswing during the quarter. The anticipation of a ceasefire in Ukraine significantly boosted investor confidence. This optimism was further supported by substantial defense spending initiatives across the continent. In particular, German equities experienced one of the best starts to a year since German reunification in 1990. The Euro Stoxx 600 index ended the quarter up over seven percent compared to a nearly five percent decline for the S&P 500. In contrast, Asian developed markets faced headwinds. Japan's Nikkei 225 and South Korea's Kospi indices declined by nearly 10 percent, driven by concerns over impending U.S. tariffs affecting major trading partners. Stylistically, value outperformed growth by the largest margin since 2022 as measured by the MSCI EAFE Value and Growth indexes.

### FUND OVERVIEW

Transamerica International Focus underperformed the MSCI EAFE index during the quarter. Security selection regional and sector allocation and currency drove investment results. From a sector perspective, information technology was the top detractor and materials was the top contributor. From a regional perspective, Western Europe was the top detractor, while Developed Asia was the top contributor. The top absolute contributors were Safran (4.15% as of 3/31/2025), Waste Connections (4.08%), Linde (3.96%), CTS Eventim (2.90%), and SAP (3.76%). The top absolute detractors were ASM International (2.73%), Taiwan Semiconductor (3.45%), Alimentation Couche-Tard (2.92%), Shopify (3.05%), and ICON (1.57%). Waste Connections shares rose after issuing in-line guidance and demonstrating strong pricing, with six percent growth expected in 2025—well above inflation. Despite one-time headwinds from a landfill closure, margins held steady, and the company remains on track for further expansion as high-margin renewable natural gas projects come online in 2026 and 2027. With record M&A in 2024 and solid momentum into 2025, Sands Capital continues to expect durable mid-teens earnings growth. Taiwan Semiconductor (TSMC) shares declined as part of the broader correction in AI-related infrastructure stocks. Despite near-term volatility, we continue to view TSMC as a key beneficiary of AI chip demand. While the rise of models like DeepSeek has raised concerns about demand, Sands Capital believes greater artificial intelligence (AI) accessibility will drive increased need for advanced semiconductor manufacturing. Sands Capital segments the Fund into three categories: 1. Higher Growth - These are rapidly growing businesses with a wider cone of potential outcomes. These businesses can make up no more than 25 percent of the portfolio. 2. Compounders - These are established businesses with strong competitive moats that have highly visible above-average long-duration growth. These businesses are more insulated from economic cycles. Compounders can make up to 50-70 percent of the portfolio. 3. Growth Cyclical - These are above-average cross-cycle growth businesses with known sensitivity to industry or economic cycles. Growth Cyclical can make up no more than 25 percent of the portfolio. At the end of the first quarter, the Fund had a 59 percent allocation to compounders, a 25 percent weight to growth cyclical, and a 11 percent weight to higher growth.

### OUTLOOK

Sands Capital expect 2025 to be a volatile year, shaped by ongoing geopolitical tensions, divergent central bank actions, and shifting dynamics in the global economy. But as growth investors, Sands Capital is not investing for the next quarter—it is investing for the next decade. The fund is designed with that long-term perspective in mind. By focusing on high-quality businesses with enduring competitive advantages, strong balance sheets, and large addressable markets, Sands Capital believes the fund is well-positioned to navigate this period of heightened volatility. Times of dislocation often create the best opportunities for long-term investors who can look through the noise and focus on the fundamentals.

**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)	-0.31	-0.31	-7.94	-0.58	8.88	-	3.38	0.90	0.80
Class A (at NAV)	-0.46	-0.46	-8.34	-0.88	8.54	-	3.10	1.48	1.20
Class A (at POP)	-5.99	-5.99	-13.36	-2.74	7.32	-	2.28	1.48	1.20
MSCI EAFE Index	7.01	7.01	5.41	6.60	12.31	-	-	-	-

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://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 (%)

Compass Group PLC	4.16
Safran SA	4.15
Waste Connections, Inc.	4.08
ITOCHU Corp.	4.07
Linde PLC	3.96
SAP SE	3.76
Sika AG	3.76
Constellation Software, Inc.	3.61
Taiwan Semiconductor Manufacturing Co. Ltd.	3.45
Keyence Corp.	3.42
<b>Total</b>	<b>38.42</b>

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**
SAFRAN SA COMMON STOCK EUR.2	0.69	3.83	19.84
Waste Connections Inc	0.58	4.35	13.95
Linde PLC	0.42	3.69	11.59
Leading Detractors	Contribution	Weight	Return
Shopify Inc Registered Shs -A- Subord Vtg	-0.38	3.36	-10.58
Taiwan Semiconductor Manufacturing Co Ltd ADR	-0.56	3.02	-15.62
ASM INTERNATIONAL NV COMMON STOCK EUR.04	-0.71	2.99	-21.27

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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.

Effective October 25, 2024, Transamerica International Focus had a sub-adviser change and is now managed by Sands Capital Management, LLC.

The MSCI EAFE 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.

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. Growth stocks typically are particularly sensitive to market movements and may involve larger price swings because their market prices tend to reflect future expectations. Investments in global/international markets involve risks not associated with U.S. markets, such as currency fluctuations, adverse social and political developments, and the relatively small size, lower market volumes and lesser liquidity of the markets. Investments in developing markets involve greater risks than investments in developed markets.

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://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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