

Transamerica International Focus

A | TGRHX | 03/01/2018 | TGRGX | 03/01/2018

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 Large-Cap Growth

Dividend Frequency

Annually

Benchmark

MSCI EAFE Index

SUB-ADVISER



Sands Capital Management, LLC (Sands Capital)

PORTFOLIO MANAGERS

Danielle J. Menichella, CFA

Michael F. Raab, CFA

Sunil H. Thakor, CFA

MACROECONOMIC OVERVIEW

International equity markets delivered a constructive quarter, supported by resilient earnings, easing inflation, and greater policy clarity. European equities reached record highs as strong earnings, declining inflation, and clearer central bank guidance boosted confidence. The STOXX Europe 600 rose about 4.8 percent, led by banks, industrials, and materials, with attractive valuations versus the U.S. supporting risk appetite. Asian equities also advanced, though unevenly. North Asia benefited from semiconductor demand, while Greater China lagged amid property stress. Japan and Southeast Asia posted modest gains, with leadership increasingly concentrated in Artificial Intelligence (AI)-exposed, policy-stable markets. The fourth quarter capped off the worst year for developed ex-U.S. growth equities compared to their value counterparts since 1975.

FUND OVERVIEW

Transamerica International Focus underperformed the MSCI EAFE during the quarter. Security selection drove results with additional headwinds from sector and regional allocation. From a sector perspective, real estate and communication services were the top contributors to relative results, while consumer discretionary and financials were the top detractors. From a regional perspective, Norway and Taiwan were the top contributors and the United Kingdom and Japan were the top detractors. The top absolute contributors were SalMar (4.23% as of 12/31/2025), Taiwan Semiconductor (5.84%), Itochu (5.12%), HOYA (3.86%), and AIA (3.89%). The top absolute detractors were Ajinomoto (3.33%), Ferrari (3.31%), 3i Group (3.43%), Coupang (1.88%), and Wolters Kluwer (2.02%). Taiwan Semiconductor (TSMC), (5.84%), reported strong results for the most recent quarter. It continues to execute well on advanced-node yield improvements and capacity expansions to meet accelerating AI compute demand. TSMC remains a key beneficiary of this trend. New AI-related partnerships announced over the past several months support a growing multi-year revenue pipeline. Ajinomoto's shares fell after second-quarter results as investors focused on continued weakness in the Frozen Foods segment. While overall sales and profits were flat and full-year guidance was maintained, declines in Frozen Foods raised concerns about near-term earnings and execution. Growth in Functional Materials and Healthcare was not enough to offset these pressures, leading to weaker sentiment despite solid long-term fundamentals.

OUTLOOK

Sands Capital believes the fund is well positioned for attractive long-term returns. Today, the fund is growing earnings at a rate meaningfully above the broader market, supported by businesses with durable competitive advantages, strong balance sheets, and attractive profitability. Yet despite this strength, the fund trades at one of the lowest valuation discounts to the ex-U.S. equity market. In Sands Capital's view, this disconnect between business fundamentals and market sentiment is unlikely to persist and many of the fund's businesses are now undervalued, underappreciated, or misunderstood. Market conditions over the past several years have favored narrow leadership, short time horizons, and sentiment-driven pricing. While these dynamics may continue episodically, they have also created distinct opportunities to build positions in high-quality growth businesses at valuations that are increasingly compelling. The fund has been actively refreshed, with new investments that Sands Capital believe enhance quality and growth potential while maintaining disciplined exposure across sectors and growth drivers, including AI. Sands Capital does not believe the sub-adviser's investment process or criteria are broken; rather, the market has temporarily favored factors that sit outside Sands Capital's long-term focus. Periods of sustained valuation compression alongside strong earnings growth have historically preceded improved outcomes. With earnings expectations intact, balance-sheet strength high, and valuations near cyclical lows, Sands Capital believes the portfolio is well positioned for recovery and is optimistic about the road ahead.

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 A (at NAV)	-4.89	6.57	6.57	5.73	0.71	-	3.70	1.48	1.20
Class I (at NAV)	-4.86	6.79	6.79	6.03	1.01	-	3.96	0.90	0.80
Class A (at POP)	-10.10	0.66	0.66	3.76	-0.42	-	2.95	1.48	1.20
MSCI EAFE Index	4.91	31.89	31.89	17.82	9.47	-	-	-	-

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.

Contributors & Detractors (%)

Leading Contributors	Contribution	Weight*	Return**
SALMAR ASA COMMON STOCK NOK.25	0.52	3.99	14.60
ITOCHU CORP COMMON STOCK	0.48	4.73	10.42
Taiwan Semiconductor Manufacturing Co Ltd ADR	0.48	5.56	9.09
Leading Detractors	Contribution	Weight	Return
Ferrari NV	-0.80	3.31	-22.61
3I GROUP PLC COMMON STOCK GBP.738636	-0.88	3.25	-21.25
AJINOMOTO CO INC COMMON STOCK	-1.09	3.86	-26.39

Source: Morningstar Direct. ©2025 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

*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.

Top 10 holdings (%)

Taiwan Semiconductor Manufacturing Co. Ltd.	5.84
ITOCHU Corp.	5.12
Safran SA	5.08
Salmar ASA	4.23
AIA Group Ltd.	3.89
Hoya Corp.	3.86
Compass Group PLC	3.69
Pan Pacific International Holdings Corp.	3.62
3i Group PLC	3.43
Waste Connections, Inc.	3.39
Total	42.15

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

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://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.

Transamerica Funds are advised by Transamerica Asset Management, Inc. (TAM) and distributed by Transamerica Capital, LLC, member FINRA. Transamerica Companies and Sands Capital are not affiliated companies. 1801 California St. Suite 5200, Denver, CO 80202

© 2026 Transamerica Corporation. All Rights Reserved.

112468R28

01/26