Calamos Timpani Small Cap Growth Fund Quarterly Commentary

Summary

- Small-cap stocks extended their leadership over the quarter.
- We see significant and sustained upside for small caps from here, supported by fundamental earnings growth momentum, with attractive valuations increasing the appeal of the asset class.
- The Calamos Timpani funds both outperformed their peers and benchmarks over the quarter, demonstrating the value of our process and security selection, which rewards companies with sustainably fast and underestimated growth.

Investment Manager Discussion

Despite continued high geopolitical tensions and the perception of a more hawkish US Federal Reserve, small caps, as measured by the Russell 2000 Index, rose each month of the quarter and led the overall stock market by a wide margin. This small-cap leadership is a surprise to many and a continuation of a trend that started about 14 months ago, following the longest stretch of small-cap relative underperformance on record (more than 8 years).

Calamos Timpani Small Cap Growth Fund (CTSIX)

Morningstar Overall Rating™

★★★★★

Among 522 Small Growth Funds.

The Fund's risk-adjusted returns based on load-waived Class I Shares had 5 stars for 3 years, 4 stars for 5 years, and 5 stars for 10 years out of 522, 499 and 401 Small Growth Funds, respectively, for the period ended 6/30/2026.

Commentary continues page 2…

DATA AS OF 6/30/26

CALAMOS TIMPANI SMALL CAP GROWTH FUND AVERAGE ANNUAL RETURNS (%)

	QTD	1-YEAR	3-YEAR	5-YEAR	10-YEAR	SINCE I SHARE INCEPTION	SINCE A SHARE INCEPTION
Calamos Timpani Small Cap Growth Fund							
I Shares - at NAV (Inception—3/23/11)	39.42	64.84	34.66	10.24	18.32	14.69	N/A
A Shares - at NAV (Inception—1/6/14)	39.36	64.47	34.32	9.97	17.98	N/A	13.14
A Shares Load adjusted	32.74	56.67	32.17	8.90	17.40	N/A	12.70
Russell 2000 Growth Index	25.71	38.74	18.44	5.57	11.97	10.93	9.74
Morningstar Small Growth Category	24.47	33.31	16.04	4.65	12.46	10.45	9.54

Performance data quoted represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance quoted. Please refer to Important Risk Information. The principal value and return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance reflected at NAV does not include the Fund's maximum front-end sales load of 4.75%. Had it been included, the Fund's return would have been lower. You can obtain performance data current to the most recent month end by visiting www.calamos.com.

The funds' gross expense ratios as of the prospectus dated 2/27/2026 are as follows: A Shares 1.34%, C Shares 2.09%, I Shares 1.09% and R6 Shares 0.99%.

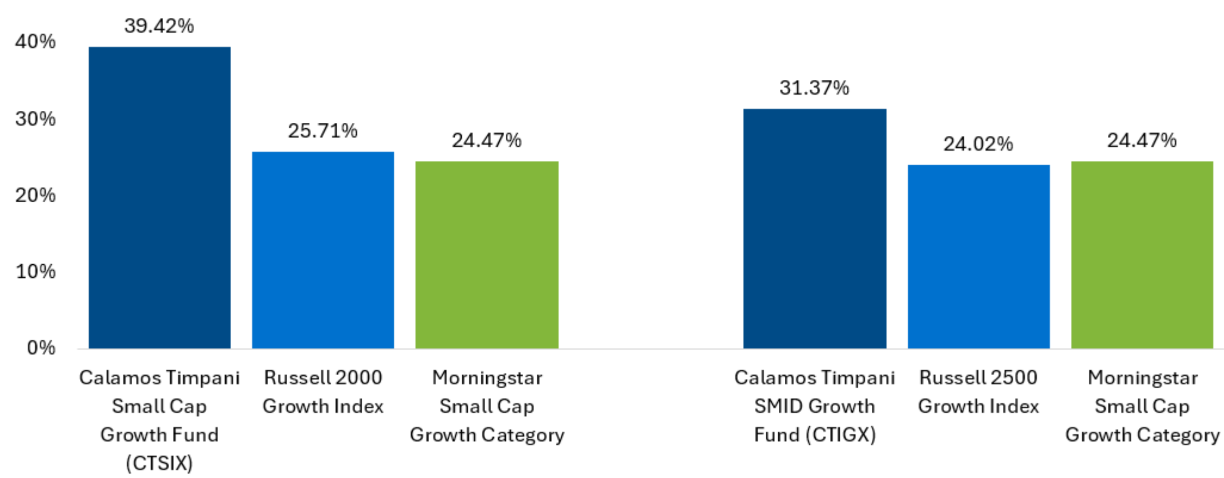
Class I shares are offered primarily for direct investment by investors through certain tax-exempt retirement plans and by institutional clients, provided such plans or clients have assets of at least $1 million. For eligibility requirements and other available share classes see the prospectus and other Fund documents at www.calamos.com.

Specifically, for the quarter, the Russell 2000 Index outperformed the Russell 1000 Index by 635 basis points. Since the small-cap rally started on April 9, 2025, the Russell 2000 Index has outperformed by 1,614 basis points. Micro caps, the smallest of the small, outperformed large caps by over 4,000 basis points.[1]

After several years of mega-cap dominance, the market is showing an appetite to broaden into other areas, including small caps. And why not? Small caps are relatively inexpensive and, importantly, are showing an accelerating earnings growth trajectory projected to last into 2027.[2] This strong earnings profile should support continued small-cap outperformance.

Speaking of performance, the Calamos Timpani Small Cap Growth Fund (CTSIX) and Calamos Timpani SMID Growth Fund (CTIGX) had excellent quarters in absolute and relative terms. Each fund rose meaningfully and outperformed its respective benchmark and Morningstar category average by a wide margin during the quarter. Even more impressive, it was a difficult quarter for the average small-cap growth and SMID-cap growth active manager. Small-cap growth managers clocked in average underperformance of 114 basis points versus the Russell 2000 Growth Index, while SMID growth managers lagged the Russell 2500 Growth Index by 259 basis points on average.[3]

Calamos Timpani Funds: Outdistancing the Pack in 2Q



Source: Morningstar as of 6/30/26. Performance data quoted represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance quoted. Please refer to Important Risk Information. The principal value and return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance reflected at NAV does not include the Funds' maximum front-end sales load of 4.75%. Had it been included, the Funds' return would have been lower. All performance shown assumes reinvestment of dividends and capital gains distributions. As of the prospectus dated 2/27/2026, CTSIX's gross expense ratio is 1.09% and CTIGX's gross expense ratio is 1.40%.

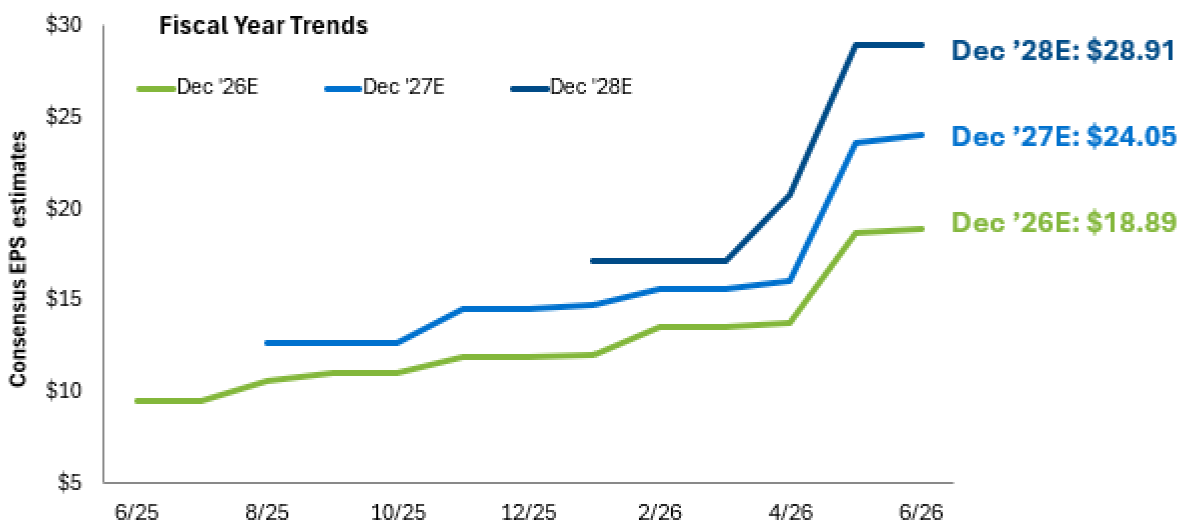
The strong fund performance was driven by a combination of our fundamental momentum investment style (i.e., sustainably fast and underestimated growth), along with our stock picking and positioning within that investment framework. For both funds, our ratio of big winners to big losers was skewed toward winners, driven by niche positioning within a variety of themes and company-specific situations.

In my commentaries over the years, I've described the Timpani investment process as "fundamental momentum," but what does it look like in practice? The following chart illustrates the idea with an (unnamed) portfolio example. It shows the one-year trend of consensus analyst earnings-per-share estimates (EPS) for 2026, 2027, and 2028. Notice two things:

1. The lines are far apart from one another, indicating fast growth (27% growth in 2027 versus 2026 and 20% growth in 2028 versus 2027); and
2. The lines all rise over time, indicating positive revisions (implying the growth had been underestimated) for each year.

Fundamental momentum, as we define it, is sustainably fast and underestimated growth, both of which are on full display in this chart. This is the exact outcome we consistently seek.

Case Study in Fundamental Momentum: Fast Growth and Positive Revisions Year Over Year



Past performance is no guarantee of future results. Source: Calamos Investments. For illustrative purposes only.

What's not shown on the chart is the performance of this individual stock over the past year. We can see that the 2026 and 2027 EPS estimates each rose by about 100%. Logically, one would think the stock would also rise by about 100% over this same period. In fact, in this case, the stock rose by about 250%! The market was so impressed with the fundamental momentum profile that it decided the stock shouldn't only rise in sync with the revision profile but instead deserved a higher valuation multiple on that earnings profile. This combination of fundamental momentum along with rising valuation multiples is normal and precisely why we utilize this strategy. We specifically look for setups with this profile and sell when we see early signs of fatigue in the fundamental momentum profile, which is often a leading indicator of negative analyst revisions and compression in valuation multiples.

We've been good at consistently finding fundamental momentum, and since early 2024, the market has been embracing it and disproportionately rewarding many of the stocks in our strategy. We've seen similar upcycles before and suspect this one could continue. That, along with our exposure to an improving small-cap asset class, keeps me upbeat about the future.

Brandon Nelson, CFA
SVP and Senior Portfolio Manager

July 1, 2026

Market Overview

The second quarter of 2026 delivered a remarkable turnaround for US equities, with the S&P 500 surging 15%—the strongest quarterly performance in six years and, notably, the best second-quarter return of any midterm election year on record. After a difficult first quarter dominated by fears surrounding the Iran conflict, markets found their footing as talk of ceasefires and agreements eased pressure on energy prices and gave interest rates room to stabilize. The rally was refreshingly broad-based. While technology led the way, all size and style segments advanced, with small and mid caps outpacing large caps. Underpinning it all was exceptional earnings strength and forward-looking 2026 and 2027 earnings estimates revised meaningfully higher across nearly every sector, evidence that this rally is being driven by fundamentals rather than multiple expansion alone.

Looking at the quarter within the Russell 2000 Growth Index (+25.71%), information technology (+46.8%) was the big winner after being last quarter's laggard. Industrials (+28.0%), real estate (+25.4%), and health care (+25.1%) all showed strong performance, with communication services (+20.8%), financials (+20.3%), consumer discretionary (+16.3%), and consumer staples (+14.0%) also delivering double-digit returns but lagging the index. Utilities (+4.7%) and materials (+1.6%) finished in positive territory for the quarter, but energy (-2.3%) trailed with a negative return after leading the index last quarter.

Performance Review

For the quarter ended June 30, 2026, Calamos Timpani Small Cap Growth Fund returned 39.42% (Class I shares at NAV), strongly outperforming the Russell 2000 Growth Index return of 25.71%.

Positive Influences on Performance

Information Technology. The fund benefited from leading security selection and an average overweight position in information technology. Semiconductor materials & equipment names notably helped, as did semiconductors.

Financials. Leading security selection and an average underweight position in financials added to the portfolio's performance. Holdings in consumer finance helped, and our lack of representation in regional banks assisted relative returns.

Negative Influences on Performance

Health Care. Security selection and an average underweight stance in the health care sector held back returns, as holdings in the biotechnology and managed health care industries hurt relative performance.

Consumer Discretionary. An average overweight stance in consumer discretionary, specifically in the other specialty retail and restaurants industries, lagged on a relative basis.

Small Cap Growth Fund Holdings – Contributors

Dave Inc. (DAVE)

4.7% of fund as of 6/30/26

Profile: Dave Inc. is a United States financial technology company and digital banking platform, best known for ExtraCash, a short-term liquidity product offered as an alternative to overdraft fees. The company was founded in 2016, is headquartered in Los Angeles, and is categorized within the financials sector consumer finance industry. Its common stock trades on the Nasdaq under the ticker DAVE.

Analysis: Dave's strong stock performance, up +114% for the quarter, was driven by a continued earnings inflection. First-quarter results reported during the period showed revenue up roughly 47% year over year, net income more than doubling, and a sizable earnings beat alongside a raised full-year 2026 outlook and meaningful share repurchases. Improving credit quality and expanding monetization reinforced confidence in the durability of growth, while positive analyst revisions amplified sentiment during the quarter. Dave was the principal driver of the portfolio's strong selection result within financials, and we added to the position during the period.

Silicon Motion Technology Corp. ADR (SIMO)

3.1% of fund as of 6/30/26

Profile: Silicon Motion Technology Corporation is the global leader in designing and marketing NAND flash controllers for solid state storage devices, supplying controllers for solid state drives as well as embedded storage used in smartphones, data centers, and industrial and automotive applications. The company is headquartered in Milpitas, California with a major office in Taipei, Taiwan, and is categorized within the information technology sector semiconductors industry. Its shares trade on the Nasdaq under the ticker SIMO.

Analysis: Silicon Motion's strong stock performance, up +197% for the quarter, was driven by a decisive earnings inflection. First-quarter results reported during the period delivered record revenue of roughly $342 million, up about 105% year over year, a sizable EPS beat, and expanding margins, with management guiding second-quarter revenue sharply higher. Accelerating AI-driven demand for memory and storage, a NAND supply shortage expected to persist into 2027, and early ramps of their products reinforced confidence in the durability of growth, while a wave of analyst upgrades and estimate revisions amplified positive sentiment during the quarter.

Small Cap Growth Fund Holdings – Detractors

Credo Technology Group (CRDO)

Profile: Credo Technology Group Holding Ltd. provides high-speed connectivity solutions, including its ZeroFlap active electrical cables, optical DSPs, and SerDes-based products used in data center and artificial intelligence infrastructure. The company was founded in 2008, has principal operations in San Jose, California, and is categorized within the information technology sector semiconductors industry.

Analysis: Credo was not held in the portfolio during the period while carrying an average benchmark weight of roughly 1.8%. Its shares surged over the quarter, supported by an acquisition that expanded its silicon photonics capability, a fiscal year-end earnings report showing revenue up more than 150% year over year with guidance for continued strong growth, and a series of AI infrastructure design wins. Because the stock was a strong contributor to the index and the fund did not own it, Credo's absence detracted -147 bps on a relative basis. Within the semiconductors industry, the portfolio's strong selection more than offset the drag from not owning the name.

Bloom Energy Corp. (BE)

3.1% of fund as of 6/30/26

Profile: Bloom Energy designs and manufactures solid oxide fuel cell platforms that generate electricity on site, increasingly deployed as a fast-to-install power source for AI data centers facing grid constraints. The company was founded in 2001, is headquartered in San Jose, California, and is categorized within the industrials sector heavy electrical equipment industry.

Analysis: Although Bloom Energy rose sharply during the period, up +123%, driven by a first quarter report with revenue above $750 million and raised full-year guidance, together with a series of large AI data center power agreements, the position detracted on a relative basis. It was held at an average weight of roughly 1.1% versus about 3.2% in the benchmark, and the underweight to such a strong index performer cost -102 bps, the primary reason being that heavy electrical equipment weighed on the industrials selection. We increased the position during the period, though it remained an underweight relative to the benchmark, and the industrials sector overall was additive for the portfolio.

Positioning and Portfolio Changes

From a sector perspective, the Small Cap Growth Fund's largest absolute weights are in information technology and industrials. Conversely, materials and energy represent the smallest absolute sector weights. The portfolio had no exposure to the real estate, utilities, and communication services sectors. We maintain overweight allocations in information technology and industrials versus the index. Semiconductors (within information technology) and industrial machinery & supplies & components (within industrials) constitute the most significant relative overweights. The significant industry underweight positions are biotechnology and application software.

During the quarter, the portfolio's increased allocation in financials represented the largest absolute change, owing to strong performance and the addition of new names, elevating the portfolio's underweight at the start of the quarter to a market weight. By contrast, allocations to consumer discretionary and industrials decreased over the period with reductions to restaurants and aerospace & defense.

For additional information or to download a fact sheet, please visit the fund's profile page:
CTSIX - Timpani Small Cap Growth Mutual Fund | Calamos Investments

Before investing carefully consider the fund's investment objectives, risks, charges and expenses. Please see the prospectus and summary prospectus containing this and other information which can be obtained by calling 1-866-363-9219. Read it carefully before investing.

The opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes only and should not be considered investment advice.

Portfolios are managed according to their respective strategies which may differ significantly in terms of security holdings, industry weightings and asset allocation from those of the benchmark(s). Portfolio performance, characteristics and volatility may differ from the benchmark(s) shown.

Notes

EBITDA stands for earnings before interest, taxes, depreciation, and amortization; it reflects a firm's short-term operational efficiency and is used to determine operating profitability.

Index Definitions

Morningstar Small Growth Category includes small-growth portfolios that focus on faster-growing companies whose shares are at the lower end of the market-capitalization range. The **Russell 2000® Growth Index** measures the performance of the small-cap growth segment of the US equity universe. It includes those Russell 2000 companies with higher price-to-value ratios and higher forecasted growth values. The **Russell 2000 Growth Index** is published and maintained by FTSE Russell. The **Russell Top 200® Index** measures the performance of the largest cap segment of the US equity universe. The **Russell Midcap® Index** measures the performance of the mid-cap segment of the US equity universe. The **Russell 2000® Index** measures the performance of the small-cap segment of the US equity universe. The growth indices are constructed to provide a comprehensive and unbiased barometer of the growth market. The value indices are constructed to provide a comprehensive and unbiased barometer of the value market. **CUSIP** identifiers have been provided by CUSIP Global Services, managed on behalf of the American Bankers Association by S&P Global Market Intelligence LLC, and are not for use or dissemination in a manner that would serve as a substitute for any CUSIP service. The **CUSIP Database**, © 2011 American Bankers Association. "CUSIP" is a registered trademark of the American Bankers Association. The **S&P 500 Index** is generally considered representative of the US stock market. The **S&P 500 Value Index** measures the performance of stocks within the S&P 500 Index that have value-oriented characteristics, such as lower price-to-earnings ratios and price-to-book ratios. The **S&P 500 Growth Index** measures the performance of stocks within the S&P 500 Index that have growth-oriented characteristics, such as higher earnings growth rates and higher price-to-earnings ratios.

Unmanaged index returns assume reinvestment of any and all distributions and, unlike fund returns, do not reflect fees, expenses or sales charges. Investors cannot invest directly in an index.

Important Risk Information

An investment in the Fund(s) is subject to risks, and you could lose money on your investment in the Fund(s). There can be no assurance that the Fund(s) will achieve its investment objective. Your investment in the Fund(s) is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. The risks associated with an investment in the Fund(s) can increase during times of significant market volatility. The Fund(s) also has specific principal risks, which are described below. More detailed information regarding these risks can be found in the Fund's prospectus.

The principal risks of investing in the **Calamos Timpani Small Cap Growth Fund** include: equity securities risk consisting of market prices declining in general, growth stock risk consisting of potential increased volatility due to securities trading at higher multiples, and portfolio selection risk. The Fund invests in small capitalization companies, which are often more volatile and less liquid than investments in larger companies.

As a result of political or economic instability in foreign countries, there can be special risks associated with investing in foreign securities, including fluctuations in currency exchange rates, increased price volatility and difficulty obtaining information. In addition, emerging markets may present additional risk due to potential for greater economic and political instability in less developed countries.

The chart shows the performance of the Predecessor Fund's Institutional Class, which has been adopted by the Class I shares of the Fund for periods prior to the Reorganization. The information shows you how the Predecessor Fund's performance has varied year by year and provides some indication of the risks of investing in the Fund. The average annual total return table compares the Predecessor Fund's Institutional Class performance, adopted by the Fund's Class I shares, and Class Y performance, adopted by the Fund's Class A shares and adjusted to reflect the maximum sales load of 4.75%, to that of the Russell 2000 Growth Index. "Since Inception" return shown for the Russell 2000 Growth Index is the return since the inception of the Predecessor Fund's Class Y shares. An index reflects no deduction for fees, expenses or taxes. To the extent that dividends and distributions have been paid by the Predecessor Fund, the performance information for the Predecessor Fund in the chart and table assumes reinvestment of dividends and distributions. If the Predecessor Fund's investment adviser had not waived or reimbursed certain Predecessor Fund expenses during these periods, the Predecessor Fund's returns would have been lower. As always, please note that the Fund's past performance (before and after taxes) cannot predict how it will perform in the future.

The principal risks of investing in the **Calamos Timpani SMID Growth Fund** include: equity securities risk consisting of market prices declining in general, growth stock risk consisting of potential increased volatility due to securities trading at higher multiples, and portfolio selection risk. The Fund invests in small-capitalization companies, which are often more volatile and less liquid than investments in larger companies. As a result of political or economic instability in foreign countries, there can be special risks associated with investing in foreign securities, including fluctuations in currency exchange rates, increased price volatility, and difficulty obtaining information. In addition, emerging markets may present additional risk due to the potential for greater economic and political instability in less developed countries.

Morningstar Ratings™ are based on risk-adjusted returns and are through 6/30/26 for the share class listed and will differ for other share classes. Morningstar ratings are based on a risk-adjusted return measure that accounts for variation in a fund's monthly historical performance (reflecting sales charges), placing more emphasis on downward variations and rewarding consistent performance. Within each asset class, the top 10%, the next 22.5%, 35%, 22.5%, and the bottom 10% receive 5, 4, 3, 2 or 1 star, respectively. Each fund is rated exclusively against US domiciled funds. The information contained herein is proprietary to Morningstar and/or its content providers; may not be copied or distributed; and 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. Source: ©2026 Morningstar, Inc.

[1] Source for index returns: FTSE Russell. The Russell 2000 Index returned 21.49% for the three months ending June 30, 2026; the Russell 1000 Index returned 15.14%, for a difference of 635 basis points. For the period from April 9, 2025, through June 30, 2026, the Russell 1000 Index returned 41.26%; the Russell 2000 Index returned 57.40% (a difference of 1,614 basis points); and the Russell Microcap Index returned 81.90% (4,064 basis points more than the Russell 1000 Index). [2] Source for earnings growth projections: RBC. [3] Source for small-cap growth and SMID-cap growth manager performance: Jefferies.

CALAMOS® INVESTMENTS

Calamos Financial Services LLC, Distributor
2020 Calamos Court | Naperville, IL 60563-2787
866.363.9219 | calamos.com | caminfo@calamos.com

SCGCOM 20295 0626