

ALGER

THE ALGER  
PORTFOLIOS

Alger Small Cap Growth Portfolio

ANNUAL FINANCIAL  
STATEMENTS AND OTHER  
INFORMATION

DECEMBER 31, 2024



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**ALGER SMALL CAP GROWTH PORTFOLIO**  
**Schedule of Investments December 31, 2024**

	SHARES	VALUE
<b>COMMON STOCKS—95.6%</b>		
<b>AEROSPACE &amp; DEFENSE—1.4%</b>		
Bombardier, Inc., Cl. B*	20,745	\$ 1,410,709
Loar Holdings, Inc.*	8,602	635,774
		<b>2,046,483</b>
<b>APPAREL RETAIL—3.5%</b>		
Abercrombie & Fitch Co., Cl. A*	5,346	799,067
Aritzia, Inc.*	43,083	1,601,694
Victoria's Secret & Co.*	69,753	2,889,169
		<b>5,289,930</b>
<b>APPLICATION SOFTWARE—22.0%</b>		
ACI Worldwide, Inc.*	8,592	446,011
AppFolio, Inc., Cl. A*	2,210	545,251
BILL Holdings, Inc.*	13,868	1,174,758
Blackbaud, Inc.*	17,553	1,297,518
BlackLine, Inc.*	23,074	1,401,976
Clearwater Analytics Holdings, Inc., Cl. A*	52,216	1,436,984
Guidewire Software, Inc.*	20,160	3,398,573
InterDigital, Inc.	8,528	1,652,044
Manhattan Associates, Inc.*	19,528	5,277,247
nCino, Inc.*	44,383	1,490,381
Q2 Holdings, Inc.*	53,844	5,419,399
SPS Commerce, Inc.*	24,641	4,533,697
Vertex, Inc., Cl. A*	92,716	4,946,399
		<b>33,020,238</b>
<b>ASSET MANAGEMENT &amp; CUSTODY BANKS—0.4%</b>		
Hamilton Lane, Inc., Cl. A	4,226	<b>625,659</b>
<b>AUTOMOTIVE PARTS &amp; EQUIPMENT—0.1%</b>		
Modine Manufacturing Co.*	1,544	<b>178,996</b>
<b>BIOTECHNOLOGY—14.4%</b>		
Absci Corp.*	339,522	889,548
Akero Therapeutics, Inc.*	55,333	1,539,364
Biohaven, Ltd.*	18,674	697,474
Blueprint Medicines Corp.*	7,126	621,530
Cabaletta Bio, Inc.*	118,989	270,105
CareDx, Inc.*	68,882	1,474,764
Centessa Pharmaceuticals PLC ADR*	29,578	495,431
Denali Therapeutics, Inc.*	26,192	533,793
Forte Biosciences, Inc.*	42,865	973,464
Insmmed, Inc.*	20,222	1,396,127
Instil Bio, Inc.*	8,942	170,703
Keros Therapeutics, Inc.*	13,247	209,700
Larimar Therapeutics, Inc.*	200,544	776,105
Merus NV*	13,152	553,042
MoonLake Immunotherapeutics*	30,605	1,657,261

See Notes to Financial Statements.

**ALGER SMALL CAP GROWTH PORTFOLIO**  
**Schedule of Investments December 31, 2024 (Continued)**

	SHARES	VALUE
<b>COMMON STOCKS—95.6% (CONT.)</b>		
<b>BIOTECHNOLOGY—14.4% (CONT.)</b>		
Natera, Inc.*	8,184	\$ 1,295,527
NewAmsterdam Pharma Co. NV*	6,809	174,991
Nurix Therapeutics, Inc.*	31,132	586,527
Nuvalent, Inc., Cl. A*	27,129	2,123,658
ORIC Pharmaceuticals, Inc.*	60,349	487,016
Revolution Medicines, Inc.*	32,882	1,438,259
Twist Bioscience Corp.*	26,830	1,246,790
Vaxcyte, Inc.*	13,557	1,109,776
Viking Therapeutics, Inc.*	23,114	930,107
		<b>21,651,062</b>
<b>BUILDING PRODUCTS—2.2%</b>		
CSW Industrials, Inc.	7,801	2,752,193
The AZEK Co., Inc., Cl. A*	12,683	602,062
		<b>3,354,255</b>
<b>CONSTRUCTION &amp; ENGINEERING—1.4%</b>		
Construction Partners, Inc., Cl. A*	9,077	802,952
Tutor Perini Corp.*	50,447	1,220,817
		<b>2,023,769</b>
<b>CONSUMER FINANCE—0.6%</b>		
Upstart Holdings, Inc.*	14,208	<b>874,787</b>
<b>CONSUMER STAPLES MERCHANDISE RETAIL—1.6%</b>		
BJ's Wholesale Club Holdings, Inc.*	26,037	<b>2,326,406</b>
<b>EDUCATION SERVICES—1.5%</b>		
Duolingo, Inc.*	3,170	1,027,809
KinderCare Learning Cos., Inc.*	22,047	392,437
Universal Technical Institute, Inc.*	34,116	877,122
		<b>2,297,368</b>
<b>ELECTRICAL COMPONENTS &amp; EQUIPMENT—1.0%</b>		
Enovix Corp.*	131,517	<b>1,429,590</b>
<b>ELECTRONIC EQUIPMENT &amp; INSTRUMENTS—0.2%</b>		
PAR Technology Corp.*	4,898	<b>355,938</b>
<b>ELECTRONIC MANUFACTURING SERVICES—0.7%</b>		
Fabrinet*	4,902	<b>1,077,852</b>
<b>FOOD RETAIL—0.4%</b>		
Grocery Outlet Holding Corp.*	36,010	<b>562,116</b>
<b>FOOTWEAR—1.8%</b>		
On Holding AG, Cl. A*	49,611	<b>2,717,194</b>
<b>HEALTHCARE EQUIPMENT—2.7%</b>		
Ceribell, Inc.*	8,804	227,847
Glaukos Corp.*	12,683	1,901,689
Impulse Dynamics PLC, Series A <sup>(a)</sup> ,* <sup>(b)</sup>	1,596,061	1,404,534

See Notes to Financial Statements.

**ALGER SMALL CAP GROWTH PORTFOLIO**  
**Schedule of Investments December 31, 2024 (Continued)**

	SHARES	VALUE
<b>COMMON STOCKS—95.6% (CONT.)</b>		
<b>HEALTHCARE EQUIPMENT—2.7% (CONT.)</b>		
Tandem Diabetes Care, Inc.*	14,383	\$ 518,076
		<b>4,052,146</b>
<b>HEALTHCARE SERVICES—1.0%</b>		
GeneDx Holdings Corp.*	3,637	279,540
Guardant Health, Inc.*	42,329	1,293,151
		<b>1,572,691</b>
<b>HEALTHCARE SUPPLIES—1.1%</b>		
Neogen Corp.*	140,497	<b>1,705,634</b>
<b>HEALTHCARE TECHNOLOGY—0.4%</b>		
Health Catalyst, Inc.*	88,344	<b>624,592</b>
<b>HOMEFURNISHING RETAIL—0.9%</b>		
RH*	3,389	<b>1,333,876</b>
<b>INDUSTRIAL MACHINERY &amp; SUPPLIES &amp; COMPONENTS—4.3%</b>		
Gates Industrial Corp. PLC*	170,180	3,500,603
RBC Bearings, Inc.*	9,901	2,961,785
		<b>6,462,388</b>
<b>INTERACTIVE MEDIA &amp; SERVICES—0.6%</b>		
Reddit, Inc., Cl. A*	5,335	<b>871,952</b>
<b>INTERNET SERVICES &amp; INFRASTRUCTURE—1.4%</b>		
Wix.com Ltd.*	9,438	<b>2,024,923</b>
<b>INVESTMENT BANKING &amp; BROKERAGE—1.3%</b>		
Moelis & Co., Cl. A	10,075	744,341
Piper Sandler Cos.	3,977	1,192,901
		<b>1,937,242</b>
<b>LEISURE FACILITIES—1.3%</b>		
Planet Fitness, Inc., Cl. A*	20,418	<b>2,018,728</b>
<b>LIFE SCIENCES TOOLS &amp; SERVICES—4.8%</b>		
10X Genomics, Inc., Cl. A*	19,365	278,081
Bio-Techne Corp.	50,714	3,652,929
CryoPort, Inc.*	151,946	1,182,140
MaxCyte, Inc.*	135,576	563,996
Repligen Corp.*	8,101	1,166,058
Tempus AI, Inc.*	10,839	365,925
		<b>7,209,129</b>
<b>OIL &amp; GAS EQUIPMENT &amp; SERVICES—0.6%</b>		
Weatherford International PLC	11,872	<b>850,391</b>
<b>OIL &amp; GAS EXPLORATION &amp; PRODUCTION—2.9%</b>		
Magnolia Oil & Gas Corp., Cl. A	185,233	<b>4,330,748</b>
<b>PASSENGER AIRLINES—1.1%</b>		
Joby Aviation, Inc.*	198,786	<b>1,616,130</b>

See Notes to Financial Statements.

**ALGER SMALL CAP GROWTH PORTFOLIO**  
**Schedule of Investments December 31, 2024 (Continued)**

	SHARES	VALUE
<b>COMMON STOCKS—95.6% (CONT.)</b>		
<b>PERSONAL CARE PRODUCTS—0.4%</b>		
Oddity Tech, Ltd., Cl. A*	15,144	\$ 636,351
<b>PHARMACEUTICALS—0.3%</b>		
Structure Therapeutics, Inc. ADR*	17,495	474,464
<b>RESTAURANTS—9.2%</b>		
Cava Group, Inc.*	12,511	1,411,241
Kura Sushi USA, Inc., Cl. A*	18,028	1,632,976
Shake Shack, Inc., Cl. A*	27,985	3,632,453
The Cheesecake Factory, Inc.	24,096	1,143,114
Wingstop, Inc.	21,271	6,045,218
		<b>13,865,002</b>
<b>SEMICONDUCTORS—4.0%</b>		
Astera Labs, Inc.*	24,567	3,253,899
Rambus, Inc.*	18,532	979,602
Universal Display Corp.	12,336	1,803,523
		<b>6,037,024</b>
<b>SOFT DRINKS &amp; NON-ALCOHOLIC BEVERAGES—0.2%</b>		
Celsius Holdings, Inc.*	12,320	324,509
<b>SPECIALIZED CONSUMER SERVICES—0.2%</b>		
European Wax Center, Inc., Cl. A*	54,982	366,730
<b>SPECIALTY CHEMICALS—0.8%</b>		
Balchem Corp.	6,949	1,132,652
<b>SYSTEMS SOFTWARE—1.6%</b>		
CyberArk Software Ltd.*	3,216	1,071,410
Rapid7, Inc.*	12,630	508,105
Varonis Systems, Inc.*	20,029	889,889
		<b>2,469,404</b>
<b>TRADING COMPANIES &amp; DISTRIBUTORS—1.0%</b>		
SiteOne Landscape Supply, Inc.*	129	16,999
Xometry, Inc., Cl. A*	33,702	1,437,727
		<b>1,454,726</b>
<b>TRANSACTION &amp; PAYMENT PROCESSING SERVICES—0.3%</b>		
Marqeta, Inc., Cl. A*	126,785	480,515
<b>TOTAL COMMON STOCKS</b>		
(Cost \$102,173,791)		<b>143,683,590</b>
<b>PREFERRED STOCKS—0.6%</b>		
<b>APPLICATION SOFTWARE—0.4%</b>		
SB Technology, Inc. Series E <sup>(a),*</sup> @	37,494	645,272
<b>BIOTECHNOLOGY—0.0%</b>		
Prosetta Biosciences, Inc., Series D <sup>(a),*</sup> @	85,998	—

See Notes to Financial Statements.

**ALGER SMALL CAP GROWTH PORTFOLIO**  
**Schedule of Investments December 31, 2024 (Continued)**

	SHARES	VALUE
<b>PREFERRED STOCKS—0.6% (CONT.)</b>		
<b>HEALTHCARE EQUIPMENT—0.2%</b>		
Impulse Dynamics PLC, Series F-1 <sup>(a),*,@</sup>	195,376	\$ 271,572
<b>TOTAL PREFERRED STOCKS</b> (Cost \$1,227,113)		<b>916,844</b>
<b>RIGHTS—0.1%</b>		
<b>BIOTECHNOLOGY—0.0%</b>		
Mirati Therapeutics, Inc. CVR <sup>(a),*,@</sup>	6,941	7,635
Tolero CDR <sup>(a),*,@</sup>	287,830	37,418
		<b>45,053</b>
<b>PHARMACEUTICALS—0.1%</b>		
Fusion Pharmaceuticals, Inc. CVR <sup>(a),*,@</sup>	45,185	48,800
<b>TOTAL RIGHTS</b> (Cost \$155,594)		<b>93,853</b>
<b>SPECIAL PURPOSE VEHICLE—1.0%</b>		
<b>DATA PROCESSING &amp; OUTSOURCED SERVICES—1.0%</b>		
Crosslink Ventures C, LLC, Cl. A <sup>(a),(b),*,@</sup>		1,216,488
Crosslink Ventures C, LLC, Cl. B <sup>(a),(b),*,@</sup>		260,676
		<b>1,477,164</b>
<b>TOTAL SPECIAL PURPOSE VEHICLE</b> (Cost \$1,700,000)		<b>1,477,164</b>
<b>SHORT-TERM SECURITIES—2.6%</b>		
<b>MONEY MARKET FUNDS—2.6%</b>		
Dreyfus Treasury Obligations Cash Management Fund, Institutional Shares, 4.34% <sup>(c)</sup>	3,926,802	3,926,802
(Cost \$3,926,802)		<b>3,926,802</b>
<b>Total Investments</b> <b>(Cost \$109,183,300)</b>	<b>99.9%</b>	<b>\$ 150,098,253</b>
Affiliated Securities (Cost \$1,700,000)		1,477,164
Unaffiliated Securities (Cost \$107,483,300)		148,621,089
Other Assets in Excess of Liabilities	0.1%	110,182
<b>NET ASSETS</b>	<b>100.0%</b>	<b>\$ 150,208,435</b>

ADR American Depositary Receipts

CDR Contingent Deferred Rights

CVR Contingent Value Rights

(a) Security is valued in good faith at fair value determined using significant unobservable inputs pursuant to procedures approved by the Board of Trustees.

(b) Deemed an affiliate of the Portfolio in accordance with Section 2(a)(3) of the Investment Company Act of 1940. See Note 10 - Affiliated Securities.

(c) Rate shown reflects 7-day effective yield as of December 31, 2024.

\* Non-income producing security.

@ Restricted security - Investment in security not registered under the Securities Act of 1933. Sales or transfers of the investment may be restricted only to qualified buyers.

See Notes to Financial Statements.

**ALGER SMALL CAP GROWTH PORTFOLIO**  
**Schedule of Investments December 31, 2024 (Continued)**

Security	Acquisition Date(s)	Acquisition Cost	Market Value	% of net assets as of 12/31/2024
Crosslink Ventures C, LLC, Cl. A	10/2/20	\$1,400,000	\$1,216,488	0.8%
Crosslink Ventures C, LLC, Cl. B	12/16/20	300,000	260,676	0.2%
Fusion Pharmaceuticals, Inc. CVR	6/5/24	—	48,800	0.1%
Impulse Dynamics PLC, Series A	2/11/22	1,596,061	1,404,534	0.9%
Impulse Dynamics PLC, Series F-1	2/5/24	194,849	271,572	0.2%
Mirati Therapeutics, Inc. CVR	1/24/24	—	7,635	0.0%
Prosetta Biosciences, Inc., Series D	2/6/15-10/2/23	386,992	—	0.0%
SB Technology, Inc. Series E	10/23/24	645,272	645,272	0.4%
Tolero CDR	2/6/17	155,594	37,418	0.0%
Total			<u>\$3,892,395</u>	<u>2.6%</u>

See Notes to Financial Statements.



**ALGER SMALL CAP GROWTH PORTFOLIO**  
**Statement of Assets and Liabilities December 31, 2024**

		Alger Small Cap Growth Portfolio
<b>ASSETS:</b>		
Investments in unaffiliated securities, at value (Identified cost below)* see accompanying schedule of investments	\$	148,621,089
Investments in affiliated securities, at value (Identified cost below)** see accompanying schedule of investments		1,477,164
Receivable for shares of beneficial interest sold		262,502
Dividends and interest receivable		24,942
Prepaid expenses		4,104
Total Assets		150,389,801
<b>LIABILITIES:</b>		
Payable for shares of beneficial interest redeemed		14,663
Accrued investment advisory fees		112,008
Accrued shareholder administrative fees		1,383
Accrued administrative fees		3,803
Accrued fund accounting fees		27,465
Accrued professional fees		8,536
Accrued printing fees		6,065
Accrued transfer agent fees		3,215
Accrued custodian fees		2,330
Accrued other expenses		1,898
Total Liabilities		181,366
<b>NET ASSETS</b>	<b>\$</b>	<b>150,208,435</b>
<b>NET ASSETS CONSIST OF:</b>		
Paid in capital (par value of \$.001 per share)		112,498,681
Distributable earnings		37,709,754
<b>NET ASSETS</b>	<b>\$</b>	<b>150,208,435</b>
* Identified cost	\$	107,483,300 <sup>(a)</sup>
** Identified cost	\$	1,700,000 <sup>(a)</sup>

See Notes to Financial Statements.

ALGER SMALL CAP GROWTH PORTFOLIO  
Statement of Assets and Liabilities December 31, 2024 (Continued)

		Alger Small Cap Growth Portfolio
NET ASSETS BY CLASS:		
Class I-2	\$	150,208,435
SHARES OF BENEFICIAL INTEREST OUTSTANDING — NOTE 6:		
Class I-2		8,435,303
NET ASSET VALUE PER SHARE:		
Class I-2	\$	17.81

(a) At December 31, 2024, the net unrealized appreciation on investments, based on cost for federal income tax purposes of \$110,488,240, amounted to \$39,610,014, which consisted of aggregate gross unrealized appreciation of \$53,248,964, and aggregate gross unrealized depreciation of \$13,638,950.

**ALGER SMALL CAP GROWTH PORTFOLIO****Statement of Operations for the year ended December 31, 2024**

		Alger Small Cap Growth Portfolio
<b>INCOME:</b>		
Dividends (net of foreign withholding taxes*)	\$	237,064
Interest		180,718
Total Income		417,782
<b>EXPENSES:</b>		
Investment advisory fees — Note 3		1,241,647
Shareholder administrative fees — Note 3		15,329
Administration fees — Note 3		42,155
Fund accounting fees		64,756
Registration fees		56,122
Professional fees		43,282
Transfer agent fees		21,174
Printing fees		18,106
Trustee fees — Note 3		7,944
Custodian fees		7,764
Interest expense — Note 3		3,025
Other expenses		17,165
Total Expenses		1,538,469
<b>NET INVESTMENT (LOSS)</b>		<b>(1,120,687)</b>
<b>REALIZED AND UNREALIZED GAIN ON INVESTMENTS AND FOREIGN CURRENCY:</b>		
Net realized gain on unaffiliated investments		16,647,821
Net realized (loss) on foreign currency transactions		(3,446)
Net realized gain on investments and foreign currency		16,644,375
Net change in unrealized (depreciation) on unaffiliated investments		(3,857,017)
Net change in unrealized appreciation on affiliated investments		338,780
Net change in unrealized appreciation on investments and foreign currency		(3,518,237)
Net realized and unrealized gain on investments and foreign currency		13,126,138
<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b>	<b>\$</b>	<b>12,005,451</b>

\* For the year ended December 31, 2024, the Portfolio had no foreign taxes withheld.

See Notes to Financial Statements.

**ALGER SMALL CAP GROWTH PORTFOLIO**  
**Statements of Changes in Net Assets**

Alger Small Cap Growth Portfolio			
		For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Net investment (loss)	\$	(1,120,687)	\$ (927,725)
Net realized gain (loss) on investments and foreign currency		16,644,375	(12,462,269)
Net change in unrealized appreciation (depreciation) on investments and foreign currency		(3,518,237)	36,730,091
Net increase in net assets resulting from operations		12,005,451	23,340,097
Net dividends and distributions to shareholders:			
Total dividends and distributions to shareholders		(574,238)	—
Net decrease from shares of beneficial interest transactions — Note 6:			
Class I-2		(20,147,952)	(13,686,179)
Net decrease from shares of beneficial interest transactions — Note 6		(20,147,952)	(13,686,179)
Total increase (decrease)		(8,716,739)	9,653,918
Net Assets:			
Beginning of period		158,925,174	149,271,256
<b>END OF PERIOD</b>	<b>\$</b>	<b>150,208,435</b>	<b>\$ 158,925,174</b>

See Notes to Financial Statements.

## ALGER SMALL CAP GROWTH PORTFOLIO

### Financial Highlights for a share outstanding throughout the period

#### Alger Small Cap Growth Portfolio

	Class I-2				
	Year Ended 12/31/2024	Year Ended 12/31/2023	Year Ended 12/31/2022	Year Ended 12/31/2021	Year Ended 12/31/2020
Net asset value, beginning of period	\$ 16.53	\$ 14.19	\$ 27.88	\$ 44.78	\$ 28.69
INCOME FROM INVESTMENT OPERATIONS:					
Net investment (loss) <sup>(a)</sup>	(0.13)	(0.09)	(0.13)	(0.38)	(0.22)
Net realized and unrealized gain (loss) on investments	1.48	2.43	(10.38)	(2.65)	19.39
Total from investment operations	1.35	2.34	(10.51)	(3.03)	19.17
Dividends from net investment income	(0.07)	—	—	—	(0.40)
Distributions from net realized gains	—	—	(3.18)	(13.87)	(2.68)
Net asset value, end of period	\$ 17.81	\$ 16.53	\$ 14.19	\$ 27.88	\$ 44.78
Total return <sup>(b)</sup>	8.13%	16.49%	(38.01)%	(6.06)%	67.15%
RATIOS/SUPPLEMENTAL DATA:					
Net assets, end of period (000's omitted)	\$ 150,208	\$ 158,925	\$ 149,271	\$ 261,268	\$ 331,123
Ratio of net expenses to average net assets	1.00%	1.02%	1.00%	0.95%	0.96%
Ratio of net investment loss to average net assets	(0.73)%	(0.61)%	(0.63)%	(0.85)%	(0.62)%
Portfolio turnover rate	51.26%	34.48%	12.97%	34.38%	26.46%

(a) Amount was computed based on average shares outstanding during the period.

(b) Total return does not include any fees and expenses imposed by variable annuity contracts and variable life insurance policies.

See Notes to Financial Statements.

**NOTE 1 — General:**

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The Alger Portfolios (the “Fund”) is an open-end registered investment company organized as a business trust under the laws of the Commonwealth of Massachusetts. The Fund qualifies as an investment company as defined in Financial Accounting Standards Board (“FASB”) Accounting Standards Codification 946 – Financial Services – Investment Companies. The Fund operates as a series company currently offering six series of shares of beneficial interest: Alger Capital Appreciation Portfolio, Alger Large Cap Growth Portfolio, Alger Growth & Income Portfolio, Alger Mid Cap Growth Portfolio, Alger Small Cap Growth Portfolio and Alger Balanced Portfolio (collectively, the “Portfolios”). These financial statements include only the Alger Small Cap Growth Portfolio (the “Portfolio”). The Portfolio invests primarily in equity securities and has an investment objective of long-term capital appreciation. Shares of the Portfolio are available to investment vehicles for variable annuity contracts and variable life insurance policies offered by separate accounts of life insurance companies, as well as qualified pension and retirement plans.

Effective March 18, 2024, the Fund’s custodian and administrator transitioned from Brown Brothers Harriman & Company to The Bank of New York (collectively, the “Custodian”).

On May 23, 2023, the Board of Trustees of the Fund (the “Board”) approved a Plan of Reorganization (the “Plan”), adopted with respect to Alger Weatherbie Specialized Growth Portfolio and the Portfolio. The Plan provided for the transfer of Alger Weatherbie Specialized Growth Portfolio’s assets to the Portfolio in a tax-free exchange for shares of the Portfolio and the assumption by the Portfolio of Alger Weatherbie Specialized Growth Portfolio’s stated liabilities, the distribution of such shares of the Portfolio to Alger Weatherbie Specialized Growth Portfolio shareholders and the subsequent termination of Alger Weatherbie Specialized Growth Portfolio (the “Reorganization”). Because the Reorganization satisfied the requisite conditions of Rule 17a-8 under the Investment Company Act of 1940, as amended (the “1940 Act”), in accordance with the Fund’s Amended and Restated Agreement and Declaration of Trust, and applicable Massachusetts state and U.S. federal law (including Rule 17a-8), the Reorganization was effected without the approval of shareholders of either Portfolio. The Reorganization became effective after the close of business on September 29, 2023.

After the close of business on September 29, 2023, the Portfolio acquired substantially all of the assets and liabilities of the Alger Weatherbie Specialized Growth Portfolio in exchange for Class I-2 shares of the Portfolio, which were distributed to the Alger Weatherbie Specialized Growth Portfolio’s shareholders. The investment portfolio of the Alger Weatherbie Specialized Growth Portfolio, with a fair value of \$402,789 and identified cost of \$397,988 as of the date of the Reorganization, was the principal asset acquired by the Portfolio. The acquisition

ALGER SMALL CAP GROWTH PORTFOLIO  
NOTES TO FINANCIAL STATEMENTS (Continued)

was accomplished by a tax-free exchange of 924,562 shares of the Alger Weatherbie Specialized Growth Portfolio, valued at \$1,174,350 for 79,217 shares of the Portfolio. The net assets of the Alger Weatherbie Specialized Growth Portfolio and the Portfolio immediately before the acquisition were \$1,174,350 (including \$4,801 of net unrealized appreciation) and \$144,564,758, respectively. The combined net assets of the Portfolio immediately following the acquisition were \$145,739,108. For financial reporting purposes, assets received, and shares issued by the Portfolio were recorded at fair value; however the cost basis of the investments received from the Alger Weatherbie Specialized Growth Portfolio was carried forward to align ongoing reporting of Portfolio’s realized and unrealized gains and losses with amounts distributable to shareholders for tax purposes.

Fred Alger Management, LLC (“Alger Management” or the “Investment Manager”) and/ or its affiliates paid the expenses directly relating to the Reorganization. Assuming the Reorganization had been completed on January 1, 2023, the Portfolio’s pro-forma results of operations for the year ended December 31, 2023, were as follows:

Net investment loss	\$ (938,727)
Net realized and unrealized gain on investments in securities and foreign currency	24,271,336
Net increase in net assets resulting from operations	23,332,609
Unistributed net investment loss	<u>\$ (1,199,918)</u>

Because the combined investment portfolios have been managed as a single integrated portfolio since the Reorganization was completed, it is not practicable to separate the amounts of changes in revenue and earnings attributable to the Alger Weatherbie Specialized Growth Portfolio that have been included in the Alger Small Cap Growth Portfolio’s Statement of Operations since September 29, 2023.

**NOTE 2 — Significant Accounting Policies:**

(a) *Investment Valuation:* The Portfolio values its financial instruments at fair value using independent dealers or pricing services under policies approved by the Board. Investments held by the Portfolio are valued on each day the New York Stock Exchange (the “NYSE”) is open, as of the close of the NYSE (normally 4:00 p.m. Eastern Time).

The Board has designated, pursuant to Rule 2a-5 under the Investment Company Act of 1940, as amended (the “1940 Act”), the Portfolio’s Investment Manager as its valuation designee (the “Valuation Designee”) to make fair value determinations subject to the Board’s review and oversight. The Valuation Designee has established a Valuation Committee (“Committee”) comprised of

**ALGER SMALL CAP GROWTH PORTFOLIO**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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representatives of the Investment Manager and officers of the Portfolio to assist in performing the duties and responsibilities of the Valuation Designee.

The Valuation Designee has established valuation processes including but not limited to: (i) making fair value determinations when market quotations for financial instruments are not readily available in accordance with valuation policies and procedures adopted by the Board; (ii) assessing and managing material risks associated with fair valuation determinations; (iii) selecting, applying and testing fair valuation methodologies; and (iv) overseeing and evaluating pricing services used by the Portfolio. The Valuation Designee regularly reports its fair valuation determinations and related valuation information to the Board. The Committee generally meets quarterly and on an as-needed basis to review and evaluate the effectiveness of the valuation policies and procedures in accordance with the requirements of Rule 2a-5.

Investments in short-term securities held by the Portfolio having a remaining maturity of sixty days or less are valued at amortized cost which approximates market value. Investments in other open-end investment companies registered under the 1940 Act, including money market funds, are valued at such investment companies' net asset value per share.

Equity securities, including traded rights, warrants and option contracts for which valuation information is readily available, are valued at the last quoted sales price or official closing price on the primary market or exchange on which they are traded as reported by an independent pricing service. In the absence of quoted sales, such securities are generally valued at the bid price or, in the absence of a recent bid price, the equivalent as obtained from one or more of the major market makers for the securities to be valued.

Securities in which the Portfolio invests may be traded in foreign markets that close before the close of the NYSE. Developments that occur between the close of the foreign markets and the close of the NYSE may result in adjustments to the closing foreign prices to reflect what the Valuation Designee, through its Committee, believes to be the fair value of these securities as of the close of the NYSE. The Portfolio may also fair value securities in other situations, for example, when a particular foreign market is closed but the NYSE is open.



**ALGER SMALL CAP GROWTH PORTFOLIO**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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FASB Accounting Standards Codification 820 – Fair Value Measurements and Disclosures (“ASC 820”) defines fair value as the price that the Portfolio would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. ASC 820 established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability and may be observable or unobservable. Observable inputs are based on market data obtained from sources independent of the Portfolio. Unobservable inputs are inputs that reflect the Portfolio's own assumptions based on the best information available in these circumstances. The three-tier hierarchy of inputs is summarized in the three broad Levels listed below. The Portfolio's quantitative summary by Level can be found in Note 8.

- Level 1 – quoted prices in active markets for identical investments
- Level 2 – significant other observable inputs (including quoted prices for similar or identical investments, amortized cost, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Portfolio's own assumptions in determining the fair value of investments)

The Portfolio's valuation techniques are generally consistent with either the market or the income approach to fair value. The market approach considers prices and other relevant information generated by market transactions involving identical or comparable assets to measure fair value. The income approach converts future amounts to a current, or discounted, single amount. These fair value measurements are determined on the basis of the value indicated by current market expectations about such future events. Inputs for Level 1 include exchange-listed prices and broker quotes in an active market. Inputs for Level 2 include the last trade price in the case of a halted security, an exchange-listed price which has been adjusted for fair value factors, and prices of closely related securities. Additional Level 2 inputs include an evaluated price which is based upon a compilation of observable market information such as spreads for fixed income and preferred securities. Inputs for Level 3 include, but are not limited to, revenue multiples, earnings before interest, taxes, depreciation and amortization (“EBITDA”) multiples, discount rates, time to exit and the probabilities of success of certain outcomes. Such unobservable market information may be obtained from a company's financial statements and from industry studies, market data, and market indicators such as benchmarks and indexes. Because of the inherent uncertainty and often limited markets for restricted securities, the valuations assigned to such securities by the Portfolio may significantly differ from the valuations that would have been assigned by the Portfolio had there been an active market for such securities.

**ALGER SMALL CAP GROWTH PORTFOLIO**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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(b) *Cash and Cash Equivalents*: Cash and cash equivalents include U.S. dollars and foreign cash.

(c) *Securities Transactions and Investment Income*: Securities transactions are recorded on a trade date basis. Realized gains and losses from securities transactions are recorded on the identified cost basis. Dividend income is recognized on the ex-dividend date and interest income is recognized on the accrual basis.

Premiums and discounts on debt securities purchased are amortized or accreted over the lives of the respective securities.

(d) *Foreign Currency Transactions*: The books and records of the Portfolio are maintained in U.S. dollars. Foreign currencies, investments, and other assets and liabilities are translated into U.S. dollars at the prevailing rates of exchange on the valuation date. Purchases and sales of investment securities and income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of such transactions.

Net realized gains and losses on foreign currency transactions represent net gains and losses from the disposition of foreign currencies, currency gains and losses realized between the trade dates and settlement dates of security transactions, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The effects of changes in foreign currency exchange rates on investments in securities are included in realized and unrealized gain or loss on investments in the accompanying Statement of Operations.

(e) *Lending of Fund Securities*: The Portfolio may lend its securities to financial institutions (other than to the Investment Manager or its affiliates), provided that the market value of the securities loaned will not at any time exceed one third of the Portfolio's total assets including borrowings, as defined in its prospectus. The Portfolio may earn fees on the securities loaned, which are included in income from securities lending in the accompanying Statement of Operations, if applicable. In order to protect against the risk of failure by the borrower to return the securities loaned or any delay in the delivery of such securities, the loan is collateralized by cash or securities that are maintained with the Custodian, in an amount equal to at least 102% of the current market value of U.S. loaned securities or 105% for non-U.S. loaned securities. The market value of the loaned securities is determined at the close of each business day of the Portfolio. Any required additional collateral is delivered to the Custodian each day and any excess collateral is returned to the borrower on the next business day. In the event the borrower fails to return the loaned securities when due, the Portfolio may take the collateral to replace the securities. If the value of the collateral is less than the purchase cost of replacement securities, the Custodian shall be responsible for any shortfall, but only to the extent that the shortfall is not due to

**ALGER SMALL CAP GROWTH PORTFOLIO**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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any diminution in collateral value, as defined in the securities lending agreement. The Portfolio is required to maintain the collateral in a segregated account and determine its value each day until the loaned securities are returned. Cash collateral may be invested as determined by the Portfolio. Collateral is returned to the borrower upon settlement of the loan. There were no securities loaned as of December 31, 2024.

*(f) Dividends to Shareholders:* Dividends and distributions payable to shareholders are recorded by the Portfolio on the ex-dividend date. The Portfolio declares and pays dividends from net investment income, if available, annually. Dividends from net realized gains, offset by any loss carryforward, are declared and paid annually.

The characterization of distributions to shareholders for financial reporting purposes is determined in accordance with federal income tax rules. Therefore, the source of the Portfolio's distributions may be shown in the accompanying financial statements as either from, or in excess of, net investment income, net realized gain on investment transactions, or return of capital, depending on the type of book/tax differences that may exist. Capital accounts within the financial statements are adjusted for permanent book/tax differences. Reclassifications result primarily from differences in tax treatment of net operating losses and foreign currency transactions. The reclassifications are done annually at year-end and have no impact on the net asset value of the Portfolio and are designed to present the Portfolio's capital accounts on a tax basis.

*(g) Federal Income Taxes:* It is the Portfolio's policy to comply with the requirements of the Internal Revenue Code Subchapter M applicable to regulated investment companies and to distribute all of its taxable income to its shareholders. Provided that the Portfolio maintains such compliance, no federal income tax provision is required.

FASB Accounting Standards Codification 740 – Income Taxes ("ASC 740") requires the Portfolio to measure and recognize in its financial statements the benefit of a tax position taken (or expected to be taken) on an income tax return if such position will more likely than not be sustained upon examination based on the technical merits of the position. No tax years are currently under investigation. The Portfolio files income tax returns in the U.S. Federal jurisdiction, as well as the New York State and New York City jurisdictions. The statute of limitations on the Portfolio's tax returns remains open for the tax years 2020-2023. Alger Management does not believe there are any uncertain tax positions that require recognition of a tax liability.

*(h) Allocation Methods:* The Fund accounts separately for the assets, liabilities and operations of the Portfolio. Expenses directly attributable to the Portfolio are charged to the Portfolio's operations; expenses which are applicable to all Portfolios are allocated among them based on net assets.

(i) *Segment Reporting:* During the year ended December 31, 2024, the Portfolio adopted FASB Accounting Standards Update 2023-07, Segment Reporting (“Topic 280”) – Improvements to Reportable Segment Disclosures (“ASU 2023-07”). An operating segment is defined in Topic 280 as a component of a public entity that engages in business activities from which it may recognize revenues and incur expenses and, has operating results that are regularly reviewed by the public entity’s chief operating decision maker (“CODM”) to make decisions about resources to be allocated to the segment and assess its performance. The Principal Executive Officer of the Fund, acts as the Portfolio’s CODM. The Portfolio represents a single operating segment, as the CODM monitors the operating results of the Portfolio as a whole and the Portfolio’s long-term strategic asset allocation is pre-determined in accordance with the terms of its prospectus, based on a defined investment strategy which is executed by the Investment Manager.

(j) *Estimates:* These financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, which require using estimates and assumptions that affect the reported amounts therein. Actual results may differ from those estimates. All such estimates are of a normal recurring nature.

**NOTE 3 — Investment Advisory Fees and Other Transactions with Affiliates:**

(a) *Investment Advisory Fees:* Fees incurred by the Portfolio, pursuant to the provisions of the Fund’s Investment Advisory Agreement with the Investment Manager, are payable monthly and computed based on the following annual rates. The actual rate paid as a percentage of average daily net assets, for the year ended December 31, 2024, is set forth below under the heading “Actual Rate”:

	Tier 1	Tier 2	Actual Rate
Alger Small Cap Growth Portfolio <sup>(a)</sup>	0.81%	0.75%	0.81%

(a) Tier 1 rate is paid on assets up to \$1 billion and Tier 2 rate is paid on assets in excess of \$1 billion.

(b) *Administration Fees:* Fees incurred by the Portfolio, pursuant to the provisions of the Fund’s Fund Administration Agreement with the Investment Manager, are payable monthly and computed based on the average daily net assets of the Portfolio at the annual rate of 0.0275%.

(c) *Brokerage Commissions:* During the year ended December 31, 2024, the Portfolio paid Fred Alger & Company, LLC, the Fund’s distributor and affiliate of Alger Management (the “Distributor”), \$18,402 in connection with securities transactions.

**ALGER SMALL CAP GROWTH PORTFOLIO**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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(d) *Shareholder Administrative Fees:* The Fund has entered into a Shareholder Administrative Services Agreement with Alger Management to compensate Alger Management for providing administrative oversight of the Fund's transfer agent, and for other related services. The Portfolio compensates Alger Management at the annual rate of 0.01% of the average daily net assets for these services.

(e) *Trustee Fees:* Each trustee who is not an "interested person" of the Fund, as defined in the 1940 Act ("Independent Trustee"), receives a fee of \$165,400 per annum, paid pro rata based on net assets by each fund in the Alger Fund Complex, plus travel expenses incurred for attending board meetings. The term "Alger Fund Complex" refers to the Fund, The Alger Institutional Funds, The Alger Funds II, The Alger Funds, Alger Global Equity Fund (formerly Alger Global Focus Fund) and The Alger ETF Trust, each of which is a registered investment company managed by Alger Management. The Independent Trustee appointed as Chair of the Board receives additional compensation of \$22,000 per annum paid pro rata based on net assets by each fund in the Alger Fund Complex. Additionally, each member of the Audit Committee receives a fee of \$13,000 per annum, paid pro rata based on net assets by each fund in the Alger Fund Complex.

The Board has adopted a policy requiring Independent Trustees to receive a minimum of 10% of their annual compensation in shares of one or more of the funds in the Alger Fund Complex.

(f) *Interfund Trades:* The Portfolio may engage in purchase and sale transactions with other funds advised by Alger Management or sub-advised by Weatherbie Capital LLC or Redwood Investments, LLC, affiliates of Alger Management. For the year ended December 31, 2024, there were no interfund trades.

(g) *Interfund Loans:* The Portfolio, along with other funds in the Alger Fund Complex, may borrow money from and lend money to each other for temporary or emergency purposes. To the extent permitted under its investment restrictions, the Portfolio may lend uninvested cash in an amount up to 15% of its net assets to other funds in the Alger Fund Complex. If the Portfolio has borrowed from other funds in the Alger Fund Complex and has aggregate borrowings from all sources that exceed 10% of the Portfolio's total assets, the Portfolio will secure all of its loans from other funds in the Alger Fund Complex. The interest rate charged on interfund loans is equal to the average of the overnight U.S. Treasury money market rate and bank loan rate available to the Portfolio. There were no interfund loans outstanding as of December 31, 2024.

During the year ended December 31, 2024, the Portfolio earned interfund loan interest income of \$367 and incurred interfund loan expense of \$850, which are included in interest income and interest expense, respectively, in the accompanying Statement of Operations.

ALGER SMALL CAP GROWTH PORTFOLIO  
NOTES TO FINANCIAL STATEMENTS (Continued)

(h) *Other Transactions with Affiliates:* Certain officers and one Trustee of the Fund are directors and/or officers of Alger Management, the Distributor, or their affiliates. No shares of the Portfolio were held by Alger Management and its affiliated entities as of December 31, 2024.

NOTE 4 — Securities Transactions:

The following summarizes the securities transactions by the Portfolio, other than U.S. Government securities, and short-term securities, for the year ended December 31, 2024:

	PURCHASES	SALES
Alger Small Cap Growth Portfolio	\$ 76,786,271	\$ 99,277,570

NOTE 5 — Borrowings:

The Portfolio may borrow from the Custodian on an uncommitted basis. The Portfolio pays the Custodian a market rate of interest, generally based upon a rate of return with respect to each respective currency borrowed, taking into consideration relevant overnight and short-term reference rates and the range of distribution between and among the interest rates paid on deposits to other institutions, less applicable commissions, if any. Borrowings from the Custodian, if any, are included in Bank overdraft in the Statement of Assets and Liabilities. The Portfolio may also borrow from other funds in the Alger Fund Complex, as discussed in Note 3(g). For the year ended December 31, 2024, the Portfolio had the following borrowings from the Custodian and other funds in the Alger Fund Complex:

	AVERAGE DAILY BORROWING	WEIGHTED AVERAGE INTEREST RATE
Alger Small Cap Growth Portfolio	\$ 43,589	6.94%

The highest amount borrowed by the Portfolio from the Custodian and other funds in the Alger Fund Complex during the year ended December 31, 2024 was as follows:

	HIGHEST BORROWING
Alger Small Cap Growth Portfolio	\$ 2,472,796

ALGER SMALL CAP GROWTH PORTFOLIO  
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 6 — Share Capital:

The Portfolio has an unlimited number of authorized shares of beneficial interest of \$.001 par value. During the year ended December 31, 2024 and the year ended December 31, 2023, transactions of shares of beneficial interest were as follows:

	FOR THE YEAR ENDED December 31, 2024		FOR THE YEAR ENDED December 31, 2023	
	SHARES	AMOUNT	SHARES	AMOUNT
Alger Small Cap Growth Portfolio				
Class I-2:				
Shares sold	298,098	\$ 5,203,301	400,156	\$ 6,127,854
Shares from reorganization <sup>1</sup>	—	\$ —	79,217	\$ 1,174,350
Dividends reinvested	30,275	573,116	—	—
Shares redeemed	(1,506,881)	(25,924,369)	(1,385,383)	(20,988,383)
Net decrease	(1,178,508)	\$ (20,147,952)	(906,010)	\$ (13,686,179)

<sup>1</sup> Includes shares and amounts from the Reorganization. See Note 1 - General.

NOTE 7 — Income Tax Information:

The tax character of distributions paid during the year ended December 31, 2024 and the year ended December 31, 2023 was as follows:

	FOR THE YEAR ENDED December 31, 2024		FOR THE YEAR ENDED December 31, 2023	
Alger Small Cap Growth Portfolio				
Distributions paid from:				
Ordinary Income	\$	574,238	\$	—
Long-term capital gains		—		—
<b>Total distributions paid</b>	<b>\$</b>	<b>574,238</b>	<b>\$</b>	<b>—</b>

As of December 31, 2024, the components of accumulated earnings (losses) on a tax basis were as follows:

Alger Small Cap Growth Portfolio				
Undistributed ordinary income			\$	—
Undistributed long-term gains				—
Net accumulated earnings				—
Capital loss carryforwards				(1,900,260)
Late year ordinary income losses				—
Net unrealized appreciation				39,610,014
Total accumulated earnings			\$	37,709,754

ALGER SMALL CAP GROWTH PORTFOLIO  
NOTES TO FINANCIAL STATEMENTS (Continued)

During the year ended December 31, 2024, the Portfolio utilized capital loss carryforwards of \$15,868,308. The Alger Small Cap Growth Portfolio's capital loss carryforward may be limited due to the merger with Alger Weatherbie Specialized Growth Portfolio on September 29, 2023 under the rules of IRC Section 381-384.

As of December 31, 2024, the Portfolio, for federal income tax purposes, had capital loss carryforwards of \$1,900,260. This amount will not be subject to expiration under the Regulated Investment Company Modernization Act of 2010, and this amount may be applied against future net realized gains until their utilization.

The difference between book-basis and tax-basis unrealized appreciation (depreciation) is determined annually and is attributable primarily to the tax deferral of losses on wash sales, U.S. Internal Revenue Code Section 988 currency transactions, tax treatment of partnership investments, the realization of unrealized appreciation of passive foreign investment companies, and the return of capital from real estate investment trust investments.

The Portfolio accrues tax on unrealized gains in foreign jurisdictions that impose a foreign capital tax, if applicable.

Permanent differences, primarily from net operating losses and real estate investment trusts and partnership investments sold by the Portfolio, resulted in the following reclassifications among the Portfolio's components of net assets at December 31, 2024:

Alger Small Cap Growth Portfolio	
Distributable earnings	\$ 764,396
Paid-in Capital	\$ (764,396)

**NOTE 8 — Fair Value Measurements:**

The following is a summary of the inputs used as of December 31, 2024 in valuing the Portfolio's investments carried at fair value on a recurring basis. Based upon the nature, characteristics, and risks associated with its investments, the Portfolio has determined that presenting them by security type and sector is appropriate.



**ALGER SMALL CAP GROWTH PORTFOLIO**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

Alger Small Cap Growth Portfolio	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
<b>COMMON STOCKS</b>				
Communication Services	\$ 871,952	\$ 871,952	\$ —	\$ —
Consumer Discretionary	28,067,824	28,067,824	—	—
Consumer Staples	3,849,382	3,849,382	—	—
Energy	5,181,139	5,181,139	—	—
Financials	3,918,203	3,918,203	—	—
Healthcare	37,289,718	35,885,184	—	1,404,534
Industrials	18,387,341	18,387,341	—	—
Information Technology	44,985,379	44,985,379	—	—
Materials	1,132,652	1,132,652	—	—
<b>TOTAL COMMON STOCKS</b>	<b>\$ 143,683,590</b>	<b>\$ 142,279,056</b>	<b>\$ —</b>	<b>\$ 1,404,534</b>
<b>PREFERRED STOCKS</b>				
Healthcare	271,572 <sup>1</sup>	—	—	271,572 <sup>1</sup>
Information Technology	645,272	—	—	645,272
<b>TOTAL PREFERRED STOCKS</b>	<b>\$ 916,844</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 916,844</b>
<b>RIGHTS</b>				
Healthcare	93,853	—	—	93,853
<b>SPECIAL PURPOSE VEHICLE</b>				
Information Technology	1,477,164	—	—	1,477,164
<b>SHORT-TERM INVESTMENTS</b>				
Money Market Funds	3,926,802	3,926,802	—	—
<b>TOTAL INVESTMENTS IN SECURITIES</b>	<b>\$ 150,098,253</b>	<b>\$ 146,205,858</b>	<b>\$ —</b>	<b>\$ 3,892,395</b>

<sup>1</sup> Alger Small Cap Growth Portfolio's holdings of Prosetta Biosciences, Inc., Series D shares are classified as a Level 3 investment and are fair valued at zero as of December 31, 2024.

	FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)
<b>Alger Small Cap Growth Portfolio</b>	<b>Common Stocks</b>
Opening balance at January 1, 2024	\$ 1,378,417
Transfers into Level 3	—
Transfers out of Level 3	—
Total gains or losses	
Included in net realized gain (loss) on investments	—
Included in net change in unrealized appreciation (depreciation) on investments	26,117
Purchases and Sales/Distributions	
Purchases	—
Sales/Distributions	—
Closing balance at December 31, 2024	1,404,534
<b>Net change in unrealized appreciation (depreciation) attributable to investments still held at December 31, 2024**</b>	<b>26,117</b>

**ALGER SMALL CAP GROWTH PORTFOLIO**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

	<b>FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)</b>
<b>Alger Small Cap Growth Portfolio</b>	<b>Preferred Stocks</b>
Opening balance at January 1, 2024	\$ —*
Transfers into Level 3	—
Transfers out of Level 3	—
Total gains or losses	—
Included in net realized gain (loss) on investments	—
Included in net change in unrealized appreciation (depreciation) on investments	76,723
Purchases and Sales/Distributions	—
Purchases	840,121
Sales/Distributions	—
Closing balance at December 31, 2024	916,844*
<b>Net change in unrealized appreciation (depreciation) attributable to investments still held at December 31, 2024**</b>	<b>76,723</b>
	<b>FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)</b>
<b>Alger Small Cap Growth Portfolio</b>	<b>Rights</b>
Opening balance at January 1, 2024	\$ 204,359
Transfers into Level 3	—
Transfers out of Level 3	—
Total gains or losses	—
Included in net realized gain (loss) on investments	—
Included in net change in unrealized appreciation (depreciation) on investments	(110,506)
Purchases and Sales/Distributions	—
Purchases	—
Sales/Distributions	—
Closing balance at December 31, 2024	93,853
<b>Net change in unrealized appreciation (depreciation) attributable to investments still held at December 31, 2024**</b>	<b>(110,506)</b>

**ALGER SMALL CAP GROWTH PORTFOLIO**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

	FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)
<b>Alger Small Cap Growth Portfolio</b>	<b>Special Purpose Vehicle</b>
Opening balance at January 1, 2024	\$ 1,525,376
Transfers into Level 3	—
Transfers out of Level 3	—
Total gains or losses	
Included in net realized gain (loss) on investments	—
Included in net change in unrealized appreciation (depreciation) on investments	(48,212)
Purchases and Sales/Distributions	
Purchases	—
Sales/Distributions	—
Closing balance at December 31, 2024	1,477,164
<b>Net change in unrealized appreciation (depreciation) attributable to investments still held at December 31, 2024**</b>	<b>(48,212)</b>

\* Includes securities that are fair valued at zero.

\*\* Net change in unrealized appreciation (depreciation) is included in the net change in unrealized appreciation (depreciation) on investments in the accompanying Statement of Operations.

The following table provides quantitative information about the Portfolio's Level 3 fair value measurements of its investments as of December 31, 2024. The table below is not intended to be all-inclusive, but rather provides information on the Level 3 inputs as they relate to the Portfolio's fair value measurements.

	Fair Value December 31, 2024	Valuation Methodology	Unobservable Inputs	Inputs/Range	Weighted Average Inputs
Alger Small Cap Growth Portfolio					
<b>Common Stocks</b>	\$ 1,404,534	Market Approach	Revenue Multiple	21.1x	N/A*
<b>Preferred Stocks</b>	—**	Income Approach	Discount Rate	100%	N/A*
	916,844	Market Approach	Revenue Multiple	21.1x - 22.91x	22.37x
<b>Rights</b>	93,853	Income Approach	Discount Rate	5.07% - 7.16%	5.88%
			Probability of Success	0% - 44%	23.85%
<b>Special Purpose Vehicle</b>	1,477,164	Market Approach	Revenue Multiple	9.00x	N/A*

\* Each security type listed and respective valuation methodology and unobservable input, represents only one investment.

\*\* Prosetta Biosciences, Inc., Series D shares are classified as a Level 3 investment and are fair valued at zero as of December 31, 2024.

The significant unobservable inputs used in the fair value measurement of the Portfolio's securities are revenue and EBITDA multiples, discount rates, and the probability of success of certain outcomes. Significant increases and decreases in these inputs in isolation and interrelationships between these inputs would have resulted in significantly higher or lower fair value measurements than those noted in the table above. Generally, all other things being equal, increases in revenue and EBITDA multiples, decreases in discount rates, and increases in the probability of success result in higher fair value measurements, whereas decreases in revenues and EBITDA multiples, increases in discount rates, and decreases in the probability of success result in lower fair value measurements. For the year ended December 31, 2024, there were no changes in valuation methodology on Level 3 investments.

**NOTE 9 — Principal Risks:**

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Investing in the stock market involves risks, including the potential loss of principal. The value of the securities owned by the Portfolio, like other investments, may move up or down, sometimes rapidly and unpredictably. Portfolio shares at any point in time may be worth less than what you invested, even after taking into account the reinvestment of Portfolio dividends and distributions. 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. 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. 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 small 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. At times, the Portfolio may hold a large cash position, which may underperform relative to equity securities.

**NOTE 10 — Affiliated Securities:**

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During the year ended December 31, 2024, as disclosed in the following table, the Portfolio held 5% or more of the outstanding voting securities of the issuers listed below. As such, these issuers were "affiliated persons" of the Portfolio for purposes of the 1940 Act. Transactions during the year ended December 31, 2024 with such affiliated persons are summarized below. During this year, other Portfolios of the Fund may also have held voting shares of the issuers at levels below 5%.

**ALGER SMALL CAP GROWTH PORTFOLIO**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

Security	Shares Held at December 31, 2023	Shares Purchased	Shares Sold	Shares Held at December 31, 2024	Dividend Income	Realized Gain (Loss)	Net Change in Unrealized App (Dep)	Value at December 31, 2024
<b>Alger Small Cap Growth Portfolio</b>								
<b>Preferred Stocks</b>								
<b>Prosetta</b>								
Biosciences, Inc., Series D <sup>1</sup>	85,998	—	—	85,998	\$—	\$—	\$ —	\$ —
<b>Special Purpose Vehicle</b>								
<b>Crosslink</b>								
Ventures C, LLC, Cl. A <sup>2</sup>	—	—	—	—	—	—	(39,704)	1,216,488
<b>Crosslink</b>								
Ventures C, LLC, Cl. B <sup>2</sup>	—	—	—	—	—	—	(8,508)	260,676
<b>Total</b>	<b>85,998</b>	<b>—</b>	<b>—</b>	<b>85,998</b>	<b>\$—</b>	<b>\$—</b>	<b>\$(48,212)</b>	<b>\$1,477,164</b>

<sup>1</sup> Prosetta Biosciences, Inc. Series D is no longer deemed to be an affiliate of the Portfolio because the Portfolio and Prosetta Biosciences Inc., Series D are no longer under common control.

<sup>2</sup> The Alger Fund Complex and other entities managed by Alger Management fully own Crosslink Ventures C, LLC, Class A and Crosslink Ventures C, LLC, Class B. There were no capital increases or decreases for the year ended December 31, 2024.

**NOTE 11 — Subsequent Events:**

Management of the Portfolio has evaluated events that have occurred subsequent to December 31, 2024, through the issuance date of the Financial Statements. No material events have been identified which require recognition and/or disclosure.

To the Shareholders of Alger Small Cap Growth Portfolio and the Board of Trustees of The Alger Portfolios:

### **Opinion on the Financial Statements and Financial Highlights**

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Alger Small Cap Growth Portfolio, (the "Portfolio") one of the portfolios constituting The Alger Portfolios, as of December 31, 2024, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended, and the related notes. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Portfolio as of December 31, 2024, and the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended in conformity with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

These financial statements and financial highlights are the responsibility of the Portfolio's management. Our responsibility is to express an opinion on the Portfolio's financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Portfolio in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. The Portfolio is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Portfolio's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

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financial statements and financial highlights. Our procedures included confirmation of securities owned as of December 31, 2024, by correspondence with the custodian and brokers. When replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

New York, New York

February 19, 2025

We have served as the auditor of one or more investment companies within the Alger group of investment companies since 2009.

## Proxy Voting Policies

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A description of the policies and procedures the Portfolio uses to determine how to vote proxies relating to portfolio securities and the proxy voting record is available, without charge, by calling (800) 992-3863 or online on the Portfolio's website at <http://www.alger.com> or on the SEC's website at <http://www.sec.gov>.

## Fund Holdings

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The Board has adopted policies and procedures relating to disclosure of the Portfolio's securities. These policies and procedures recognize that there may be legitimate business reasons for holdings to be disclosed and seek to balance those interests to protect the proprietary nature of the trading strategies and implementation thereof by the Portfolio.

Generally, the policies prohibit the release of information concerning portfolio holdings, which have not previously been made public, to individual investors, institutional investors, intermediaries that distribute the Portfolio's shares and other parties which are not employed by the Investment Manager or its affiliates except when the legitimate business purposes for selective disclosure and other conditions (designed to protect the Portfolio) are acceptable.

The Portfolio files its complete schedule of portfolio holdings with the SEC semi-annually in financial statements on Form N-CSR and after the first and third fiscal quarters as an exhibit to its reports on Form N-PORT. The Portfolio's Forms N-CSR and N-PORT are available online on the SEC's website at [www.sec.gov](http://www.sec.gov).

In addition, the Portfolio makes publicly available its month-end top 10 holdings with a 10 day lag and its month-end full portfolio with a 60 day lag on its website [www.alger.com](http://www.alger.com) and through other marketing communications (including printed advertising/sales literature and/or shareholder telephone customer service centers). No compensation or other consideration is received for the non-public disclosure of portfolio holdings information.

In accordance with the foregoing, the Portfolio provides portfolio holdings information to third parties including financial intermediaries and service providers who need access to this information in the performance of their services and are subject to duties of confidentiality (1) imposed by law, including a duty not to trade on non-public information, and/or (2) pursuant to an agreement that confidential information is not to be disclosed or used (including trading on such information) other than as required by law. From time to time, the Portfolio will communicate with these third parties to confirm that they understand the Portfolio's policies and procedures regarding such disclosure. These agreements must be approved by the Fund's Chief Compliance Officer.

The Board periodically reviews a report disclosing the third parties to whom the Portfolio's holdings information has been disclosed and the purpose for such



**THE ALGER PORTFOLIOS**  
**OTHER INFORMATION (Unaudited) (Continued)**

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disclosure, and it considers whether or not the release of information to such third parties is in the best interest of the Portfolio and its shareholders.

In addition to material the Portfolio routinely provides to shareholders, the Investment Manager may make additional statistical information available regarding the Alger Family of Funds.

Such information may include, but not be limited to, relative weightings and characteristics of the Portfolio versus an index (such as P/E ratio, alpha, beta, capture ratio, maximum drawdown, standard deviation, EPS forecasts, Sharpe ratio, information ratio, R-squared, and market cap analysis), security specific impact on overall portfolio performance, month-end top ten contributors to and detractors from performance, portfolio turnover, and other similar information. Shareholders should visit [www.alger.com](http://www.alger.com) or may also contact the Portfolio at (800) 992-3863 to obtain such information.

## **THE ALGER PORTFOLIOS**

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100 Pearl Street, 27th Floor  
New York, NY 10004  
(800) 992-3863  
www.alger.com

### **Investment Manager**

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Fred Alger Management, LLC  
100 Pearl Street, 27th Floor  
New York, NY 10004

### **Distributor**

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Fred Alger & Company, LLC  
100 Pearl Street, 27th Floor  
New York, NY 10004

### **Transfer Agent and Dividend Disbursing Agent**

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UMB Fund Services, Inc.  
235 W. Galena Street  
Milwaukee, WI 53212

### **Custodian**

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The Bank of New York  
240 Greenwich Street  
New York, NY 10286

### **Independent Registered Public Accounting Firm**

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Deloitte & Touche LLP  
30 Rockefeller Plaza  
New York, NY 10112

This report is submitted for the general information of the shareholders of the Alger Small Cap Growth Portfolio. It is not authorized for distribution to prospective investors unless accompanied by an effective Prospectus for the Portfolio, which contains information concerning the Portfolio's investment policies, fees and expenses as well as other pertinent information.



**ALGER**

Inspired by Change, Driven by Growth.

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SmallCapAR

Item 8. Changes in and Disagreements with Accountants for Open-End Management Investment Companies

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Not Applicable.

Item 9. Proxy Disclosures for Open-End Management Investment Companies.

The Alger Portfolios – Proxy Results

A special meeting of shareholders was held on August 16, 2024, for shareholders of record as of June 13, 2024, to elect Trustees to the Funds' Board.

Shareholders approved the Trustees\* as follows:

	Votes For	Votes Withheld	Abstentions	Broker Non-Votes
Jean Brownhill	25,472,345.773	738,637.329	0	N/A
Susan L. Moffet	25,505,979.895	705,003.207	0	N/A
Jay C. Nadel	25,412,282.978	798,700.124	0	N/A
David Rosenberg	25,114,732.867	1,096,250.235	0	N/A

\* Denotes Trust-wide proposal and voting results.

The other Trustees of the Trust had previously been elected by shareholders and, therefore, were not seeking election at the special meeting. These Trustees are Hilary M. Alger, Charles F. Baird, Jr., and Nathan E. Saint-Amand.

Item 10. Remuneration Paid to Directors,Officers, and Others of Open-End Management Investment Companies

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Remuneration paid to directors, officers and others is included in the Statement of Operations under the line items “Trustee fees” and “Investment advisory fees” as part of the financial statements filed under Item 7 of this Form N-CSR.

## BOARD APPROVAL OF INVESTMENT ADVISORY AGREEMENTS

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Alger Capital Appreciation Portfolio

Alger Large Cap Growth Portfolio

Alger Growth & Income Portfolio

Alger Mid Cap Growth Portfolio

Alger Small Cap Growth Portfolio

Alger Balanced Portfolio

(each, a “Fund”)

At a meeting held on September 17, 2024 (the “Meeting”), the Board of Trustees (the “Board”) of The Alger Portfolios (the “Trust”), including a majority of the trustees who are not “interested persons” (as defined in the Investment Company Act of 1940, as amended) of the Trust (the “Independent Trustees”), reviewed and approved the continuation of the investment advisory agreement between Fred Alger Management, LLC (“Alger” or the “Manager”) and the Trust, on behalf of each Fund (the “Management Agreement”), for an additional one-year period.

In considering the continuation of the Management Agreement, the Board reviewed and considered information provided by the Manager and its representatives at the Meeting and throughout the year at meetings of the Board and its committees. The Board also reviewed and considered information the Manager provided in response to a request for information Independent Trustee counsel submitted to the Manager on behalf of the Independent Trustees in connection with the Board’s annual contract consideration, as well as information provided in response to a supplemental request from Independent Trustee counsel on behalf of the Independent Trustees. The materials for the Meeting included reports that included extensive analyses of the Funds and the Manager from FUSE Research Network LLC (“FUSE”), an independent consulting firm. The Board also received a presentation from FUSE representatives at the Meeting and, among other things, received a description of the methodology FUSE used to select the mutual funds included in each Fund’s Peer Universe and Peer Group (as described below). At a prior meeting held on September 3, 2024, the Independent Trustees met with representatives from FUSE to discuss an overview and the methodology of the reports prepared by FUSE.

The Independent Trustees received advice from, and met separately with, their Independent Trustee counsel in considering whether to approve the continuation of the Management Agreement. The Independent Trustees also received a memorandum from Independent Trustee counsel discussing the legal standards and their duties in considering the continuation of the Management Agreements, and counsel reviewed those standards with the Independent Trustees during

their separate meeting. The Independent Trustees also met separately with senior management of Alger, during which time the Independent Trustees discussed various matters related to proposed continuation of the Management Agreements.

The Board reviewed the materials provided and considered all of the factors it deemed relevant in approving the continuance of the Management Agreement, including, but not limited to: (i) the nature, extent and quality of the services provided by the Manager; (ii) the short- and long-term investment performance of each Fund; (iii) the costs of the services the Manager provided and profits it realized; (iv) the extent to which the Manager realizes economies of scale as a Fund grows; and (v) whether fee levels reflect these economies of scale for the benefit of Fund shareholders. The Board did not identify any one factor as dispositive, and each Board member may have attributed different weights to the factors considered. The Board considered the information provided to it about the Funds together, and with respect to each Fund separately, as the Board deemed appropriate.

In the discussions that follow, reference is made to the “median” in the Peer Group and Peer Universe categories. With respect to performance, below median performance represents performance that is worse relative to the median, and above median performance represents performance that is better relative to the median of the funds in the relevant Performance Universe. With respect to expenses, below median fees or expenses represent fees or expenses that are lower relative to the median, and above median fees or expenses represent fees or expenses that are higher relative to the median of the funds in the relevant Expense Group (as described below). FUSE information is calculated on a share class basis. References appearing below with regard to a Fund’s performance results and comparative fees and expenses generally relate to Class I-2 shares of the Fund.

In particular, in approving the continuance of the Management Agreement, the Board considered the following factors:

#### Nature, Extent and Quality of Services

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The Board reviewed and considered information regarding the nature, extent and quality of investment management services provided by the Manager to the Funds. This information included, among other things, the qualifications, background and experience of the professional personnel who perform services for the Funds; the structure of investment professional compensation; oversight of third-party service providers; short- and long-term investment performance, fee and expense information; fees and payments to affiliates and intermediaries for fund administration, transfer agency and shareholder services; legal and compliance matters; risk controls; pricing and other services provided by the Manager; and the range of advisory fees the Manager charges to other funds and



accounts under its management, including the Manager's explanation of differences among such funds and accounts and the Funds, where relevant. The Board noted that it received information at regular meetings throughout the year regarding the services rendered by the Manager concerning the management of each Fund's affairs, including certain portfolio manager presentations, and Alger's role in coordinating and overseeing providers of other services to the Funds. The Board also noted the work undertaken by the Manager with respect to implementing new regulatory requirements applicable to the Funds.

The Board noted Alger's history and expertise in the "growth" style of investment management, as well as Alger's consistency in applying its "growth" style investment philosophy and process. The Board noted the length of time the Manager has provided services as an investment adviser to each Fund.

The Board also reviewed and considered the benefits provided to Fund shareholders of investing in a Fund that is part of the Alger Family of Funds. The Board noted the continuing strong financial position of the Manager and its commitment to its fund, and overall business.

Following consideration of such information, the Trustees determined that they remain satisfied with the nature, extent and quality of services provided by the Manager to the Funds under the Management Agreement.

### Fund Performance

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The Board reviewed and considered the performance results of each Fund over various time periods ended June 30, 2024. The Board considered the performance returns for each Fund in comparison to the performance returns of a universe of mutual funds deemed comparable to the Fund based on various investment, operational, and pricing characteristics ("Peer Universe"), and a group of mutual funds from within such Peer Universe deemed comparable to the Fund based primarily on investment strategy similarity ("Peer Group"), each as selected by FUSE, as well as to the Fund's benchmark index. The Board noted the Manager's statement that long-term performance could be impacted by one period of significant outperformance or underperformance.

The Board also reviewed and considered Fund performance reports provided by management and discussions that occurred with investment personnel and Alger senior management at Board meetings throughout the year. The Board further noted that representatives of Alger review with the Trustees the recent and longer-term performance of each Fund, including contributors to, and detractors from, Fund performance at every quarterly meeting of the Board throughout the year. In considering the Funds' performance generally, the Board observed the Manager's consistency in implementing its growth style investment process and philosophy for the Funds and considered how a strategy's "growthiness" as compared to peers can impact relative performance results, even among comparisons that either FUSE or the Manager already have identified as having

growth characteristics. In this regard, the Board considered information provided by FUSE on a Fund's "style factor," reflecting a three-year average of Morningstar's Raw Growth-Value score to indicate a value or growth bias as compared to the Fund's Peer Group and benchmark.

The Trustees concluded that each Fund's performance was acceptable, noting their discussions with senior management of Alger related to Fund performance and the factors that impacted Fund performance, where applicable. Further discussion of the Board's considerations with respect to each Fund's performance is set forth below.

**Alger Capital Appreciation Portfolio.** The Board noted that the Fund's annualized total return for the one-, three-, five-, and 10-year periods outperformed or was at the median of its Peer Group. The Board also noted that the Fund's annualized total return for the one-year period was in the first quartile of its Peer Universe and for the three-, five- and 10-year periods was in the second quartile of its Peer Universe.

**Alger Large Cap Growth Portfolio.** The Board noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods underperformed the median of its Peer Group. The Board also noted that the Fund's annualized total return for the one- and five-year periods was in the third quartile of its Peer Universe, and for the three- and 10-year period was in the fourth quartile of its Peer Universe. The Board considered FUSE's commentary that the Fund is among the "growthiest" products within the large growth universe and that this has negatively impacted relative performance.

**Alger Growth & Income Portfolio.** The Board noted that the Fund's annualized total return for the one- and 10-year periods underperformed the median of its Peer Group, and for the three- and five-year periods outperformed the median of its Peer Group. The Board also noted that the Fund's annualized total return for the one-year period was in the second quartile of its Peer Universe, and for the three-, five-, and 10-year periods was in the first quartile of its Peer Universe.

**Alger Mid Cap Growth Portfolio.** The Board noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods was at the median or underperformed its Peer Group. The Board also noted that the Fund's annualized total return for the one-year period was in the second quartile of its Peer Universe, for the three-year period was in the fourth quartile, and for the five- and 10-year periods was in the third quartile of its Peer Universe. In this regard, the Board considered FUSE's commentary that the Fund is among the "growthiest" funds in its Peer Universe and that there was a direct correlation to outperformance for mid cap growth funds with a lower growth style factor.

**Alger Small Cap Growth Portfolio.** The Board noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods underperformed the median of its Peer Group. The Board also noted that the Fund's annualized total

return for the one-year period was in the third quartile of its Peer Universe, and for the three-, five-, and 10-year periods was in the fourth quartile of its Peer Universe. The Board considered FUSE's commentary that (i) sector bets and a growth bias contributed to the Fund's underperformance and (ii) during the last three years, the Fund ranked above average in terms of "growthiness" as compared to its peers and funds with a lower growth bias have outperformed peers during the last three years. The Board further considered its discussions with senior management of Alger related to the Fund's performance and the factors that impacted the Fund's performance.

Alger Balanced Portfolio. The Board noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods outperformed the median of its Peer Group. The Board also noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods was in the first quartile of its Peer Universe.

### Comparative Fees and Expenses

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For each Fund, the Board reviewed and considered the contractual management fee (the "Contractual Management Fee") payable by the Fund to Alger in light of the nature, extent and quality of the services provided by Alger pursuant to the Management Agreement and considered the actual fee rate (after taking any waivers and reimbursements into account) payable by the Fund (the "Actual Management Fee"). The Board also reviewed and considered fee waiver and/or expense reimbursement arrangements for certain Funds where Alger has contractually agreed to waive fees or reimburse expenses of such Funds in an amount corresponding to the management fee borne by such Funds as an investor in any underlying Alger-sponsored fund. Additionally, the Board received and considered information comparing each Fund's Contractual Management Fee, Actual Management Fee and overall expenses, including administrative fees payable to Alger, with those of the funds in the Peer Group provided by FUSE. The Board reviewed the methodology used by FUSE in calculating expense information, including that, for purposes of the comparisons below, the Contractual Management Fee used by FUSE for the Fund and peers includes the advisory fee and administrative fee (if a fund reports both). The Board considered limitations with respect to the comparative fee and expense information included in the reports prepared by FUSE, including that the reports reflected information for a specific period and that historical asset levels and expenses may differ from current levels.

The Board discussed the factors that could contribute to each Fund's Contractual Management Fee, Actual Management Fee or total expenses being above or below the median of the Fund's Peer Group. The Board concluded that the Contractual Management Fee charged to each Fund, is reasonable in relation to the services rendered by the Manager and is the product of arm's length

negotiations. Further discussion of the Board's considerations with respect to each Fund's comparative fees and expenses is set forth below.

**Alger Capital Appreciation Portfolio.** The Board noted that the Fund's Contractual Management Fee and total expenses were above the median and in the fourth (most expensive) quartile of its Peer Group. In this regard, the Board considered the Fund's top quartile performance.

**Alger Large Cap Growth Portfolio.** The Board noted that the Fund's Contractual Management Fee and total expenses were above the median and in the third quartile of its Peer Group.

**Alger Growth & Income Portfolio.** The Board noted that the Fund's Contractual Management Fee was below the median and in the first (least expensive) quartile of its Peer Group, and that the total expenses were above the median and in the fourth (most expensive) quartile of its Peer Group. The Board noted FUSE's remarks that the Fund's level of total expenses relative to peers is likely due to its relatively small asset base.

**Alger Mid Cap Growth Portfolio.** The Board noted that the Fund's Contractual Management Fee and total expenses were above the median and in the third quartile of its Peer Group.

**Alger Small Cap Growth Portfolio.** The Board noted that the Fund's Contractual Management Fee was below the median and in the second quartile of its Peer Group, and that the total expenses were above the median and in the third quartile of its Peer Group.

**Alger Balanced Portfolio.** The Board noted that the Fund's Contractual Management Fee and total expenses were above the median and in the fourth (most expensive) quartile of its Peer Group. In this regard, the Board considered the Fund's top quartile performance.

In connection with its consideration of each Fund's fees payable under the Management Agreement, the Board also received information on the range of fees charged by the Manager for funds and accounts of a similar investment strategy to each Fund that are under its management. The Board noted management's explanation that comparisons with such accounts may be of limited relevance given the different structures and regulatory requirements of mutual funds, such as the Funds, versus those accounts and the differences in the levels of services required by the Funds as compared to those accounts.

### Profitability

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The Board reviewed and considered information regarding the profits realized by Alger in connection with the operation of each Fund. In this respect, the Board considered overall profitability as well as the profits of Alger in providing investment management and other services to each Fund during the year ended

June 30, 2024. The Board also noted management's representations that the Manager is not profitable with respect to certain Funds. The Board also reviewed the profitability methodology and any changes thereto, noting that management maintains a consistent methodology year to year. The Board considered FUSE's view that Alger's expense allocation policies are reasonable and align with accepted industry practices. The Board also reviewed Alger's profitability in comparison to certain investment advisory peers, noting related limitations with respect to such comparison.

The Board also considered the extent to which the Manager might derive ancillary benefits from Fund operations, including, for example, through soft dollar arrangements. Based upon its consideration of all these factors, the Trustees concluded that the level of profits realized by Alger and its affiliates from providing services to each Fund was not excessive in view of the nature, extent and quality of services provided to each Fund.

### Economies of Scale

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For each Fund, the Board reviewed and considered the extent to which the Manager may realize economies of scale, if any, as the Fund grows larger and whether the Fund's management fee structure reflects any economies of scale for the benefit of Fund shareholders. The Board noted the existence of management fee breakpoints for Alger Large Cap Growth Portfolio, Alger Mid Cap Growth Portfolio, Alger Small Cap Growth Portfolio, Alger Capital Appreciation Portfolio and Alger Balanced Portfolio, which are designed to share economies of scale with a Fund's shareholders by reducing the Fund's effective management fees as the Fund grows in size. The Board considered the Manager's view that the overall size of Alger allows it to realize other economies of scale, such as with office space, purchases of technology, and other general business expenses, including with respect to Funds that did not have management fee breakpoints.

The Trustees concluded that for each Fund, to the extent economies of scale may be realized by Alger, the benefits of such economies of scale would be shared with the Fund and its shareholders as the Fund grows, including through the management fee breakpoints in place for applicable Funds.

### Conclusion

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The Board's consideration of the Management Agreement for each Fund also had the benefit of a number of years of reviews of the Management Agreement, during which lengthy discussions took place between the Board and representatives of the Manager. Certain aspects of the arrangements may receive greater scrutiny in some years than in others, and the Board's conclusions may be based, in part, on its consideration of the Fund's arrangements in prior years.

Based on its review, consideration and evaluation of all factors it believed relevant, including the above-described factors and conclusions, the Board, including the Independent Trustees voting separately, unanimously approved the continuation of the Management Agreement for an additional one-year period.