

# Royce Micro-Cap Portfolio — Investment Class

## Investment Strategy from investment's prospectus

The investment seeks long-term growth of capital. Normally, the fund invests at least 80% of its net assets in equity securities of micro-cap companies. Although the fund normally focuses on securities of U.S. companies, it may invest up to 25% of it

Past name: Royce Micro-Cap Inv.

## Category Description: Small Blend

Small-blend portfolios favor U.S. firms at the smaller end of the market capitalization range and are flexible in the types of small caps they buy. Some aim to own an array of value and growth stocks while others employ a discipline that leads to holdings with valuations and growth rates close to the small-cap averages.

## Operations

|                                    |                        |
|------------------------------------|------------------------|
| Fund Inception Date                | 12-27-96               |
| Initial Share Class Inception Date | 12-27-96               |
| Advisor                            | Royce & Associates, LP |
| Subadvisor                         | —                      |

## Fees and Expenses as of 05-01-23

|                                |         |
|--------------------------------|---------|
| Gross Prospectus Expense Ratio | 1.1600% |
| Net Prospectus Expense Ratio   | 1.1600% |

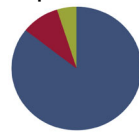
| Waiver Data | Type | Exp.Date | % |
|-------------|------|----------|---|
| —           | —    | —        | — |

## Portfolio Manager(s)

Brendan Hartman, M.B.A., New York University, B.A., Lehigh University. Since 2013.  
 James P. Stoeffel, M.B.A., New York University, B.A., Washington and Lee University. Since 2015.

## Portfolio Analysis as of 12-31-23

### Composition as of 12-31-23



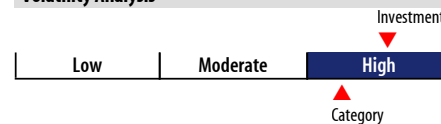
|                 | % Assets |
|-----------------|----------|
| U.S. Stocks     | 85.80    |
| Non-U.S. Stocks | 9.46     |
| Bonds           | 0.00     |
| Cash            | 4.96     |
| Other           | 0.00     |

### Top 20 Holdings as of 12-31-23

|  | % Assets |
|--|----------|
| Hovnanian Enterprises Inc Class A        | 1.49     |
| Photronics Inc                           | 1.49     |
| Modine Manufacturing Co                  | 1.41     |
| Applied Optoelectronics Inc              | 1.31     |
| Customers Bancorp Inc                    | 1.27     |
| Universal Stainless & Alloy Products Inc | 1.27     |
| Graham Corp                              | 1.26     |
| Natural Gas Services Group Inc           | 1.26     |
| IES Holdings Inc                         | 1.24     |
| Citi Trends Inc                          | 1.23     |
| Camtek Ltd                               | 1.23     |
| CECO Environmental Corp                  | 1.22     |
| Transcat Inc                             | 1.19     |
| VSE Corp                                 | 1.19     |
| Distribution Solutions Group Inc         | 1.16     |
| Haynes International Inc                 | 1.15     |
| Quanex Building Products Corp            | 1.14     |
| nLight Inc                               | 1.13     |
| Aspen Aerogels Inc                       | 1.12     |
| Wabash National Corp                     | 1.12     |

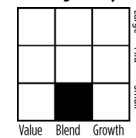
|                                |        |
|--------------------------------|--------|
| Total Number of Stock Holdings | 124    |
| Total Number of Bond Holdings  | —      |
| Annual Turnover Ratio %        | 24.00  |
| Total Fund Assets (\$mil)      | 138.09 |

## Volatility Analysis



In the past, this investment has shown a wide range of price fluctuations relative to other investments. This investment may experience significant price increases in favorable markets or undergo large price declines in adverse markets. Some of this risk may be offset by owning other investments that follow different investment strategies.

## Morningstar Style Box™ as of 12-31-23



|        | % Mkt Cap |
|--------|-----------|
| Giant  | 0.00      |
| Large  | 1.10      |
| Medium | 1.29      |
| Small  | 9.20      |
| Micro  | 88.41     |

## Statistics as of 12-31-23

|                  | Stk Port Avg | S&P 500    | Category |
|------------------|--------------|------------|----------|
| P/E Ratio        | 14.61        | 21.23      | 14.57    |
| P/B Ratio        | 1.52         | 4.01       | 1.99     |
| P/C Ratio        | 8.08         | 14.45      | 9.43     |
| GeoAvgCap(\$mil) | 582.68       | 270,108.49 | 5,208.04 |

## Risk

|                   | Port Avg | S&P 500 | Category |
|-------------------|----------|---------|----------|
| 3 Yr Std Dev      | 22.19    | 17.60   | 20.18    |
| 3 Yr Sharpe Ratio | 0.07     | 0.54    | 0.12     |
| 3 Yr Alpha        | -8.62    | —       | -7.01    |
| 3 Yr Beta         | 1.07     | —       | 0.99     |
| 3 Yr R-squared    | 71.86    | —       | 74.07    |

## Morningstar Sectors as of 12-31-23

|                        | %Fund | S&P 500 % |
|------------------------|-------|-----------|
| Cyclical               | 31.15 | 27.72     |
| Basic Materials        | 4.17  | 2.09      |
| Consumer Cyclical      | 13.73 | 10.79     |
| Financial Services     | 12.65 | 12.53     |
| Real Estate            | 0.60  | 2.31      |
| Sensitive              | 59.84 | 51.66     |
| Communication Services | 4.32  | 8.89      |
| Energy                 | 3.63  | 3.71      |
| Industrials            | 27.96 | 8.23      |
| Technology             | 23.93 | 30.83     |
| Defensive              | 9.02  | 20.62     |
| Consumer Defensive     | 2.29  | 5.93      |
| Healthcare             | 6.73  | 12.56     |
| Utilities              | 0.00  | 2.13      |

## Notes

This material is authorized for client use only when preceded or accompanied by a Disclosure Statement, a product prospectus, a fund prospectus and/or informational brochure containing more complete information. These can be obtained from your investment professional and should be read carefully before investing or sending money.

NOT A DEPOSIT — NOT FDIC INSURED — NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY — NOT GUARANTEED BY THE INSTITUTION — MAY GO DOWN IN VALUE