PORTFOLIO UPDATE

Health Sciences Fund (PRHSX)

As of February 28, 2026

Portfolio Management	Managed Since	Joined Firm
Ziad Bakri	2016	2011
Jeff Holford	2026	2018

Effective 1 April 2026, Jeff Holford, assumed co-portfolio management responsibility for the Fund.

Investment Objective

The fund seeks long-term capital appreciation.

General Information

CUSIP	741480107
Inception Date	December 29, 1995
Benchmark	Russell 3000 Health Care Index
Expense Information (as of the most recent Prospectus)	0.83%

Market Commentary

U.S. equity markets were mixed in February as investors navigated a volatile crosscurrent of encouraging economic data, landmark legal developments on trade policy, and market shifts around the artificial intelligence theme. The S&P 500 Index declined during the month, weighed down by a sharp rotation out of high-multiple software and technology names, even as cyclical sectors and value-oriented stocks continued to attract flows.

The Russell 3000 Health Care Index posted positive returns in February and outperformed the broad equity market, as represented by the S&P 500 Index. Subsector performance within the health care index was largely positive. The biotechnology, pharmaceuticals, and services segments gained ground, while the products and devices subsector was flat. Life sciences was the only group to post losses during the month.

Performance (%) (NAV, total return Performance > 1yr is Annualized)

	1m	3m	YTD	1yr	3yrs	5yrs	10yrs	15yrs
Health Sciences Fund (PRHSX)	0.64	-2.20	-0.35	12.52	8.70	4.03	10.76	14.27
Lipper Health/Biotechnology Funds Index (LPH)	0.66	-1.90	0.25	16.60	10.06	3.14	10.32	12.79
Russell 3000 Health Care Index (RUS3H)	2.61	0.92	2.46	10.11	9.64	6.71	10.97	12.95

The **1-**, **5-,** and **10-year** annualized returns as of **2025-12-31** were **17.72%**, **4.21%** and **9.14%** for the Fund.

Past performance is not a guarantee or a reliable indicator of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month-end performance, visit troweprice.com.

The Fund’s total return figures reflect the reinvestment of dividends and capital gains, if any.

The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details.

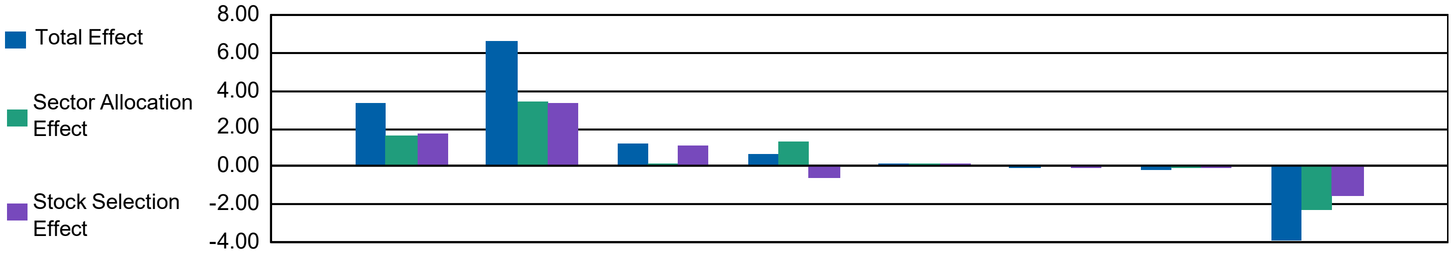
Risks: Health sciences companies: A fund that focuses its investments in specific industries or sectors is more susceptible to adverse developments affecting those industries and sectors than a more broadly diversified fund. **Large- and mid-cap stocks:** Securities issued by large- and mid-cap companies tend to be less volatile than securities issued by small-cap companies. However, large-cap companies may not be able to attain the high growth rates of successful small-cap companies, especially during strong economic periods, and may be unable to respond as quickly to competitive challenges. See the prospectus for more detail on the fund's principal risks.

Risk Return Characteristics (Five Years ended February 28, 2026)

	Annualized Std. Deviation (%)	Alpha (%)	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error (%)
Health Sciences Fund	15.28	-2.40	1.01	0.89	-0.51	0.04	5.21
Russell 3000 Health Care Index	14.19	0.00	1.00	1.00	0.00	0.23	0.00
Health Sciences Fund	15.28	0.90	0.98	0.93	0.22	0.04	3.98
LPR Health/Biotech Ix	15.19	0.00	1.00	1.00	0.00	-0.02	0.00

Past performance is not a guarantee or a reliable indicator of future results. Figures are calculated using monthly data and are net of fees.

Sector Attribution Data: Fund vs Russell 3000 Health Care Index (12 Months ended February 28, 2026) (%)



	Total	Biotechnology	Services	Products & Devices	Consumer Nondurables	Miscellaneous	Life Sciences	Pharmaceuticals
Over (Under) Weight	0.00	19.94	-1.43	-8.83	0.03	-0.06	0.29	-13.82
Fund Performance	13.46	40.30	-4.70	-7.92	81.45	-25.59	-1.07	16.38
Index Performance	10.12	28.94	-10.44	-5.49	73.01	31.28	0.09	24.22
Sector Allocation Effect	1.65	3.40	0.11	1.34	0.05	0.00	-0.13	-2.35
Stock Selection Effect	1.69	3.30	1.04	-0.65	0.03	-0.01	-0.10	-1.57
Total Effect	3.34	6.70	1.15	0.69	0.08	-0.01	-0.23	-3.92

Past performance is not a guarantee or a reliable indicator of future results. Analysis represents the total performance of the portfolio as calculated by the FactSet attribution model and is inclusive of other assets. Non-equity positions are excluded from structure shown. Returns will not match official T. Rowe Price performance because FactSet uses different exchange rate sources and does not capture intra-day trading. Performance for each security is obtained in the local currency and, if necessary, is converted to USD using an exchange rate determined by an independent third party. Figures are shown with gross dividends reinvested.
Sources: Financial data and analytics provider FactSet. Copyright 2026 FactSet. All Rights Reserved. Analysis by T. Rowe Price. Figures are shown gross of fees. Returns would be lower as a result of the deduction of such fees.

Top 10 Issuers (%)

Top 10 Issuers (%)	Industry	Fund
Eli Lilly and Co	Major Pharmaceuticals	11.8
Thermo Fisher Scientific	Life Sciences	4.4
Stryker	Implants	3.9
Intuitive Surgical	Implants	3.9
Merck	Major Pharmaceuticals	3.4
AstraZeneca	Major Pharmaceuticals	3.2
UnitedHealth Group	Payors	3.1
AbbVie	Major Pharmaceuticals	2.9
Argenx	Other Biotechnology	2.9
Gilead Sciences	Major Biotechnology	2.8

Comprising 42.3% of total net assets.

Portfolio Characteristics

Portfolio Characteristics	Fund	RUS3H	LPH
Number of Issuers	213	492	496
Investment Weighted Average Market Cap (mm)	$222,278	$294,578	$159,375
Price to Earnings (12 Months Forward)[1][2][3]	14.9X	19.2X	13.8X
Price to Book (trailing)[2]	6.4X	5.1X	5.9X
Projected Earnings Growth Rate (3-5 Years)[1][2][3]	7.8%	8.1%	8.6%
Return on Equity (Last 12 Months excl. charges)[2]	16.7%	33.4%	9.4%
Top 20 Issuers as Percent of Total	58.8%	70.3%	50.0%
Total Assets (all share classes)	$11,747,036,831	N/A	N/A
Percent of Portfolio in Cash	0.0%	N/A	N/A

[1]Source: Financial data and analytics provider FactSet. Copyright 2026 FactSet. All Rights Reserved.
[2]Statistics are based on Investment Weighted Average.
[3]These statistics are based on the Fund's underlying holdings and are not a projection of future portfolio performance. Actual results may vary.

Sector Diversification (%)

Sector Diversification (%)	Fund	RUS3H
Biotechnology	42.7	20.7
Pharmaceuticals	24.2	37.8
Services	13.1	14.4
Products & Devices	11.3	19.7
Life Sciences	8.3	7.3
Misc.	0.2	0.1
Consumer Nondurables	0.2	0.0
Financial	0.1	0.0

Geographical Diversification (%)

Geographical Diversification (%)	Fund	Fund vs RUS3H
United States	88.4	-11.5
United Kingdom	3.6	3.5
Netherlands	3.0	3.0
China	1.6	1.6
Denmark	1.5	1.5
Japan	0.7	0.7
France	0.5	0.5
Switzerland	0.3	0.3
Israel	0.2	0.2
Germany	0.2	0.1

Additional Disclosures & Definitions

Consider the investment objectives, risks, and charges and expenses carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, call 1-800-638-7780 or visit troweprice.com. Read it carefully.
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Portfolio holdings in this report are presented gross of any non-reclaimable withholding tax. Any non-reclaimable withholding tax is included in position market values. Portfolio diversification data is calculated net of any non-reclaimable withholding tax. Any non-reclaimable tax withheld is not reflected in category market values.
Fund Assets, holdings-based analytics (excluding portfolio turnover), and portfolio attribution are calculated using T. Rowe Price's internal Investment Book of Records (IBOR). Due to timing and accounting methodology differences, IBOR data may differ from the Accounting Book of Records (ABOR) data provided by the Fund's accountant.
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