

Institutional Small-Cap Stock Fund (TRSSX)

As of December 31, 2025



T.RowePrice

Portfolio Highlights

The portfolio underperformed the Russell 2000 Index for the three-month period ended December 31, 2025.

Relative performance drivers:

- + Information technology (stock selection)
- + Industrials and business services (stock selection)
- Health care (stock selection)
- Communication services (stock selection)

Additional details:

- It was yet another volatile quarter for small caps, albeit final returns were much more muted compared to previous quarters as factor performance finally broadened out and the low-quality leadership that led for most of the year started to show signs of reversing.
- We maintain conviction in our investment process, remain focused on identifying the advantaged companies across our universe that offer relative value, and believe that our fundamental and patient approach will provide strong long-term results.

Fund Information

CUSIP	45775L309
Inception Date of Fund	March 31, 2000
Benchmark	Russell 2000 Index
Expense Information (as of the most recent Prospectus)	0.66%
Total Assets (all share classes)	\$4,453,087,475
Percent of Portfolio in Cash	0.7%

Performance (%) (NAV, total return performance > 1 year is annualized)

	3m	1yr	3yrs	5yrs	10yrs	15yrs
Institutional Small-Cap Stock Fund	1.29	8.34	12.48	4.97	11.01	11.20
Russell 2000 Index	2.19	12.81	13.73	6.09	9.62	9.47

Calendar Year Performance (%) (NAV, total return)

	Inception Date	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Institutional Small-Cap Stock Fund	Mar 31 2000	19.00	15.45	-3.07	33.96	25.00	16.77	-23.31	17.55	11.75	8.34
Russell 2000 Index		21.31	14.65	-11.01	25.52	19.96	14.82	-20.44	16.93	11.54	12.81

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: Small-cap stocks: Investments in securities issued by small-cap companies are likely to be more volatile than investments in securities issued by larger companies. **Foreign investing:** Non-U.S. securities tend to be more volatile and have lower overall liquidity and trading volume than investments in U.S. securities and may lose value because of adverse local, political, social, or economic developments overseas, or due to changes in the exchange rates between foreign currencies and the U.S. dollar. **Diversification:** Diversification cannot assure a profit or protect against loss in a declining market. See the prospectus for more detail on the fund's principal risks.

Performance Review

U.S. Equities Overcame Valuation, Spending Headwinds to End Year Higher

U.S. stocks finished the fourth quarter higher, with interest rate cuts helping overcome investor concerns about valuations and capital expenditure for companies within the AI trade. Even as the government was shut down in October and sharp tariff rhetoric toward China caused macroeconomic uncertainty, equities advanced in the month thanks to largely strong corporate earnings and a series of agreements between companies meant to accelerate AI development. In November, hawkish commentary from the U.S. Federal Reserve surrounding further rate cuts and scrutiny over valuations and spending in the AI space created headwinds early in the month, but softer economic readings as the month progressed sparked hopes for a December interest rate cut and helped stocks finish higher. In December, the Federal Reserve cut interest rates by 25 basis points, but equities were mixed as further AI scrutiny and unfavorable macroeconomic data led to more muted returns as the year ended.

Relative Contributors

Information technology (stock selection)

- **MACOM Technology Solutions:** MACOM Technology Solutions is a unique analog and mixed signal semiconductor business that targets niche communications and radio frequency end markets. Shares advanced following a solid earnings beat as quarterly revenues surpassed consensus estimates. Investors were also pleased with MACOM's fiscal year guidance raise as the company expects to see growth in its AI data center, aerospace and defense, and satellite communications segments. We continue to have high conviction in MACOM and particularly value their industrial and defense business given the high barriers to enter the segment, as well as the less cyclical nature of aerospace and defense.
- **IonQ:** Shares of IonQ sold off notably during the quarter. Our meaningful underweight to the name aided relative performance.

Industrials and business services (stock selection)

- **RBC Bearings:** RBC Bearings is a niche supplier of ball bearings, roller bearings, plain bearings, and engineered products to the aerospace and defense and industrial end markets. Shares spiked on quarterly results that surpassed analyst expectations thanks in part to robust demand from aerospace and defense markets. RBC also reported substantial backlog growth which provides strong visibility into future revenue streams. We like the company's strong management team and believe it is positioned for above-average organic growth as end markets recover.
- **Api:** Api Group specializes in fire protection installation and inspection. Shares advanced steadily during the quarter, driven by a strong earnings beat and durable growth in inspection, service, and project revenues. Later in the quarter, shares climbed further after Api announced its acquisition of CertaSite, a Midwest fire/life safety provider. Following the deal, Api raised full-year revenue guidance, as CertaSite is expected to significantly boost revenues and expand Api's footprint. We believe this is an accelerating growth story with multiple levers to pull, including reducing leverage and consolidating unprofitable branches. Additionally, the reshoring of manufacturing facilities to North America should increase API Group's total addressable market.

Relative Detractors

Health care (stock selection)

- **Masimo:** Masimo is a manufacturer of non-invasive medical monitoring technologies, such as pulse oximetry devices. The company released solid earnings results in November, but shares pulled back after management narrowed revenue guidance as tariffs are expected to weigh on Masimo's gross margins more than initially expected. Ongoing tariff concerns and questions regarding Masimo's growth outside of its core pulse oximetry technology are headwinds that may pressure shares in the short-term.
- **Arcellx:** Arcellx is a clinical stage biotechnology company focused on autologous CAR-T therapy. Shares sold off strongly in November after a competitor released promising early-stage data for its multiple myeloma CAR-T therapy. We believe the selloff was overdone given the early nature of the competitor's data. We still believe Arcellx's treatment for multiple myeloma has the potential to be a best-in-class therapy that could generate durable revenues over time.

Communication services (stock selection)

- **Liberty Live Holdings:** Liberty Live Holdings reflects the economic contribution of Live Nation, including Live Nation Concerts and Ticketmaster. Shares declined after Live Nation reported a surprise earnings and revenue miss, despite strong event attendance from fans. Shares may have also been pressured by broader economic headwinds, such as inflation and a slowing job market, that could dampen consumer spending on live events. We still believe Live Nation is a best-in-class asset and Liberty Live Holdings provides small-cap managers exposure to Live Nation at a substantial discount to net asset value.
- **Echostar Corporation:** Shares of Echostar Corporation generated robust returns during the fourth quarter of 2025. Not owning the company hurt relative returns.

Portfolio Positioning And Activity

Sector weightings are a result of our bottom-up stock selection process. Market volatility created opportunities to increase our highest-conviction ideas while moving on from stocks that we felt may not be favorably positioned given changing market dynamics. We continued to seek out companies that are solving hard problems, believing that they will be successful regardless of the macro environment.

Significant Purchases

- **Dyne Therapeutics:** Dyne Therapeutics is a clinical stage biotech company focused on developing treatments for serious neuromuscular diseases. Dyne has pioneered a muscle-delivery oligonucleotide platform that we believe could transform drug development for a wide range of muscular genetic disorders.
- **Cenovus Energy:** Cenovus is an integrated oil company headquartered in Calgary, Alberta that offers leverage to oil prices given its position in the oil sands with conventional heavy oil production in Alberta. We received shares of the company after it completed its acquisition of MEG Energy during the quarter.
- **CareTrust REIT:** We purchased shares of CareTrust REIT, which owns, acquires, and leases health care-related properties. The company has a solid balance sheet, is growing very fast, and is led by a strong management team. We also found the current valuation reasonable.
- **Immunome:** We upped our stake in Immunome, an early-stage biotech company developing targeted oncology drugs. The company's lead asset, varegacestat, has shown best-in-class data in desmoid tumors with launch expected in 2027.

Significant Sales

- **Descartes Systems:** We sold shares of Descartes Systems, a provider of niche supply chain technology and transportation management software, in order to fund higher-conviction ideas.
- **Cadence Bank:** We sold shares of Cadence Bank after the company agreed to be acquired by Huntington Bank.

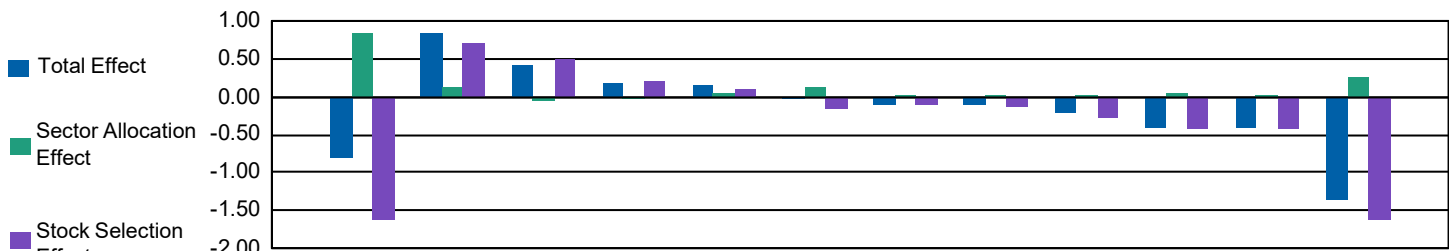
- **Mirion Technologies:** We trimmed our position in Mirion Technologies on strength as shares appreciated to all-time highs during the quarter. We maintain high conviction in the name and believe Mirion is an undervalued high-quality asset with margin upside.
- **Metsera:** We sold shares of Metsera after it agreed to be acquired by Pfizer.

Manager's Outlook

It was yet another volatile quarter for small caps, albeit final returns were much more muted compared to previous quarters as factor performance finally broadened out and the low-quality leadership that led for most of the year started to show signs of reversing. Although we cannot predict the direction of the market in 2026, the possibility remains that the attractive growth set up for small caps will coincide with continued volatility. Despite these uncertainties, history has shown us that low-quality market environments are historically short-lived and followed by more durable market environments that benefit our active management approach. We maintain conviction in our investment process, remain focused on identifying the advantaged companies across our universe that offer relative value, and believe that our fundamental and patient approach will provide strong long-term results.

Quarterly Attribution

Sector Attribution Data: Fund vs Russell 2000 Index (3 months ended December 31, 2025) (%)



	Total	Info Tech	Indust & Bus Svcs	Financials	Energy	Consumer Disc	Utilities	Real Estate	Consumer Staples	Materials	Comm Svcs	Health Care
Over/Under Weight	N/A	-2.55	2.53	0.85	-1.69	-3.21	-0.28	-1.55	-0.44	0.09	0.72	2.04
Fund Performance	1.39	0.73	0.98	2.89	4.75	-6.41	-4.38	-1.11	-18.04	-3.65	-7.94	8.95
Index Performance	2.19	-4.62	-1.62	1.70	1.30	-4.07	-1.58	1.85	-4.57	5.05	4.35	18.19
Sector Allocation Effect	0.84	0.14	-0.05	-0.03	0.05	0.13	0.01	0.01	0.03	0.04	0.02	0.25
Stock Selection Effect	-1.64	0.71	0.49	0.21	0.11	-0.17	-0.11	-0.14	-0.26	-0.43	-0.43	-1.63
Total Effect	-0.80	0.85	0.43	0.18	0.16	-0.04	-0.10	-0.12	-0.23	-0.40	-0.41	-1.37

Top 5 Relative Contributors vs. Russell 2000 Index (3 Months ended December 31, 2025)

Security	% of Equities	Net Contribution (bps)
Immunome, Inc.	1.3	48
Macom Technology Solutions Holdings, Inc.	1.0	29
Revolution Medicines, Inc.	0.1	20
Immunovant, Inc.	0.6	18
lonq, Inc.	0.0	17

Top 5 Relative Detractors vs. Russell 2000 Index (3 Months ended December 31, 2025)

Security	% of Equities	Net Contribution (bps)
Liberty Live Holdings, Inc.	2.2	-35
Grocery Outlet Holding Corp.	0.6	-24
Or Royalties Inc.	1.0	-21
Parsons Corporation	0.5	-19
Arcellx, Inc.	0.7	-18

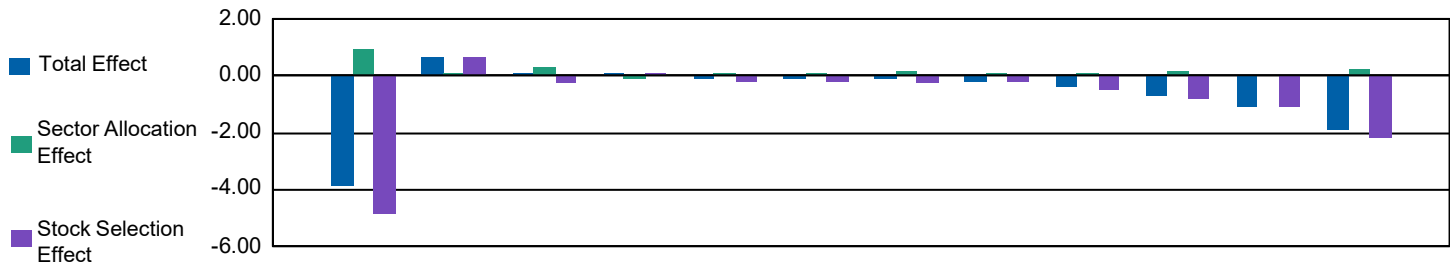
Net contribution is calculated versus a specific benchmark. It is the difference between the security's absolute contribution to the portfolio and the security's absolute contribution to the benchmark. This reflects the amount the security has impacted relative return.

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. MSCI/S&P GICS Sectors; Analysis by T. Rowe Price. Figures are shown gross of fees. Returns would be lower as a result of the deduction of such fees.

12-Month Attribution

Sector Attribution Data: Fund vs Russell 2000 Index (12 months ended December 31, 2025) (%)



	Total	Energy	Consumer Disc	Financials	Utilities	Comm Svcs	Materials	Real Estate	Indust & Bus Svcs	Consumer Staples	Info Tech	Health Care
Over/Under Weight	N/A	-1.69	-3.21	0.85	-0.28	0.72	0.09	-1.55	2.53	-0.44	-2.55	2.04
Fund Performance	8.91	12.47	-2.99	8.32	10.45	12.60	25.90	-0.33	17.15	-35.13	1.05	14.71
Index Performance	12.81	1.31	-0.84	7.96	15.22	16.46	31.69	3.57	19.24	-4.04	9.49	27.10
Sector Allocation Effect	0.96	0.01	0.33	-0.02	0.08	0.03	0.15	0.03	0.07	0.14	0.00	0.24
Stock Selection Effect	-4.86	0.64	-0.22	0.04	-0.15	-0.15	-0.28	-0.19	-0.47	-0.83	-1.09	-2.15
Total Effect	-3.89	0.65	0.11	0.02	-0.07	-0.12	-0.13	-0.16	-0.40	-0.69	-1.09	-1.91

Top 5 Relative Contributors vs. Russell 2000 Index (12 Months ended December 31, 2025)

Top 5 Relative Detractors vs. Russell 2000 Index (12 Months ended December 31, 2025)

Security	% of Equities	Net Contribution (bps)
Vse Corporation	1.8	76
Or Royalties Inc.	1.0	64
Elanco Animal Health Incorporated	1.2	60
Immunome, Inc.	1.3	57
Api Group Corporation	1.2	52

Security	% of Equities	Net Contribution (bps)
Par Technology Corporation	0.9	-62
Bloom Energy Corporation	0.0	-52
Echostar Corporation	0.0	-45
Credo Technology Group Holding Ltd.	0.0	-43
Hecla Mining Company	0.0	-33

Net contribution is calculated versus a specific benchmark. It is the difference between the security's absolute contribution to the portfolio and the security's absolute contribution to the benchmark. This reflects the amount the security has impacted relative return.

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Portfolio Positioning

Sector Diversification - Changes Over Time vs. Russell 2000 Index (%)

Sector	Fund 12/31/24	Fund 9/30/25	Fund 12/31/25	Benchmark 12/31/25
Health Care	17.3	18.0	22.0	18.8
Indust & Bus Svcs	17.9	18.8	20.2	17.3
Financials	18.9	18.7	18.6	17.6
Info Tech	13.5	13.8	12.8	14.6
Cons Disc	7.6	7.6	5.9	9.0
Materials	4.3	5.5	5.0	4.4
Real Estate	5.0	4.5	4.1	5.7
Comm Svcs	3.4	3.5	3.5	2.8
Energy	5.7	4.0	3.1	4.8
Utilities	3.4	3.3	2.7	3.0
Cons Stpls	2.6	1.8	1.4	1.8

Largest Purchases

Issuer	Sector	% of Fund 12/31/25	% of Fund 9/30/25
Dyne therapeutics	Health Care	1.3	0.0
Immunome	Health Care	1.3	0.4
CareTrust REIT (N)	Real Estate	0.4	0.0
Golar LNG (N)	Energy	0.5	0.0
Grocery Outlet Holding	Consumer Staples	0.6	0.5
Element Solutions	Materials	0.9	0.6
WillScot Holdings (N)	Indust & Bus Svcs	0.3	0.0
Middleby	Indust & Bus Svcs	0.4	0.0
Secure Waste Infrastructure (N)	Energy	0.3	0.0
Littelfuse (N)	Info Tech	0.3	0.0

Largest Sales

Issuer	Sector	% of Fund 12/31/25	% of Fund 9/30/25
Descartes Systems (E)	Info Tech	0.0	0.9
Cadence Bank (E)	Financials	0.0	0.6
Metsera (E)	Health Care	0.0	0.5
Avidity Biosciences (E)	Health Care	0.0	0.3
REVOLUTION Medicines	Health Care	0.1	0.4
Mirion Technologies	Info Tech	1.3	1.8
OR Royalties	Materials	1.0	1.7
PBF Energy (E)	Energy	0.0	0.3
Bridgebio Pharma (E)	Health Care	0.0	0.3
Clearwater Analytics Holdings (E)	Info Tech	0.0	0.3

(N) New Position

(E) Eliminated

A purchase or sale that occurred as a result of a corporate action where the Portfolio Manager had no discretion, if any, will not be displayed. Securities are shown in order by their total net cost and proceed values. Net is defined as total cost of purchases less total proceeds of sales.

Holdings

Top 10 Issuers

Issuer	Industry	% of Fund	% of Russell 2000 Index
Liberty Live Holdings	Diversified Consumer Services	2.2	0.0
VSE	Aerospace & Defense	1.8	0.1
Lattice Semiconductor	Semicons & Semicon Equip	1.8	0.0
Esab	Machinery	1.4	0.0
Immunome	Biotechnology	1.3	0.1
PennyMac Financial Services	Financial Services	1.3	0.1
Mirion Technologies	Electronic Equip, Instr & Cmpts	1.3	0.2
Dyne therapeutics	Biotechnology	1.3	0.1
RBC Bearings	Machinery	1.2	0.0
Elanco Animal Health	Pharmaceuticals	1.2	0.0

Top 5 Over/Underweight Positions vs. Russell 2000 Index

Issuer	Industry	% of Fund	% of Benchmark	Over/Underweight (%)
Liberty Live Holdings	Diversified Consumer Services	2.2	0.0	2.2
Lattice Semiconductor	Semicons & Semicon Equip	1.8	0.0	1.8
VSE	Aerospace & Defense	1.8	0.1	1.7
Esab	Machinery	1.4	0.0	1.4
Immunome	Biotechnology	1.3	0.1	1.3
Credo Technology Group Holding	Semicons & Semicon Equip	0.0	0.8	-0.8
Bloom Energy	Electrical Equipment	0.0	0.7	-0.7
IonQ	Tech. Hard., Stor. & Periph.	0.0	0.5	-0.5
Fabrinet	Electronic Equip, Instr & Cmpts	0.1	0.6	-0.5
Echostar	Media	0.0	0.5	-0.5

Portfolio Management

	Managed Since	Joined Firm
Alex Roik	2023	2013

Additional Disclosures

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.

Visit Troweprice.com/glossary for a glossary of financial terminology.

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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.

Unless otherwise noted, index returns are shown with gross dividends reinvested.

T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting.

Diversification exhibits may not add to 100% due to exclusion or inclusion of cash.

Certain numbers in this report may not equal stated totals due to rounding. Unless otherwise stated, data is as of the report date.

Unless indicated otherwise the source of all data is T. Rowe Price.

The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the portfolio, and no assumptions should be made that investments in the securities identified and discussed were or will be profitable.

The manager's views and portfolio holdings are historical and subject to change. This material should not be deemed a recommendation to buy or sell any of the securities mentioned.

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