

Royce Capital Fund—Small-Cap Portfolio



Jay Kaplan, CFA®

Small-Cap Value Approach¹

\$1.70_B
Avg Market Cap²

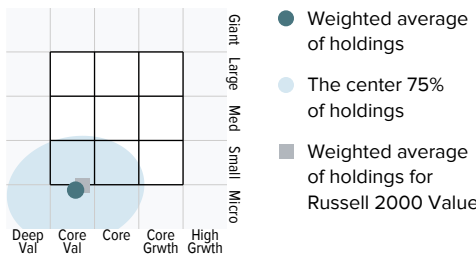
High Volatility³

93%
Active Share⁴

Portfolio Manager Tenure

21+
Years on Fund⁵

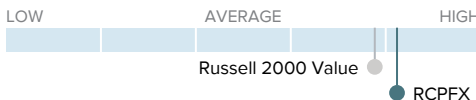
Morningstar Style Map™ As of 12/31/23



The **Morningstar Style Map** is the **Morningstar Style Box™** with the center 75% of fund holdings plotted as the **Morningstar Ownership Zone™**. The Morningstar Style Box is designed to reveal a fund's investment strategy. The Morningstar Ownership Zone provides detail about a portfolio's investment style by showing the range of stock sizes and styles. The Ownership Zone is derived by plotting each stock in the portfolio within the proprietary Morningstar Style Box. Over time, the shape and location of a fund's ownership zone may vary.

High Volatility³ As of 3/31/24

5-Year Relative Standard Deviation vs. all Insurance Fund Small-Cap Funds tracked by Morningstar



Portfolio Diagnostics

2023 Annual Turnover Rate	69%
Net Assets	\$312M
Number of Holdings	84
Non-U.S. Investments (% of Net Assets)	0.0%

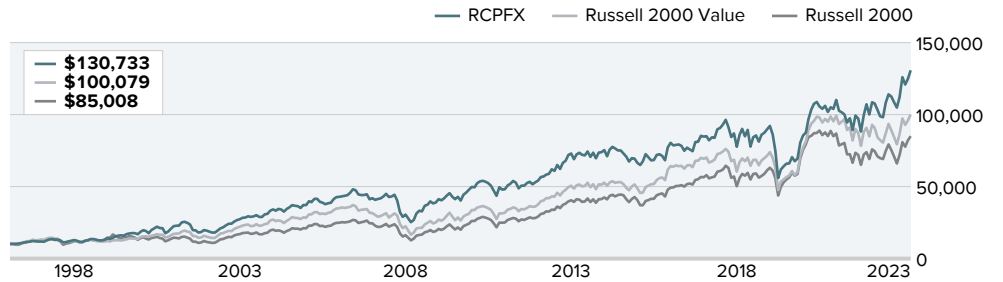
Portfolio Company Characteristics

Weighted Average P/E Ratio ^{6,7}	10.5x
Weighted Average P/B Ratio ^{6,8}	1.6x

Why invest in Royce Capital Fund—Small-Cap Portfolio?

- Small-cap value fund that focuses on companies with above-average profitability and low leverage that are selling at attractive valuations due to what Royce believes are temporary factors. Small-cap stocks' market caps are less than the largest stock in the Russell 2000® Index.
- Takes a contrarian value approach, looking for stocks with solid fundamentals in industries where pessimism runs high.
- Outperformed its benchmark for the 1-, 3-, 5-, 20-, 25-year, and since inception (12/27/96) periods ended 3/31/24.

Value of \$10,000
Invested on 12/27/96 as of 3/31/24 (\$)



Performance and Expenses by Share Class

Average Annual Total Return through 3/31/24 (%)

	1Q24*	YTD*	1-YR	3-YR	5-YR	10-YR	15-YR	20-YR	25-YR	SINCE INCEPT. (12/27/96)	ANNUAL OPERATING EXPENSES (%)	
											GROSS	NET
Investment	3.75	3.75	26.57	8.12	9.01	5.93	11.16	7.75	10.19	9.89	1.15	1.15
Service	3.74	3.74	26.21	7.84	8.74	5.67	10.89	7.52	9.99	9.71	1.40	1.40
Russell 2000 Val	2.90	2.90	18.75	2.22	8.17	6.87	12.10	7.47	9.15	8.82	N/A	N/A
Russell 2000	5.18	5.18	19.71	-0.10	8.10	7.58	12.89	8.05	8.37	8.17	N/A	N/A

*Not Annualized

Important Performance and Expense Information

All performance information reflects past performance, is presented on a total return basis, reflects the reinvestment of distributions, and does not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate, so that shares may be worth more or less than their original cost when redeemed. Current month-end performance may be higher or lower than performance quoted and may be obtained at www.royceinvest.com. The Fund's total returns do not reflect any deduction for charges or expenses of the variable contracts investing in the Fund. Operating expenses reflect the Fund's total annual operating expenses for the Investment (RCPFX) and Service (RCSSX) Class as of the Fund's prospectus dated May 1, 2023 and include management fees and other expenses for the Investment Class and management fees, 12b-1 distribution and service fees, and other expenses for the Service Class.

All performance and risk information presented in this material prior to the commencement date of Service Class shares on 5/2/06 reflect Investment Class results. Service Class shares bear an annual distribution expense that is not borne by Investment Class shares. If Service Class's annual distribution expense had been reflected, total returns prior to 5/2/06 would have been lower. All performance charts reflect the Investment Class.

“My goal is to find companies where expectations built into the current valuation are too low relative to what I believe is far more likely to happen.”

—Jay Kaplan

1. Royce classifies a client account as 'Value' because it anticipates it will have a weighted average price-to-book ratio or weighted average normalized price-to-earnings ratio lower than its general asset class. 2. **Geometric Average.** This weighted calculation uses each portfolio holding's market cap in a way designed to not skew the effect of very large or small holdings; instead, it aims to better identify the portfolio's center, which Royce believes offers a more accurate measure of average market cap than a simple mean or median. 3. **High Volatility.** The Fund was in the highest volatility quintile compared with all funds in Morningstar's Insurance Fund Small Growth, Insurance Fund Small Blend, and Insurance Fund Small Value Categories with at least five years of history, a total of 117 funds as of 3/31/24. The universe consists of each fund's oldest share class only. Volatility quintiles are based on the average five-year standard deviation for each of the last four calendar quarters. Higher volatility is usually associated with higher risk. 4. **Active Share** is the sum of the absolute values of the different weightings of each holding in the Portfolio versus each holding in the benchmark, divided by two. 5. Mr. Kaplan has been the Fund's manager since 2003. 6. **Harmonic Average.** This weighted calculation evaluates a portfolio as if it were a single stock and measures it overall. It compares the total market value of the portfolio to the portfolio's share in the earnings or book value, as the case may be, of its underlying stocks. 7. The **Price-to-Earnings Ratio** is calculated by dividing a company's share price by its trailing 12-month earnings-per-share (EPS) and also excludes companies with zero or negative earnings (1% of Portfolio holdings as of 3/31/24). 8. The **Price-to-Book Ratio** is calculated by dividing a company's share price by its book value per share (0% of Portfolio holdings were excluded as of 3/31/24).

Top 10 Positions

% of Net Assets (Subject to Change)

Shoe Carnival	2.0
M/I Homes	1.8
ePlus	1.8
PulteGroup	1.8
Evercore Cl. A	1.7
Bloomin' Brands	1.7
ArcBest Corporation	1.7
Caleres	1.7
Chord Energy	1.7
Flex	1.6

Portfolio Sector Breakdown

% of Net Assets (Subject to Change)

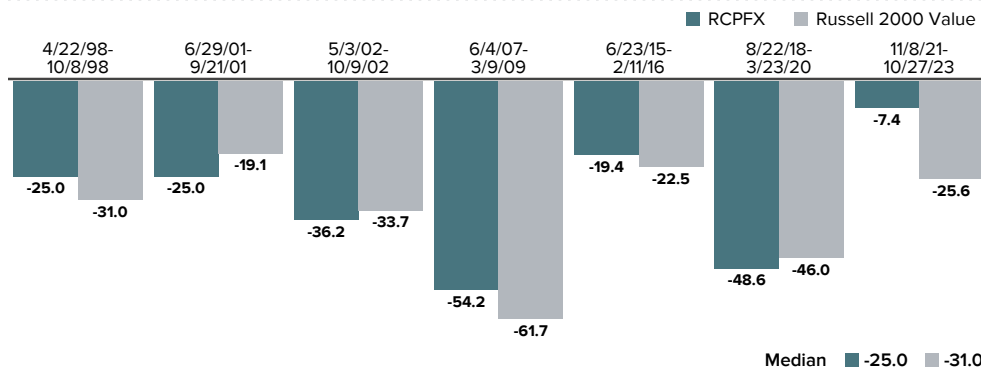
	RCPFX	RUSSELL 2000 VALUE
Consumer Discretionary	21.4	11.1
Industrials	17.6	14.9
Financials	17.3	25.8
Information Technology	15.4	5.9
Energy	11.4	10.0
Health Care	6.4	9.4
Consumer Staples	2.7	2.2
Communication Services	2.4	2.3
Real Estate	1.1	9.7
Materials	1.1	5.0
Utilities	—	3.7
Cash and Cash Equivalents	3.2	—

Calendar Year Total Returns (%)

YEAR	RCS	RUSSELL 2000 VALUE
2023	25.9	14.6
2022	-9.2	-14.5
2021	28.8	28.3
2020	-7.2	4.6
2019	18.7	22.4
2018	-8.3	-12.9
2017	5.4	7.8
2016	21.0	31.7
2015	-11.8	-7.5
2014	3.2	4.2
2013	34.8	34.5
2012	12.5	18.1
2011	-3.3	-5.5
2010	20.5	24.5
2009	35.2	20.6

Down Market Performance Comparison (%)

The Fund outperformed the Russell 2000 Value during four out of seven downturns of 15% or more from the index's prior historical high since the Fund's inception.



Market Cycle¹ Performance (%)

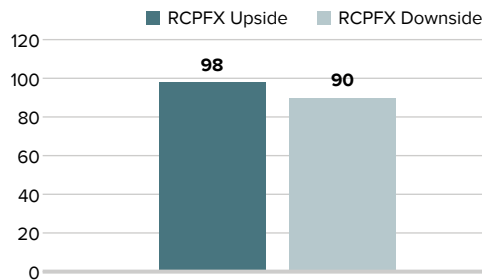
The Fund outperformed the Russell 2000 Value from the 11/8/21 index peak through current (3/31/24).

	RCPFX	RUSSELL 2000 VALUE
11/8/21-3/31/24 (Peak-to-Current)	17.2	-4.6
8/22/18-11/8/21 (Peak-to-Peak)	15.8	37.6
6/23/15-8/22/18 (Peak-to-Peak)	24.2	39.0
6/4/07-6/23/15 (Peak-to-Peak)	59.0	45.9

¹Royce defines market cycles as peak-to-peak periods in which a peak is the market high prior to a decline of at least 15%.

Upside/Downside Capture Ratio

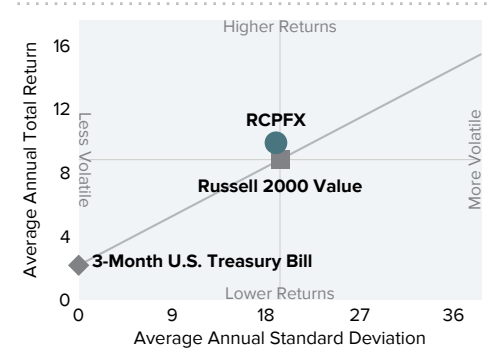
Fund's First Full Quarter (12/31/96) to 3/31/24 (%)



Long-Term Risk/Return Profile

Fund's First Full Month (12/31/96) to 3/31/24 (%)

The Fund had a higher return than the Russell 2000 Value with lower volatility.



Absolute Returns:

10-Year Monthly Rolling Return Periods

Number of 10-Year Average Annual Return Periods From 12/27/96 to 3/31/24

RCPFX averaged a 8.7% return over all 208 10-year monthly rolling return periods.

RETURN RANGE (%)	PERIODS	% IN RANGE
> 10	63	30
> 5 and ≤ 10	133	64
> 0 and ≤ 5	12	6
≤ 0	0	0

This material is not authorized for distribution unless preceded or accompanied by a current prospectus. Please read the prospectus carefully before investing or sending money. The Fund invests primarily in small-cap stocks, which may involve considerably more risk than investments in securities of larger-cap companies. (Please see "Primary Risks for Fund Investors" in the prospectus.) As of 3/31/24 the Fund invested a significant portion of its assets in a limited number of stocks, which may involve considerably more risk than more broadly diversified portfolio because a decline in the value of any one of these stocks would cause the Fund's overall value to decline to a greater degree. (Please see "Primary Risks for Fund Investors" in the prospectus.) The Fund may invest up to 25% of its net assets in foreign securities (measured at the time of investment), which may involve political, economic, currency, and other risks not encountered in U.S. investments. (Please see "Investing in Foreign Securities" in the prospectus.)

The Morningstar Style Map uses proprietary scores of a stock's value and growth characteristics to determine its placement in one of the five categories listed on the horizontal axis. These characteristics are then compared to those of other stocks within the same market capitalization band. Each is scored from zero to 100 for both value and growth attributes. The value score is subtracted from the growth score to determine the overall style score. For the vertical, market cap axis, Morningstar subdivides into size groups. Giant-cap stocks are defined as those that account for the top 40% of the capitalization of each style zone; large-cap stocks represent the next 30%; mid-cap stocks the next 20%; small-cap stocks the next 7%; micro-cap stocks the smallest 3%. **Market Capitalization** is calculated by multiplying a company's share price by its shares outstanding. **Upside Capture Ratio** measures a manager's performance in up markets relative to the Fund's benchmark (Russell 2000 Value). It is calculated by measuring the Fund's performance in quarters when the benchmark goes up and dividing it by the benchmark's return in those quarters. **Downside Capture Ratio** measures a manager's performance in down markets relative to the Fund's benchmark (Russell 2000 Value). It is calculated by measuring the Fund's performance in quarters when the benchmark goes down and dividing it by the benchmark's return in those quarters. **Standard deviation** is a statistical measure within which a client account's total returns have varied over time. The greater the standard deviation, the greater a portfolio's volatility. Please read the prospectus for a more complete discussion of risk. Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and / or Russell ratings or underlying data and no party may rely on any Russell Indexes and / or Russell ratings and / or underlying data contained in this communication. No further distribution of Russell Data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication. The Russell 2000 is an unmanaged, capitalization-weighted index of domestic small-cap stocks. It measures the performance of the 2,000 smallest publicly traded U.S. companies in the Russell 3000 index. The Russell 2000 Value Index consists of the respective value stocks within the Russell 2000 as determined by Russell Investments. The performance of an index does not represent exactly any particular investment, as you cannot invest directly in an index. Sector weightings are determined using the Global Industry Classification Standard ("GICS"). GICS was developed by, and is the exclusive property of, Standard & Poor's Financial Services LLC ("S&P") and MSCI Inc. ("MSCI"). GICS is the trademark of S&P and MSCI. "Global Industry Classification Standard (GICS)" and "GICS Direct" are service marks of S&P and MSCI. Any information, statements and opinions set forth herein are general in nature, are not directed to or based on the financial situation or needs of any particular investor, and do not constitute, and should not be construed as, investment advice, a forecast of future events, a guarantee of future results, or a recommendation with respect to any particular security or investment strategy. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies should consult their financial professional. Distributor: Royce Fund Services, LLC

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