

Small Cap Equity ETF

Market Overview

Smaller stocks in general fell out of favor during the third quarter as investors turned their attention to a small cohort of large AI-related names.

Though the economic backdrop remained constructive, inflation pressures and rising bond yields served as a headwind to smaller companies. The Russell 2000 Index declined 7.2% during the quarter compared to the 2.3% gain of the S&P 500 Index. However, the Russell 2000's year-to-date return of 13.7% continues to outpace the large cap benchmark's 12.7% advance. Value outperformed growth during the quarter across capitalizations.¹

A Strong Foundation for Growth

After limited growth in fourth quarter 2025, US real gross domestic product (GDP) growth has accelerated in the first half of 2026, with the economy expanding at a rate of 2.5% and 2.2% in the first and second quarters, respectively, driven by business investment and consumer spending.¹ Momentum is expected to pick up still further, as the Atlanta Fed GDPNow estimate is calling for 3.6% growth in the third quarter.² Global economies in general have adjusted to energy supply shocks caused by the war by sourcing crude oil from other regions, drawing on strategic and commercial inventories, and some demand destruction and substitution.

While Gulf oil exports have picked up thanks to rerouting efforts and increasing dark transits, energy prices remain elevated, which combined with resilient growth has pushed inflation above target in much of the world. In the US, for example, consumer prices increased 3.4% for the latest 12-month period, driven by a 16.3% increase in the energy component.³

After months of anti-inflation rhetoric from Chair Warsh and others, the Federal Open Market Committee in mid-September voted unanimously to increase the federal funds target rate by 25 basis points to a range of 3.75–4.00%. The dot plot of policymaker forecasts, meanwhile, suggests one more hike is likely before year end. Treasury yields, which had marched steadily upward since the outbreak of the Iran war at the end of February, legged still higher on the hawkish news⁴. The 10-year Treasury yield finished the quarter at around 5.3% while the two-year traded at 4.9%; these levels have not been seen consistently since before the global financial crisis.⁵

It remains to be seen whether we have entered a prolonged hiking cycle or if this hike represented a one-off that will be followed by more “data-dependent” decisions moving forward. While we view additional rate hikes as possible, the deliberate lack of formal Fed guidance under the Warsh regime makes policy trajectory difficult to assess. Further, today's Fed lacks the policy flexibility that many of his predecessors had given today's fiscal situation. The ability to increase interest rates meaningfully in the face of inflationary pressures is likely constrained by the government's need to continually roll over its very large primary deficit at prevailing higher interest rates.

Smaller companies tend to be more reliant on short-term, floating-rate debt than large cap names, so the shift toward tighter policy could have a material impact on the companies in this space. That said, rising rates coincidental with a robust economic backdrop have not historically been an impediment for small company returns; instead, strong economic activity has tended to support corporate fundamentals, to the benefit of these stocks. With the earnings resurgence continuing—published forecasts reflect 86% earnings growth for the Russell 2000 in 2026 and 44% in 2027 compared to 35% and 15%, respectively, for the S&P 500—we would not be surprised to see this dynamic play out once again, especially if there is a successful conclusion to the Iran war in the coming months and energy prices and inflation ease.⁶

Recycling Capital as Opportunities Emerge

The very strong first half enabled us to take profits in certain areas of the portfolio—such as technology and industrials—and redeploy assets into sectors that we believe are more attractively priced—including healthcare and energy—as well as more idiosyncratic opportunities. As always, we seek to construct portfolios that are cheaper than the market and well positioned for upside.

1. Source: FactSet; data as of September 30, 2026.

2. Source: Federal Reserve Bank of Atlanta; data as of October 8, 2026.

3. Source: Bureau of Economic Analysis; data as of September 30, 2026.

4. Source: Federal Reserve; data as of September 16, 2026.

5. Source: Federal Reserve Bank of St. Louis; data as of September 30, 2026.

6. Source: LSEG I/B/E/S; data as of September 4, 2026.

Portfolio Review

The Small Cap Equity ETF posted a return of -9.63% in third quarter 2026. Healthcare and energy were the leading contributors among equity sectors; information technology and industrials were the largest detractors. The Fund underperformed Russell 2000 Value Index in the period. During the third quarter, smaller and mid-sized technology and industrial companies associated with the build out of AI-related infrastructure and data centers traded lower following strong performance in the first half of the year. Despite the softness in stock performance, many of these businesses continue to execute well.

Leading contributors in the First Eagle Small Cap Equity ETF this quarter included CareDx, Inc, Dorian LPG Ltd., Manitowoc Company, Inc., Maravai Lifesciences Holdings, Inc. Class A and UTZ Brands, Inc. Class A.

CareDx provides diagnostic surveillance solutions for organ-transplant recipients, including testing products and services to match donors with recipients and monitor post-transplant care. Shares were strong during the quarter as the Centers for Medicare & Medicaid Services preserved policies for surveillance-testing frequency and clarified kidney coverage rules. The company reported robust results and increased full-year guidance driven by higher transplant volumes and strong operating leverage.

Dorian LPG is an international shipping company that transports liquefied petroleum gas, primarily propane and butane, globally. Disruptions in Iran as well as congestion at the Panama Canal forced vessels onto longer alternative routes. This shift tightened global vessel supply and drove day rates significantly higher.

Manitowoc is a global manufacturer of industrial lifts and cranes. Shares performed well during the quarter on robust financial results underpinned by record backlogs and expanded orders in North America and Europe. Operational strength was primarily driven by heavy data center and semiconductor demand, with performance further boosted by tariff claims.

Maravai LifeSciences provides materials, reagents and specialized services essential for discovering, developing and manufacturing mRNA therapeutics. In August 2026, Moderna and Merck announced positive Phase 3 clinical data for Moderna's personalized mRNA cancer vaccine combined with Merck's Keytruda. The regimen successfully reduced the recurrence risk for resected melanoma, validating the broader commercial potential of mRNA technology within oncology and boosting demand for Maravai's foundational manufacturing

UTZ Brands is an American manufacturer and distributor of branded salty snacks. In July 2026, the company agreed to be purchased by Germany-based Intersnack Group at a substantial premium to market value. Under the agreement, the company will transition to a 50/50 joint ownership structure between Intersnack and Utz's founding family.

The leading detractors in the quarter were Universal Technical Institute, Inc., Vishay Intertechnology, Inc., Ultra Clean Holdings, Inc.,

Lincoln Educational Services Corporation and Brookdale Senior Living Inc.

Universal Technical Institute (UTI) offers transportation and skilled-trades training programs, as well as continuing education programs in the allied health, dental, nursing, patient care and diagnostic fields. The company reported softer-than-expected automotive and diesel high-school student starts from reduced admissions staffing, and it lowered its recruitment pipeline. The reinstatement of federal student loan repayment was an additional headwind. We think UTI continues to benefit from longer-term demand for skilled labor.

Vishay Intertechnology manufactures discrete semiconductors and passive electronic components that manage power in electronic systems. The company reported better-than-expected results for its most recent quarter, driven by demand related to AI applications, as well as to industrial, aerospace and automotive applications.

Ultra Clean develops and supplies components, parts and subsystems for ultra-high-purity cleaning and analytical services for the semiconductor industry. The company reported better-than-expected earnings for its most recent quarter, driven by AI spending and increasing volume and complexity in the semiconductor capital equipment landscape.

Lincoln Educational provides career-oriented post-secondary education for automotive technology, HVAC, electrical, welding and healthcare with 22 campuses in 12 states. Although the company reported better-than-expected revenue and earnings for its most recent quarter, a slowdown in the growth of new students weighed on sentiment. We believe Lincoln is well positioned to benefit from structural shortages of skilled labor, increased infrastructure and energy investment and rising interest in alternatives to traditional four-year degrees given broader questions about the longer-term impact of AI on white-collar jobs.

Brookdale Senior Living operates and manages 529 senior living communities in 41 US states. The company is making progress on its operating performance plan, with growth in occupancy rates and revenue per available unit for its most recent quarter. However, rising interest rates stoked concerns that the company's plan to pay down debt could be delayed. We continue to like Brookdale's focus on improving cash flow and earnings through its owned real estate portfolio.

Average Annual Returns

Data as of 30-Sep-2026

	YTD	1 Year	Since Inception	Gross Expense Ratio ¹	Net Expense Ratio ²	Fund Inception Date
First Eagle Global Equity ETF (FEGE) NAV	9.08%	15.17%	23.82%	0.79%	0.50%	Dec 19, 2024
First Eagle Global Equity ETF (FEGE) Market	9.04%	14.93%	23.83%	0.79%	0.50%	Dec 19, 2024
MSCI World Index	11.75%	15.24%	18.70%	-	-	

The performance data quoted herein represent past performance and do not guarantee future results. Market volatility can dramatically impact the Fund's short-term performance. Current performance may be lower or higher than figures shown. The 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. Past performance data through the most recent month-end are available at www.firsteagle.com. Investments are not FDIC insured or bank guaranteed and may lose value.

1. Gross expense ratio is the total annual fund operating expenses before fee waivers.
2. The net expense ratio is the gross expense ratio after waivers and/or reimbursements.
First Eagle Investment Management, LLC (the "Adviser") has contractually agreed to waive and/or reimburse certain fees and expenses so that the total annual fund operating expenses (excluding Acquired Fund Fees and Expenses ("AFFE"), brokerage commissions, extraordinary items, interest or taxes) ("annual operating expenses") is limited to 0.50% of the Fund's average daily net assets. These contractual limitations are in effect until 31-Dec-2026, and may not be terminated prior to that date without the approval of the Board of Trustees (the "Board") of The RBB Fund Trust (the "Trust").
Investments are not FDIC insured or bank guaranteed and may lose value.
The annual expense ratio is based on expenses incurred by the Fund, as stated in the most recent prospectus.

Risks

All investments involve the risk of loss of principal.
Diversification does not guarantee investment returns and does not eliminate the risk of loss.

ETFs are subject to additional risks that do not apply to conventional mutual funds, including the risks that the market price of an ETF's shares may trade at a premium or discount to its net asset value, an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact an ETF's ability to sell its shares. Shares of any ETF are bought and sold at market price (not NAV) and are not individually redeemed from the ETF. Brokerage commissions will reduce returns. A principal risk of investing in value stocks is that the price of the security may not approach its anticipated value or may decline in value. "Value" investments, as a category, or entire industries or sectors associated with such investments, may lose favor with investors as compared to those that are more "growth" oriented. The Fund may hold foreign securities and cash with foreign banks, agents, and securities depositories appointed by the Fund's custodian (each a "Foreign Custodian"). Some Foreign Custodians may be recently organized or new to the foreign custody business. The Fund may invest in foreign investments (including American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs") and European Depositary Receipts ("EDRs")). Foreign investments, which can be denominated in any applicable foreign currency, are susceptible to less politically, economically and socially stable environments, foreign currency and exchange rate changes, and adverse changes to government regulations. The Fund will invest in medium-size companies, the securities of which can be more volatile in price than those of larger companies. Positions in smaller companies, especially when the Fund is a large holder of a smaller company's securities, also may be more difficult or expensive to trade. The Fund defines mid-cap companies as those that have at the time of investment a market capitalization not greater than that of the largest company in the Russell Mid Cap® Index. The value and liquidity of portfolio holdings may fluctuate in response to events specific to the companies or markets, as well as economic, political or social events in the United States or abroad. During periods of market volatility, the value of individual securities and other investments at times may decline significantly and rapidly.

Definitions

Federal funds rate is the interest rate at which depository institutions (banks and credit unions) lend reserve balances to other depository institutions overnight on an uncollateralized basis. Gross domestic product (GDP) measures the total value of all economic output in goods and services for an economy. Atlanta Fed Wage Growth Tracker is a measure of the nominal wage growth of individuals. The Federal Open Market Committee (FOMC) is the committee of the Federal Reserve System that sets US monetary policy to promote maximum employment and price stability.

Russell 2000® Index (Gross/Total) measures the performance of the small-cap segment of the US equity universe. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. A total-return index tracks price changes and reinvestment of distribution income. S&P 500 Index (Gross/Total) measures the performance of 500 of the top companies in the leading industries of the US economy and is widely recognized as a proxy for the US market as a whole. A total-return index tracks price changes and reinvestment of distribution income.

Indexes are unmanaged and do not incur management fees or other operating expenses. One cannot invest directly in an index.
These holdings represent the top five contributors and detractors to performance for the First Eagle Small Cap Equity ETF as of 09/30/2026: CareDx, Inc 0.94%; Dorian LPG Ltd. 0.94%; Manitowoc Company, Inc. 0.52%; Maravai Lifesciences Holdings, Inc. Class A 0.51%; UTZ Brands, Inc. Class A 0.69%; Universal Technical Institute, Inc. 0.00%; Vishay Intertechnology, Inc. 0.31%; Ultra Clean Holdings, Inc. 0.36%; Lincoln Educational Services Corporation 0.42%; Brookdale Senior Living Inc. 0.78%.

Additional Disclosures

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The Fund's portfolio is actively managed and holdings can change at any time. Current and future portfolio holdings are subject to risk.
The investment process may change over time. The information set forth above is intended as a general illustration of some of the criteria the investment team considers in selecting securities. Not all investments will meet such criteria.
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