FISCAL YEAR END REVIEW

Dear Fellow Shareholders,

For the fiscal year ended October 31, 2024, the PRIMECAP Odyssey Stock Fund, PRIMECAP Odyssey Growth Fund, and PRIMECAP Odyssey Aggressive Growth Fund produced total returns of +29.83, +27.97%, and +27.27%, respectively. The unmanaged S&P 500® Index produced a total return of +38.02% during the period. Relative to the S&P 500® Index, both sector allocation and stock selection detracted meaningfully from results across all three Funds.

	Total Return Period Ended October 31, 2024				
		Annualized			
	1 year	5 year	10 year	Since Inception	Gross Expense Ratio
PRIMECAP Odyssey Stock Fund	29.83	12.27	11.41	10.66	0.67
PRIMECAP Odyssey Growth Fund	27.97	11.81	11.55	11.15	0.66
PRIMECAP Odyssey Aggressive Growth Fund	27.27	9.48	10.43	12.09	0.65
S&P 500® Index	38.02	15.27	13.00	10.58	—

Investment result data reflects deduction of fund operating expenses. Total return represents past performance, which is no guarantee 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 different than quoted, and performance as of the most recent month-end can be obtained by calling 1-800-729-2307. Each Fund commenced operations on November 1, 2004.*

The relentless U.S. equity market surged during the fiscal year. Market optimism swelled as a "soft landing" materialized, with the domestic economy tolerating higher-for-longer interest rates while inflation declined to near-target levels. There were some hiccups along the way, as both April and August witnessed brief declines in equities when softening data and spiking uncertainty threatened the outlook. Core inflation has also been stubborn, with Core CPI stalling above 3% in recent months. But the economy has proven resilient; the unemployment rate ticked higher and job growth was more subdued, but reliably strong consumer spending delivered healthy real GDP growth. Economic cracks did eventually emerge, however, and the Federal Reserve, which kept its benchmark rate unchanged above 5% for more than a year, commenced its long-awaited dovish pivot in September with an aggressive 50 basis point cut.

Large-capitalization growth stocks (the Russell 1000 Growth Index soared 44%) again outperformed, a recurring theme over the last decade-plus, powered of late by sustained Artificial Intelligence enthusiasm and the prospect of lower interest rates. While the market's torrid rise this year was not the exclusive domain of the Magnificent Seven, most of its constituents again delivered outsized gains, particularly NVIDIA (+226%), which temporarily claimed the title of world's most valuable company. But a broader-based strength provided lift across the market; all sectors notched robust double-digit returns other than energy (+8% benchmark return), which nonetheless registered a gain even as oil prices declined. Information technology (+51%) and communication services (+48%) were the best performers, while upside in the more defensive health care (+20%) and consumer staples (+23%) sectors was somewhat more limited.

For the Odyssey Funds, this fiscal year was frustrating, and disappointing. Each Fund logged a substantial gain, a welcome result, and yet each Fund also badly lagged the S&P 500® Index. NVIDIA added $2T to its market capitalization this year, morphing from less than 3% of the Index to more than 6% over the same period. The headwind from the Funds' underweight exposure was several hundred basis points per Fund; for the Stock Fund, NVIDIA alone explains half of its relative shortfall. And this single stock headwind compounded a sector allocation headwind of comparable size, also across all three Funds. Our longstanding health care overweight, plus the drag from modest cash positions, created a second multi-hundred basis point hurdle. The resultant one-two punch was devastating, and the Funds, despite some encouraging stock-specific developments, were unable to match the Index return.

The Funds' sector positioning shifted only slightly. The Funds continue to hold overweight positions in the health care and industrials sectors and underweight positions in the energy, financials, real estate, consumer staples, communication services, materials, and utilities sectors. Information technology exposure in the Aggressive Growth Fund continues to oscillate around the benchmark's exposure level, whereas the Stock and Growth Funds have expressed a clear underweight position in the sector. And the Aggressive Growth Fund also features an overweight position in the consumer discretionary sector, whereas the Stock and Growth Funds continue to express a modest underweight view.

A more detailed discussion of the results of each PRIMECAP Odyssey Fund follows.

PRIMECAP Odyssey Stock Fund

For the fiscal year ended October 31, 2024, the Stock Fund's total return of +29.83% trailed the S&P 500® Index's total return of +38.02%. Relative to the S&P 500® Index, sector allocation and stock selection were both unfavorable.

		Annualized		
	1 year	5 year	10 year	Since Inception
PRIMECAP Odyssey Stock Fund	29.83	12.27	11.41	10.66
S&P 500® Index	38.02	15.27	13.00	10.58

Sector allocation created a substantial headwind relative to the Index. Health care (+20% sector benchmark return), the Fund's largest exposure and its biggest overweight position at 28% of average Stock Fund assets versus 12% for the Index, badly lagged the S&P 500® Index. And underweight positions in the three best performing sectors – information technology (23% versus 30%), communication services (3% versus 9%), and financials (9% versus 13%) – plus a modest cash position (3%), amplified the headwind. Underweight positions in consumer staples (2% versus 6%) and energy (3% versus 4%) provided a partial offset.

Stock selection also weighed heavily on relative results overall. Selection within the health care, industrials, and financials sectors, however, contributed positively. Health care was led by Eli Lilly (+51%), the Fund's largest position, which logged another strong year given outsized demand for its diabetes/obesity drug platform, and which more than compensated for continued weakness in Biogen (−27%). The Fund's sizable ownership of two pharmaceutical giants, AstraZeneca (+15%) and Bristol-Myers (+14%), also detracted from performance as both stocks failed to keep pace with the benchmark. Within industrials, the airlines (United +124%, Delta +85%) soared, more than compensating for underperformance by FedEx (+16%). And within financials, Wells Fargo (+68%) and Raymond James (+58%) were the primary standouts.

But stock selection elsewhere was generally unfavorable. Within information technology, a large stake in Intel (-40%) plus stark underweights in NVIDIA (+226%) and Broadcom (+105%) weighed heavily on results. Strength in Flex (+82%) and Oracle (+64%) and underweight positions in heavyweights Apple (+33%) and Microsoft (+21%) provided a partial offset. Within consumer discretionary, modest gains in Sony (+7%), Mattel (+7%), and Whirlpool (+6%) lagged the benchmark return, more than offsetting the positive contribution from Royal Caribbean (+144%). And scattered weakness in other sectors further compounded the Fund's selection woes. Dollar Tree (−42%) in consumer staples, Albemarle (−24%) in materials, Hess (−6%) in energy, and a sizable underweight in Meta (+89%) in communication services all detracted from performance.

continued

The top 10 holdings, which collectively represented 36.7% of the net assets at the period end are listed below:

PRIMECAP Odyssey Stock Fund Top 10 Holdings as of 10/31/24	Ending % of Net Assets*
Eli Lilly & Co.	9.5
AstraZeneca PLC	4.0
AECOM	3.7
Amgen, Inc.	3.0
KLA Corp.	2.9
Flex Ltd.	2.9
FedEx Corp.	2.9
Microsoft Corp.	2.9
Siemens AG.	2.9
Raymond James Financial, Inc.	2.0
Total % of Net Assets	**36.7**

* The percentage is calculated by using the ending market value of the security divided by the ending net assets of the Fund.

PRIMECAP Odyssey Growth Fund

For the fiscal year ended October 31, 2024, the Growth Fund returned +27.97%, trailing the S&P 500® Index's +38.02% total return and the Russell 1000 Growth Index's total return of +43.77%. Relative to the S&P 500® Index, sector allocation and stock selection were again both unfavorable.

		Annualized		
	1 year	5 year	10 year	Since Inception
PRIMECAP Odyssey Growth Fund	27.97	11.81	11.55	11.15
S&P 500® Index	38.02	15.27	13.00	10.58
Russell 1000 Growth Index	43.77	19.00	16.18	12.57

Sector allocation was similar to that of the Stock Fund. The Growth Fund's larger health care overweight (31%) and reduced financials exposure (7%) were unhelpful, but less pronounced underweight positions in information technology (25%) and communication services (6%) and a more pronounced consumer staples underweight (1%) compensated for the incremental headwind.

Stock selection featured themes that paralleled the Stock Fund, but selection weakness was more detrimental for the Growth Fund overall. Rhythm Pharmaceuticals (+107%) more than doubled, adding to the sector's Eli Lilly tailwind within health care, but this was offset by underperformance from BioMarin (−19%) and BeiGene (+9%) and the Fund's bigger Biogen stake. Meanwhile, larger positions in the airlines within industrials and Raymond James within financials boosted results in those sectors.

But other sectors featured idiosyncratic weakness that weighed on results. Within information technology, Splunk (+7%) lagged as it awaited its now-finalized acquisition by Cisco, while Jabil (+1%) took a breather following last year's stellar performance; both added to familiar woes stemming from NVIDIA and Intel. Within consumer discretionary, iRobot (−74%) cratered as Amazon ditched its pursuit of the company and fundamentals deteriorated otherwise. Offshore driller Transocean (−34%) within energy and Chinese internet giant Baidu (−13%) within communication services both faltered, as well.

The top 10 holdings, which collectively represented 32.1% of the net assets at the period end are listed below:

PRIMECAP Odyssey Growth Fund Top 10 Holdings as of 10/31/24	Ending % of Net Assets*
Eli Lilly & Co.	7.9
Alphabet, Inc. - Class A & C	3.8
Raymond James Financial, Inc.	3.2
Micron Technology, Inc.	3.0
AECOM	2.8
BeiGene Ltd.	2.4
Microsoft Corp.	2.3
Flex Ltd.	2.3
Amgen, Inc.	2.2
Biogen, Inc.	2.2
Total % of Net Assets	**32.1**

* The percentage is calculated by using the ending market value of the security divided by the ending net assets of the Fund.

PRIMECAP Odyssey Aggressive Growth Fund

For the fiscal year ended October 31, 2024, the Aggressive Growth Fund's total return of +27.27% trailed both the S&P 500® Index's total return of +38.02% and the Russell Midcap Growth Index's total return of +38.67%. Once again, relative to the S&P 500® Index, both sector allocation and stock selection were unfavorable.

		Annualized		
	1 year	5 year	10 year	Since Inception
PRIMECAP Odyssey Aggressive Growth Fund	27.27	9.48	10.43	12.09
S&P 500® Index	38.02	15.27	13.00	10.58
Russell Midcap Growth Index	38.67	11.46	11.19	10.68

The Aggressive Growth Fund's sector allocation was modestly better than that of the Stock Fund and Growth Fund, but it remained punitive. Greater exposure to information technology (30%) and communication services (7%) plus a larger underweight position in energy (2%) were the key differentiators.

Stock selection was even more unfavorable than the Stock and Growth Funds' selection. Health care and industrials remained bright spots, as Eli Lilly and the airlines again led the way. Within health care, Glaukos (+94%) also soared, complementing a larger stake in Rhythm. But the Fund's smaller Eli Lilly position, weakness in Pulmonx (−29%), and several familiar laggards (Biogen, BioMarin, and BeiGene) were notable offsets.

Selection in all other sectors was unfavorable. Within information technology, Wolfspeed (−61%), Axcelis (−33%), and indie Semiconductor (−32%) were the primary incremental detractors, more than offsetting Nutanix (+72%) and no exposure to Microsoft. Within consumer discretionary, Chinese automaker XPeng (−22%) and online gambling company Entain (−13%) added to Sony and iRobot weakness, while a deteriorating outlook for liquefied natural gas provider New Fortress (−72%) compounded Transocean's struggles within the energy sector. And a larger Baidu position aggravated weakness in the communication services sector.

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The top 10 holdings, which collectively represented 30.1% of the net assets at the period end are listed below:

PRIMECAP Odyssey Aggressive Growth Fund Top 10 Holdings as of 10/31/24	Ending % of Net Assets*
Eli Lilly & Co.	5.6
Micron Technology, Inc.	4.1
Rhythm Pharmaceuticals, Inc.	3.2
Alphabet, Inc. - Class A & C	2.8
Flex Ltd.	2.7
Sony Group Corp.	2.5
MarketAxess Holdings, Inc.	2.4
AECOM	2.3
Tesla, Inc.	2.3
Biogen, Inc.	2.2
Total % of Net Assets	**30.1**

* The percentage is calculated by using the ending market value of the security divided by the ending net assets of the Fund.

Outlook

The fiscal year marked another aggressive move higher in U.S. equities. The S&P 500® Index is on the cusp of its 14th gain in 16 calendar years, with a blip in 2018 (−4%) and a deeper slide in 2022 (−18%) the only stumbles on its upward march. The escalation in Index value since early 2009, from roughly $8T to $50T in market capitalization, is simply staggering.

Divided into approximate thirds, the first third (2009-2013) of this enduring run was the *recovery* from a deep financial crisis. Earnings bottomed in 2008 and thereafter doubled over five years; the S&P 500® Index doubled, as well, but from depressed levels, and the Index still traded below 16x forward P/E at 2013-end. The second third (2014-2019) was a bull market *expansion* as the Index climbed another 75%, equivalent to a 10% price CAGR; the economy grew modestly, earnings grew unevenly, and valuations drifted higher, to above 18x forward P/E at 2019-end. During these two phases, the Funds generally fared well.

The most recent third (2020-2024), still underway, has already featured another 75% rise (12% CAGR) in the Index. Stimulus overwhelmed Covid, AI fueled Big Tech, and increasing exuberance pushed the market's forward P/E above 21x. How we ultimately characterize this latest phase is yet unwritten; one-word summaries require hindsight and perspective. But what is already clear is that we misjudged this era, and the Funds have suffered from our differentiated posture, especially our skepticism of Big Tech's unrelenting ascent. In an unprecedented display of market concentration, just three stocks alone – the $3T triplets (NVIDIA, Microsoft, and Apple) – have comprised 30% of the Index's gain since 2019-end.

We continue to believe this narrow strength is unsustainable, and the latter half of the fiscal year saw the S&P 500® Equal Weight Index outpace its capitalization-weighted peer. Still, the Magnificent Seven collectively trade near 30x forward P/E while the average non-magnificent stock in the S&P 500® Index trades near 18x forward P/E. And smaller stocks tend to be even less expensive, as both the S&P 400 MidCap and the S&P 600 SmallCap Indices trade closer to 16x forward P/E.

Likewise, in contrast to an expensive Index unduly dominated by a handful of stocks, we believe the Funds' unconventional holdings are attractively valued. The companies we own instead include semiconductors, biopharmaceuticals, non-bank financials, off-price retailers, airlines, engineering and construction firms, Chinese internet stocks, electronics contract manufacturers, and many others. These companies vary widely by industry and even geography, but three sectors (health care, industrials, and information technology) comprise roughly 70% of our portfolios. Of these, two have been longstanding overweight positions for all three Funds.

We continue to express substantial conviction in the health care sector, especially biopharmaceutical companies. This pronounced overweight stance is somewhat distorted by Eli Lilly's incredible performance; Lilly has logged a nearly eight-fold return over the last five years, and the stock grew into a massive position in each Fund (even with the Funds trimming into this strength). Previous letters have explored in depth our Eli Lilly experience, but it is worth reiterating that we did not initiate our position in 2018, on the cusp of its ongoing inflection. We owned it for more than a decade prior, ignoring naysayers and waiting expectantly for its substantial R&D budget and underappreciated pipeline to deliver results.

Our biopharmaceutical portfolios are replete with companies that resemble Eli Lilly – that is, the decade-ago version of Lilly, the Lilly of peak pessimism. Companies like Biogen, Bristol Myers, Elanco, GlaxoSmithKline – strong franchises with resilient cash flows, robust R&D spend, and high-potential pipelines, but which we believe trade at bargain valuations. The market frequently sours on drug companies without visible near-term growth, but this fundamentally misunderstands these companies' value-generating engines. We do not expect any of these companies to follow Lilly's trajectory – nor could we have reasonably expected Lilly to execute so well – but we assess all as inexpensive stocks poised for outperformance.

The industrials sector has been the Funds' other consistent overweight position. And again, our portfolios contrast sharply with the Index. The benchmark is led by a roster of industrial titans – GE Aerospace, Caterpillar, RTX (formerly Raytheon), Honeywell, Lockheed Martin, Boeing, Deere – plus railroads like Union Pacific, relative upstarts like Uber, and others. The Funds look decidedly different. Our preferred industrial conglomerate, Siemens, is a European giant with a technology bias; it has divested non-core segments and refocused its business around industrial software, automation, and electrification technologies. In each of these three areas, we believe Siemens has leading technology globally. Despite recent outperformance, we still see tremendous upside in this forward-looking industrial powerhouse, as valuation (under 15x forward P/E net of its public company stakes) remains discounted relative to peers.

We are also significantly overweight transportation companies within industrials. Our ownership of airlines dwarfs their benchmark representation, as discussed at length in previous letters; most airlines outperformed this year, but the industry remains inexpensive (sub-9x forward P/E at period-end). The Funds also own FedEx, a transportation stalwart which has executed poorly amid declining industry volumes, and whose stock has faltered. We are optimistic that operational fixes alongside improving industry conditions will restore FedEx's latent earnings power, and strategic actions can unlock further upside given the franchise's unique and undervalued collection of assets.

And finally, the Funds have large stakes in two engineering and construction firms, AECOM and Jacobs. Together these stocks represent 4% of each Fund's assets, whereas the industrials sector benchmark has only negligible exposure to Jacobs. Both companies have transformed over the last dozen years, reconstituting from lower-margin construction and diversified engineering businesses to higher-margin design, consulting, and project management franchises. The market has not yet fully recognized, or rewarded, this upgrade; the stocks continue to trade at a slight discount to the Index despite generating above-market earnings growth.

The market remains sanguine, perhaps understandably so. Artificial Intelligence has already spawned massive new opportunities and is still in its infancy. The Fed, its reputation repaired, is now cutting rates while the economy chugs along – a "soft landing" success. The election unleashed further animal spirits, enthralled by the prospect of less regulation and lower taxes. And, while the S&P 500® Index's valuation is undeniably rich, a less antagonistic Fed has provided investors with incremental comfort. Based on Index behavior alone, one senses an almost irrepressible optimism.

And yet all is not well. The Ukraine war is at risk of globalizing, and the world order is fragile. The U.S. economy is not yet in the clear; the Fed wants to cut rates but stubborn core inflation may thwart its plans. And the election outcome, current momentum notwithstanding, is a high variance event with myriad ramifications for stocks, both positive and negative. Each leg higher for equities, especially this fiscal year's near 40% spike, reinforces our view that the stock market has become complacent.

Relative to the S&P 500® Index, we prefer our unconventional collection of stocks, portfolios that hardly resemble the Index. Despite some bright spots, the Funds have collectively been unable to keep pace of late. And this fiscal year's underperformance, while disappointing, only deepens our conviction in the relative merit of our portfolios.

Sincerely,

PRIMECAP Management Company
November 20, 2024

Past performance is not a guarantee of future results.

The Fund's investment objective, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by calling 1-800-729-2307 or by visiting www.primecap.com. Read it carefully before investing.

Mutual fund investing involves risk; principal loss is possible. The Fund may invest in smaller companies, which involve additional risks such as limited liquidity and greater volatility. Additionally, the Fund may invest in foreign securities which involve political, economic and currency risks, greater volatility, and differences in accounting methods. Growth stocks typically are more volatile than value stocks; however, value stocks have a lower expected growth rate in earnings and sales.

Opinions expressed are those of PRIMECAP Management Co. as of October 31, 2024, and are subject to change, not guaranteed and should not be considered investment advice.

The PRIMECAP Odyssey Funds are distributed by ALPS Distributors, Inc.

Please refer to the Schedule of Investments for details of fund holdings. Fund holdings and sector allocations are subject to change at any time and are not recommendations to buy or sell any security.

The **S&P 500® Index** is a market capitalization-weighted index of 500 large-capitalization stocks commonly used to represent the U.S. equity market. The **Russell 1000 Growth Index** is an index that measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values (the Russell 1000 Index measures the performance of the large-cap segment of the U.S. equity universe). The **Russell Midcap Growth Index** measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. You cannot invest directly in an index.

Earnings per share (EPS) is calculated by taking the total earnings divided by the number of shares outstanding.

Price-to-earnings (P/E) ratio is calculated by dividing the current share price of a stock by its earnings per share.

Compound annual growth rate (CAGR) represents the mean annualized growth rate for compounding values over a given time period.

Earnings growth is not a prediction of a fund's future performance.

The information provided herein represents the opinions of PRIMECAP Management Company and is not intended to be a forecast of future events, a guarantee of future results, or investment advice.