



**ANNUAL REPORT**

December 31, 2022

OTCFX

T. ROWE PRICE

**Small-Cap Stock Fund**

PASSX

**Small-Cap Stock Fund-  
Advisor Class**

OTIIX

**Small-Cap Stock Fund-  
I Class**

TRZZX

**Small-Cap Stock Fund-  
Z Class**

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## HIGHLIGHTS

- The Small-Cap Stock Fund declined and underperformed the Russell 2000 Index in a year marked by Russia's invasion of Ukraine, elevated inflation exacerbated by rising commodity prices and global supply chain disruptions, tightening financial conditions, and slowing economic and corporate earnings growth.
- The consumer discretionary and energy sectors were the largest detractors from the fund's performance relative to the benchmark, while holdings in information technology added value.
- Bottom-up stock selection continued to drive our portfolio positioning. We sought companies that are solving hard problems, believing that they will be successful regardless of the macro environment.
- The economic backdrop remains challenged, and we are not ruling out additional downside from here, but we maintain conviction in our investment process regardless of these factors and believe our focus on identifying the advantaged companies across our universe that offer relative value will provide strong long-term results.

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## Dear Shareholder

Nearly all major global stock and bond indexes fell sharply in 2022, as investors contended with persistently high inflation, tightening financial conditions, and slowing economic and corporate earnings growth.

Double-digit losses were common in equity markets around the world, and bond investors also faced a historically tough environment amid a sharp rise in interest rates. Value shares declined but outperformed growth stocks by a considerable margin as equity investors turned risk averse and as rising rates put downward pressure on growth stock valuations. Emerging markets stocks generally underperformed shares in developed markets. Meanwhile, the U.S. dollar strengthened versus most currencies during the period, which weighed on returns for U.S. investors in international securities.

Within the S&P 500 Index, energy was a rare bright spot, gaining more than 60% as oil prices jumped in response to Russia's invasion of Ukraine and concerns over commodity supply shortages. Defensive shares, such as utilities, consumer staples, and health care, held up relatively well and finished the year with roughly flat returns. Conversely, communication services, consumer discretionary, and information technology shares suffered the largest declines.

Elevated inflation remained a leading concern for investors throughout the period, although there were signs that price increases were moderating by year-end. November's consumer price index data showed headline inflation rising 7.1% on a 12-month basis, the lowest level since December 2021 but still well above the Federal Reserve's 2% long-term target.

In response to the high inflation readings, global central banks tightened monetary policy, and investors focused on communications from central bank officials on how high rates would have to go. The Fed, which at the end of 2021 had forecast that it would only need to raise interest rates 0.75 percentage point in all of 2022, raised its short-term lending benchmark from near zero in March to a target range of 4.25% to 4.50% by December and indicated that additional hikes are likely.

Bond yields increased considerably across the U.S. Treasury yield curve as the Fed tightened monetary policy, with the yield on the benchmark 10-year U.S. Treasury note climbing from 1.52% at the start of the period to 3.88% at the end of the year. Significant inversions in the yield curve, which are often considered a warning sign of a coming recession, occurred during the period as shorter-maturity Treasuries experienced the largest yield increases. The

sharp increase in yields led to historically weak results across the fixed income market, with the Bloomberg U.S. Aggregate Bond Index delivering its worst year on record. (Bond prices and yields move in opposite directions.)

As the period came to an end, the economic backdrop appeared mixed. Although manufacturing gauges have drifted toward contraction levels, the U.S. jobs market remained resilient, and corporate and household balance sheets appeared strong. Meanwhile, the housing market has weakened amid rising mortgage rates.

The past year has been a trying time for investors as few sectors remained untouched by the broad headwinds that markets faced, and volatility may continue in the near term as central banks tighten policy amid slowing economic growth. However, in our view, there continue to be opportunities for selective investors focused on fundamentals. Valuations in most global equity markets have improved markedly, although U.S. equities still appear relatively expensive by historical standards, while bond yields have reached some of the most attractive levels since the 2008 global financial crisis.

We believe this environment makes skilled active management a critical tool for identifying risks and opportunities, and our investment teams will continue to use fundamental research to identify securities that can add value to your portfolio over the long term.

Thank you for your continued confidence in T. Rowe Price.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert M. Sharps". The signature is fluid and cursive, with the first name "Robert" and last name "Sharps" being the most prominent parts.

Robert Sharps  
*CEO and President*

## INVESTMENT OBJECTIVE

The fund seeks to provide long-term capital growth by investing primarily in stocks of small companies.

## FUND COMMENTARY

### How did the fund perform in the past 12 months?

The Small-Cap Stock Fund returned -23.49% for 2022. The fund underperformed the Russell 2000 Index but outperformed the Lipper Small-Cap Growth Funds Index. (Returns for the Advisor, I, and Z Class shares varied slightly, reflecting their different fee structures. *Past performance cannot guarantee future results.*)

Periods Ended 12/31/22	Total Return	
	6 Months	12 Months
Small-Cap Stock Fund	1.93%	-23.49%
Small-Cap Stock Fund-Advisor Class	1.79	-23.69
Small-Cap Stock Fund-I Class	2.01	-23.37
Small-Cap Stock Fund-Z Class	2.39	-22.79
Russell 2000 Index	3.91	-20.44
Lipper Small-Cap Core Funds Index	4.94	-15.22
Lipper Small-Cap Growth Funds Index	2.63	-26.54
S&P 500 Index	2.31	-18.11

### What factors influenced the fund's performance?

The challenges discussed in our semiannual letter persisted in the latter half of the year; indeed, 2022 was the worst year for equities since the 2008 global financial crisis and the third-worst calendar year for the Russell 2000 Index since its inception. The year was marked by Russia's invasion of Ukraine, elevated inflation exacerbated by rising commodity prices and global supply chain disruptions, tightening financial

conditions, and slowing economic and corporate earnings growth. Growth stocks were especially pressured in a rising interest rate environment, and our tilt toward growth hindered relative performance. Stock selection in consumer discretionary, an area especially hampered by inflation and expectations of a recession, weighed most heavily on relative results. An underweight allocation to energy also detracted. On the positive side, our holdings in information technology added value.

In consumer discretionary, our holding in electric vehicle manufacturer Rivian Automotive detracted most significantly. Following a highly anticipated IPO at the end of 2021, shares of Rivian fell sharply in 2022. In addition to market sentiment headwinds weighing broadly on growth stocks, the company faced significant supply chain disruption and increased competition. While some growing pains and near-term headwinds may persist, our long-term outlook remains intact. We like the company's experienced management team, its focus on profitable market segments, and its positioning as a beneficiary of the secular trend of electrification. A challenging consumer backdrop also weighed on shares of omnichannel vision care provider Warby Parker. We believe Warby Parker is a best-in-class company with leading technology, exceptional customer service, and vast opportunity for growth as brand awareness increases. (Please refer to the portfolio of investments for a complete list of holdings and the amount each represents in the portfolio.)

Less exposure to energy also hindered relative results. Energy stocks produced extraordinary gains, surging with oil and natural gas prices during the year, as many nations sanctioned Russia and made efforts to reduce reliance on Russian energy exports because of its invasion of Ukraine.

On the positive side, stock selection in information technology contributed the most to relative results. Shares of our longtime holding in Lattice Semiconductor fell, but the stock outperformed the technology sector, which was the second-worst-performing sector in the benchmark. The company continued to make progress in its turnaround efforts, initiated by new management, and stands to benefit from several growth drivers, including 5G technology and automotive electrification, in our view. Shares of Teledyne Technologies declined modestly but also outpaced the broader sector. Teledyne is an industrial technologies conglomerate, with a core focus on industrial sensors. Increasing demand for precision sensors and imaging should create tailwinds for the company, and we believe it has an opportunity to improve margins and cash flows and generate growth through thoughtful capital deployment.

### **How is the fund positioned?**

Bottom-up stock selection continued to drive our portfolio positioning. We sought companies that are solving hard problems, believing that they will be successful regardless of the macro environment. Purchases spanned the various sectors, with some of the larger buys occurring within our biggest sector weightings: health care and financials. On the other hand, we sold holdings that were acquired, that performed well, or where our conviction has begun to wane, and we used proceeds to fund names that have come under pressure recently.

Within health care, our focus is on identifying investments that we believe will thrive regardless of potential regulatory headwinds. Our largest allocation is to the biotechnology industry, and we found some new ideas here, including commercial biologics contract development and manufacturing company Avid Bioservices. We believe the company is capable of significant revenue growth and margin expansion in the next three to five years. We also initiated on Ionis Pharmaceuticals, a commercial-stage biotechnology company built around its antisense drug discovery platform. Antisense drugs can modulate the production of disease-causing proteins at the gene level. We believe the company's pipeline, with multiple high-probability trials pending, offers significant growth potential. Our next largest exposures are to the more value-oriented health care providers and services and health care equipment and supplies industries. We added a position in medical technology company Masimo. It specializes in noninvasive patient monitoring technologies, medical devices, and sensors.

Within financials, our largest industry exposure is to banks. We feel there are opportunities within regional banks with strong management teams, improving credit metrics, reasonable valuations, and solid balance sheets. The period was especially challenging for growth-focused banks, as investors worried that growth in deposits could come at the expense of asset quality. We took advantage of these pricing dislocations to add select companies to the fund. We found an attractive entry point in Cadence Bank. The company was formed via a merger of equals between Bancorp South and legacy Cadence in late 2021. We believe that the combination created a premier bank with scale across some of the best growth markets in the country. We also added a position in Veritex Holdings, a high-growth, high-performing commercial bank based in Texas. We like the company's position in attractive metro markets and its commercial focus.

High-level sales rationales included acquisitions, strong share price appreciation, and changes to our investment thesis. Acquisition-driven top sales included the elimination of real estate holdings American Campus and PS Business Parks and industrials and business services name Meritor. We exited Matson, a marine shipping company, on strength following solid execution in response to the unprecedented demand resulting from global logistics bottlenecks. Stocks that were trimmed following runups in price included Medicaid managed care company Molina Healthcare and management consulting, technology, and engineering services company Booz Allen Hamilton Holding. We eliminated communication services provider Cable One as competitive pressures, rising interest rates, and the possibility of increased regulation weakened our conviction in its long-term potential.

<b>SECTOR DIVERSIFICATION</b>		
	Percent of Net Assets	
	6/30/22	12/31/22
Health Care	17.8%	18.5%
Financials	16.8	16.9
Industrials and Business Services	15.4	15.9
Information Technology	13.7	13.6
Consumer Discretionary	11.3	10.9
Real Estate	5.1	5.1
Energy	4.3	5.0
Consumer Staples	4.2	4.2
Utilities	4.3	3.8
Materials	3.4	3.3
Communication Services	1.7	0.5
Other and Reserves	2.0	2.3
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Historical weightings reflect current industry/sector classifications.		

### What is portfolio management's outlook?

The economic backdrop remains challenged, and we believe that the impact of the Fed's rate hiking should begin to show through company earnings in the next few quarters. We are not ruling out additional downside from here, but the market is looking for any reason to rally, and we would not be surprised if it did should there be news that the Fed may be taking its foot off the brakes. While we monitor these macroeconomic factors, we do not make top-down adjustments to the portfolio in response. Although we cannot say that we've reached the bottom of this sell-off, 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.

The views expressed reflect the opinions of T. Rowe Price as of the date of this report and are subject to change based on changes in market, economic, or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.



## **RISKS OF INVESTING IN THE SMALL-CAP STOCK FUND**

Stocks generally fluctuate in value more than bonds and may decline significantly over short time periods. There is a chance that stock prices overall will decline because stock markets tend to move in cycles, with periods of rising and falling prices. The value of a stock in which the fund invests may decline due to general weakness in the U.S. stock market, such as when the U.S. financial markets decline, or because of factors that affect a particular company or industry.

Because the fund may hold stocks with either growth or value characteristics, it could underperform other stock funds that take a strictly growth or value approach to investing when one style is currently in favor. Growth stocks tend to be more volatile than the overall stock market and can have sharp price declines as a result of earnings disappointments. Value stocks carry the risk that the market will not recognize their intrinsic value or that they are actually appropriately priced at a low level.

Because the fund invests primarily in securities issued by small-cap companies, it is likely to be more volatile than a fund that focuses on securities issued by larger companies. Small companies often have less experienced management, narrower product lines, more limited financial resources, and less publicly available information than larger companies. In addition, smaller companies are typically more sensitive to changes in overall economic conditions, and their securities may be difficult to trade.

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## PORTFOLIO HIGHLIGHTS

## TWENTY-FIVE LARGEST HOLDINGS

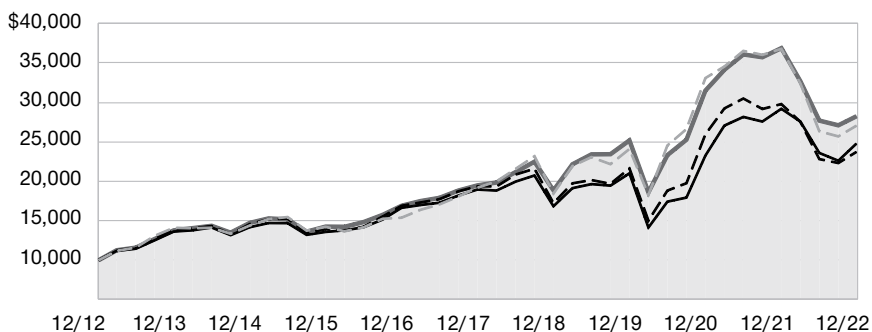
	Percent of Net Assets 12/31/22
Lattice Semiconductor	1.4%
Ingersoll Rand	1.3
Molina Healthcare	1.2
Burlington Stores	1.2
Teledyne Technologies	1.1
Selective Insurance Group	1.1
FirstService	1.1
Venture Global LNG	1.1
Element Solutions	1.0
EastGroup Properties	1.0
Papa John's International	1.0
Magnolia Oil & Gas	1.0
Argenx	1.0
Bruker	0.9
Ollie's Bargain Outlet Holdings	0.9
PennyMac Financial Services	0.9
Boston Beer	0.8
Diamondback Energy	0.8
Axis Capital Holdings	0.8
Descartes Systems Group	0.7
Assurant	0.7
Western Alliance Bancorp	0.7
Entegris	0.7
Ascendis Pharma	0.7
Clear Secure	0.7
<b>Total</b>	<b>23.8%</b>

Note: The information shown does not reflect any exchange-traded funds (ETFs), cash reserves, or collateral for securities lending that may be held in the portfolio.

## GROWTH OF \$10,000

This chart shows the value of a hypothetical \$10,000 investment in the fund over the past 10 fiscal year periods or since inception (for funds lacking 10-year records). The result is compared with benchmarks, which include a broad-based market index and may also include a peer group average or index. Market indexes do not include expenses, which are deducted from fund returns as well as mutual fund averages and indexes.

### SMALL-CAP STOCK FUND



As of 12/31/22

—	Small-Cap Stock Fund	\$28,218
- - -	Russell 2000 Index	23,696
—	Lipper Small-Cap Core Funds Index	24,746
- - -	Lipper Small-Cap Growth Funds Index	27,025

Note: Performance for the Advisor, I, and Z Class shares will vary due to their differing fee structures. See the Average Annual Compound Total Return table.

**AVERAGE ANNUAL COMPOUND TOTAL RETURN**

Periods Ended 12/31/22	1 Year	5 Years	10 Years	Since Inception	Inception Date
Small-Cap Stock Fund	-23.49%	7.70%	10.93%	-	-
Small-Cap Stock Fund- Advisor Class	-23.69	7.41	10.63	-	-
Small-Cap Stock Fund- I Class	-23.37	7.84	-	9.85%	8/28/15
Small-Cap Stock Fund- Z Class	-22.79	-	-	21.47	3/16/20

*The fund's performance information represents only past performance and is not necessarily an indication of future results. Current performance may be lower or higher than the performance data cited. Share price, principal value, and return will vary, and you may have a gain or loss when you sell your shares. For the most recent month-end performance, please visit our website ([troweprice.com](http://troweprice.com)) or contact a T. Rowe Price representative at 1-800-225-5132 or, for Advisor, I, and Z Class shares, 1-800-638-8790.*

This table shows how the fund would have performed each year if its actual (or cumulative) returns had been earned at a constant rate. Average annual total return figures include changes in principal value, reinvested dividends, and capital gain distributions. Returns do not reflect taxes that the shareholder may pay on fund distributions or the redemption of fund shares. When assessing performance, investors should consider both short- and long-term returns.

## EXPENSE RATIO

Small-Cap Stock Fund	0.85%
Small-Cap Stock Fund–Advisor Class	1.15
Small-Cap Stock Fund–I Class	0.75
Small-Cap Stock Fund–Z Class	0.74

The expense ratio shown is as of the fund's most recent prospectus. This number may vary from the expense ratio shown elsewhere in this report because it is based on a different time period and, if applicable, includes acquired fund fees and expenses but does not include fee or expense waivers.

## FUND EXPENSE EXAMPLE

As a mutual fund shareholder, you may incur two types of costs: (1) transaction costs, such as redemption fees or sales loads, and (2) ongoing costs, including management fees, distribution and service (12b-1) fees, and other fund expenses. The following example is intended to help you understand your ongoing costs (in dollars) of investing in the fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the most recent six-month period and held for the entire period.

Please note that the fund has four share classes: The original share class (Investor Class) charges no distribution and service (12b-1) fee, Advisor Class shares are offered only through unaffiliated brokers and other financial intermediaries and charge a 0.25% 12b-1 fee, I Class shares are available to institutionally oriented clients and impose no 12b-1 or administrative fee payment, and Z Class shares are offered only to funds advised by T. Rowe Price and other advisory clients of T. Rowe Price or its affiliates that are subject to a contractual fee for investment management services and impose no 12b-1 fee or administrative fee payment. Each share class is presented separately in the table.

### Actual Expenses

The first line of the following table (Actual) provides information about actual account values and expenses based on the fund's actual returns. You may use the information on this line, together with your account balance, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number on the first line under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

### Hypothetical Example for Comparison Purposes

The information on the second line of the table (Hypothetical) is based on hypothetical account values and expenses derived from the fund's actual expense ratio and an assumed 5% per year rate of return before expenses (not the fund's actual return). You may compare the ongoing costs of investing in the fund with other funds by contrasting this 5% hypothetical example and the 5% hypothetical examples that appear in the shareholder reports of the other funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

**FUND EXPENSE EXAMPLE (CONTINUED)**

**Note:** T. Rowe Price charges an annual account service fee of \$20, generally for accounts with less than \$10,000. The fee is waived for any investor whose T. Rowe Price mutual fund accounts total \$50,000 or more; accounts electing to receive electronic delivery of account statements, transaction confirmations, prospectuses, and shareholder reports; or accounts of an investor who is a T. Rowe Price Personal Services or Enhanced Personal Services client (enrollment in these programs generally requires T. Rowe Price assets of at least \$250,000). This fee is not included in the accompanying table. If you are subject to the fee, keep it in mind when you are estimating the ongoing expenses of investing in the fund and when comparing the expenses of this fund with other funds.

You should also be aware that the expenses shown in the table highlight only your ongoing costs and do not reflect any transaction costs, such as redemption fees or sales loads. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. To the extent a fund charges transaction costs, however, the total cost of owning that fund is higher.

<b>SMALL-CAP STOCK FUND</b>			
	Beginning Account Value 7/1/22	Ending Account Value 12/31/22	Expenses Paid During Period* 7/1/22 to 12/31/22
<b>Investor Class</b>			
Actual	\$1,000.00	\$1,019.30	\$4.63
Hypothetical (assumes 5% return before expenses)	1,000.00	1,020.62	4.63
<b>Advisor Class</b>			
Actual	1,000.00	1,017.90	5.90
Hypothetical (assumes 5% return before expenses)	1,000.00	1,019.36	5.90
<b>I Class</b>			
Actual	1,000.00	1,020.10	3.92
Hypothetical (assumes 5% return before expenses)	1,000.00	1,021.32	3.92
<b>Z Class</b>			
Actual	1,000.00	1,023.90	0.00
Hypothetical (assumes 5% return before expenses)	1,000.00	1,025.21	0.00

\* Expenses are equal to the fund's annualized expense ratio for the 6-month period, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (184), and divided by the days in the year (365) to reflect the half-year period. The annualized expense ratio of the Investor Class was 0.91%, the Advisor Class was 1.16%, the I Class was 0.77%, and the Z Class was 0.00%.

**FINANCIAL HIGHLIGHTS**

For a share outstanding throughout each period

**Investor Class**

	Year Ended				
	12/31/22	12/31/21	12/31/20	12/31/19	12/31/18
<b>NET ASSET VALUE</b>					
Beginning of period	\$ 69.75	\$ 63.91	\$ 52.31	\$ 41.28	\$ 47.70
Investment activities					
Net investment income (loss) <sup>(1)(2)</sup>	(0.03)	(0.13)	(0.01)	(0.03)	0.01
Net realized and unrealized gain/loss	(16.26)	10.91	13.07	13.86	(1.30)
Total from investment activities	(16.29)	10.78	13.06	13.83	(1.29)
Distributions					
Net realized gain	(2.12)	(4.94)	(1.46)	(2.80)	(5.13)
<b>NET ASSET VALUE</b>					
<b>End of period</b>	<b>\$ 51.34</b>	<b>\$ 69.75</b>	<b>\$ 63.91</b>	<b>\$ 52.31</b>	<b>\$ 41.28</b>

**Ratios/Supplemental Data**

<b>Total return<sup>(2)(3)</sup></b>	<b>(23.49)%</b>	<b>17.14%</b>	<b>25.05%</b>	<b>33.63%</b>	<b>(3.24)%</b>
Ratios to average net assets: <sup>(2)</sup>					
Gross expenses before waivers/ payments by Price Associates	0.91%	0.85%	0.88%	0.88%	0.89%
Net expenses after waivers/ payments by Price Associates	0.91%	0.85%	0.88%	0.88%	0.89%
Net investment income (loss)	(0.05)%	(0.18)%	(0.02)%	(0.05)%	0.03%
Portfolio turnover rate	24.3%	14.9%	19.6%	24.1%	33.5%
Net assets, end of period (in millions)	\$2,394	\$5,249	\$5,095	\$7,706	\$6,520

<sup>(1)</sup> Per share amounts calculated using average shares outstanding method.

<sup>(2)</sup> See Note 6 for details of expense-related arrangements with Price Associates.

<sup>(3)</sup> Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.

The accompanying notes are an integral part of these financial statements.



**FINANCIAL HIGHLIGHTS**

For a share outstanding throughout each period

**Advisor Class**

	Year Ended				
	12/31/22	12/31/21	12/31/20	12/31/19	12/31/18
<b>NET ASSET VALUE</b>					
Beginning of period	\$ 68.99	\$ 63.23	\$ 51.78	\$ 40.88	\$ 47.25
Investment activities					
Net investment loss <sup>(1)(2)</sup>	(0.17)	(0.34)	(0.15)	(0.16)	(0.12)
Net realized and unrealized gain/loss	(16.08)	10.79	12.91	13.71	(1.28)
Total from investment activities	(16.25)	10.45	12.76	13.55	(1.40)
Distributions					
Net realized gain	(2.12)	(4.69)	(1.31)	(2.65)	(4.97)
<b>NET ASSET VALUE</b>					
<b>End of period</b>	<b>\$ 50.62</b>	<b>\$ 68.99</b>	<b>\$ 63.23</b>	<b>\$ 51.78</b>	<b>\$ 40.88</b>

**Ratios/Supplemental Data**

<b>Total return<sup>(2)(3)</sup></b>	<b>(23.69)%</b>	<b>16.79%</b>	<b>24.72%</b>	<b>33.27%</b>	<b>(3.49)%</b>
Ratios to average net assets: <sup>(2)</sup>					
Gross expenses before waivers/ payments by Price Associates	1.17%	1.15%	1.15%	1.15%	1.16%
Net expenses after waivers/ payments by Price Associates	1.17%	1.15%	1.15%	1.15%	1.16%
Net investment loss	(0.31)%	(0.48)%	(0.30)%	(0.33)%	(0.25)%
Portfolio turnover rate	24.3%	14.9%	19.6%	24.1%	33.5%
Net assets, end of period (in thousands)	\$65,259	\$105,183	\$116,742	\$130,718	\$131,528

<sup>(1)</sup> Per share amounts calculated using average shares outstanding method.

<sup>(2)</sup> See Note 6 for details of expense-related arrangements with Price Associates.

<sup>(3)</sup> Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.

The accompanying notes are an integral part of these financial statements.

**FINANCIAL HIGHLIGHTS**

For a share outstanding throughout each period

**I Class**

	Year Ended				
	12/31/22	12/31/21	12/31/20	12/31/19	12/31/18
<b>NET ASSET VALUE</b>					
Beginning of period	\$ 69.76	\$ 63.92	\$ 52.31	\$ 41.28	\$ 47.71
Investment activities					
Net investment income (loss) <sup>(1)(2)</sup>	0.07	(0.05)	0.03	0.04	0.10
Net realized and unrealized gain/loss	(16.28)	10.91	13.11	13.86	(1.32)
Total from investment activities	(16.21)	10.86	13.14	13.90	(1.22)
Distributions					
Net investment income	(0.07)	—	(0.01)	—	—
Net realized gain	(2.12)	(5.02)	(1.52)	(2.87)	(5.21)
Total distributions	(2.19)	(5.02)	(1.53)	(2.87)	(5.21)
<b>NET ASSET VALUE</b>					
End of period	\$ 51.36	\$ 69.76	\$ 63.92	\$ 52.31	\$ 41.28

**Ratios/Supplemental Data**

<b>Total return<sup>(2)(3)</sup></b>	<b>(23.37)%</b>	<b>17.27%</b>	<b>25.21%</b>	<b>33.80%</b>	<b>(3.10)%</b>
Ratios to average net assets: <sup>(2)</sup>					
Gross expenses before waivers/ payments by Price Associates	0.77%	0.75%	0.75%	0.75%	0.75%
Net expenses after waivers/ payments by Price Associates	0.77%	0.75%	0.75%	0.75%	0.75%
Net investment income (loss)	0.12%	(0.08)%	0.07%	0.08%	0.20%
Portfolio turnover rate	24.3%	14.9%	19.6%	24.1%	33.5%
Net assets, end of period (in millions)	\$2,987	\$2,385	\$2,110	\$2,647	\$1,811

<sup>(1)</sup> Per share amounts calculated using average shares outstanding method.

<sup>(2)</sup> See Note 6 for details of expense-related arrangements with Price Associates.

<sup>(3)</sup> Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.

The accompanying notes are an integral part of these financial statements.

**FINANCIAL HIGHLIGHTS**

For a share outstanding throughout each period

**Z Class**

	Year Ended 12/31/22	12/31/21	3/16/20 <sup>(1)</sup> Through 12/31/20
<b>NET ASSET VALUE</b>			
Beginning of period	\$ 69.79	\$ 63.93	\$ 34.88
Investment activities			
Net investment income <sup>(2)(3)</sup>	0.50	0.48	0.35
Net realized and unrealized gain/loss	(16.29)	10.92	30.57
Total from investment activities	(15.79)	11.40	30.92
Distributions			
Net investment income	(0.45)	(0.30)	(0.35)
Net realized gain	(2.12)	(5.24)	(1.52)
Total distributions	(2.57)	(5.54)	(1.87)
<b>NET ASSET VALUE</b>			
End of period	<b>\$ 51.43</b>	<b>\$ 69.79</b>	<b>\$ 63.93</b>

**Ratios/Supplemental Data**

<b>Total return<sup>(3)(4)</sup></b>	<b>(22.79)%</b>	<b>18.14%</b>	<b>88.82%</b>
Ratios to average net assets: <sup>(3)</sup>			
Gross expenses before waivers/payments by Price Associates	0.74%	0.74%	0.74% <sup>(5)</sup>
Net expenses after waivers/payments by Price Associates	0.00%	0.00%	0.00% <sup>(5)</sup>
Net investment income	0.87%	0.67%	0.85% <sup>(5)</sup>
Portfolio turnover rate	24.3%	14.9%	19.6%
Net assets, end of period (in millions)	\$2,971	\$3,983	\$4,009

<sup>(1)</sup> Inception date<sup>(2)</sup> Per share amounts calculated using average shares outstanding method.<sup>(3)</sup> See Note 6 for details of expense-related arrangements with Price Associates.<sup>(4)</sup> Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable. Total return is not annualized for periods less than one year.<sup>(5)</sup> Annualized

The accompanying notes are an integral part of these financial statements.

T. ROWE PRICE SMALL-CAP STOCK FUND

December 31, 2022

**PORTFOLIO OF INVESTMENTS†**

Shares

\$ Value

(Cost and value in \$000s)

**COMMON STOCKS 93.9%**

**COMMUNICATION SERVICES 0.4%**

**Entertainment 0.1%**

Cinemark Holdings (1) 1,121,017 9,708

9,708

**Interactive Media & Services 0.3%**

Bumble, Class A (1) 911,300 19,183

Vimeo (1) 2,727,600 9,356

28,539

Total Communication Services 38,247

**CONSUMER DISCRETIONARY 10.0%**

**Automobiles 0.5%**

Rivian Automotive, Class A (1) 2,374,314 43,759

43,759

**Diversified Consumer Services 1.3%**

Bright Horizons Family Solutions (1) 644,179 40,648

Clear Secure, Class A 2,221,174 60,927

Rover Group, Earn Out Shares \$16.00, Acquisition Date: 8/2/21,  
Cost \$— (1)(2) 773,380 15

Strategic Education 71,300 5,584

107,174

**Hotels, Restaurants & Leisure 3.1%**

BJ's Restaurants (1) 1,094,082 28,862

Chuy's Holdings (1)(3) 1,100,743 31,151

Dutch Bros, Class A (1) 228,537 6,442

Fiesta Restaurant Group (1)(3) 2,137,682 15,712

Marriott Vacations Worldwide 153,500 20,660

Papa John's International 1,010,920 83,209

Red Robin Gourmet Burgers (1) 477,251 2,663

Red Rock Resorts, Class A 317,900 12,719

Ruth's Hospitality Group 741,900 11,485

Torchys Holdings, Class A, Acquisition Date: 11/13/20,  
Cost \$33,027 (1)(2)(3)(4)(5) 3,862,836 15,490

Wyndham Hotels & Resorts 411,600 29,351

257,744

	Shares	\$ Value
(Cost and value in \$000s)		
<b>Household Durables 0.5%</b>		
Skyline Champion (1)	830,575	42,783
		42,783
<b>Internet &amp; Direct Marketing Retail 0.4%</b>		
Farfetch, Class A (1)	2,487,109	11,764
Xometry, Class A (1)	679,388	21,897
		33,661
<b>Multiline Retail 0.9%</b>		
Ollie's Bargain Outlet Holdings (1)	1,535,552	71,925
		71,925
<b>Specialty Retail 2.7%</b>		
Burlington Stores (1)	505,089	102,412
Five Below (1)	168,790	29,854
Monro	1,043,458	47,164
RH (1)	68,709	18,358
Warby Parker, Class A (1)	2,292,324	30,924
		228,712
<b>Textiles, Apparel &amp; Luxury Goods 0.6%</b>		
Skechers USA, Class A (1)	1,169,400	49,056
		49,056
Total Consumer Discretionary		834,814
<b>CONSUMER STAPLES 3.5%</b>		
<b>Beverages 0.8%</b>		
Boston Beer, Class A (1)	215,022	70,854
		70,854
<b>Food &amp; Staples Retailing 0.0%</b>		
Fresh Market, EC (4)	910,700	—
		—
<b>Food Products 2.0%</b>		
Cal-Maine Foods	149,817	8,157
Nomad Foods (1)	1,813,392	31,263
Post Holdings (1)	539,109	48,660
Post Holdings Partnering (1)	778,963	7,834
Simply Good Foods (1)	508,600	19,342

T. ROWE PRICE SMALL-CAP STOCK FUND

	Shares	\$ Value
(Cost and value in \$000s)		
TreeHouse Foods (1)	495,075	24,447
Utz Brands	1,949,153	30,914
		170,617
<b>Personal Products 0.7%</b>		
BellRing Brands (1)	2,200,775	56,428
		56,428
Total Consumer Staples		297,899
<b>ENERGY 5.0%</b>		
<b>Energy Equipment &amp; Services 1.4%</b>		
Cactus, Class A	513,700	25,819
Liberty Energy, Class A	2,942,621	47,111
NexTier Oilfield Solutions (1)	4,613,457	42,628
		115,558
<b>Oil, Gas &amp; Consumable Fuels 3.6%</b>		
Devon Energy	881,546	54,224
Diamondback Energy	516,068	70,588
Kimbell Royalty Partners	479,037	8,000
Magnolia Oil & Gas, Class A	3,540,086	83,015
Venture Global LNG, Series B, Acquisition Date: 3/8/18, Cost \$1,247 (1)(2)(4)	413	6,110
Venture Global LNG, Series C, Acquisition Date: 5/25/17 - 3/8/18, Cost \$20,149 (1)(2)(4)	5,556	82,202
		304,139
Total Energy		419,697
<b>FINANCIALS 16.3%</b>		
<b>Banks 8.6%</b>		
BankUnited	1,373,367	46,653
Cadence Bank	1,508,300	37,195
CRB Group, Acquisition Date: 4/14/22, Cost \$2,582 (1)(2)(4)	24,556	1,900
CrossFirst Bankshares (1)	1,245,550	15,457
Dime Community Bancshares	1,064,836	33,894
Dogwood State Bank, Non-Voting Shares, Acquisition Date: 5/6/19, Cost \$2,938 (1)(2)(4)	293,821	5,289
Dogwood State Bank, Voting Shares, Acquisition Date: 5/6/19, Cost \$1,443 (1)(2)(4)	144,311	2,598
Dogwood State Bank, Warrants, 5/6/24, Acquisition Date: 5/6/19, Cost \$— (1)(2)(4)	43,813	353

T. ROWE PRICE SMALL-CAP STOCK FUND

	Shares	\$ Value
(Cost and value in \$000s)		
East West Bancorp	847,005	55,818
Equity Bancshares, Class A	649,925	21,233
FB Financial	1,072,263	38,752
First Bancshares	818,489	26,200
Five Star Bancorp	649,697	17,698
Grasshopper Bancorp, Acquisition Date: 10/12/18 - 5/2/19, Cost \$5,000 (1)(2)(4)	500,044	2,000
Grasshopper Bancorp, Warrants, 10/12/28, Acquisition Date: 10/12/18, Cost \$— (1)(2)(4)	98,245	71
Heritage Commerce	2,591,454	33,689
Home BancShares	1,485,293	33,850
Live Oak Bancshares	1,057,125	31,925
Origin Bancorp	930,396	34,145
Pacific Premier Bancorp	1,050,169	33,143
Pinnacle Financial Partners	629,878	46,233
Popular	355,196	23,557
Signature Bank	428,281	49,346
SouthState	555,804	42,441
Veritex Holdings	983,378	27,613
Western Alliance Bancorp	1,031,163	61,416
		722,469
<b>Capital Markets 1.6%</b>		
Cboe Global Markets	422,522	53,014
P10, Class A	2,024,357	21,600
StepStone Group, Class A	1,216,085	30,621
TMX Group (CAD)	277,700	27,794
		133,029
<b>Consumer Finance 0.6%</b>		
Encore Capital Group (1)	468,469	22,458
PRA Group (1)	890,886	30,094
		52,552
<b>Diversified Financial Services 0.1%</b>		
Conyers Park III Acquisition (1)	1,130,615	11,227
		11,227
<b>Insurance 3.9%</b>		
Assurant	493,093	61,666

T. ROWE PRICE SMALL-CAP STOCK FUND

	Shares	\$ Value
(Cost and value in \$000s)		
Axis Capital Holdings	1,221,100	66,147
First American Financial	431,500	22,585
Hanover Insurance Group	384,578	51,968
Kemper	570,146	28,051
Selective Insurance Group	1,075,539	95,304
		325,721
<b>Thriffs &amp; Mortgage Finance 1.5%</b>		
Blue Foundry Bancorp (1)	685,600	8,810
Capitol Federal Financial	1,667,232	14,422
Essent Group	509,280	19,801
Kearny Financial	1,376,100	13,967
PennyMac Financial Services	1,263,193	71,572
		128,572
Total Financials		1,373,570
<b>HEALTH CARE 16.7%</b>		
<b>Biotechnology 7.6%</b>		
Abcam, ADR (1)	2,795,638	43,500
Agios Pharmaceuticals (1)	434,433	12,199
Apellis Pharmaceuticals (1)	1,010,476	52,252
Argenx, ADR (1)	212,221	80,396
Ascendis Pharma, ADR (1)	501,642	61,266
Avid Bioservices (1)	1,627,131	22,406
Blueprint Medicines (1)	687,149	30,104
Cerevel Therapeutics Holdings (1)	554,590	17,492
CRISPR Therapeutics (1)	224,195	9,113
Cytokinetix (1)	195,000	8,935
Flame Biosciences, Acquisition Date: 9/28/20, Cost \$2,258 (1)(2) (4)	344,711	1,582
Generation Bio (1)	957,782	3,764
Icosavax (1)	724,831	5,755
Insmed (1)	2,167,483	43,306
Intellia Therapeutics (1)	235,686	8,223
Ionis Pharmaceuticals (1)	663,200	25,049
Karuna Therapeutics (1)	164,319	32,289
Kura Oncology (1)	685,267	8,504



T. ROWE PRICE SMALL-CAP STOCK FUND

	Shares	\$ Value
(Cost and value in \$000s)		
Kymera Therapeutics (1)	197,730	4,935
Monte Rosa Therapeutics (1)	391,127	2,976
Morphic Holding (1)	316,480	8,466
MorphoSys, ADR (1)	2,211,579	7,917
Nkarta (1)	828,652	4,964
Nurix Therapeutics (1)	177,232	1,946
Prometheus Biosciences (1)	266,946	29,364
Prothena (1)	332,907	20,058
RAPT Therapeutics (1)	477,822	9,461
Relay Therapeutics (1)	462,431	6,909
Repare Therapeutics (1)	389,400	5,728
Replimune Group (1)	221,813	6,033
Scholar Rock, Warrants, Acquisition Date: 6/17/22, Cost \$— (1)(2)	85,583	434
Scholar Rock Holding (1)	1,098,378	9,940
Tenaya Therapeutics (1)	117,663	236
Ultragenyx Pharmaceutical (1)	178,930	8,290
Vaxcyte (1)	211,760	10,154
Verve Therapeutics (1)	387,280	7,494
Xencor (1)	766,658	19,964
Zentalis Pharmaceuticals (1)	421,788	8,495
		639,899
<b>Health Care Equipment &amp; Supplies 3.4%</b>		
AtriCure (1)	540,199	23,974
CVRx (1)	270,758	4,968
ICU Medical (1)	305,846	48,165
Masimo (1)	242,900	35,937
Outset Medical (1)	1,489,019	38,447
Pax Labs, Class A, Acquisition Date: 4/18/19, Cost \$13,938 (1)(2) (4)	3,701,604	2,443
Penumbra (1)	183,700	40,866
PROCEPT BioRobotics (1)	1,164,179	48,360
QuidelOrtho (1)	500,528	42,880
		286,040
<b>Health Care Providers &amp; Services 3.4%</b>		
Alignment Healthcare (1)	1,712,741	20,142
dentalcorp Holdings (CAD) (1)	1,294,833	8,511

	Shares	\$ Value
(Cost and value in \$000s)		
ModivCare (1)	511,474	45,895
Molina Healthcare (1)	313,628	103,566
Option Care Health (1)	1,374,812	41,368
Pennant Group (1)	823,724	9,044
Privia Health Group (1)	1,255,247	28,507
U.S. Physical Therapy	355,793	28,830
		285,863
<b>Health Care Technology 0.3%</b>		
Certara (1)	231,812	3,725
Definitive Healthcare (1)	585,724	6,437
Doximity, Class A (1)	584,453	19,615
		29,777
<b>Life Sciences Tools &amp; Services 1.4%</b>		
Adaptive Biotechnologies (1)	286,598	2,190
Bruker	1,121,696	76,668
NeoGenomics (1)	1,314,600	12,147
Olink Holding, ADR (1)	818,402	20,771
Rapid Micro Biosystems, Class A (1)	902,044	1,019
Seer (1)	413,971	2,401
		115,196
<b>Pharmaceuticals 0.6%</b>		
Arvinas (1)	221,023	7,561
Catalent (1)	727,091	32,726
Reata Pharmaceuticals, Class A (1)	206,050	7,828
		48,115
Total Health Care		1,404,890
<b>INDUSTRIALS &amp; BUSINESS SERVICES 14.5%</b>		
<b>Aerospace &amp; Defense 0.7%</b>		
Cadre Holdings	540,727	10,890
Parsons (1)	1,095,165	50,652
		61,542
<b>Building Products 0.7%</b>		
CSW Industrials	259,946	30,136

	Shares	\$ Value
(Cost and value in \$000s)		
Gibraltar Industries (1)	651,592	29,895
		60,031
<b>Commercial Services &amp; Supplies 1.7%</b>		
IAA (1)	491,482	19,659
MSA Safety	75,835	10,935
Rentokil Initial (GBP)	6,525,144	40,089
Stericycle (1)	887,000	44,253
Tetra Tech	181,440	26,343
		141,279
<b>Construction &amp; Engineering 0.2%</b>		
WillScot Mobile Mini Holdings (1)	356,200	16,090
		16,090
<b>Electrical Equipment 0.9%</b>		
AZZ	1,173,354	47,169
Shoals Technologies Group, Class A (1)	597,739	14,746
Thermon Group Holdings (1)	496,328	9,966
		71,881
<b>Machinery 6.8%</b>		
Enerpac Tool Group	2,011,400	51,190
EnPro Industries	166,200	18,064
Esab	403,949	18,953
ESCO Technologies	603,641	52,843
Federal Signal	1,144,200	53,171
Graco	615,118	41,373
Helios Technologies	630,848	34,343
Ingersoll Rand	2,023,624	105,734
John Bean Technologies	379,159	34,629
Marel (ISK)	2,095,477	7,252
Mueller Water Products, Class A	2,620,577	28,197
RBC Bearings (1)	160,900	33,685
SPX Technologies (1)	898,400	58,980
Toro	287,223	32,514
		570,928
<b>Professional Services 1.1%</b>		
Booz Allen Hamilton Holding	206,080	21,539

T. ROWE PRICE SMALL-CAP STOCK FUND

	Shares	\$ Value
(Cost and value in \$000s)		
Checkr, Acquisition Date: 6/29/18 - 12/2/19, Cost \$4,339 (1)(2)(4)	568,563	4,378
Clarivate (1)	3,275,995	27,322
Huron Consulting Group (1)	331,800	24,089
Legalzoom.com (1)	969,734	7,506
Upwork (1)	866,275	9,044
		93,878
<b>Road &amp; Rail 0.9%</b>		
Landstar System	183,224	29,847
Saia (1)	236,875	49,668
		79,515
<b>Trading Companies &amp; Distributors 1.5%</b>		
Air Lease	912,000	35,039
Rush Enterprises, Class A	588,077	30,745
SiteOne Landscape Supply (1)	491,044	57,609
		123,393
Total Industrials & Business Services		1,218,537
<b>INFORMATION TECHNOLOGY 12.0%</b>		
<b>Communications Equipment 0.2%</b>		
Clearfield (1)	100,120	9,425
Infinera (1)	877,000	5,911
		15,336
<b>Electronic Equipment, Instruments &amp; Components 3.2%</b>		
CTS	1,328,153	52,356
Littelfuse	203,727	44,861
Novanta (1)	244,112	33,167
PAR Technology (1)	1,039,457	27,099
Teledyne Technologies (1)	238,650	95,439
Vontier	1,053,000	20,354
		273,276
<b>IT Services 1.7%</b>		
Payoneer Global (1)	6,438,642	35,219
ServiceTitan, Acquisition Date: 11/9/18 - 5/4/21, Cost \$1,148 (1)(2)(4)	25,034	1,573
SS&C Technologies Holdings	973,269	50,668
Themis Solutions, Acquisition Date: 4/14/21, Cost \$2,746 (1)(2)(4)	122,320	2,180

	Shares	\$ Value
(Cost and value in \$000s)		
Toast, Class A (1)	3,014,700	54,355
		143,995
<b>Semiconductors &amp; Semiconductor Equipment 2.3%</b>		
Credo Technology Group Holding (1)	1,000,400	13,315
Entegris	935,302	61,346
Lattice Semiconductor (1)	1,797,666	116,633
		191,294
<b>Software 4.6%</b>		
Amplitude, Class A (1)	987,700	11,931
Blackline (1)	581,100	39,091
Ceridian HCM Holding (1)	109,594	7,030
Clearwater Analytics Holdings, Class A (1)	500,587	9,386
Descartes Systems Group (1)	887,633	61,824
DoubleVerify Holdings (1)	2,303,272	50,580
Five9 (1)	773,108	52,463
Manhattan Associates (1)	330,400	40,111
nCino (1)	208,449	5,511
Paycom Software (1)	59,194	18,369
Paycor HCM (1)	1,227,028	30,025
Socure, Acquisition Date: 12/22/21, Cost \$2,034 (1)(2)(4)	126,571	947
Workiva (1)	687,334	57,715
		384,983
Total Information Technology		1,008,884
<b>MATERIALS 3.1%</b>		
<b>Chemicals 1.8%</b>		
Element Solutions	4,696,467	85,429
HB Fuller	226,400	16,215
Quaker Chemical	280,561	46,825
		148,469
<b>Metals &amp; Mining 1.1%</b>		
Constellium (1)	3,402,371	40,250
ERO Copper (CAD) (1)	948,767	13,061
Franco-Nevada (CAD)	63,762	8,692

	Shares	\$ Value
(Cost and value in \$000s)		
Haynes International (3)	692,095	31,622
		93,625
<b>Paper &amp; Forest Products 0.2%</b>		
West Fraser Timber (CAD)	229,247	16,553
		16,553
Total Materials		258,647
<b>REAL ESTATE 5.1%</b>		
<b>Equity Real Estate Investment Trusts 3.4%</b>		
Community Healthcare Trust, REIT	488,675	17,495
CubeSmart, REIT	1,342,338	54,029
EastGroup Properties, REIT	575,000	85,134
First Industrial Realty Trust, REIT	182,971	8,830
Flagship Communities REIT, REIT	402,372	6,337
Independence Realty Trust, REIT	1,884,568	31,774
Rexford Industrial Realty, REIT	1,045,418	57,122
Terreno Realty, REIT	429,000	24,397
		285,118
<b>Real Estate Management &amp; Development 1.7%</b>		
Altus Group (CAD)	238,500	9,519
DigitalBridge Group	1,109,651	12,140
FirstService	751,113	92,049
Tricon Residential	3,492,025	26,923
		140,631
Total Real Estate		425,749
<b>UTILITIES 3.7%</b>		
<b>Electric Utilities 0.9%</b>		
IDACORP	550,069	59,325
MGE Energy	287,176	20,217
		79,542
<b>Gas Utilities 1.6%</b>		
Chesapeake Utilities	472,857	55,882
ONE Gas	283,200	21,444
Southwest Gas Holdings	925,177	57,250
		134,576

	Shares	\$ Value
(Cost and value in \$000s)		
<b>Independent Power &amp; Renewable Electricity Producers 0.4%</b>		
NextEra Energy Partners	494,325	34,647
		34,647
<b>Water Utilities 0.8%</b>		
California Water Service Group	512,968	31,106
SJW Group	494,046	40,112
		71,218
Total Utilities		319,983
Total Miscellaneous Common Stocks 3.6% (6)		300,279
<b>Total Common Stocks (Cost \$6,061,030)</b>		<b>7,901,196</b>
<b>CONVERTIBLE PREFERRED STOCKS 3.8%</b>		
<b>CONSUMER DISCRETIONARY 0.4%</b>		
<b>Hotels, Restaurants &amp; Leisure 0.4%</b>		
Cava Group, Series E, Acquisition Date: 6/23/20 - 3/26/21, Cost \$17,735 (1)(2)(4)	710,468	22,749
Cava Group, Series F, Acquisition Date: 3/26/21, Cost \$13,024 (1) (2)(4)	346,118	11,083
Torchys Holdings, Acquisition Date: 11/13/20, Cost \$6,812 (1)(2) (3)(4)(5)	758,455	3,041
		36,873
<b>Internet &amp; Direct Marketing Retail 0.0%</b>		
1661, Series F, Acquisition Date: 5/28/21, Cost \$10,756 (1)(2)(4)	1,848,191	3,401
		3,401
Total Consumer Discretionary		40,274
<b>CONSUMER STAPLES 0.5%</b>		
<b>Food Products 0.5%</b>		
Farmers Business Network, Series D, Acquisition Date: 11/3/17, Cost \$14,331 (1)(2)(4)	776,181	38,832
Total Consumer Staples		38,832
<b>FINANCIALS 0.1%</b>		
<b>Banks 0.1%</b>		
CRB Group, Series D, Acquisition Date: 1/28/22, Cost \$9,075 (1) (2)(4)	86,312	6,677
Total Financials		6,677

	Shares	\$ Value
(Cost and value in \$000s)		
<b>HEALTH CARE 1.0%</b>		
<b>Biotechnology 0.2%</b>		
Caris Life Sciences, Series C, Acquisition Date: 8/14/20, Cost \$4,493 (1)(2)(4)	1,627,947	10,712
Caris Life Sciences, Series D, Acquisition Date: 5/11/21, Cost \$8,050 (1)(2)(4)	993,799	6,539
		17,251
<b>Health Care Equipment &amp; Supplies 0.1%</b>		
Kardium, Series D-6, Acquisition Date: 1/8/21, Cost \$5,415 (1)(2) (4)	5,330,753	5,415
		5,415
<b>Health Care Providers &amp; Services 0.1%</b>		
Honor Technology, Series D, Acquisition Date: 10/16/20, Cost \$9,397 (1)(2)(4)	3,902,227	8,975
		8,975
<b>Life Sciences Tools &amp; Services 0.6%</b>		
Cleerly, Series C, Acquisition Date: 7/8/22, Cost \$4,754 (1)(2)(4)	403,512	4,754
Inscripta, Series E, Acquisition Date: 3/30/21, Cost \$5,808 (1)(2) (4)	657,721	3,670
National Resilience, Series B, Acquisition Date: 10/23/20, Cost \$6,793 (1)(2)(4)	497,323	30,202
National Resilience, Series C, Acquisition Date: 6/9/21, Cost \$11,631 (1)(2)(4)	261,906	15,906
		54,532
Total Health Care		86,173
<b>INDUSTRIALS &amp; BUSINESS SERVICES 0.7%</b>		
<b>Aerospace &amp; Defense 0.2%</b>		
ABL Space Systems, Series B, Acquisition Date: 3/24/21, Cost \$5,882 (1)(2)(4)	130,614	5,475
Epirus, Series C-2, Acquisition Date: 1/28/22, Cost \$11,512 (1)(2) (4)	2,061,623	11,512
		16,987
<b>Air Freight &amp; Logistics 0.1%</b>		
FLEXE, Series C, Acquisition Date: 11/18/20, Cost \$5,112 (1)(2)(4)	420,147	8,569
FLEXE, Series D, Acquisition Date: 4/7/22, Cost \$3,033 (1)(2)(4)	148,715	3,033
		11,602



	Shares	\$ Value
(Cost and value in \$000s)		
<b>Electrical Equipment 0.1%</b>		
CELLINK, Series D, Acquisition Date: 1/20/22, Cost \$5,620 (1)(2)		
(4)	269,870	5,620
		5,620
<b>Professional Services 0.2%</b>		
Checkr, Series C, Acquisition Date: 4/10/18, Cost \$3,881 (1)(2)(4)	852,879	6,567
Checkr, Series D, Acquisition Date: 9/6/19, Cost \$11,857 (1)(2)(4)	1,176,033	9,056
		15,623
<b>Road &amp; Rail 0.1%</b>		
Convoy, Series C, Acquisition Date: 9/14/18, Cost \$8,346 (1)(2)(4)	1,175,394	6,088
Convoy, Series D, Acquisition Date: 10/30/19, Cost \$10,022 (1)(2)		
(4)	740,142	3,834
		9,922
Total Industrials & Business Services		59,754
<b>INFORMATION TECHNOLOGY 0.8%</b>		
<b>IT Services 0.3%</b>		
Haul Hub, Series B, Acquisition Date: 2/14/20 - 3/3/21, Cost \$4,277 (1)(2)(4)	293,317	5,535
Haul Hub, Series C, Acquisition Date: 4/14/22, Cost \$1,811 (1)(2)		
(4)	95,996	1,811
ServiceTitan, Series A-1, Acquisition Date: 11/9/18, Cost \$10 (1)		
(2)(4)	381	24
ServiceTitan, Series D, Acquisition Date: 11/9/18, Cost \$4,907 (1)		
(2)(4)	186,629	11,722
ServiceTitan, Series F, Acquisition Date: 3/25/21, Cost \$997 (1)		
(2)(4)	9,288	583
ServiceTitan, Series G, Acquisition Date: 6/28/21, Cost \$491 (1)		
(2)(4)	4,130	260
Themis Solutions, Series AA, Acquisition Date: 4/14/21, Cost \$618 (1)(2)(4)	27,540	491
Themis Solutions, Series AB, Acquisition Date: 4/14/21, Cost \$62 (1)(2)(4)	2,740	49
Themis Solutions, Series B, Acquisition Date: 4/14/21, Cost \$67 (1)(2)(4)	2,980	53
Themis Solutions, Series E, Acquisition Date: 4/14/21, Cost \$7,824 (1)(2)(4)	348,470	6,210
		26,738
<b>Software 0.5%</b>		
Nuro, Series C, Acquisition Date: 10/30/20 - 3/2/21, Cost \$11,576 (1)(2)(4)	886,735	12,308
Nuro, Series D, Acquisition Date: 10/29/21, Cost \$5,450 (1)(2)(4)	261,432	3,629

T. ROWE PRICE SMALL-CAP STOCK FUND

	Shares	\$ Value
(Cost and value in \$000s)		
SecurityScorecard, Series E, Acquisition Date: 3/5/21, Cost \$5,398 (1)(2)(4)	1,068,639	5,215
Seismic Software, Series E, Acquisition Date: 12/13/18, Cost \$7,110 (1)(2)(4)	1,127,860	11,673
Seismic Software, Series F, Acquisition Date: 9/25/20, Cost \$698 (1)(2)(4)	79,390	822
Socure, Series A, Acquisition Date: 12/22/21, Cost \$2,472 (1)(2)(4)	153,828	1,151
Socure, Series A-1, Acquisition Date: 12/22/21, Cost \$2,029 (1)(2)(4)	126,253	944
Socure, Series B, Acquisition Date: 12/22/21, Cost \$37 (1)(2)(4)	2,284	17
Socure, Series E, Acquisition Date: 10/27/21, Cost \$4,702 (1)(2)(4)	292,632	2,189
		37,948
Total Information Technology		64,686
<b>MATERIALS 0.3%</b>		
<b>Chemicals 0.2%</b>		
Redwood Materials, Series C, Acquisition Date: 5/28/21, Cost \$7,078 (1)(2)(4)	149,321	11,647
Sila Nano, Series F, Acquisition Date: 1/7/21, Cost \$9,813 (1)(2)(4)	237,759	7,411
		19,058
<b>Metals &amp; Mining 0.1%</b>		
Kobold Metals, Series B-1, Acquisition Date: 1/10/22, Cost \$5,884 (1)(2)(4)	214,677	5,884
		5,884
Total Materials		24,942
<b>Total Convertible Preferred Stocks (Cost \$276,651)</b>		<b>321,338</b>
<b>SHORT-TERM INVESTMENTS 2.9%</b>		
<b>Money Market Funds 2.9%</b>		
T. Rowe Price Government Reserve Fund, 4.30% (3)(7)	244,858,896	244,859
<b>Total Short-Term Investments (Cost \$244,859)</b>		<b>244,859</b>
<b>Total Investments in Securities</b>		
<b>100.6% of Net Assets</b>		
<b>(Cost \$6,582,540)</b>		<b>\$ 8,467,393</b>

‡ Shares are denominated in U.S. dollars unless otherwise noted.  
(1) Non-income producing

- (2) Security cannot be offered for public resale without first being registered under the Securities Act of 1933 and related rules ("restricted security"). Acquisition date represents the day on which an enforceable right to acquire such security is obtained and is presented along with related cost in the security description. The fund may have registration rights for certain restricted securities. Any costs related to such registration are generally borne by the issuer. The aggregate value of restricted securities (excluding 144A holdings) at period end amounts to \$450,903 and represents 5.4% of net assets.
  - (3) Affiliated Companies
  - (4) See Note 2. Level 3 in fair value hierarchy.
  - (5) Investment in a partnership held indirectly through a limited liability company that is owned by the fund and treated as a corporation for U.S. tax purposes.
  - (6) The identity of certain securities has been concealed to protect the fund while it completes a purchase or selling program for the securities.
  - (7) Seven-day yield
- ADR American Depositary Receipts  
CAD Canadian Dollar  
EC Escrow CUSIP; represents a beneficial interest in a residual pool of assets; the amount and timing of future distributions, if any, is uncertain; when presented, interest rate and maturity date are those of the original security.  
GBP British Pound  
ISK Iceland Krona  
REIT A domestic Real Estate Investment Trust whose distributions pass-through with original tax character to the shareholder

**AFFILIATED COMPANIES**

(\$000s)

The fund may invest in certain securities that are considered affiliated companies. As defined by the 1940 Act, an affiliated company is one in which the fund owns 5% or more of the outstanding voting securities, or a company that is under common ownership or control. The following securities were considered affiliated companies for all or some portion of the year ended December 31, 2022. Net realized gain (loss), investment income, change in net unrealized gain/loss, and purchase and sales cost reflect all activity for the period then ended.

Affiliate	Change in Net		Investment Income
	Net Realized Gain (Loss)	Unrealized Gain/Loss	
Chuy's Holdings	\$ 326	\$ (1,317)	\$ —
Dogwood State Bank, Non-Voting Shares	—	1,431	—
Dogwood State Bank, Voting Shares	—	703	—
Dogwood State Bank, Warrants, 5/6/24	—	142	—
Fiesta Restaurant Group	118	(8,061)	—
Haynes International	53	3,870	597
Torchys Holdings	—	(3,709)	—
Torchys Holdings, Class A	—	(18,889)	—
T. Rowe Price Government Reserve Fund, 4.30%	—	—	4,359++
Totals	\$ 497#	\$ (25,830)	\$ 4,956+

**AFFILIATED COMPANIES (CONTINUED)**

(\$000s)

**Supplementary Investment Schedule**

<b>Affiliate</b>	<b>Value 12/31/21</b>	<b>Purchase Cost</b>	<b>Sales Cost</b>	<b>Value 12/31/22</b>
Chuy's Holdings	\$ *	\$ 3,576	\$ 175	\$ 31,151
Dogwood State Bank, Non-Voting Shares	3,858	—	—	*
Dogwood State Bank, Voting Shares	1,895	—	—	*
Dogwood State Bank, Warrants, 5/6/24	211	—	—	*
Fiesta Restaurant Group	23,991	—	218	15,712
Haynes International	25,432	2,811	491	31,622
Torchys Holdings	6,750	—	—	3,041
Torchys Holdings, Class A	34,379	—	—	15,490
T. Rowe Price Government Reserve Fund, 4.30%	137,668	□	□	244,859
<b>Total</b>			\$	341,875 <sup>^</sup>

- # Capital gain distributions from underlying Price funds represented \$0 of the net realized gain (loss).
- ++ Excludes earnings on securities lending collateral, which are subject to rebates and fees as described in Note 3.
- + Investment income comprised \$4,956 of dividend income and \$0 of interest income.
- Purchase and sale information not shown for cash management funds.
- ^ The cost basis of investments in affiliated companies was \$378,643.
- \* On the date indicated, issuer was held but not considered an affiliated company.

T. ROWE PRICE SMALL-CAP STOCK FUND

December 31, 2022

**STATEMENT OF ASSETS AND LIABILITIES**

(\$000s, except shares and per share amounts)

**Assets**

Investments in securities, at value (cost \$6,582,540)	\$	8,467,393
Dividends receivable		4,638
Receivable for shares sold		3,225
Due from affiliates		1,656
Receivable for investment securities sold		21
Cash		1
Other assets		1,280
Total assets		8,478,214

**Liabilities**

Payable for shares redeemed		54,240
Investment management fees payable		5,434
Payable to directors		5
Other liabilities		604
Total liabilities		60,283

**NET ASSETS**

**\$ 8,417,931**

T. ROWE PRICE SMALL-CAP STOCK FUND

December 31, 2022

**STATEMENT OF ASSETS AND LIABILITIES**

(\$000s, except shares and per share amounts)

**Net Assets Consist of:**

Total distributable earnings (loss)	\$ 1,965,258
Paid-in capital applicable to 163,858,594 shares of \$0.50 par value capital stock outstanding; 1,000,000,000 shares authorized	6,452,673

**NET ASSETS** **\$ 8,417,931**

**NET ASSET VALUE PER SHARE**

<b>Investor Class</b> <b>(\$2,393,985,283 / 46,629,787 shares outstanding)</b>	<b>\$ 51.34</b>
<b>Advisor Class</b> <b>(\$65,259,402 / 1,289,153 shares outstanding)</b>	<b>\$ 50.62</b>
<b>I Class</b> <b>(\$2,987,319,865 / 58,169,233 shares outstanding)</b>	<b>\$ 51.36</b>
<b>Z Class</b> <b>(\$2,971,366,344 / 57,770,421 shares outstanding)</b>	<b>\$ 51.43</b>

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF OPERATIONS**

(\$000s)

		Year Ended 12/31/22
<b>Investment Income (Loss)</b>		
Income		
Dividend (net of foreign taxes of \$502)	\$	81,565
Securities lending		8
Other		1
Total income		81,574
Expenses		
Investment management		68,770
Shareholder servicing		
Investor Class	\$ 4,984	
Advisor Class	124	
I Class	737	5,845
Rule 12b-1 fees		
Advisor Class		191
Prospectus and shareholder reports		
Investor Class	74	
Advisor Class	12	
I Class	37	
Z Class	2	125
Custody and accounting		390
Legal and audit		128
Registration		110
Directors		24
Miscellaneous		76
Waived / paid by Price Associates		(23,948)
Total expenses		51,711
Net investment income		29,863



**STATEMENT OF OPERATIONS**

(\$000s)

	Year Ended 12/31/22
<b>Realized and Unrealized Gain / Loss</b>	
Net realized gain (loss)	
Securities	616,711
Foreign currency transactions	(103)
Net realized gain	<u>616,608</u>
Change in net unrealized gain / loss on securities	<u>(3,332,144)</u>
Net realized and unrealized gain / loss	<u>(2,715,536)</u>
<b>DECREASE IN NET ASSETS FROM OPERATIONS</b>	<b>\$ (2,685,673)</b>

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF CHANGES IN NET ASSETS**

(\$000s)

	Year	
	Ended	
	12/31/22	12/31/21
<b>Increase (Decrease) in Net Assets</b>		
Operations		
Net investment income	\$ 29,863	\$ 15,361
Net realized gain	616,608	1,169,831
Change in net unrealized gain / loss	(3,332,144)	700,140
Increase (decrease) in net assets from operations	(2,685,673)	1,885,332
Distributions to shareholders		
Net earnings		
Investor Class	(95,901)	(350,722)
Advisor Class	(2,632)	(6,725)
I Class	(124,504)	(160,378)
Z Class	(141,917)	(293,982)
Decrease in net assets from distributions	(364,954)	(811,807)
Capital share transactions*		
Shares sold		
Investor Class	171,438	322,094
Advisor Class	10,162	21,352
I Class	1,722,092	454,439
Z Class	293,191	296,569
Distributions reinvested		
Investor Class	90,178	327,946
Advisor Class	2,627	6,704
I Class	113,419	142,874
Z Class	141,917	293,982
Shares redeemed		
Investor Class	(1,947,789)	(973,645)
Advisor Class	(26,756)	(50,547)
I Class	(418,724)	(521,852)
Z Class	(404,988)	(1,002,696)
Decrease in net assets from capital share transactions	(253,233)	(682,780)

**STATEMENT OF CHANGES IN NET ASSETS**

(\$000s)

	Year	
	Ended	12/31/21
	12/31/22	
<b>Net Assets</b>		
Increase (decrease) during period	(3,303,860)	390,745
Beginning of period	11,721,791	11,331,046
<b>End of period</b>	<b>\$ 8,417,931</b>	<b>\$ 11,721,791</b>
*Share information (000s)		
Shares sold		
Investor Class	2,956	4,548
Advisor Class	177	303
I Class	29,326	6,353
Z Class	5,113	4,117
Distributions reinvested		
Investor Class	1,684	4,868
Advisor Class	49	101
I Class	2,117	2,121
Z Class	2,646	4,363
Shares redeemed		
Investor Class	(33,257)	(13,891)
Advisor Class	(462)	(725)
I Class	(7,456)	(7,305)
Z Class	(7,066)	(14,110)
Decrease in shares outstanding	(4,173)	(9,257)

The accompanying notes are an integral part of these financial statements.

**NOTES TO FINANCIAL STATEMENTS**

T. Rowe Price Small-Cap Stock Fund, Inc. (the fund) is registered under the Investment Company Act of 1940 (the 1940 Act) as a diversified, open-end management investment company. The fund seeks to provide long-term capital growth by investing primarily in stocks of small companies. The fund has four classes of shares: the Small-Cap Stock Fund (Investor Class), the Small-Cap Stock Fund–Advisor Class (Advisor Class), the Small-Cap Stock Fund–I Class (I Class) and the Small-Cap Stock Fund–Z Class (Z Class). Advisor Class shares are sold only through various brokers and other financial intermediaries. I Class shares require a \$500,000 initial investment minimum, although the minimum generally is waived or reduced for financial intermediaries, eligible retirement plans, and certain other accounts. Prior to November 15, 2021, the initial investment minimum was \$1 million and was generally waived for financial intermediaries, eligible retirement plans, and other certain accounts. As a result of the reduction in the I Class minimum, certain assets transferred from the Investor Class to the I Class. This transfer of shares from Investor Class to I Class is reflected in the Statement of Changes in Net Assets within the Capital shares transactions as Shares redeemed and Shares sold, respectively. The Z Class is only available to funds advised by T. Rowe Price Associates, Inc. and its affiliates and other clients that are subject to a contractual fee for investment management services. The Advisor Class operates under a Board-approved Rule 12b-1 plan pursuant to which the class compensates financial intermediaries for distribution, shareholder servicing, and/or certain administrative services; the Investor, I and Z Classes do not pay Rule 12b-1 fees. Each class has exclusive voting rights on matters related solely to that class; separate voting rights on matters that relate to all classes; and, in all other respects, the same rights and obligations as the other classes.

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Preparation** The fund is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (FASB) *Accounting Standards Codification* Topic 946 (ASC 946). The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), including, but not limited to, ASC 946. GAAP requires the use of estimates made by management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates, and the valuations reflected in the accompanying financial statements may differ from the value ultimately realized upon sale or maturity.

**Investment Transactions, Investment Income, and Distributions** Investment transactions are accounted for on the trade date basis. Income and expenses are recorded on the accrual basis. Realized gains and losses are reported on the identified cost basis. Income tax-related interest and penalties, if incurred, are recorded as income tax expense. Dividends received from mutual fund investments are reflected as dividend income; capital gain distributions are reflected as realized gain/loss. Dividend income and capital gain distributions are recorded on the ex-dividend date. Earnings on investments recognized as partnerships for federal income tax purposes reflect the tax character of such earnings. Distributions from REITs are initially recorded as dividend income and, to the extent such represent a return of capital or capital gain for tax purposes, are reclassified when such information becomes available. Non-cash dividends, if any, are recorded at the fair market value of the asset received. Proceeds from litigation payments, if any, are included in either net realized gain (loss) or change in net unrealized gain/loss from securities. Distributions to shareholders are recorded on the ex-dividend date. Income distributions, if any, are declared and paid by each class annually. A capital gain distribution, if any, may also be declared and paid by the fund annually.

**Currency Translation** Assets, including investments, and liabilities denominated in foreign currencies are translated into U.S. dollar values each day at the prevailing exchange rate, using the mean of the bid and asked prices of such currencies against U.S. dollars as provided by an outside pricing service. Purchases and sales of securities, income, and expenses are translated into U.S. dollars at the prevailing exchange rate on the respective date of such transaction. The effect of changes in foreign currency exchange rates on realized and unrealized security gains and losses is not bifurcated from the portion attributable to changes in market prices.

**Class Accounting** Shareholder servicing, prospectus, and shareholder report expenses incurred by each class are charged directly to the class to which they relate. Expenses common to all classes, investment income, and realized and unrealized gains and losses are allocated to the classes based upon the relative daily net assets of each class. The Advisor Class pays Rule 12b-1 fees, in an amount not exceeding 0.25% of the class's average daily net assets.

**In-Kind Redemptions** In accordance with guidelines described in the fund's prospectus, and when considered to be in the best interest of all shareholders, the fund may distribute portfolio securities rather than cash as payment for a redemption of fund shares (in-kind redemption). Gains and losses realized on in-kind redemptions are not recognized for tax purposes and are reclassified from undistributed realized gain (loss) to paid-in capital. During the year ended December 31, 2022, the fund realized \$78,460,000 of net gain on \$165,866,000 of in-kind redemptions.

**Capital Transactions** Each investor's interest in the net assets of the fund is represented by fund shares. The fund's net asset value (NAV) per share is computed at the close of the New York Stock Exchange (NYSE), normally 4 p.m. ET, each day the NYSE is open for business. However, the NAV per share may be calculated at a time other than the normal close of the NYSE if trading on the NYSE is restricted, if the NYSE closes earlier, or as may be permitted by the SEC. Purchases and redemptions of fund shares are transacted at the next-computed NAV per share, after receipt of the transaction order by T. Rowe Price Associates, Inc., or its agents.

**New Accounting Guidance** In June 2022, the FASB issued Accounting Standards Update (ASU), ASU 2022-03, Fair Value Measurement (Topic 820) – Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions, which clarifies that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, is not considered in measuring fair value. The amendments under this ASU are effective for fiscal years beginning after December 15, 2023; however, the fund opted to early adopt, as permitted, effective December 1, 2022. Adoption of the guidance did not have a material impact on the fund's financial statements.

**Indemnification** In the normal course of business, the fund may provide indemnification in connection with its officers and directors, service providers, and/or private company investments. The fund's maximum exposure under these arrangements is unknown; however, the risk of material loss is currently considered to be remote.

## **NOTE 2 - VALUATION**

**Fair Value** The fund's financial instruments are valued at the close of the NYSE and are reported at fair value, which GAAP defines as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fund's Board of Directors (the Board) has designated T. Rowe Price Associates, Inc. as the fund's valuation designee (Valuation Designee). Subject to oversight by the Board, the Valuation Designee performs the following functions in performing fair value determinations: assesses and manages valuation risks; establishes and applies fair value methodologies; tests fair value methodologies; and evaluates pricing vendors and pricing agents. The duties and responsibilities of the Valuation Designee are performed by its Valuation Committee. The Valuation Designee provides periodic reporting to the Board on valuation matters.

Various valuation techniques and inputs are used to determine the fair value of financial instruments. GAAP establishes the following fair value hierarchy that categorizes the inputs used to measure fair value:

- Level 1 – quoted prices (unadjusted) in active markets for identical financial instruments that the fund can access at the reporting date
- Level 2 – inputs other than Level 1 quoted prices that are observable, either directly or indirectly (including, but not limited to, quoted prices for similar financial instruments in active markets, quoted prices for identical or similar financial instruments in inactive markets, interest rates and yield curves, implied volatilities, and credit spreads)
- Level 3 – unobservable inputs (including the Valuation Designee’s assumptions in determining fair value)

Observable inputs are developed using market data, such as publicly available information about actual events or transactions, and reflect the assumptions that market participants would use to price the financial instrument. Unobservable inputs are those for which market data are not available and are developed using the best information available about the assumptions that market participants would use to price the financial instrument. GAAP requires valuation techniques to maximize the use of relevant observable inputs and minimize the use of unobservable inputs. When multiple inputs are used to derive fair value, the financial instrument is assigned to the level within the fair value hierarchy based on the lowest-level input that is significant to the fair value of the financial instrument. Input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level but rather the degree of judgment used in determining those values.

**Valuation Techniques** Equity securities, including exchange-traded funds, listed or regularly traded on a securities exchange or in the over-the-counter (OTC) market are valued at the last quoted sale price or, for certain markets, the official closing price at the time the valuations are made. OTC Bulletin Board securities are valued at the mean of the closing bid and asked prices. A security that is listed or traded on more than one exchange is valued at the quotation on the exchange determined to be the primary market for such security. Listed securities not traded on a particular day are valued at the mean of the closing bid and asked prices for domestic securities and the last quoted sale or closing price for international securities.

The last quoted prices of non-U.S. equity securities may be adjusted to reflect the fair value of such securities at the close of the NYSE, if the Valuation Designee determines that developments between the close of a foreign market and the close of the NYSE

will affect the value of some or all of the fund's portfolio securities. Each business day, the Valuation Designee uses information from outside pricing services to evaluate the quoted prices of portfolio securities and, if appropriate, decide whether it is necessary to adjust quoted prices to reflect fair value by reviewing a variety of factors, including developments in foreign markets, the performance of U.S. securities markets, and the performance of instruments trading in U.S. markets that represent foreign securities and baskets of foreign securities. The Valuation Designee uses outside pricing services to provide it with quoted prices and information to evaluate or adjust those prices. The Valuation Designee cannot predict how often it will use quoted prices and how often it will determine it necessary to adjust those prices to reflect fair value.

Investments in mutual funds are valued at the mutual fund's closing NAV per share on the day of valuation. Assets and liabilities other than financial instruments, including short-term receivables and payables, are carried at cost, or estimated realizable value, if less, which approximates fair value.

Investments for which market quotations are not readily available or deemed unreliable are valued at fair value as determined in good faith by the Valuation Designee. The Valuation Designee has adopted methodologies for determining the fair value of investments for which market quotations are not readily available or deemed unreliable, including the use of other pricing sources. Factors used in determining fair value vary by type of investment and may include market or investment specific considerations. The Valuation Designee typically will afford greatest weight to actual prices in arm's length transactions, to the extent they represent orderly transactions between market participants, transaction information can be reliably obtained, and prices are deemed representative of fair value. However, the Valuation Designee may also consider other valuation methods such as market-based valuation multiples; a discount or premium from market value of a similar, freely traded security of the same issuer; discounted cash flows; yield to maturity; or some combination. Fair value determinations are reviewed on a regular basis. Because any fair value determination involves a significant amount of judgment, there is a degree of subjectivity inherent in such pricing decisions. Fair value prices determined by the Valuation Designee could differ from those of other market participants, and it is possible that the fair value determined for a security may be materially different from the value that could be realized upon the sale of that security.



**Valuation Inputs** The following table summarizes the fund's financial instruments, based on the inputs used to determine their fair values on December 31, 2022 (for further detail by category, please refer to the accompanying Portfolio of Investments):

(\$000s)	Level 1	Level 2	Level 3	Total Value
<b>Assets</b>				
Common Stocks	\$ 7,633,823	\$ 138,257	\$ 129,116	\$ 7,901,196
Convertible Preferred Stocks	—	—	321,338	321,338
Short-Term Investments	244,859	—	—	244,859
Total	\$ 7,878,682	\$ 138,257	\$ 450,454	\$ 8,467,393

Following is a reconciliation of the fund's Level 3 holdings for the year ended December 31, 2022. Gain (loss) reflects both realized and change in unrealized gain/loss on Level 3 holdings during the period, if any, and is included on the accompanying Statement of Operations. The change in unrealized gain/loss on Level 3 instruments held at December 31, 2022, totaled \$(94,543,000) for the year ended December 31, 2022.

(\$000s)	Beginning Balance 12/31/21	Gain (Loss) During Period	Total Purchases	Total Sales	Ending Balance 12/31/22
<b>Investment in Securities</b>					
Common Stocks	\$ 103,432	\$ 23,909	\$ 2,582	\$ (807)	\$ 129,116
Convertible Preferred Stocks	398,797	(119,148)	41,689	—	321,338
Total	\$ 502,229	\$ (95,239)	\$ 44,271	\$ (807)	\$ 450,454

In accordance with GAAP, the following table provides quantitative information about significant unobservable inputs used to determine the fair valuations of the fund's Level 3 assets, by class of financial instrument. Because the Valuation Designee considers a wide variety of factors and inputs, both observable and unobservable, in determining fair values, the unobservable inputs presented do not reflect all inputs significant to the fair value determination.

Investments in Securities	Value (000s)	Valuation Technique(s)+	Significant Unobservable Input(s)	Value or Range of Input(s)	Weighted Average of Input(s)*	Impact to Valuation from an Increase in Input**
Common Stock	\$ 129,116	Recent comparable transaction price(s)		—#	—#	—#
		Market comparable	Discount for uncertainty	100%	100%	Decrease
			Enterprise value to sales multiple	1.5x – 14.3x	3.5x	Increase
			Sales growth rate	18% – 168%	44%	Increase
			Enterprise value to gross profit multiple	6.0x – 18.4x	10.7x	Increase
			Gross profit growth rate	21% – 27%	23%	Increase
			Enterprise value to EBITDA multiple	10.1x – 26.9x	11.6x	Increase
			EBITDA growth rate	23%	23%	Increase
			Projected enterprise value to EBITDA multiple	14.0x	14.0x	Increase
			Price-to-earnings multiple	8.4x – 11.9x	10.3x	Increase
			Price-to-earnings growth rate	0% – 85%	43%	Increase
			Probability for potential outcome	20% – 40%	30%	Decrease

Investments in Securities	Value (000s)	Valuation Technique(s)+	Significant Unobservable Input(s)	Value or Range of Input(s)	Weighted Average of Input(s)*	Impact to Valuation from an Increase in Input**
			Discount rate for cost of capital	13%	13%	Decrease
			Discount for lack of marketability	10%	10%	Decrease
		Options pricing model	Private company valuation	—#	—#	—#
			Risk-free rate	3% – 4%	3%	Increase
			Volatility	38% – 55%	51%	Increase
			Discount for lack of marketability	10%	10%	Decrease
Convertible Preferred Stocks	\$ 321,338	Recent comparable transaction price(s)	—#	—#	—#	—#
		Market Comparable	Enterprise value to sales multiple	0.8x – 14.3x	4.2x	Increase
			Sales growth rate	18% – 266%	41%	Increase
			Enterprise value to gross profit multiple	2.3x – 18.4x	10.3x	Increase
			Gross profit growth rate	21% – 57%	30%	Increase
			Enterprise value to EBITDA multiple	8.4x – 26.9x	21.2x	Increase
			EBITDA growth rate	23% – 312%	95%	Increase

Investments in Securities	Value (000s)	Valuation Technique(s)+	Significant Unobservable Input(s)	Value or Range of Input(s)	Weighted Average of Input(s)*	Impact to Valuation from an Increase in Input**
			Enterprise value to gross merchandise value multiple	0.5x – 0.6x	0.6x	Increase
			Gross merchandise value growth rate	30%	30%	Increase
			Projected enterprise value to sales multiple	0.8x	0.8x	Increase
			Projected enterprise value to EBITDA multiple	4.3x	4.3x	Increase
			Price-to-earnings multiple	8.4x – 11.9x	10.3x	Increase
			Price-to-earnings growth rate	0% – 85%	43%	Increase
			Discount rate for cost of capital	30%	30%	Decrease
			Discount for lack of marketability	10%	10%	Decrease
		Options pricing model	Private company valuation	—#	—#	—#
			Risk-free rate	4%	4%	Increase
			Volatility	55%	55%	Increase

Investments in Securities	Value (000s)	Valuation Technique(s)+	Significant Unobservable Input(s)	Value or Range of Input(s)	Weighted Average of Input(s)*	Impact to Valuation from an Increase in Input**
		Discounted cash flow	Long-term free cash flow margin	27%	27%	Increase
			Long-term free cash flow growth rate	3%	3%	Increase
			Discount rate for cost of capital	25%	25%	Decrease

+ Valuation techniques may change in order to reflect the Valuation Designee's judgment of current market participant assumptions.

\* Unobservable inputs were weighted by the relative fair value of the instruments.

\*\* Represents the directional change in the fair value of the Level 3 investment(s) that would have resulted from an increase in the corresponding input at period end. A decrease in the unobservable input would have had the opposite effect. Significant increases and decreases in these inputs in isolation could result in significantly higher or lower fair value measurements.

# No quantitative unobservable inputs significant to the valuation technique were created by the Valuation Designee.

### NOTE 3 - OTHER INVESTMENT TRANSACTIONS

Consistent with its investment objective, the fund engages in the following practices to manage exposure to certain risks and/or to enhance performance. The investment objective, policies, program, and risk factors of the fund are described more fully in the fund's prospectus and Statement of Additional Information.

**Restricted Securities** The fund invests in securities that are subject to legal or contractual restrictions on resale. Prompt sale of such securities at an acceptable price may be difficult and may involve substantial delays and additional costs.

**Securities Lending** The fund may lend its securities to approved borrowers to earn additional income. Its securities lending activities are administered by a lending agent in accordance with a securities lending agreement. Security loans generally do not have stated maturity dates, and the fund may recall a security at any time. The fund receives collateral in the form of cash or U.S. government securities. Collateral is maintained over the life of the loan in an amount not less than the value of loaned securities; any

additional collateral required due to changes in security values is delivered to the fund the next business day. Cash collateral is invested in accordance with investment guidelines approved by fund management. Additionally, the lending agent indemnifies the fund against losses resulting from borrower default. Although risk is mitigated by the collateral and indemnification, the fund could experience a delay in recovering its securities and a possible loss of income or value if the borrower fails to return the securities, collateral investments decline in value, and the lending agent fails to perform. Securities lending revenue consists of earnings on invested collateral and borrowing fees, net of any rebates to the borrower, compensation to the lending agent, and other administrative costs. In accordance with GAAP, investments made with cash collateral are reflected in the accompanying financial statements, but collateral received in the form of securities is not. At December 31, 2022, there were no securities on loan.

**Other** Purchases and sales of portfolio securities other than short-term securities aggregated \$2,238,965,000 and \$2,890,764,000, respectively, for the year ended December 31, 2022.

#### **NOTE 4 - FEDERAL INCOME TAXES**

Generally, no provision for federal income taxes is required since the fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute to shareholders all of its taxable income and gains. Distributions determined in accordance with federal income tax regulations may differ in amount or character from net investment income and realized gains for financial reporting purposes.

The fund files U.S. federal, state, and local tax returns as required. The fund's tax returns are subject to examination by the relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return but which can be extended to six years in certain circumstances. Tax returns for open years have incorporated no uncertain tax positions that require a provision for income taxes.

Capital accounts within the financial reporting records are adjusted for permanent book/tax differences to reflect tax character but are not adjusted for temporary differences. The permanent book/tax adjustments, if any, have no impact on results of operations or net assets. The permanent book/tax adjustments relate primarily to redemptions in kind, deemed distributions on shareholder redemptions, tax equalization and the character of income on passive foreign investment companies.

The tax character of distributions paid for the periods presented was as follows:

(\$000s)	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Ordinary income (including short-term capital gains, if any)	\$ 30,013	\$ 142,672
Long-term capital gain	334,941	669,135
Total distributions	<b>\$ 364,954</b>	<b>\$ 811,807</b>

At December 31, 2022, the tax-basis cost of investments (including derivatives, if any) and gross unrealized appreciation and depreciation were as follows:

(\$000s)	
Cost of investments	\$ 6,587,262
Unrealized appreciation	\$ 2,625,628
Unrealized depreciation	(745,497)
Net unrealized appreciation (depreciation)	<b>\$ 1,880,131</b>

At December 31, 2022, the tax-basis components of accumulated net earnings (loss) were as follows:

(\$000s)	
Undistributed long-term capital gain	\$ 85,127
Net unrealized appreciation (depreciation)	1,880,131
Total distributable earnings (loss)	<b>\$ 1,965,258</b>

Temporary differences between book-basis and tax-basis components of total distributable earnings (loss) arise when certain items of income, gain, or loss are recognized in different periods for financial statement purposes versus for tax purposes; these differences will reverse in a subsequent reporting period. The temporary differences relate primarily to the deferral of losses from wash sales.

**NOTE 5 - FOREIGN TAXES**

The fund is subject to foreign income taxes imposed by certain countries in which it invests. Additionally, capital gains realized upon disposition of securities issued in or by certain foreign countries are subject to capital gains tax imposed by those countries. All taxes are computed in accordance with the applicable foreign tax law, and, to the extent permitted, capital losses are used to offset capital gains. Taxes attributable to income are accrued by the fund as a reduction of income. Current and deferred tax expense attributable to capital gains is reflected as a component of realized or change in unrealized gain/loss on securities in the accompanying financial statements. To the extent that the fund has country specific capital loss carryforwards, such carryforwards are applied against net unrealized gains when determining the deferred tax liability. Any deferred tax liability incurred by the fund is included in either Other liabilities or Deferred tax liability on the accompanying Statement of Assets and Liabilities.

**NOTE 6 - RELATED PARTY TRANSACTIONS**

The fund is managed by T. Rowe Price Associates, Inc. (Price Associates), a wholly owned subsidiary of T. Rowe Price Group, Inc. (Price Group). The investment management agreement between the fund and Price Associates provides for an annual investment management fee, which is computed daily and paid monthly. The fee consists of an individual fund fee, equal to 0.45% of the fund's average daily net assets, and a group fee. The group fee rate is calculated based on the combined net assets of certain mutual funds sponsored by Price Associates (the group) applied to a graduated fee schedule, with rates ranging from 0.48% for the first \$1 billion of assets to 0.260% for assets in excess of \$845 billion. The fund's group fee is determined by applying the group fee rate to the fund's average daily net assets. At December 31, 2022, the effective annual group fee rate was 0.29%.

The I Class is subject to an operating expense limitation (I Class Limit) pursuant to which Price Associates is contractually required to pay all operating expenses of the I Class, excluding management fees; interest; expenses related to borrowings, taxes, and brokerage; non-recurring, extraordinary expenses; and acquired fund fees and expenses, to the extent such operating expenses, on an annualized basis, exceed the I Class Limit. This agreement will continue through the expense limitation date indicated in the table below, and may be renewed, revised, or revoked only with approval of the fund's Board. The I Class is required to repay Price Associates for expenses previously paid to the extent the class's net assets grow or expenses decline sufficiently to allow repayment without causing the class's operating expenses (after



the repayment is taken into account) to exceed the lesser of: (1) the I Class Limit in place at the time such amounts were paid; or (2) the current I Class Limit. However, no repayment will be made more than three years after the date of a payment or waiver.

The Z Class is also subject to a contractual expense limitation agreement whereby Price Associates has agreed to waive and/or bear all of the Z Class' expenses (excluding interest; expenses related to borrowings, taxes, and brokerage; non-recurring, extraordinary expenses; and acquired fund fees and expenses) in their entirety. This fee waiver and/or expense reimbursement arrangement is expected to remain in place indefinitely, and the agreement may only be amended or terminated with approval by the fund's Board. Expenses of the fund waived/paid by the manager are not subject to later repayment by the fund.

Pursuant to these agreements, expenses were waived/paid by and/or repaid to Price Associates during the year ended December 31, 2022 as indicated in the table below and remain subject to repayment by the fund. Any repayment of expenses previously waived/paid by Price Associates during the period would be included in the net investment income and expense ratios presented on the accompanying Financial Highlights.

	I Class	Z Class
Expense limitation/I Class Limit	0.05%	0.00%
Expense limitation date	04/30/24	N/A
(Waived)/repaid during the period (\$000s)	\$(1)	\$(23,947)

In addition, the fund has entered into service agreements with Price Associates and two wholly owned subsidiaries of Price Associates, each an affiliate of the fund (collectively, Price). Price Associates provides certain accounting and administrative services to the fund. T. Rowe Price Services, Inc. provides shareholder and administrative services in its capacity as the fund's transfer and dividend-disbursing agent. T. Rowe Price Retirement Plan Services, Inc. provides subaccounting and recordkeeping services for certain retirement accounts invested in the Investor Class and Advisor Class. For the year ended December 31, 2022, expenses incurred pursuant to these service agreements were \$102,000 for Price Associates; \$2,335,000 for T. Rowe Price Services, Inc.; and \$325,000 for T. Rowe Price Retirement Plan Services, Inc. All amounts due to and due from Price, exclusive of investment management fees payable, are presented net on the accompanying Statement of Assets and Liabilities.

Additionally, the fund is one of several mutual funds in which certain college savings plans managed by Price Associates may invest. As approved by the fund's Board of Directors, shareholder servicing costs associated with each college savings plan are

borne by the fund in proportion to the average daily value of its shares owned by the college savings plan. Price has agreed to waive/reimburse shareholder servicing costs in excess of 0.05% of the fund's average daily value of its shares owned by the college savings plan. Any amounts waived/paid by Price under this voluntary agreement are not subject to repayment by the fund. Price may amend or terminate this voluntary arrangement at any time without prior notice. For the year ended December 31, 2022, the fund was charged \$514,000 for shareholder servicing costs related to the college savings plans, of which \$320,000 was for services provided by Price. All amounts due to and due from Price, exclusive of investment management fees payable, are presented net on the accompanying Statement of Assets and Liabilities. At December 31, 2022, approximately 16% of the outstanding shares of the I Class were held by college savings plans.

Mutual funds, trusts, and other accounts managed by Price Associates or its affiliates (collectively, Price Funds and accounts) may invest in the fund. No Price fund or account may invest for the purpose of exercising management or control over the fund. At December 31, 2022, approximately 100% of the Z Class's outstanding shares were held by Price Funds and accounts.

The fund may invest its cash reserves in certain open-end management investment companies managed by Price Associates and considered affiliates of the fund: the T. Rowe Price Government Reserve Fund or the T. Rowe Price Treasury Reserve Fund, organized as money market funds (together, the Price Reserve Funds). The Price Reserve Funds are offered as short-term investment options to mutual funds, trusts, and other accounts managed by Price Associates or its affiliates and are not available for direct purchase by members of the public. Cash collateral from securities lending, if any, is invested in the T. Rowe Price Government Reserve Fund. The Price Reserve Funds pay no investment management fees.

The fund may participate in securities purchase and sale transactions with other funds or accounts advised by Price Associates (cross trades), in accordance with procedures adopted by the fund's Board and Securities and Exchange Commission rules, which require, among other things, that such purchase and sale cross trades be effected at the independent current market price of the security. During the year ended December 31, 2022, the fund had no purchases or sales cross trades with other funds or accounts advised by Price Associates.

Price Associates has voluntarily agreed to reimburse the fund from its own resources on a monthly basis for the cost of investment research embedded in the cost of the fund's securities trades. This agreement may be rescinded at any time. For the year ended December 31, 2022, this reimbursement amounted to \$786,000, which is included in Net realized gain (loss) on Securities in the Statement of Operations.

## **NOTE 7 - OTHER MATTERS**

Unpredictable events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases, and similar public health threats may significantly affect the economy and the markets and issuers in which the fund invests. Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others, and exacerbate other pre-existing political, social, and economic risks.

Since 2020, a novel strain of coronavirus (COVID-19) has resulted in disruptions to global business activity and caused significant volatility and declines in global financial markets.

In February 2022, Russian forces entered Ukraine and commenced an armed conflict leading to economic sanctions being imposed on Russia and certain of its citizens, creating impacts on Russian-related stocks and debt and greater volatility in global markets.

These are recent examples of global events which may have a negative impact on the values of certain portfolio holdings or the fund's overall performance. Management is actively monitoring the risks and financial impacts arising from these events.

## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

**To the Board of Directors and Shareholders of T. Rowe Price Small-Cap Stock Fund, Inc.**

### **Opinion on the Financial Statements**

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of T. Rowe Price Small-Cap Stock Fund, Inc. (the "Fund") as of December 31, 2022, the related statement of operations for the year ended December 31, 2022, the statement of changes in net assets for each of the two years in the period ended December 31, 2022, including the related notes, and the financial highlights for each of the periods indicated therein (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2022, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2022 and the financial highlights for each of the periods indicated therein, in conformity with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM  
(CONTINUED)**

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2022 by correspondence with the custodians and transfer agent. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP  
Baltimore, Maryland  
February 21, 2023

We have served as the auditor of one or more investment companies in the T. Rowe Price group of investment companies since 1973.

## **TAX INFORMATION (UNAUDITED) FOR THE TAX YEAR ENDED 12/31/22**

We are providing this information as required by the Internal Revenue Code. The amounts shown may differ from those elsewhere in this report because of differences between tax and financial reporting requirements.

The fund's distributions to shareholders included:

- \$1,431,000 from short-term capital gains
- \$461,291,000 from long-term capital gains, subject to a long-term capital gains tax rate of not greater than 20%

For taxable non-corporate shareholders, \$27,672,000 of the fund's income represents qualified dividend income subject to a long-term capital gains tax rate of not greater than 20%.

For corporate shareholders, \$27,672,000 of the fund's income qualifies for the dividends-received deduction.

For individuals and certain trusts and estates which are entitled to claim a deduction of up to 20% of their combined qualified real estate investment trust (REIT) dividends, \$3,059,000 of the fund's income qualifies as qualified real estate investment trust (REIT) dividends.

## **INFORMATION ON PROXY VOTING POLICIES, PROCEDURES, AND RECORDS**

A description of the policies and procedures used by T. Rowe Price funds to determine how to vote proxies relating to portfolio securities is available in each fund's Statement of Additional Information. You may request this document by calling 1-800-225-5132 or by accessing the SEC's website, sec.gov.

The description of our proxy voting policies and procedures is also available on our corporate website. To access it, please visit the following Web page:

<https://www.troweprice.com/corporate/us/en/utility/policies.html>

Scroll down to the section near the bottom of the page that says, "Proxy Voting Guidelines." Click on the links in the shaded box.

Each fund's most recent annual proxy voting record is available on our website and through the SEC's website. To access it through T. Rowe Price, visit the website location shown above, and scroll down to the section near the bottom of the page that says, "Proxy Voting Records." Click on the Proxy Voting Records link in the shaded box.

## **HOW TO OBTAIN QUARTERLY PORTFOLIO HOLDINGS**

The fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. The fund's reports on Form N-PORT are available electronically on the SEC's website ([sec.gov](http://sec.gov)). In addition, most T. Rowe Price funds disclose their first and third fiscal quarter-end holdings on **[troweprice.com](http://troweprice.com)**.

## **LIQUIDITY RISK MANAGEMENT PROGRAM**

In accordance with Rule 22e-4 (Liquidity Rule) under the Investment Company Act of 1940, as amended, the fund has established a liquidity risk management program (Liquidity Program) reasonably designed to assess and manage the fund's liquidity risk, which generally represents the risk that the fund would not be able to meet redemption requests without significant dilution of remaining investors' interests in the fund. The fund's Board of Directors (Board) has appointed the fund's investment adviser, T. Rowe Price Associates, Inc. (Adviser), as the administrator of the Liquidity Program. As administrator, the Adviser is responsible for overseeing the day-to-day operations of the Liquidity Program and, among other things, is responsible for assessing, managing, and reviewing with the Board at least annually the liquidity risk of each T. Rowe Price fund. The Adviser has delegated oversight of the Liquidity Program to a Liquidity Risk Committee (LRC), which is a cross-functional committee composed of personnel from multiple departments within the Adviser.

The Liquidity Program's principal objectives include supporting the T. Rowe Price funds' compliance with limits on investments in illiquid assets and mitigating the risk that the fund will be unable to timely meet its redemption obligations. The Liquidity Program also includes a number of elements that support the management and assessment of liquidity risk, including an annual assessment of factors that influence the fund's liquidity and the periodic classification and reclassification of a fund's investments into categories that reflect the LRC's assessment of their relative liquidity under current market conditions. Under the Liquidity Program, every investment held by the fund is classified at least monthly into one of four liquidity categories based on estimations of the investment's ability to be sold during designated time frames in current market conditions without significantly changing the investment's market value.

As required by the Liquidity Rule, at a meeting held on July 25, 2022, the Board was presented with an annual assessment prepared by the LRC, on behalf of the Adviser, that addressed the operation of the Liquidity Program and assessed its adequacy and effectiveness of implementation, including any material changes to the Liquidity Program and the determination of each fund's Highly Liquid Investment Minimum (HLIM). The annual assessment included consideration of the following factors, as applicable: the fund's investment strategy and liquidity of portfolio investments during normal and reasonably foreseeable stressed conditions, including whether the investment strategy is appropriate for an open-end fund, the extent to which the strategy involves a relatively concentrated portfolio or large positions in particular issuers, and the use of borrowings for investment purposes and derivatives; short-term and long-term cash flow projections covering both normal and reasonably foreseeable stressed conditions; and holdings of cash and cash equivalents, as well as available borrowing arrangements.



## **LIQUIDITY RISK MANAGEMENT PROGRAM (CONTINUED)**

For the fund and other T. Rowe Price funds, the annual assessment incorporated a report related to a fund's holdings, shareholder and portfolio concentration, any borrowings during the period, cash flow projections, and other relevant data for the period of April 1, 2021, through March 31, 2022. The report described the methodology for classifying a fund's investments (including any derivative transactions) into one of four liquidity categories, as well as the percentage of a fund's investments assigned to each category. It also explained the methodology for establishing a fund's HLIM and noted that the LRC reviews the HLIM assigned to each fund no less frequently than annually.

During the period covered by the annual assessment, the LRC has concluded, and reported to the Board, that the Liquidity Program continues to operate adequately and effectively and is reasonably designed to assess and manage the fund's liquidity risk.

## ABOUT THE FUND'S DIRECTORS AND OFFICERS

Your fund is overseen by a Board of Directors (Board) that meets regularly to review a wide variety of matters affecting or potentially affecting the fund, including performance, investment programs, compliance matters, advisory fees and expenses, service providers, and business and regulatory affairs. The Board elects the fund's officers, who are listed in the final table. The directors who are also employees or officers of T. Rowe Price are considered to be "interested" directors as defined in Section 2(a)(19) of the 1940 Act because of their relationships with T. Rowe Price and its affiliates. The business address of each director and officer is 100 East Pratt Street, Baltimore, Maryland 21202. The Statement of Additional Information includes additional information about the fund directors and is available without charge by calling a T. Rowe Price representative at 1-800-638-5660.

## INDEPENDENT DIRECTORS<sup>(a)</sup>

### Name

### (Year of Birth)

### Year Elected

### [Number of T. Rowe Price Portfolios Overseen]

### Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years

Teresa Bryce Bazemore (1959) 2018 [205]	President and Chief Executive Officer, Federal Home Loan Bank of San Francisco (2021 to present); President, Radian Guaranty (2008 to 2017); Chief Executive Officer, Bazemore Consulting LLC (2018 to 2021); Director, Chimera Investment Corporation (2017 to 2021); Director, First Industrial Realty Trust (2020 to present); Director, Federal Home Loan Bank of Pittsburgh (2017 to 2019)
Ronald J. Daniels <sup>(b)</sup> (1959) 2018 [0]	President, The Johns Hopkins University and Professor, Political Science Department, The Johns Hopkins University (2009 to present); Director, Lyndhurst Holdings (2015 to present); Director, BridgeBio Pharma, Inc. (2020 to present)
Bruce W. Duncan (1951) 2013 [205]	President, Chief Executive Officer, and Director, CyrusOne, Inc. (2020 to 2021); Chief Executive Officer and Director (2009 to 2016), Chair of the Board (2016 to 2020), and President (2009 to 2016), First Industrial Realty Trust, owner and operator of industrial properties; Chair of the Board (2005 to 2016) and Director (1999 to 2016), Starwood Hotels & Resorts, a hotel and leisure company; Member, Investment Company Institute Board of Governors (2017 to 2019); Member, Independent Directors Council Governing Board (2017 to 2019); Senior Advisor, KKR (2018 to present); Director, Boston Properties (2016 to present); Director, Marriott International, Inc. (2016 to 2020)
Robert J. Gerrard, Jr. (1952) 2012 [205]	Advisory Board Member, Pipeline Crisis/Winning Strategies, a collaborative working to improve opportunities for young African Americans (1997 to 2016); Chair of the Board, all funds (July 2018 to present)

**INDEPENDENT DIRECTORS<sup>(a)</sup> (CONTINUED)**

<b>Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]</b>	<b>Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years</b>
Paul F. McBride (1956) 2013 [205]	Advisory Board Member, Vizzia Technologies (2015 to present); Board Member, Dunbar Armored (2012 to 2018)
Kellye L. Walker <sup>(c)</sup> (1966) 2021 [205]	Executive Vice President and Chief Legal Officer, Eastman Chemical Company (April 2020 to present); Executive Vice President and Chief Legal Officer, Huntington Ingalls Industries, Inc. (January 2015 to March 2020); Director, Lincoln Electric Company (October 2020 to present)

<sup>(a)</sup>All information about the independent directors was current as of December 31, 2021, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

<sup>(b)</sup>Effective April 27, 2022, Mr. Daniels resigned from his role as an independent director of the Price Funds.

<sup>(c)</sup>Effective November 8, 2021, Ms. Walker was appointed as an independent director of the Price Funds.

**INTERESTED DIRECTORS<sup>(a)</sup>**

<b>Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]</b>	<b>Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years</b>
David Oestreicher (1967) 2018 [205]	Director, Vice President, and Secretary, T. Rowe Price, T. Rowe Price Investment Services, Inc., T. Rowe Price Retirement Plan Services, Inc., and T. Rowe Price Services, Inc.; Director and Secretary, T. Rowe Price Investment Management, Inc. (Price Investment Management); Vice President and Secretary, T. Rowe Price International (Price International); Vice President, T. Rowe Price Hong Kong (Price Hong Kong), T. Rowe Price Japan (Price Japan), and T. Rowe Price Singapore (Price Singapore); General Counsel, Vice President, and Secretary, T. Rowe Price Group, Inc.; Chair of the Board, Chief Executive Officer, President, and Secretary, T. Rowe Price Trust Company; Principal Executive Officer and Executive Vice President, all funds
Robert W. Sharps, CFA, CPA <sup>(b)</sup> (1971) 2017 [0]	Director and Vice President, T. Rowe Price; Director, Price Investment Management; Chief Executive Officer and President, T. Rowe Price Group, Inc.; Vice President, T. Rowe Price Trust Company

**INTERESTED DIRECTORS<sup>(a)</sup> (CONTINUED)**

<b>Name (Year of Birth) Year Elected</b>	<b>Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years</b>
<b>[Number of T. Rowe Price Portfolios Overseen]</b> Eric L. Veiel, CFA (1972) 2022 [205]	Director and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company

<sup>(a)</sup>All information about the interested directors was current as of January 1, 2022, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

<sup>(b)</sup>Effective February 3, 2022, Mr. Sharps resigned from his role as an interested director of the Price Funds.

**OFFICERS**

<b>Name (Year of Birth) Position Held With Small-Cap Stock Fund</b>	<b>Principal Occupation(s)</b>
Francisco Alonso (1978) President	Vice President, Price Investment Management, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Armando (Dino) Capasso (1974) Chief Compliance Officer	Chief Compliance Officer and Vice President, T. Rowe Price and Price Investment Management; Vice President, T. Rowe Price Group, Inc.; formerly, Chief Compliance Officer, PGIM Investments LLC and AST Investment Services, Inc. (ASTIS) (to 2022); Chief Compliance Officer, PGIM Retail Funds complex and Prudential Insurance Funds (to 2022); Vice President and Deputy Chief Compliance Officer, PGIM Investments LLC and ASTIS (to 2019); Senior Vice President and Senior Counsel, Pacific Investment Management Company LLC (to 2017)
Alan S. Dupski, CPA (1982) Principal Financial Officer, Vice President, and Treasurer	Vice President, Price Investment Management, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Christopher T. Fortune (1973) Vice President	Vice President, Price Investment Management and T. Rowe Price Group, Inc.
Gary J. Greb (1961) Vice President	Vice President, Price Investment Management, T. Rowe Price, Price International, and T. Rowe Price Trust Company

Unless otherwise noted, officers have been employees of T. Rowe Price or Price International for at least 5 years.

**OFFICERS (CONTINUED)**

<b>Name (Year of Birth)</b>	<b>Position Held With Small-Cap Stock Fund</b>	<b>Principal Occupation(s)</b>
Cheryl Hampton, CPA (1969)	Vice President	Vice President, T. Rowe Price; formerly, Tax Director, Invesco Ltd. (to 2021); Vice President, Oppenheimer Funds, Inc. (to 2019)
Daniel Biros Hirsch, CFA (1985)	Vice President	Vice President, Price Investment Management and T. Rowe Price Group, Inc.
Benjamin Kersse, CPA (1989)	Vice President	Vice President, T. Rowe Price
Paul J. Krug, CPA (1964)	Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Peter (Matt) Mahon (1985)	Vice President	Vice President, Price Investment Management and T. Rowe Price Group, Inc.
Robert J. Marcotte (1962)	Vice President	Vice President, Price Investment Management and T. Rowe Price Group, Inc.
Rekha Marda (1987)	Vice President	Vice President, Price Investment Management and T. Rowe Price Group, Inc.
Curt J. Organt, CFA (1968)	Vice President	Vice President, Price Investment Management and T. Rowe Price Group, Inc.
Simon Paterson (1978)	Vice President	Vice President, Price Investment Management and T. Rowe Price Group, Inc.; formerly, Partner, Senior Equity Analyst, Brown Advisory (to 2020)
Fran M. Pollack-Matz (1961)	Vice President and Secretary	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price Investment Services, Inc., and T. Rowe Price Services, Inc.
Robert T. Quinn (1972)	Vice President	Vice President, Price Investment Management and T. Rowe Price Group, Inc.
Shannon H. Rauser (1987)	Assistant Secretary	Assistant Vice President, T. Rowe Price
Alexander P. Roik, CFA (1991)	Vice President	Vice President, Price Investment Management and T. Rowe Price Group, Inc.
Nathan Segal (1985)	Vice President	Vice President, Price Investment Management; formerly, student, The Graduate School of Business, Stanford University (to 2020); summer intern, T. Rowe Price (2019); Charles P. Bonini Fellow, Eli Lilly (to 2018)
J. David Wagner, CFA (1974)	Vice President	Vice President, Price Investment Management, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company

Unless otherwise noted, officers have been employees of T. Rowe Price or Price International for at least 5 years.

**OFFICERS (CONTINUED)**

<b>Name (Year of Birth)</b>	<b>Position Held With Small-Cap Stock Fund</b>	<b>Principal Occupation(s)</b>
Megan Warren (1968)	Vice President	OFAC Sanctions Compliance Officer and Vice President, Price Investment Management; Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price Retirement Plan Services, Inc., T. Rowe Price Services, Inc., and T. Rowe Price Trust Company
Nina Xu (1987)	Vice President	Vice President, Price Investment Management and T. Rowe Price Group, Inc.
Yan Zhang (1990)	Vice President	Vice President, Price Investment Management and T. Rowe Price Group, Inc.; formerly, student, The University of Chicago Booth School of Business (to 2019)

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<sup>2</sup> Brokerage services are provided by T. Rowe Price Investment Services, Inc., member FINRA/SIPC. Brokerage accounts are carried by Pershing LLC, a BNY Mellon Company, member NYSE/FINRA/SIPC.