

# FPA Global Equity ETF

## 4Q 2025 Commentary



You should consider the Fund's investment objectives, risks, and charges and expenses carefully before you invest. The Prospectus details the Fund's objective and policies and other matters of interest to the prospective investor. Please read the Prospectus carefully before investing. The Prospectus may be obtained by visiting the website at [fpa.com](http://fpa.com), by calling toll-free, 1-800-982-4372, or by contacting the Fund in writing.

### Average Annual Total Returns (%)

As of December 31, 2025	Since Inception*	3 Yr	1 Yr	YTD	QTD
FPA Global Equity ETF - NAV	12.05	23.30	25.52	25.52	4.65
FPA Global Equity ETF - Market Price	12.04	23.33	25.20	25.20	4.42
MSCI ACWI	9.85	20.65	22.34	22.34	3.29

Index data source: Morningstar

Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. This data represents past performance, and investors should understand that investment returns and principal values fluctuate, so that when you redeem your investment it may be worth more or less than its original cost. Current month-end performance data, which may be lower or higher than the performance data quoted, may be obtained at [fpag.fpa.com](http://fpag.fpa.com) or by calling toll-free, 1-800-982-4372.

Periods greater than one year are annualized. FPA Global Equity ETF ("Fund") performance is shown net of all fees and expenses. Fund performance is calculated on a total return basis which includes reinvestment of all distributions. Fund performance does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares, which would lower these figures. Fund NAV represents the closing price of underlying securities. Market Price is the price which investors buy and sell ETF shares in the market. The Market Price returns in the table were calculated using the closing price as of the period ends noted.

Comparison to any index is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. An investor cannot invest directly in an index. The MSCI ACWI Index is a free float-adjusted market capitalization weighted index that is designed to represent performance of the full opportunity set of large- and mid-cap stocks across various developed and emerging markets.

The Fund's Total Annual Fund Operating Expense is 1.03% (as of the most recent prospectus). The Fund's investment advisor has contractually agreed to limit Total Annual Fund Operating Expenses(excluding any front-end or contingent deferred loads, brokerage fees and commissions, acquired fund fees and expenses, borrowing costs (such as interest and dividend expense on securities sold short), taxes, and extraordinary expenses, such as litigation expenses (which may include indemnification of Fund officers and Trustees, contractual indemnification of Fund service providers (other than the advisor))), to 0.49% of the Fund's average daily net assets until April 28, 2026. The advisor may recoup any operating expenses in excess of these limits from the Fund within three years if such recoupment can be achieved within the lesser of the foregoing expense limits and the expense limits in place at the time of recoupment. In addition, the advisor may seek reimbursement from the Fund of fees waived or payments made by the advisor to the Predecessor Fund (defined below) prior to the Predecessor Fund's reorganization for a period ending three years after the date of the waiver or payment if such recoupment can be achieved within the lesser of the foregoing expense limited and the expense limits in place at the time of the recoupment. This agreement may only be terminated before its expiration date by the Board of Trustees of Investment Managers Series Trust III. Please see important disclosures at the end of the commentary.

\* The Fund commenced operations on December 16, 2021. The performance shown for 2021 reflects the period December 16, 2021 through December 31, 2021.

Please see important disclosures at the end of the commentary.

Dear Shareholder:

## Performance Overview

The FPA Global Equity ETF (“Fund” or “FPAG”) gained 4.65%, net, for the quarter and 25.52%, net, for the trailing twelve months. The Fund captured 114.2% of the MSCI ACWI’s return in the trailing twelve months.

FPAG’s performance along with the relevant index are captured in the following table:

### Performance versus Illustrative Index (%)<sup>1</sup>

	Q4 2025	Trailing 12-month
FPA Global Equity ETF (NAV)	4.65	25.52
MSCI ACWI	3.29	22.34

### Portfolio Discussion<sup>2</sup>

With respect to the recent performance of the Fund in the previous quarter and twelve months, contributors to and detractors from the Fund’s returns are listed below.

FPAG’s top five performers contributed 3.81% and 13.63% to its returns in the previous quarter and twelve months, respectively. However, its bottom five detracted 1.66% and 4.38% from its returns in the previous quarter and twelve months, respectively.

<sup>1</sup> Comparison to any index is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. Please see end of Commentary for Important Disclosures and definitions. The referenced index is shown for general market comparisons and is not meant to represent the Fund. Investors cannot directly invest in an index; unmanaged index returns do not reflect any fees, expenses or sales charges.

<sup>2</sup> References to individual securities are for informational purposes only, are subject to change, and should not be construed as a recommendation or a solicitation to buy or sell a particular security. Portfolio composition will change due to ongoing management of the Fund. Portfolio holdings for the Fund can be found at [fpag.fpa.com](http://fpag.fpa.com).

**Past performance is no guarantee, nor is it indicative, of future results.**

**Top and Bottom Contributors (%) as of December 31, 2025<sup>3</sup>**

▲ Top Contributors	Performance Contribution	Percent of Portfolio	▼ Bottom Contributors	Performance Contribution	Percent of Portfolio
<b>QTD</b>					
Alphabet	1.96	7.8	Meta Platforms	-0.51	4.3
Citigroup	0.56	4.0	Charter Communications	-0.46	1.5
Analog Devices	0.44	4.5	Prosus	-0.36	2.9
Samsung C&T	0.43	1.8	Uber Technologies	-0.17	0.9
Glencore	0.42	2.2	CarMax	-0.16	1.2
	<b>3.81</b>	<b>20.3</b>		<b>-1.66</b>	<b>10.8</b>
<b>TTM</b>					
Alphabet	4.21	7.0	CarMax	-1.31	1.7
Citigroup	2.80	4.7	Charter Communications	-1.10	2.2
TE Connectivity	2.59	4.5	Comcast	-0.88	4.1
JDE Peet's	2.38	2.9	Int'l Flavors & Fragrances	-0.72	3.5
Safran	1.67	3.3	Vail Resorts	-0.37	1.5
	<b>13.63</b>	<b>22.4</b>		<b>-4.38</b>	<b>12.9</b>

We will review the following companies that have notably impacted the Fund's performance.<sup>4</sup>

Longtime holding **TE Connectivity** benefitted in 2025 from continued demand growth in several of the markets in which it sells into, including: AI infrastructure and data center connectivity; energy and grid update cycling; and industrial automation. TE also acquired Richards Manufacturing earlier in the year, which helped strengthen the company's competitive position in industrial and utility markets, and raised the dividend throughout 2025.

**Safran**, buoyed by robust aerospace and aftermarket parts demand, reported record profits for the prior year in early 2025. As global air traffic continued to recover and air carriers ramped up maintenance projects, the company saw stronger aftermarket growth and converted operational efficiency gains into higher earnings, prompting management to raise full-year guidance for 2025.

Despite steady revenue and earnings for the full year, **Uber** stock shed ~17% in Q4 2025. A host of factors contributed to the stock's decline, including soft guidance from management, regulatory headwinds primarily in the company's European end-markets, and resulting analyst downgrades. The stock otherwise enjoyed a strong year, and we took advantage of share price strength to trim the position in Q2 and Q3.

**Vail Resorts** operates mountain resorts and ski lodging, with the majority of revenue derived from US properties. It probably goes without saying that one can't ski without snow. Unfavorable weather conditions throughout 2025

<sup>3</sup> Reflects the top five contributors and detractors to the Fund's performance based on contribution to return for the Quarter to Date ("QTD") and Trailing Twelve Months ("TTM"). Contribution is presented gross of investment management fees, transactions costs, and Fund operating expenses, which if included, would reduce the returns presented. The information provided does not reflect all positions purchased, sold or recommended by FPA during the quarter or TTM. A copy of the methodology used and a list of every holding's contribution to the overall Fund's performance during the quarter or TTM is available by contacting FPA Client Service at [crm@fpa.com](mailto:crm@fpa.com). It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities listed. Portfolio holdings are subject to change at any time and should not be considered investment advice. Totals may not sum due to rounding. Percent of portfolio reflects the average position size over the period.

<sup>4</sup> The company data and statistics referenced in this section, including competitor data, are sourced from company press releases, investor presentations, financial disclosures, SEC filings, or company websites, unless otherwise noted.

**Past performance is no guarantee, nor is it indicative, of future results.**

dragged on visitations and skier spending. In addition, rising labor and operational costs have further pressured margins, and management has failed to reassure investors. We believe that Vail's challenges are more cyclical than structural, and if/when snowfall averages revert, an undemanding valuation could help underpin an increase in the stock price.

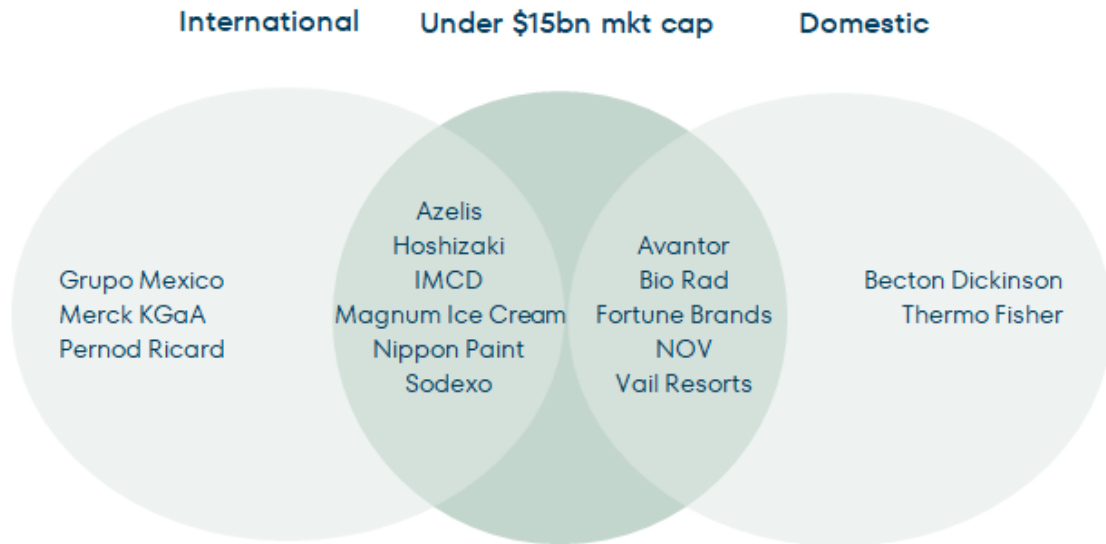
Now, if you spend time in our office, you will inevitably overhear our FPA colleague Brian Selmo comment that "Securities ask different questions at different prices." For securities trading at elevated multiples, the questions are likely to be difficult, if not impossible to answer, and possibly even multiplicative in nature. In other instances, for out of favor names, one is simply determining if the future could be better than the present, with conditions potentially turning positive as the cherry on top.

By focusing on the less challenging questions, we largely avoid the speculative areas of the market where we deem the reward for taking risks insufficient relative to the potential returns. This does not imply that we completely avoid mistakes, but we believe it helps limit the damage when we do err in judgement. Over the years, the end-product of this process has been a strategy that has generated attractive returns, as compared to the index, while placing importance on absolute return. Ultimately, this approach requires an unwavering commitment to being "value aware," a philosophy that underpins our research process.

In doing so, we consider both quantitative and qualitative analysis as we underwrite potential new investments and monitor existing positions. It is not enough to be a great company, nor is it sufficient to simply trade on a superficially low p/e multiple to garner our interest and attention. Instead, we are looking for rare cases where both quality and "value" intersect, even if near-term headwinds may delay the potential payoff.

Hence, when it comes to deploying capital into new names, it is rare that you will find our recent purchases on the 52-week high list. Instead, we thumb our noses at the momentum factor and regularly troll the 52-week low list for potential opportunities. It is in that vein that we let value guide our focus. So, before you pose questions, we don't have any unique insight into American exceptionalism or whether we are in an AI bubble. Well, you can still ask, but we don't think we know the answer.

However, we do believe that the investment community is currently casting its gaze away from various market constituents that offer asymmetric risk-reward for those willing to look forward three to five years. We primarily speak of global securities with lower market capitalizations, and, up until recently, healthcare stocks. As you can see from the image below, new purchases over the past two years are clear evidence that we are willing to back up this view with our actions and not just our words.



While few of the above are household names, we believe each holds a strong competitive position in their respective industry, if not market leadership. Furthermore, we would go so far as to say we believe we purchased them at absolute values that we believe will help us achieve equity-like returns over the coming years, and at bargain-like valuations compared to the MSCI ACWI.

As for the why, we know not the answer, but we have our suspicions. With the recent outperformance of large US technology companies, not to mention the adoption of passive investing, there may be a shrinking pool of active investors with the interest, resources, and capital to conduct in-depth research on 1) lower market-cap names, and 2) ideas that necessitate deferred gratification longer than one to two quarters. And as it relates to the active investors hoovering up assets, in our experience it is rare to find a pod shop on the share registers of, say, Azelis, Nippon Paint, Sodexo, or NOV.

Lastly, there's a good reason why the commentary above does not necessarily jive with all of our holdings, say such as some of our top holdings by weight Alphabet (purchased in our flagship Contrarian Value Strategy in 2010), Meta (2018), Analog Devices (2011), and TE Connectivity (2012). We use these names to remind you that our average holding period is in excess of five years, and for those in the top ten, demonstrably longer. We purchased each of the aforementioned "GARP" names initially when they were making headlines for the wrong reasons, and we would argue their present standing does not betray our ethos as price-disciplined investors, but rather is indicative of our research process and strategy working as intended... sometimes the high case does actually play out!<sup>5</sup>

Now, as an example of a tough question currently being posed by the market, we submit Microsoft, a company we actually owned in the flagship Contrarian Value Strategy from 2010 to 2020. To begin, we hold management in the highest regards, particularly the CEO and CFO, who created tremendous value for us during our ownership. When we originally purchased Microsoft back in 2010, the valuation was less than 10x after-tax earnings after subtracting the cash on the balance sheet. The question we had to ask at the time was whether Microsoft was a melting ice cube, or could the company deliver an equity-type rate of return even if earnings never grew again. To our regret,

<sup>5</sup> GARP = Growth At a Reasonable Price. Past performance is no guarantee of future results. It should not be assumed that an investment in the securities mentioned was or will be profitable. The information provided does not reflect all positions purchased, sold or recommended by FPA during the period.

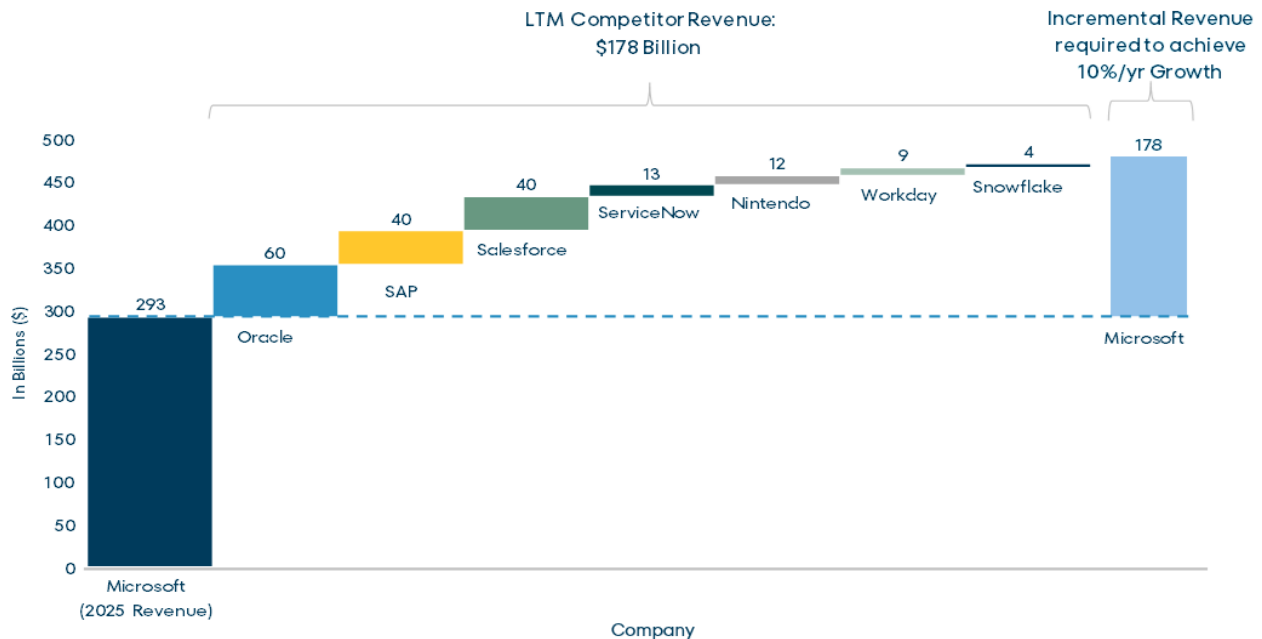
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we sold Microsoft too early, failing to appreciate how technological developments, particularly those of AI/cloud, would transform the business.

In the five years following our sale, from 2020 through 2025, Microsoft grew its top line at a 12% compound annual growth rate ("CAGR"), and its bottom line even faster! But let's now look at what one must believe to be constructive on the return prospects at the current multiple of 30x+ earnings. Of course, 30x earnings on its own is not necessarily the wrong multiple if Microsoft can continue to grow at a double-digit rate over the coming five years, and market analysts have noted that the valuation looks inexpensive five years out even if revenue were only to grow at a more pedestrian CAGR of 10% during this period.

Stepping back, we will note that Microsoft generated \$293bn of revenue over the last twelve months. If revenue were indeed to grow at 10% CAGR over the next five years, Microsoft would theoretically generate \$472bn in revenue in 2030, an increase of \$178bn. The bulls will say this is achievable based on growth in the core business and an expanding total available market ("TAM"). However, to put the \$178bn increase into perspective, Microsoft would need to add revenue greater than the aggregate sales of ERP leaders Oracle and SAP, who generated ~\$100bn in combined sales over the past twelve months. The bulls may say that our thinking is too narrow; vibe coding will also allow Microsoft to serve as the foundation or platform upon which corporations will create low-cost alternative solutions for CRM solutions (Salesforce: \$40bn revenue), HR software (Workday: \$9bn revenue), and new database products (Snowflake: \$4.4bn revenue). Moreover, as the bulls believe, from a horizontal perspective, agentic AI will enable Microsoft to offer services to automate and manage digital workflows (ServiceNow: \$12bn revenue) across industries. If that was not enough, the bulls will remind us that Microsoft has a consumer gaming franchise in Xbox that will grow over time (Nintendo: \$12bn revenue).

To put the words into a picture, for Microsoft to grow at 10% over the next five years, one must believe the company will generate incremental revenue currently generated by the combination of:<sup>6</sup>



<sup>6</sup> Forward looking. Refer to the Important Information and other disclosures at the back of this material.

We are not saying this can't happen, but thankfully as benchmark agnostic investors, there is nothing forcing us to make the wager that it will. Speaking of wagers, we are regularly asked whether the higher-than-average multiples, particularly in US markets, make us inclined to believe a near-term market wobble lies around the corner. To that we emphatically answer "Yes" from our square offices, but with the caveat that we don't know from which corner. And so rather than make top-down bets, we simply go about our business conducting bottoms-up fundamental analysis with the hope that it helps us find a handful of good ideas each year and keeps us away from the bad ones.

## Portfolio Profile<sup>7</sup>

There were 54 equity positions in the Fund, with the top 5 holdings comprising 24.2% and the top 10 comprising 42.3% of the total portfolio. The Fund's top three sectors (as a percentage of equity), based on GICS sector classification, were Communication Services (17.9%), Industrials (14.5%), and Consumer Discretionary (12.3%). The portfolio managers have been able to find opportunities outside of the US and currently (as a percentage of equity) the portfolio has 45.5% non-US exposure and 54.5% exposure in the US. However, 58.9% (as a percentage of equity) of the portfolio companies' revenues are non-US.<sup>8</sup>

## Closing

We appreciate the long-term partnership we've had with so many of our like-minded investors who maintain a similar "value aware" point of view and long holding period. To the old and the new, we seek to continually earn your trust through the inevitable market cycles for the capital you have entrusted to us.

Respectfully submitted,

FPA Global Equity Portfolio Managers

February 13, 2026

<sup>7</sup> As of December 31, 2025. The information reflects the portfolio statistics for the Fund. Number of Equity Positions is shown at the issuer level. Totals may not add up due to rounding.

<sup>8</sup> Source: Factset, based on country of domicile and revenue by geography. 'As a Percentage of Equity' excludes cash and cash equivalents. Revenue refers to the geographic location of portfolio companies' revenue sources, rather than where they are domiciled, and may provide additional insight into the portfolios' geographic diversification.

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### Important Information

This Commentary is for informational and discussion purposes only and does not constitute, and should not be construed as, an offer or solicitation for the purchase or sale of any securities, products or services discussed, and neither does it provide investment advice. Any such offer or solicitation shall only be made pursuant to the Fund's Prospectus, which supersedes the information contained herein in its entirety. These materials are not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use is contrary to local law or regulation.

The statements contained herein reflect the opinions of the portfolio managers as of the date written and are subject to change without notice. These views may differ from other portfolio managers and analysts of the firm as a whole and are not intended to be a forecast of future events, a guarantee of future results or investment advice. The information and data herein has been prepared from sources believed reliable, but the accuracy and completeness of the information cannot be guaranteed and is not a complete summary or statement of all available data.

Certain statements herein may be forward-looking and/or based on current expectations, projections, and information currently available to FPA. While we believe we have a reasonable basis for our comments and we have confidence in our opinions, actual results may differ from those we anticipate. We cannot assure future results and disclaim any obligation to update or alter any forward-looking statements, whether as a result of new information, future events, or otherwise. Such statements may or may not be accurate over the long-term. Statistical data or references thereto were taken from sources which we deem to be reliable, but their accuracy cannot be guaranteed.

Past performance does not guarantee future results. The Fund's net asset value and investment return will fluctuate based upon changes in the value of its portfolio securities. There is no assurance that the Fund will achieve its investment objective, and an investment in the Fund is not by itself a complete or balanced investment program. For a complete description of the Fund's principal investment risks please refer to the prospectus.

Shares of the Fund are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Because ETFs trade like stocks, the Fund may trade at prices above or below the ETF's NAV. While the shares of ETFs are tradable on secondary markets, they may not readily trade in all market conditions and may trade at significant discounts in periods of market stress. Brokerage commissions and ETF expenses will reduce returns.

An investment in the Fund is speculative and entails substantial risks. Portfolio composition will change due to ongoing management of the Fund. References to individual securities or sectors are for informational purposes only and should not be construed as recommendations by the Fund, the portfolio managers, FPA, or the distributor (as applicable), and any information provided is not a sufficient basis upon which to make an investment decision. It should not be assumed that future investments will be profitable or will equal the performance of any security or sector discussed.

It is important to remember that there are risks inherent in any investment and there is no assurance that any investment or asset class will provide positive performance over time. Capital markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. The Fund purchases foreign securities, including American Depositary Receipts (ADRs) and other depository receipts, which are subject to interest rate, currency exchange rate, economic and political risks; this may be enhanced when investing in emerging markets. Non-U.S. investing presents additional risks such as the potential for adverse political, currency, economic, social or regulatory developments in a country including lack of liquidity, excessive taxation, and differing legal and accounting standards. These risks are magnified in emerging and frontier markets. In addition, while we believe investing in companies with less liquidity has the potential to add alpha on the upside, such names are also more subject to price volatility on the downside.

Small and mid-cap stocks involve greater risks and they can fluctuate in price more than larger company stocks. You risk paying more for a security than you received from its sale. Groups of stocks, such as value and growth, go in and out of favor which may cause certain funds to underperform other equity funds.

Value style investing presents the risk that the holdings or securities may never reach their full market value because the market fails to recognize what the portfolio management team considers the true business value or because the portfolio management team has misjudged those values. In addition, value style investing may fall out of favor and underperform growth or other style investing during given periods.

The Fund may lack diversification, thereby increasing the risk of loss, and the Fund's performance may be volatile. As a result, an investor could lose all or a substantial amount of its investment.

The information contained herein is not complete, may change, and is subject to, and is qualified in its entirety by, the more complete disclosures, risk factors, and other information contained in the relevant offering memorandum, investment management agreement and/or Form ADV. The information is furnished as of the date shown. No representation is made with respect to its completeness or timeliness. The information is not intended to be, nor shall it be construed as, investment advice or a recommendation of any kind.

The information provided in this report is based upon data existing as of the date(s) of the report in FPA's internal systems and has not been audited or reviewed. While we believe the information to be accurate, it is subject in all respects to adjustments that may be made after proper review and reconciliation.

Please refer to the Fund's Prospectus for a complete overview of the primary risks associated with the Fund.

In making any investment decision, you must rely on your own examination of the Fund, including the risks involved in an investment. Investments mentioned herein may not be suitable for all recipients and in each case, potential investors are advised not to make any investment decision unless they have taken independent advice from an appropriately authorized advisor. An investment in any security mentioned herein does not guarantee a positive return as securities are subject to market risks, including the potential loss of principal. You should not construe the contents of this document as legal, tax, investment or other advice or recommendations.

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### Index Definitions

Comparison to any index is for illustrative purposes only. Index returns do not reflect transactions costs, investment management fees or other commissions, fees and expenses that would reduce performance for an investor. An investor cannot invest directly in an index. The Fund does not include outperformance of any index or benchmark in its investment objectives.

**MSCI ACWI NR USD Index (MSCI ACWI)** is an unmanaged free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. **Net Return (NR)** indicates that withholding taxes are applied to dividend reinvestments. MSCI uses the withholding tax rate applicable to non-resident institutional investors that do not benefit from double taxation treaties.

### Glossary of Terms

**Compound annual growth rate (CAGR)** is the annual rate of return that shows how an investment grows from its beginning value to its ending value over time, assuming reinvested profits.

**Earnings Per Share (EPS)** is calculated as a company's profit divided by the outstanding shares of its common stock. The resulting number serves as an indicator of a company's profitability.

**Forward Price to Earnings** is a version of the ratio of price-to-earnings (P/E) that uses forecasted earnings for the P/E calculation.

**Free Cash Flow** represents the cash a company can generate after required investment to maintain or expand its asset base.

**Market Capitalization** refers to the total dollar market value of a company's outstanding shares of stock. Commonly referred to as "market cap," it is calculated by multiplying the total number of a company's outstanding shares by the current market price of one share.

**Price to Earnings** is the ratio for valuing a company that measures its current share price relative to its EPS. The price-to-earnings ratio is also sometimes known as the price multiple or the earnings multiple.

**Trailing Price to Earnings** is a relative valuation multiple that is based on the last 12 months of actual earnings.

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