

FPA Queens Road Small Cap Value Fund

December 31, 2025

FPA
FUNDS

Overview

The Fund seeks to generate returns in excess of the Russell 2000 Value Index over full market cycles with less risk.

- Small companies:** Use fundamental, bottom-up analysis to construct a diversified portfolio of small-capitalization companies.
- Value philosophy:** Research process is built on the principle that companies in sound financial condition trading at discounts to their intrinsic value provide the greatest likelihood of maximizing after tax returns while limiting volatility.
- Patient & disciplined process:** We look for small cap companies with sound balance sheets, compelling valuations, strong management teams, in favorable industries.

Investment Team¹

Steven H. Scruggs, CFA
Portfolio Manager, Bragg Financial Advisors, Inc.

Benjamin Mellman
Portfolio Manager, Bragg Financial Advisors, Inc.

\$1.1B
Fund Assets

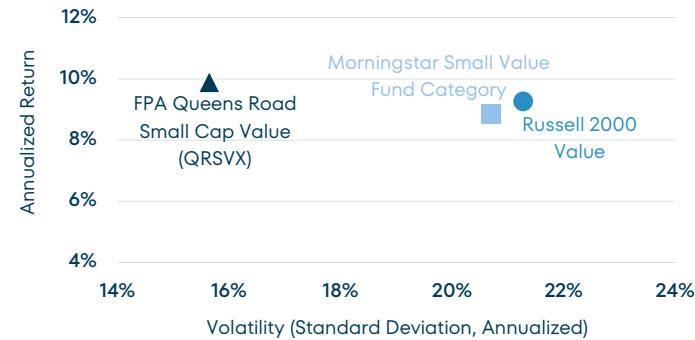
23 Years
Fund Track Record

115% | 75%

Return / Risk Capture
Since Inception (vs Russell 2000 Value)

Risk Profile - Trailing 10 Years²

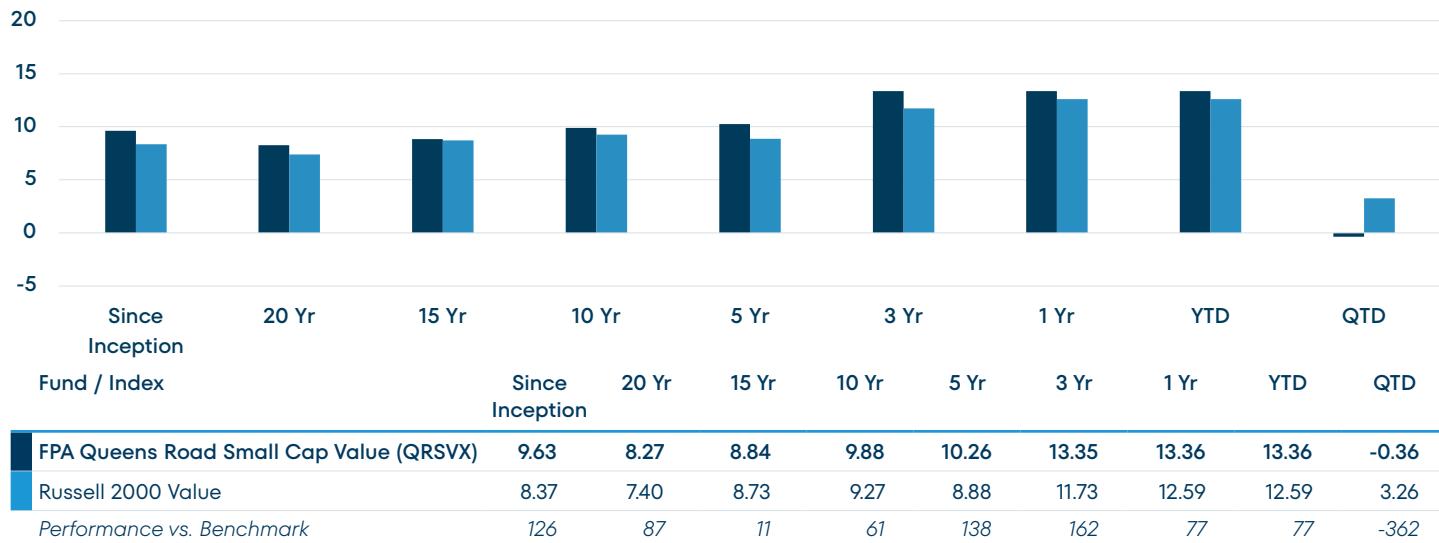
12/31/2015 - 12/31/2025



Fund Facts

Share Class	No load, no 12b-1 fees		
NAV	\$42.37		
Initial Minimum Investment (Inv.) ³	\$1,500		
Fund Inception	June 13, 2002		
FPA Investment Adviser Inception	QRCSVX (Inv.)	QRSAZ (Adv.)	QRSSX (Inst.)
Total Expense Ratio	0.94%	0.88%	0.80%

Average Annual Total Returns (%)⁴



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 by calling toll-free, 1-800-982-4372.

Please see the end of this Fact Sheet for Additional Disclosures and Footnotes, Fund Risks, Index Definitions, a Glossary of Terms and other Important Information.

Annual Performance (%)⁴

Fund / Index	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
FPA Queens Road Small Cap Value (QRSVX)	13.36	10.76	16.00	-9.16	23.19	13.62	20.00	-5.66	5.86	15.59	-0.12	4.91
Russell 2000 Value	12.59	8.05	14.65	-14.48	28.27	4.63	22.39	-12.86	7.84	31.74	-7.47	4.22

Fund / Index	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
FPA Queens Road Small Cap Value (QRSVX)	30.88	4.83	-3.36	21.33	32.50	-23.81	2.02	10.02	1.43	26.47	42.60
Russell 2000 Value	34.52	18.05	-5.50	24.50	20.58	-28.92	-9.78	23.48	4.71	22.25	46.03

Portfolio Information

	Fund
Number of Holdings	46
Turnover (as of most recent shareholder report)	15%
Active Share	97.5%
Cash and Equivalents ⁵	10.1%

Downside Capture⁸

Fund	Russell 2000 Outperformance Value	(bps)	Downside Capture
Jun 02 - Oct 02	-16.70%	-28.99%	1229
Jun 07 - Mar 09	-50.69%	-61.71%	1102
Jun 15 - Feb 16	-10.17%	-22.55%	1238
Aug 18 - Mar 20	-26.74%	-46.03%	1930
Nov 21 - Oct 23	-12.08%	-25.60%	1352
Nov 24 - Apr 25	-18.79%	-26.57%	778
Average for Each Period Since Inception			60%

Sector Breakdown (%)⁶

	Fund
Information Technology	21.4
Industrials	21.2
Financials	19.3
Utilities	9.9
Consumer Discretionary	9.2
Consumer Staples	5.4
Communication Services	3.0
Materials	0.5
Energy	0.0
Health Care	0.0
Real Estate	0.0
Total	89.9

Portfolio Characteristics

	Fund	Russell 2000 Value
12-Month Trailing Price to Earnings (P/E)	17.9x	50.9x
12-Month Forward P/E	13.1x	17.2x
Price/Book	1.6x	1.4x
Weighted Average Market Cap (billion)	\$4.4	\$2.8
Median Market Cap (billion)	\$4.5	\$0.4

Portfolio Statistics - Since Inception⁹

	Fund	Russell 2000 Value
Max Drawdown	-43.13%	-55.46%
# of Drawdown Months	21	21
# of Recovery Months	14	46
Peak Date - Month	Jun 07	Jun 07
Valley Date - Month	Feb 09	Feb 09
Beta to Russell 2000 Value	0.71	1.00
Correlation to Russell 2000 Value	0.94	1.00
Standard Deviation	15.06%	20.03%
Sharpe Ratio	0.57	0.41
Sortino Ratio	0.90	0.60

Top 10 Holdings (%)⁷

	Fund
RLI	4.4
UGI	4.3
TD Synnex	4.0
InterDigital	3.5
REV Group	3.1
New Jersey Resources	3.1
Oshkosh	2.8
CSG Systems	2.7
Axos Financial	2.6
ServisFirst Bancshares	2.6
Total	33.1

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Page 1 Footnotes:

The performance and other statistics shown for the period prior to November 1, 2020, reflects the historical performance of the FPA Queens Road Small Cap Value Fund - Investor Class ("Fund") when Bragg Financial Advisors, Inc. ("BFA") served as investment adviser of the Fund. From inception of the Fund to December 31, 2004, BFA and its affiliates voluntarily absorbed certain expenses of the Fund and voluntarily waived its management fee. Had BFA not done this, returns would have been lower during that period. Effective January 1, 2005 through October 31, 2020, BFA charged a single unitary management fee and contractually agreed to pay all operating expenses of the Fund except for brokerage, taxes, interest, litigation expenses, and other extraordinary expenses. Prior to November 1, 2020, the Fund had a unitized fee structure that limited annual operating expenses to 1.18%.

¹ Benjamin Mellman was named Co-Portfolio Manager of the Fund effective January 15, 2026. ² 10-Year Risk/Return Profile graph plots the return and risk (measured by standard deviation) for a selection of securities and a benchmark index for the trailing period identified. The returns noted for a security reflect any sales charges that were applied in the illustration over the time period selected, but do not reflect impacts of taxation. If impacts of taxation were reflected, the returns would be lower than those indicated. The return plotted in the graph is mean geometric return. ³ The minimum initial investment in Investor Class, Advisor Class, and Institutional Class shares is \$1,500, \$1,500, and \$100,000, respectively. The Fund has established different initial investment minimums for retirement accounts and accounts established with a pre-authorized investment plan. Please see the Prospectus for more detail.

⁴ Index data source: Morningstar. Fund performance is shown net of all fees and expenses and includes the reinvestment of distributions. Periods over one year are annualized. 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.

Page 2 Footnotes:

⁵ Cash includes an investment in a short-term treasury ETF. ⁶ Sector classification reflects GICS (Global Industry Classification Standard). ⁷ Excludes cash and cash equivalents. Totals might not add up due to rounding. Holdings are subject to change. ⁸ Source: Morningstar Direct, FPA. The table shows drawdowns of 20% or larger for the Russell 2000 Value Index since the Fund's inception on June 13, 2002. Fund returns are shown net of all fees and expenses and include reinvestment of distributions. ⁹ Portfolio Statistics begin July 1, 2002 using monthly data.

Important Information

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, charges, and other matters of interest to the prospective investor. Please read the Prospectus carefully before investing.

Holdings related data may be preliminary, is subject to change, and may differ from the Fund's holdings disclosed in its annual/semiannual report and Form N-Q due to availability of data at the time this report was produced. The portfolio holdings as of the most recent quarter-end may be obtained at fpa.com. 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 manager, the Adviser, sub-adviser, or the distributor. It should not be assumed that future investments will be profitable or will equal the performance of the security examples discussed.

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The FPA Funds are distributed by Distribution Services, LLC. 190 Middle Street, Suite 301, Portland, ME 04101. Distribution Services, LLC and FPA are not affiliated.

Bragg Financial Advisors, Inc. serves as the sub-adviser for the FPA Queens Road Small Cap Value Fund. Steven H. Scruggs, the Fund's Portfolio Manager, is an employee of Bragg Financial Advisors, Inc.

Fund Risks

Small Capitalization Companies: The FPA Queens Road Small Cap Value Fund primarily invests in equity securities (common stocks, preferred stocks, and convertible securities) of small-capitalization U.S. companies, defined as those with market capitalization, at time of purchase, is no greater than the largest market capitalization of any company included in the Russell 2000 Index. Investing in small companies involves special risks including, but not limited to, the following: smaller companies typically have more risk and their company stock prices are more volatile than that of large companies; their securities may be less liquid and may be thinly traded which makes it more difficult to dispose of them at prevailing market prices; these companies may be more adversely affected by poor economic or market conditions; they may have limited product lines, limited access to financial resources, and may be dependent on a limited management group; and small cap stocks may fluctuate independently of large cap stocks. All investment decisions are made at the discretion of the Portfolio Manager, in accordance with the then current Prospectus.

Investments carry risks and investors may lose principal value. Capital markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Small and mid cap stocks involve greater risks and they can fluctuate in price more than larger company stocks. Short-selling involves increased risks and transaction costs. You risk paying more for a security than you received from its sale.

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 styles of investing during given periods.

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

Index and Category Definitions

Indexes are unmanaged and index returns do not reflect any fees and expenses of investing that would reduce performance for an investor. An investor cannot invest directly in an index.

Russell 2000 Value Index measures the performance of the small-cap value segment of the U.S. equity universe. It includes those Russell 2000 companies that are considered more value oriented relative to the overall market as defined by Russell's leading style methodology.

The Fund's Morningstar peer group is the **Morningstar Small Value** Category. **Morningstar Small Value** portfolios invest in small U.S. companies with valuations and growth rates below other small-cap peers. Stocks in the bottom 10% of the capitalization of the U.S. equity market are defined as small cap. Value is defined based on low valuations (low price ratios and high dividend yields) and slow growth (low growth rates for earnings, sales, book value, and cash flow). As of December 31, 2025, there were 488 funds in the category.

Glossary

Active Share is defined as the percentage of the Fund's portfolio that differs from the Fund's benchmark.

Beta describes the activity of a security's returns responding to swings in the market. A security's beta is calculated by dividing the product of the covariance of the security's returns and the market's returns by the variance of the market's returns over a specified period.

Correlation is a statistic that measures the degree to which two securities move in relation to each other which has a value in the range of -1 to +1.

Downside Capture Ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has fallen. The ratio is calculated by dividing the manager's returns by the returns of the index during the down market, and multiplying that factor by 100.

Price/Book ratio is the market price of a stock divided by the book value per share.

Price/Earnings Ratio (P/E) is the price of a stock divided by its earnings per share. P/E is using weighted harmonic averaging, which helps avoid extreme results that may occur due to small relative numbers, and excludes Real Estate Investment Trusts (REITs). **12-Month Trailing P/E** is based on the last 12 months of actual earnings. **12-Month Forward P/E** utilizes forward earnings expectations over the next 12 months to calculate the ratio.

Return Capture is calculated by dividing the Fund's annualized return (net of fees) since inception by the annualized return of the index.

Risk Capture is calculated by dividing the Fund's annualized standard deviation since inception to the annualized standard deviation of the index.

Sharpe Ratio is a risk-adjusted performance metric used to determine the additional return for each unit of risk. It is calculated by subtracting the risk-free rate from the average return over a period of time and dividing the result by the standard deviation of the returns during that period.

Sortino Ratio is a risk-adjusted performance metric used to determine the additional return for each unit of downside risk. It is calculated by subtracting the risk-free rate from the average return over a period of time and dividing the result by the standard deviation of the negative returns during that period.

Standard Deviation is a measure of dispersion of returns relative to its mean and is calculated as the square root of the variance. Higher deviation represents higher volatility.