FMI Common Stock Fund

Institutional Class | FMIUX

Annual Shareholder Report | September 30, 2026

FIDUCIARY MANAGEMENT, INC.
FMIFUNDS.COM

This annual shareholder report contains important information about the FMI Common Stock Fund for the period of October 1, 2025, to September 30, 2026. You can find additional information about the Fund at https://www.fmimgt.com/common-stock-fund/. You can also request this information by contacting us at 1-800-811-5311.

WHAT WERE THE FUND COSTS FOR THE PAST YEAR? (based on a hypothetical $10,000 investment)

Class Name	Costs of a $10,000 investment	Costs paid as a percentage of a $10,000 investment
Institutional Class	$87	0.84%

HOW DID THE FUND PERFORM AND WHAT AFFECTED ITS PERFORMANCE?

Over the past 12 months ending September 30, 2026, the FMI Common Stock Fund Institutional Class ("The Fund") advanced by 7.74%, compared with a gain of 16.20% for the Russell 2000 Index and 20.77% for the Russell 2000 Value Index.

U.S. Small Cap benchmarks were largely driven by the Electronic Technology and Health Technology sectors in the period. Enthusiasm around Artificial Intelligence (AI) has been a major catalyst, with a stark bifurcation between companies that are benefiting from AI capital expenditures (capex) today and those that are not. Semiconductor stocks, data center and optical network suppliers, and AI infrastructure plays were among the big AI winners in the period, while companies perceived to be susceptible to AI disruption were under significant pressure. The Fund had minimal exposure to these AI capex beneficiaries, while owning several businesses that were perceived to carry AI risk. We find the latter to be a fertile hunting ground, but one that requires careful analysis and discernment, as we look to capitalize on select opportunities where we believe the idiosyncratic situation is misunderstood and the sell-off unjustified. The Health Technology sector was led by money-losing biotechnology companies (also thought to benefit from AI), where The Fund had no exposure. We view these stocks as highly speculative in nature.

Furthermore, the interest rate backdrop shifted materially over the period, with the Federal Reserve raising rates by 25 basis points in September to 3.75-4.00%, its first hike since 2023. The 10-year Treasury yield climbed to over 5%, its highest level since 2007, compounded by a spike in oil prices and a widening federal deficit. Small caps were disproportionately exposed to this shift, with over twice the leverage of large caps and a much higher share of floating-rate debt (32% for the Russell 2000 vs. 6% for the S&P 500), according to Goldman Sachs. This led to a sell-off in the most recent quarter. The Fund's robust balance sheets should be a relative strength if rates continue to increase. FMI's overweight exposure to the Producer Manufacturing sector, specifically industrial machinery and building products, underperformed, in sympathy with rising rates and recent cyclical weakness. We continue to believe the long-term set-up for housing is attractive. A lack of manufacturing exposure to AI end-markets weighed, while the information technology services industry was additive in the period.

With many high-multiple and money-losing stocks driving the benchmarks' performance, FMI's focus on quality and valuation was a headwind. Much of the AI-related repricing in the period had been done by blunt instrument, with the sky as the limit for AI leaders, and a punishing retrenchment for perceived AI losers, regardless of whether the business is truly exposed to disintermediation. Our process has not changed amid this dispersion; we are looking for high-quality, well-financed franchises. This year's AI-driven volatility has simply widened the opportunity set. The Fund trades at a discount to its respective benchmarks on a variety of valuation measures.

Top Sector Contributors
- ↑ Distribution Services
- ↑ Technology Services
- ↑ Electronic Technology

Top Sector Detractors
- ↓ Consumer Durables
- ↓ Non-Energy Minerals
- ↓ Process Industries

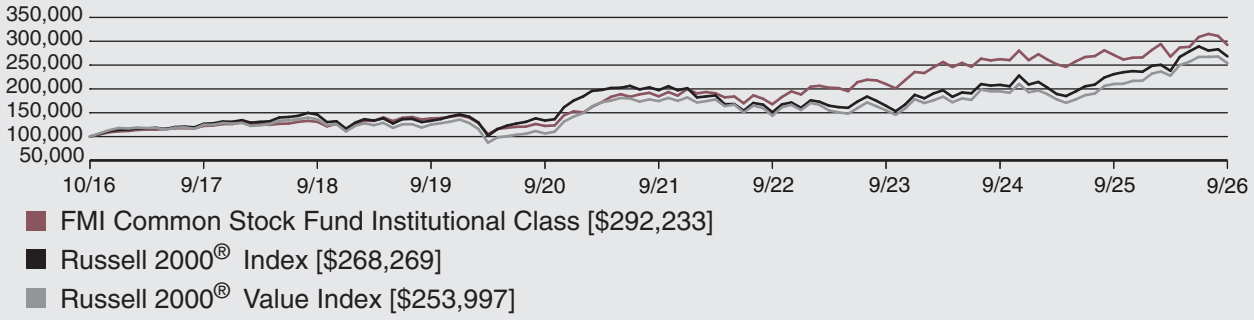
Top Contributors
- ↑ Insight Enterprises Inc.
- ↑ Arrow Electronics Inc.
- ↑ Aramark

Top Detractors
- ↓ Houlihan Lokey Inc. Cl A
- ↓ FTI Consulting Inc.
- ↓ Hayward Holdings Inc.

HOW DID THE FUND PERFORM SINCE INCEPTION?*

The $100,000 chart reflects a hypothetical $100,000 investment in the class of shares noted. The chart uses total return NAV performance and assumes reinvestment of dividends and capital gains. Fund expenses, including management fees and other expenses were deducted.

CUMULATIVE PERFORMANCE (Initial Investment of $100,000)



AVERAGE ANNUAL TOTAL RETURN (%)	1 Year	5 Year	Since Inception (10/31/2016)
Institutional Class	7.74	9.65	11.42
Russell 2000® Index	16.20	6.34	10.46
Russell 2000® Value Index	20.77	7.80	9.86

Visit https://www.fmimgt.com/common-stock-fund/ for more recent performance information.

* *The Fund's past performance is not a good predictor of how the Fund will perform in the future. The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares.*

KEY FUND STATISTICS (presented for the Fund as a whole as of September 30, 2026)

Net Assets	$1,709,655,198	**Net Advisory Fee**	$15,238,384
Number of Holdings	27	**Portfolio Turnover**	38%

WHAT DID THE FUND INVEST IN? (% of total investments as of September 30, 2026)

Top 10 Issuers	
Insight Enterprises, Inc.	6.4%
Aramark	5.4%
Valvoline, Inc.	5.2%
Houlihan Lokey, Inc.	5.2%
AptarGroup, Inc.	4.8%
OneMain Holdings, Inc.	4.8%
Zions Bancorp NA	4.5%
Hayward Holdings, Inc.	4.4%
Gates Industrial Corp. Ltd.	4.4%
Huron Consulting Group, Inc.	4.2%

Sector Breakdown	
Finance	22.1%
Producer Manufacturing	18.4%
Consumer Services	10.6%
Technology Services	9.0%
Consumer Durables	8.3%
Commercial Services	8.2%
Process Industries	4.8%
Distribution Services	4.7%
Non-Energy Minerals	4.0%
Cash & Other	9.9%

For additional information about the Fund; including its prospectus, financial information, holdings and proxy information, scan the QR code or visit https://www.fmimgt.com/common-stock-fund/.

HOUSEHOLDING

To reduce Fund expenses, only one copy of most shareholder documents may be mailed to shareholders with multiple accounts at the same address (Householding). If you would prefer that your Fund documents not be householded, please contact the Fund at 1-800-811-5311, or contact your financial intermediary. Your instructions will typically be effective within 30 days of receipt by the Fund or your financial intermediary.