FMI International Fund II - Currency Unhedged

Institutional Class I FMIFX

Annual Shareholder Report I September 30, 2026

FIDUCIARY MANAGEMENT, INC.
FMIFUNDS.COM

This annual shareholder report contains important information about the FMI International Fund II - Currency Unhedged for the period of October 1, 2025, to September 30, 2026. You can find additional information about the Fund at https://www.fmimgt.com/international-fund-2/. 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	$92	0.90%

HOW DID THE FUND PERFORM AND WHAT AFFECTED ITS PERFORMANCE?

Over the past 12 months ending September 30, 2026, the FMI International Fund II – Currency Unhedged Institutional Class ("The Fund") gained 4.20%, compared with the MSCI EAFE Index's gain of 15.69% in U.S. Dollars.

Enthusiasm around Artificial Intelligence (AI) was a major driver of performance in the period, 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 Electronic Technology sector was The Fund's biggest detractor in the period, with a lack of semiconductor exposure being a key factor.

Furthermore, inflation is elevated and government bond yields have risen across Europe and Japan, with both the European Central Bank (ECB) and Bank of Japan (BOJ) recently raising benchmark interest rates. The Fund's housing-related exposure underperformed, in sympathy with rising interest rates and recent cyclical weakness. We continue to believe the long-term set-up in housing is attractive. A lack of manufacturing exposure to AI end-markets, an underweight in Finance (outperforming sector), and an overweight in Health Services (underperforming sector) all weighed on the relative performance. The Fund had no exposure to Energy Minerals which outperformed in the wake of the Iran War. The Health Technology and Industrial Services sectors were additive in the period.

With many high-multiple stocks driving the performance, FMI's focus on quality and valuation were 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
- ↑ Finance
- ↑ Producer Manufacturing

Top Sector Detractors
- ↓ Commercial Services
- ↓ Consumer Services
- ↓ Electronic Technology

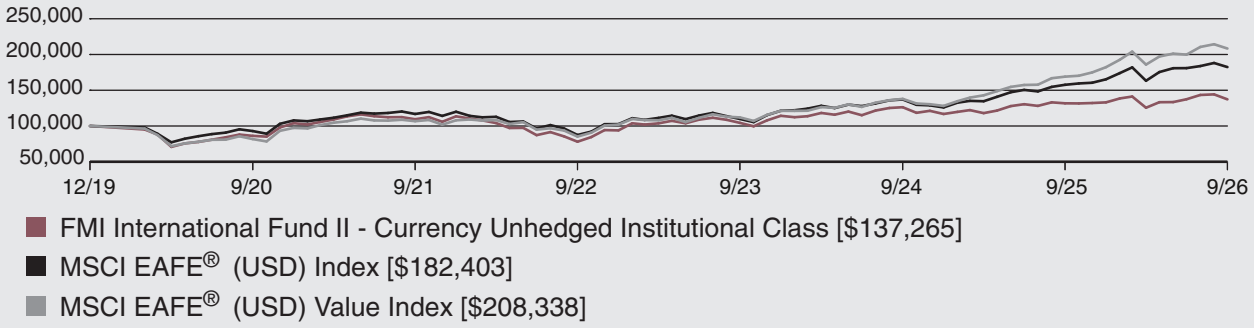
Top Contributors
- ↑ Rexel S.A.
- ↑ Edenred S.A.
- ↑ Techtronic Industries Co. Ltd.

Top Detractors
- ↓ ICON PLC
- ↓ Fluidra S.A.
- ↓ Booking 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 (12/31/2019)
Institutional Class	4.20	4.64	4.80
MSCI EAFE® (USD) Index	15.69	9.32	9.31
MSCI EAFE® (USD) Value Index	23.26	14.32	11.50

Visit https://www.fmimgt.com/international-fund-2/ 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	$48,942,615	**Net Advisory Fee**	$321,322
Number of Holdings	29	**Portfolio Turnover**	28%

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

Top 10 Issuers	
Booking Holdings, Inc.	5.2%
Informa PLC	5.1%
Ryanair Holdings PLC	4.6%
Unilever PLC	4.5%
Sodexo SA	4.4%
Fluidra SA	4.2%
IMCD NV	4.1%
Sunbelt Rentals Holdings, Inc.	4.1%
Yokogawa Electric Corp.	4.0%
Howden Joinery Group PLC	3.7%

Geographic Breakdown	
Britain	27.5%
United States	12.1%
Japan	11.1%
France	10.1%
Netherlands	7.3%
Ireland	7.1%
Switzerland	6.3%
Germany	6.2%
Spain	4.2%
Other Countries	8.1%

Sector Breakdown	
Consumer Non-Durables	12.0%
Consumer Durables	11.5%
Distribution Services	10.8%
Producer Manufacturing	10.3%
Consumer Services	9.6%
Finance	7.7%
Electronic Technology	6.4%
Process Industries	5.9%
Technology Services	5.1%
Cash & Other	20.7%

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/international-fund-2/.

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.