

...Occasional outbreaks of those two super-contagious diseases, fear and greed, will forever occur in the investment community.... We never try to anticipate the arrival or departure of either disease. Our goal is more modest: We simply attempt to be fearful when others are greedy and to be greedy only when others are fearful.

- Warren Buffett, Berkshire Hathaway, Annual Report (1986)

What, me worry?

- Alfred E. Neumann, *MAD Magazine*

To Our Clients and Friends,

For those of us who have been around awhile, it's hard not to think of Mad Magazine's irreverent Alfred E. Neumann when thinking about last year's unbridled optimism regarding the future prospects for most risk assets. It's no wonder that some media commentators went so far as to refer to this period as the "everything bubble." Virtually all asset categories participated from publicly traded equities to bonds to venture capital, real estate, precious metals, and even cash today is yielding 3%-4%, a far cry from the zero to negative rates of just a few years ago. Despite the imposition of potentially punishing tariffs, the decline in so called US exceptionalism, continued armed conflict in Gaza and Ukraine, and a persistently stubborn inflation, leading to the rise of an affordability crisis, capital markets just kept on "keeping on" into the new year. This market enthusiasm led to high, if not excessive, valuations across most asset categories, particularly publicly traded US equities. It's hard to know exactly what was at the root of this exuberance, but history would suggest that it was some combination of benign economic conditions and "new era" thinking on the part of investors. If it was the emergence of the internet in the mid-1990s, today it most likely is excitement around the prospects for artificial intelligence and its ability to dramatically impact productivity. But as Jonathan Levin and Taylor Tyson recently pointed out in a rather compelling Bloomberg article, "Even the most profound technological revolutions aren't one-way streets to prosperity." We suspect this time is not likely to be any different.

As Warren Buffett opined in his 1986 annual letter to Berkshire shareholders, investors should be fearful when others are greedy and greedy only when others are fearful. Nowhere is Buffett's concern more evident than in the over \$373 billion in cash held as of year-end in Berkshire Hathaway, a sum that has grown in recent years following a significant selling of equity assets that began in 2023. At year-end, that sum represented roughly 34% of Berkshire's approximate \$1.09 trillion market capitalization. It has also been at least six quarters since Berkshire last bought back any of its shares. Buffett has clearly raised the umbrella in anticipation of inclement weather at some point in capital markets.



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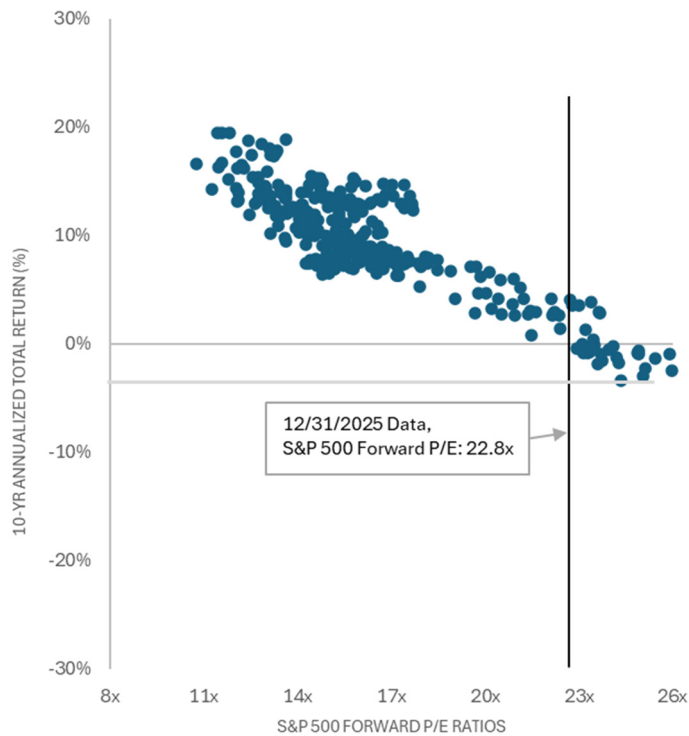
Other canaries in the capital market “coal mine” include (Data and narrative are as of December 31, 2025 unless otherwise indicated.):

- » The S&P 500 Index (the “S&P 500”) has more than tripled since the market lows of the COVID-19 pandemic in late March 2020 and at year-end 2025 was trading at record highs as evidenced by a multiple of approximately 40X for the cyclically-adjusted Shiller price earnings ratio (December 31, 2025), and a ratio of over 200% for the Buffett Indicator (December 31, 2025). In September 2025, 60 companies in the S&P 500 were trading with P/E multiples greater than 40X, which translates into an earnings yield of less than 2.5%. Fifty of those had repurchased shares within the previous 12 months.
- » The exuberance and price escalation is not just concentrated in a handful of well-known mega cap tech giants, but has also been spread to broader parts of the market as well, including so-called low-quality stocks. The Russell 2000, a proxy for small company performance, and the equal-weighted S&P 500, also earlier this year reached new all-time highs.
- » The net aggregate dividend yield of the S&P 500 reached 1.14% at year-end, just four basis points above its all-time low of 1.10% in 1999.
- » Corporate credit spreads are at 25-year lows for investment grade debt. High yield spreads are also near all-time lows.
- » US margin debt as of year-end exceeded \$1 trillion for the first time in financial history.
- » IPOs are back, together with “meme” stocks, and record options volume.
- » Circular financing deals have emerged in the artificial intelligence field, perhaps best evidenced by Nvidia's recent investment in Open AI to help finance their purchase of Nvidia's chips.
- » There have been numerous “pivots” into “Crypto treasury” businesses by issuing debt and equity to facilitate the purchase of crypto assets.
- » Increasing number of highly speculative crypto and artificial intelligence-based companies continue to get financed. Intercontinental Exchange recently invested \$2 billion in Polymarket, a crypto-based prediction firm which has reported no current revenue, implying a valuation for Polymarket of approximately \$8 billion.
- » Bloomberg reported at year-end that sell side analysts on Wall Street are “marching in lockstep optimism, with the average year-end S&P 500 forecast implying another 9% gain next year. Not a single one of the 21 prognosticators surveyed by Bloomberg News is predicting a decline.”

The IMF has warned “risk asset prices are well above fundamentals, increasing the probability of disorderly corrections.” But perhaps of even greater concern for investors is the concentration of excess valuation within market capitalization weighted index funds. As of December 31, 11 companies accounted for roughly 40% of the market capitalization of the S&P 500, and they have accounted for the overwhelming bulk of returns for the index. This should serve as a wakeup call for investors seeking diversification through the ownership of index funds. There is no question that many, if not most, of this august group of companies have proven to date to be wonderful businesses producing strong earnings growth and high returns on invested capital, but we should not forget that even great businesses can be lousy stock market performers. Lest we remind you that valuation matters.

Nowhere is that better illustrated than in the following chart from JP Morgan, which shows the impact of high valuations of the S&P 500 on future 10-year annualized returns. The cheaper the starting point, the better prospects for future returns. At year-end the S&P 500 was trading with a P/E ratio of 25 times. As you can see from the chart, since the late 1980s, future returns from a P/E level of 24 times and above resulted in a negative compound return over the following 10 years.

S&P 500 Forward P/E Ratios
And Subsequent 10-Year Returns
1988 – December 31, 2025

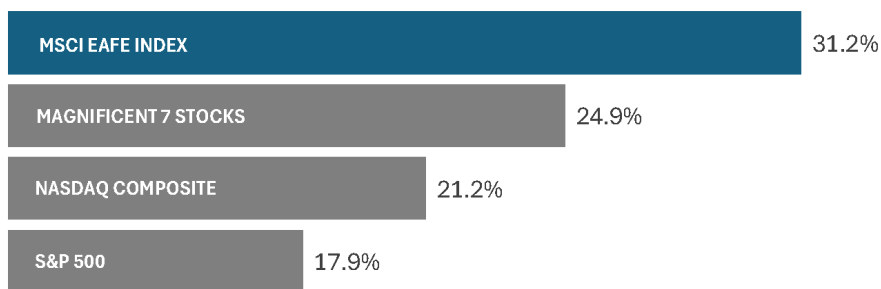


Making market calls is impossible, and certainly not the focus of our work at Tweedy, Browne, but we'd be remiss if we did not bring these worrisome signs to the attention of our clients. We cannot know when, but at some point, the popular acronym "FOMO" will likely be replaced by "FOPCL," or fear of permanent capital loss. Perhaps that day is upon us as evidenced by the market volatility seemingly triggered by the current hostilities in Iran. Hard to know. Unless human nature has changed, when that day comes, there will once again be hell to pay in capital markets, at least for a while. In the interim, we will remain focused as always on seeking out those increasingly rare, conservatively financed, deeply undervalued businesses that trade at valuations that offer the collateral value necessary to allow us to stay the course.

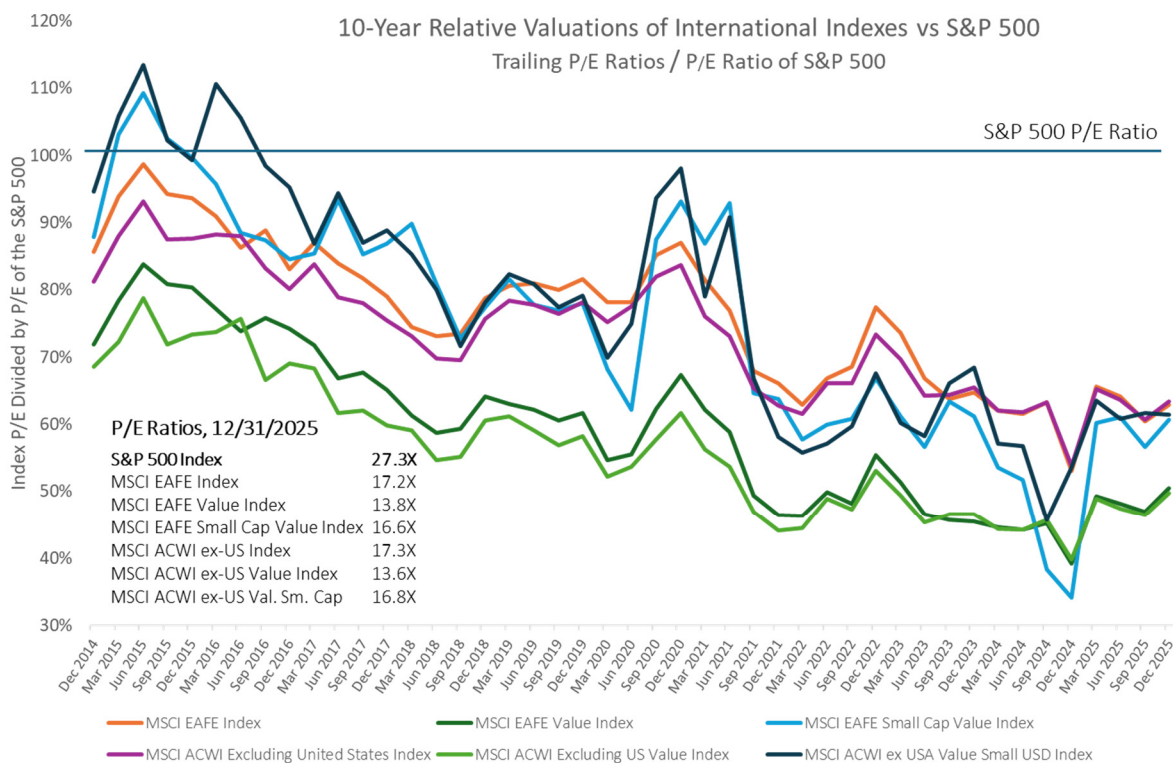
INVESTMENT PERFORMANCE

We are pleased to report that in the speculative “risk on” environment that was 2025, Tweedy, Browne investment vehicles made substantial financial progress on an absolute return basis, but most trailed their market capitalization-weighted benchmark indices for the year. For much of the year, the US dollar weakened against most major currencies which diluted absolute returns somewhat for Tweedy’s foreign currency hedged vehicles. That said, most of Tweedy’s international hedged vehicles outperformed their hedged benchmarks for the year. The same did not hold for Tweedy, Browne’s unhedged international vehicles.

The good news, or the silver lining, if you will, for most Tweedy, Browne investors is that there was a resurgence in the performance of non-US equities during the year, particularly in European equities. This resurgence produced returns in US dollars that significantly exceeded those of the S&P 500. As you may recall, our global and international investment vehicles have historically carried an overweight position in European equities because their valuations have typically been more compelling. While the weak dollar played a significant role in the outperformance of non-US equities in US dollars this past year, returns in their local currencies also outpaced the return of the S&P 500. We welcome the recognition of the value of non-US equities, which in our opinion, is long overdue.



While it is hard to know for sure what is driving this resurgence in non-US equities, we believe that the decline in so-called US exceptionalism, and for sure, a weakening US dollar, has played a significant role. In addition, we believe it could partly be due to the prospects for robust defense and infrastructure spending in Europe, and, perhaps more importantly, the valuation gap that has existed for over a decade and continues to persist between US and non-US equities (see the chart that follows). This gap still remains quite significant despite the outperformance of non-US equities this past year. We believe that in a world where inflation remains stubbornly persistent, and interest rates are normalizing at levels far above the zero bound of the not-too-distant past, price once again matters in investing.



PORTFOLIO ATTRIBUTION, ACTIVITY, & POSITIONING

Please note that the individual companies discussed herein represent holdings in some of our managed accounts but are not necessarily held in all of our managed accounts.

In 2025, performance across our portfolios was largely driven by our significant overweight in non-US equities. In terms of sector and industry exposures, industrials were the dominant contributors, with particularly strong results from aerospace & defense, air freight & logistics, and a range of machinery, building products, and engineering-related businesses, reflecting resilient demand, multi-year backlogs, and a renewed market appreciation for tangible cash flows. Health Care was another meaningful source of strength, led by biotechnology and pharmaceuticals, where company-specific progress and durable balance sheets were rewarded. Financials also contributed positively, especially banks and insurers, as concerns around credit quality and capital adequacy continued to ease. Offsetting these gains, materials proved to be the most persistent headwind, with chemicals and related cyclical industries detracting amid pricing pressure and slower end-market demand, while certain consumer-oriented industries, notably beverages and parts of consumer staples and discretionary, lagged as higher valuations and uneven volume trends weighed on returns. Overall, 2025 favored portfolio constituents tied to industrial activity, defense, and health care innovation, while more commodity-sensitive and mature consumer franchises struggled to keep pace.

In terms of portfolio activity, we remained quite busy over the last year. We trimmed or sold holdings that had reached our estimates of value, took tax losses in others, and established positions in, or added to, companies we believe remained attractively priced. Since “cheap” securities are our stock in trade at Tweedy, we thought we would briefly discuss a sampling of new securities purchased over the last year across our various Tweedy investment vehicles and managed accounts. In our judgment, at or around initial purchase, all were financially sound, traded at attractive discounts from conservative estimates of their respective intrinsic values, and had strong runways of future growth.

Berkeley Group Holdings, Breedon Group, and Pets At Home are three companies domiciled in one of the best international hunting grounds for undervalued stocks, the United Kingdom. Berkeley, a well-managed homebuilder focused on London and the South East, was purchased after a pullback and left its shares trading well below what we believe to be intrinsic worth. In our view, the company's balance sheet and capital allocation remain exemplary. Breedon, an aggregates and construction materials business, was added on similar grounds. We believe its steady demand from infrastructure and repair work may provide a sound foundation over time. Pets At Home (PAH) is the largest pet specialist retailer in the UK. The company sells pet food, together with pet accessories, and is the #2 provider of veterinary services through its ownership of approximately 450 veterinary practices. The retail stores serve as customer acquisition funnels to its vet practices. At or around purchase, PAH traded for 5.9x EBITDA, 7.4x EBIT, 10.5X earnings, and had a dividend yield of approximately 5.8%. With a rapidly aging pet population post Covid in the UK, prospects for future growth, we believe, remain quite promising.

Prudential PLC is a leading pan Asian life insurance business headquartered in the UK with top three positions in ten of the fourteen Asian life insurance markets in which it has a presence. It also has a small exposure to Africa. Prudential's key strengths are its iconic brand and distribution network. It is a household name in insurance in many of its countries, supported by its long history, and it serves over 18 million customers. At purchase, the company was trading at or around two thirds of traditional imbedded value and had a price earnings ratio of between nine- and ten-times earnings.

Hana Financial, Korea's third largest bank, is financially strong, has grown its deposits and loan book at an attractive rate, is buying back its shares, and at purchase was trading at an extraordinarily attractive statistical valuation: 40% of book value, price earnings ratio below 5X, and a dividend yield of approximately 5.9%.

Sodexo is a French food services and facilities-management company with significant operations in Europe and the US. While the company's near-term growth has not kept up with its two main competitors, largely as a result of its significant European operations and some family and cultural issues, it remains a strong business in a growth industry whose valuation more than discounts its recent lackluster results. After a period of operational restructuring, we believe that the company's financial performance will improve. At purchase, the company's shares in our opinion were trading at roughly 70% of a conservative estimate of their private market value.

Nakanishi Inc. is a Japanese manufacturer of dental handpieces and precision rotary instruments. The company is globally competitive in a niche field, with over 80% of its sales outside Japan. It maintains a strong balance sheet and has historically demonstrated robust margins and profitability. Its discounted valuation was particularly attractive given its market share leadership and high-quality product line. With an aging population, demand for dental services is likely to remain strong.

Nippon Sanso is a Japanese industrial gas business. It operates globally in a business segment we know well, and one in which we have had past success. It has a track record of value creation in part through large and smart acquisitions, most notably Praxair in 2018. They have captive customers and pricing power which allows for increasing margins over time and attractive compounding of the company's underlying intrinsic value. At purchase, the company's shares were trading at roughly two thirds of underlying intrinsic value.

Isuzu Motors, purchased for our dividend-oriented accounts, is a longstanding Japanese manufacturer of light commercial vehicles and diesel engines. The company benefits from a strong position in trucks across Southeast Asia and is known for its conservative capital structure and dividend discipline. At initial purchase, it was trading at approximately 10 times estimated earnings and paid nearly a 5% annual dividend which grew at roughly a 19% average annual rate over the last five years.

We also actively engaged with a couple of our portfolio companies during the year. Portfolio activism has never been our calling card, preferring collaboration as opposed to contention, however, we do not hesitate to become engaged with our portfolio companies particularly when it comes to corporate governance matters and the pursuit of rational capital allocation strategies. In the case of Johnson Service, a UK based industrial laundry company, and Kemira, the Swedish water chemicals business, this took the form of encouraging management to buy back their company's shares in the open market. In both instances, we followed up phone calls with formal letters to senior management encouraging them to seriously consider share buybacks in their capital allocation plans. Our efforts were rewarded in that both companies took our advice and established on-going buyback programs. Given their attractive valuations, we feel very strongly that this action over time should produce better than dollar for dollar increases in shareholder value for the remaining shareholders.

In summary, Tweedy, Browne portfolios remain well positioned in segments of the global equity market that continue to offer compelling value, particularly non-US equities, which have recently begun to outperform their US counterparts. We continue to uncover opportunity abroad, particularly in smaller and medium-sized European, Asian, and Japanese equities including a number of securities of late that have been negatively impacted, we believe temporarily, by the difficult economic and financial conditions in Great Britain. These more modestly sized businesses, which for the most part delivered solid returns over the last year, still remain attractively valued on a relative basis from their larger capitalization brethren. In addition, in our search for value, we continue to place increasing emphasis on companies whose C-Suite executives have been actively purchasing their own companies' shares when those shares appear to be statistically undervalued, or when their company's management is buying back shares at discounted prices.

These modest adjustments over time have nudged our exposures slightly toward select cyclical and mid-sized businesses in Europe and Japan, financed by trims in other holdings that had advanced toward our intrinsic valuation estimates. All of that said, the essential character of our portfolios remains largely unchanged: a collection, in large part, of competitively advantaged, financially sound, cash-generating businesses that we believe on a group basis trade at discounts to conservative estimates of underlying intrinsic value.

CORPORATE BUYBACKS: A POWERFUL CLUE TO SUPERIOR RETURNS

By making repurchases when a company's market value is well below its business value, management clearly demonstrates that it is given to actions that enhance the wealth of shareholders, rather than to actions that expand managements domain but that do nothing for (or even harm) shareholders.

- Warren Buffett, Berkshire Hathaway Letter (1984)

In past letters, we have often discussed the return advantages of investing in companies where knowledgeable senior executives are making substantial, free-will purchases of their own shares when those shares are fundamentally undervalued. Our own proprietary empirical research suggests that these return advantages become even more pronounced when knowledgeable insiders are buying their companies' shares **and** management is engaging in a corporate buyback of shares when those shares are trading at statistically low valuations. The empirical results are nothing short of extraordinary.

If you'll indulge us for a moment, we'd like to revisit why corporate buybacks, in particular, have proven to be such a powerful clue to superior equity returns. In our view, it all starts with intelligent capital allocation choices made by corporate management. When a company's Board of Directors decides to return capital to shareholders, it generally has two choices: pay a dividend or repurchase shares. Should non-selling shareholders prefer one over the other? In our opinion, the answer depends almost solely on the price-to-

intrinsic value relationship. If a stock trades at a significant discount to a conservative estimate of intrinsic value, and that value will likely grow in the future, we believe the most impactful form of capital allocation is share repurchase. The reason is simple. Ignoring tax considerations, \$1 of dividends paid out to shareholders creates \$1 of shareholder value. Conversely, \$1 of share repurchase executed well below intrinsic value will create greater than \$1 of value for non-selling shareholders, effectively transferring wealth from selling shareholders to remaining shareholders. For example, if a company is trading for \$70, but the intrinsic value of the business is \$100, then share repurchases are the equivalent of buying \$100 of value at \$70 for each share repurchased. The net result is an increase in the intrinsic value to above \$100 per share for the non-selling shareholders.

The advantage of share repurchase in the above example is hard to deny, however, as Warren Buffett has reminded us, “What is smart at one price is dumb at another.” If a stock trades above a conservative estimate of intrinsic value or the business is in long-term secular decline, we believe dividends are the preferred form of returning capital to shareholders. In this scenario, \$1 of share repurchases executed above intrinsic value will create less than \$1 dollar of value for non-selling shareholders, effectively reducing shareholder value. For example, if a company is trading for \$120 but the intrinsic value of the business is \$100, then share repurchases are the equivalent of buying \$100 of value at \$120 for each share repurchased. The net result is a reduction in intrinsic value to below \$100 per share for the non-selling shareholders. Despite Warren’s admonition about buybacks at high prices, it might surprise you to learn that as of December 1 of this past year, there were 60 stocks in the S&P 500 trading with price earnings ratios of 40 times or more, and 50 of them engaged in share buybacks over the last year. So much for rational capital allocation.

Clearly, the key determinates in the decision to pay a dividend or repurchase shares are the company’s stock price, the Board’s estimate of its intrinsic value per share, and its future growth prospects. These inputs are dynamic. Stock prices change daily, intrinsic value is subjective, and future growth prospects are hard to predict. A wildly inaccurate estimate of intrinsic value and/or the company’s growth prospects could lead to the wrong capital allocation decision. Thus, we believe share repurchases make the most sense when the gap between the company’s stock price and the estimate of its intrinsic value is substantial. If the gap is small, dividends are the preferred choice.

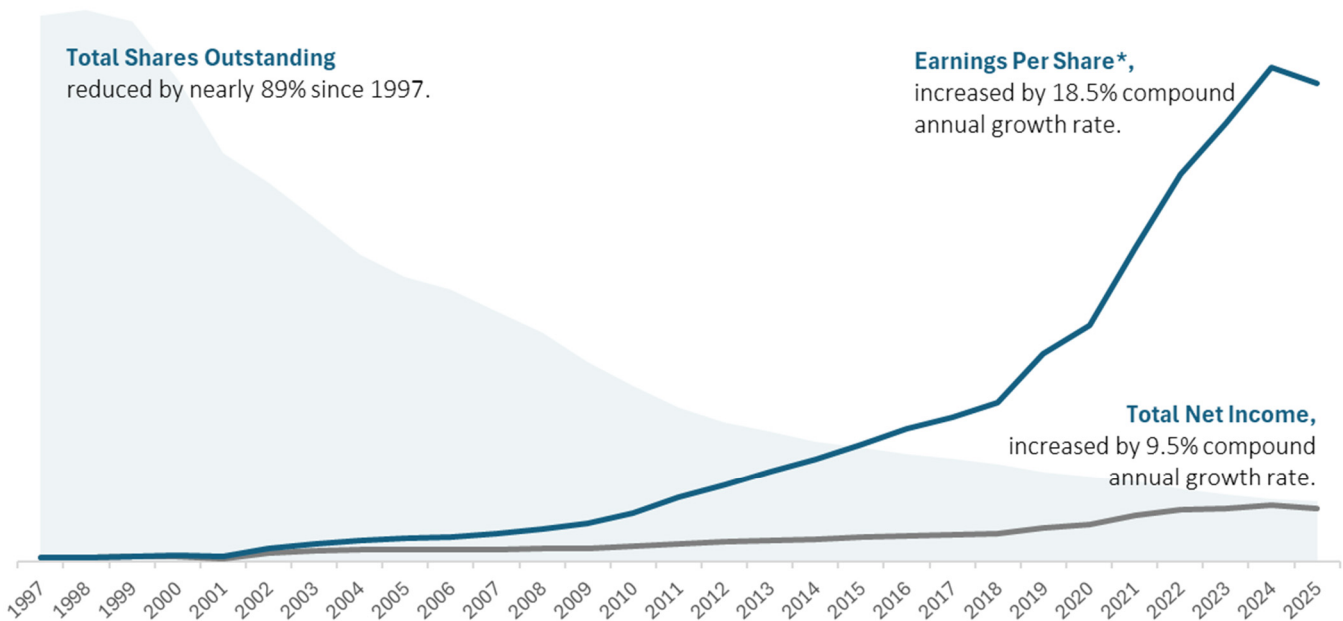
Another complicating factor is that for cultural reasons dividends are often viewed by shareholders as sacrosanct (“permanent”) while share repurchase is viewed as “opportunistic.” Thus, even when a Board believes its company’s stock price is woefully undervalued, it is often loathe to cut the dividend. In their view, the dividend is analogous to a promise and cutting it sends a negative signal about a company’s future prospects. In our opinion, this behavioral bias towards preserving the dividend at all costs can be a capital allocation mistake. If a dividend-paying stock trades well below a conservative estimate of intrinsic value, and that value is expected to grow over time, we believe shareholder value would be maximized by cutting the dividend and using the money to repurchase shares instead. Sadly, very few public companies’ Boards behave in this kind of flexible and rational manner.

We would encourage all clients who are interested in the subject of intelligent capital allocation and what it can mean for long-term wealth building to read William Thorndike’s fabulous book, **The Outsiders**. We first became aware of it, years and years ago, after Charlie Munger recommended it. It is nothing short of a primer on rational capital allocation and cites a coterie of iconic corporate CEOs who over decades built enormous value for their shareholders, knowing when to pay dividends and when to aggressively buy back their companies’ shares. In fact, over the years, we have given Thorndike’s book to the CFOs and CEOs of some of our portfolio companies in an effort to emphasize to them the importance of rational capital allocation strategies in building shareholder value.

In another compelling book entitled 100 Baggers, Christopher Mayer, its author, describes stock buybacks as akin to modern day “Tontines” that can accelerate investment returns. Named after Lorenzo Tonti, a Naples banker, a tontine was an idea for saving bankrupt governments by creating a government investment pool that would pay dividends to investors. When an investor would die, his shares were canceled, creating more dividends and value for the longer living investors as the government would continue to pay the same amount of dividends. Over time the long-lived investors benefited greatly. He was certain that such a scheme would attract legions of investors, thus replenishing the treasury. And so, it goes with corporate buybacks. Enormous value can be created when a company buys back and retires its shares over time, particularly when those shares are trading at a discount to underlying intrinsic value.

Consider the case of AutoZone, which has been a long-term holding in most Tweedy client portfolios. Over the last 28-year period (1997 to 2025), AutoZone has increased Total Net Income by a compounded annual growth rate (CAGR) of +9.5%. Over the same period, AutoZone has repurchased nearly 90% of diluted shares outstanding. Share repurchases turbocharged a healthy +9.5% CAGR in Net Income into an EPS compound annual growth rate (CAGR) of +18.5%.

AutoZone



* Earnings Per Share (EPS):
Total Net Income ÷ Shares Outstanding

AutoZone has increased its Total Net Income by **9.5%** per year over the last 28 years. However, by reducing the number of shares outstanding by **89%** over the years, its Earnings Per Share for shareholders has increased **18.5%** annually.

Source: Bloomberg

Over the same period, the compound total return on AutoZone's stock was +18.5% annualized, producing a cumulative return to shareholders of 11,595%. Assuming a \$10,000 investment in AutoZone at the start of 1998 AutoZone would be worth \$1,169,483 at year-end 2025, a true 100 bagger.

In closing on this topic, we would be remiss if we did not include additional comments Warren Buffett made on buybacks in Berkshire Hathaway's 1980 letter to shareholders:

One usage of retained earnings we often greet with special enthusiasm when practiced by companies in which we have an investment interest is repurchase of their own shares. The reasoning is simple: if a fine business is selling in the marketplace for far less than intrinsic value, what more certain or more profitable utilization of capital can there be than significant enlargement of the interests of all owners at that bargain price? The competitive nature of corporate acquisition activity almost guarantees the payment of a full — frequently more than full — price when a company buys the entire ownership of another enterprise. But the auction nature of security markets often allows finely-run companies the opportunity to purchase portions of their own businesses at a price under 50% of that needed to acquire the same earning power through the negotiated acquisition of another enterprise.

- Warren Buffett, Berkshire Hathaway Annual Letter (1980)

NEW AT TWEEDY

Over the last year, we have been extraordinarily busy at Tweedy, Browne. In addition to feverishly sourcing new, deeply undervalued opportunities for our managed accounts, mutual funds, partnerships and offshore funds, we also formally entered the ETF business with the establishment of two actively managed, “quantamentally”-based ETFs, the **Insider + Value ETF (NYSE ticker: COPY)** and the **International Insider + Value ETF (NYSE ticker: ICPY)**.¹ These new Tweedy ETFs are a culmination of years and years of empirical research and include the development of a proprietary insider buying database and valuation model that will provide sources of investment opportunity across all of our client constituencies in the years to come. It also involved climbing a rather steep learning curve as we wrestled to gain a better understanding of this highly innovative and tax-advantaged investment structure. Entering the ETF space has been a natural extension of our business and affords our taxpaying clients access to actively managed strategies within a highly tax-efficient ETF structure.

Tweedy's new ETFs are distinguished not only by their valuation discipline, informed by decades of the firm's steadfast adherence to a Benjamin Graham-based, price-driven investment philosophy, but also by their emphasis on coat-tailing the purchase behavior of knowledgeable C-suite executives. These are corporate insiders who are buying shares in their own companies or returning capital to shareholders through meaningful share buybacks. When paired with our proprietary multi-factor value model, this insider-focused lens has enabled us to build a portfolio of fundamentally sound and undervalued businesses with management teams that think like owners—in our view, a rare yet valuable combination.

¹ **An investor should consider the investment objectives, risks, and charges and expenses of the fund carefully before investing. A prospectus, which contains this and other information about the fund may be obtained by calling 1-800-617-0004/visiting www.tweedyetfs.com. The prospectus should be read carefully before investing.** All investing involves the risk of loss, including the loss of principal. There is no guarantee that the strategy will be successful. Portfolio holdings are subject to risk. Diversification cannot assure profit or protect against loss in a down market. The Tweedy, Browne Insider + Value ETF and Tweedy, Browne International Insider + Value ETF are distributed by Quasar Distributors, LLC.

This focus on insider purchase behavior also helps us capitalize on what we refer to as the “insider’s edge,” i.e., the unique insights that senior executives and informed directors can have regarding the prospects for improvement in their company’s condition, and ultimately, its share free price. Empirical evidence from academic and professional studies, including our own proprietary research, supports the efficacy of this common-sense approach that pairs insider buying with undervaluation.

While COPY’s and ICPY’s investment approaches are largely quantitative and factor-driven, combining insider purchase data and value-oriented statistical metrics to identify investment candidates across multiple geographies and market capitalizations, the research process does employ a light qualitative review to ensure data integrity. This review helps ensure that insider purchases were free-will (voluntary) purchases, and that there were no overarching issues that our model may have failed to address.

While it is still early days for these two new ETFs, both have gotten off to an excellent start. Since its inception on December 26, 2024, COPY produced a total return of 30.14%, compared to 18.85% for its benchmark, the MSCI World Index. Since its launch several months back on September 9, ICPY was up 8.51% through year-end versus 6.07% for the MSCI EAFE Index. We would encourage all of our clients to take a close look at these new and exciting investment vehicles, which offer meaningful diversification from Tweedy’s traditional investment vehicles. As of year-end, Tweedy, Browne principals, employees, and their families had over \$48 million invested in COPY and ICPY. COPY’s total assets under management at year-end had climbed to nearly \$200 million. Having incepted in early September, ICPY’s AUM at year-end was a much more modest \$7.5 million.

In addition to launching COPY and ICPY, Tweedy, Browne filed for **exemptive relief from the SEC to allow for the establishment of ETF share classes** across all four of our mutual funds. We were one of over 50 mutual fund investment managers who submitted applications for this exemptive relief, and we are pleased to report that our application has been conditionally approved by the SEC. While there is considerable work to be done to establish the infrastructure necessary to accommodate these new share classes, in our view, the approval of mutual fund ETF share classes is a potential game-changer for the traditional mutual fund industry. We are excited about the opportunity to offer our shareholders a choice when it comes to investing in our funds, and we will be sure to keep you apprised of our progress moving forward.

Since its inception, the **Worldwide High Dividend Yield Value Fund’s (TBHDX)** investment approach has focused on investment in companies around the world that had an above average dividend yield and that traded at reasonable valuations. While an above average yield was an important component of the approach as it was often an indicator of financial strength and undervaluation, generating income was never our focus, and was simply a by-product of our approach. Attractive shareholder yields, as evidenced in part, by a company’s willingness to buyback shares when their shares appeared to be undervalued, or to pay down debt were an additional, but secondary component of our approach.

As of May 27, 2026, the Fund’s investment strategy will be modestly adjusted to emphasize investment in **companies that pay an attractive dividend and/or have initiated buybacks of their shares, when those shares are trading at discounts to underlying value — including undervaluation based on proprietary combinations of various numerical investment characteristics, a value score, and qualitative assessments.** The Fund will no longer require an above average dividend. This focus on the dividend and/or buyback components of shareholder yield coupled with undervaluation is consistent with a **change in the Fund’s name to the Tweedy, Browne . Buybacks . Dividends + Value Fund.** The impetus for this modest change in strategy was proprietary empirical work, evidencing a return advantage over time for stocks trading at significant discounts to conservative estimates of intrinsic value where the

company was engaged in buying back its shares in the open market and ultimately retiring them. We are excited about this modest change in focus, and what it could mean for the future prospects of our Fund. Should you have any questions or concerns regarding this adjustment in the Fund's strategy, please do not hesitate to reach out. Please see the supplement that was filed with the U.S. Securities and Exchange Commission on March 27, 2026 for more details.

A Warm Welcome to Susan Lively

In other news, we are especially pleased to report the addition of Susan Lively as Tweedy, Browne's new General Counsel. Susan brings a wealth of past experience that covers the legal "waterfront" of the investment business, from prior big law experience at Sidley & Austin LLP to service as investment counsel at Lord Abbett, to work as associate general counsel in the mutual fund division of Legg Mason, to her work as General Counsel to Global X Management Company, a registered investment advisor with over \$40 billion in AUM, and to more recently her role as primary legal support and counsel to one of the largest crypto based financial advisor platforms, Grayscale Advisors. She has an engaging personality, and from all early appearances, a strong business-oriented work ethic. We are delighted she has joined Tweedy and are looking forward to a long and successful relationship with Susan.

OUTLOOK

Looking ahead, we are encouraged by the resurgence of non-US equity returns and believe our investment vehicles are extraordinarily well positioned for whatever may lie ahead. If we are in the incipient stages of an actual sea change in our global equity markets favoring more value-oriented, smaller and medium capitalization non-US equities, our portfolios, which are largely overweight foreign stocks, will likely continue to participate. If, on the other hand, global equity markets face a long overdue come-uppance, we believe our portfolios are likely to hold up relatively better than broad market capitalization-weighted indices. In our long experience, our portfolios have typically gained the most ground against indexes in challenging, more volatile investment environments. Recent market activity over the last many months triggered in part by the war in Iran, concerns about the impact of AI, and weakness in private credit would suggest that we may very well be in the early days of just such an environment. While there are no guarantees, in the event of continued turbulence or even a broad market downturn, we are hopeful that pattern will persist.

Over the long term, success in the business of investing in our humble view, largely depends on an investor's temperament and the realization that stock prices can become untethered from underlying value for uncomfortably long periods of time. As John Maynerd Keynes, the famous British economist and renowned investor once advised,

In the main, therefore, slumps are experiences to be lived through and survived with as much equanimity and patience as possible. Advantages can be taken of them more because individual securities fall out of their reasonable parity with other securities on such occasions, than by attempts at wholesale shifts into and out of equities as a whole. One must not allow one's attitude to securities which have a daily market quotation to be disturbed by this fact.

- John Maynerd Keynes, Memorandum, May 1938, to the Estates Committee of King's College, Cambridge

Ultimately, we believe fervently that a diversified portfolio of bargain-priced, conservatively financed businesses, many of which are competitively advantaged, and where knowledgeable insiders and/or the company itself have been actively purchasing shares, offers the best defense against market uncertainty and the resultant volatility. If the past is prologue, that should continue to serve us, and our investors, well over time.

We thank you for your continued trust and confidence.

Roger R. de Bree, Andrew Ewert, Frank H. Hawrylak, Jay Hill,
Thomas H. Shrager, John D. Spears, Robert Q. Wyckoff, Jr.
Investment Committee

March 2026

NOTES

Past performance is no guarantee of future results.

All investing involves the risk of loss, including the loss of principal. Current and future portfolio holdings are subject to risk. Investing in foreign securities involves additional risks beyond the risks of investing in securities of US markets. These risks, which are more pronounced in emerging markets, include economic and political considerations not typically found in US markets, including currency fluctuations, political uncertainty and different accounting and financial standards, regulatory environments, and overall market and economic factors. In addition, the securities of small, less well-known companies may be more volatile than those of larger companies. Force majeure events such as pandemics and natural disasters are likely to increase the risks inherent in investments and could have a broad negative impact on the world economy and business activity in general. Value investing involves the risk that the market will not recognize a security's intrinsic value for a long time, or that a security thought to be undervalued may in fact be appropriately priced when purchased. Dividends are not guaranteed, and a company currently paying dividends may cease paying dividends at any time. Diversification does not guarantee a profit or protect against a loss in declining markets.

Although the practice of hedging perceived foreign currency exposure, where practicable, reduces the risk of loss from exchange rate movements, it also reduces the ability of a hedged portfolio to gain from favorable exchange rate movements when the base currency declines against the currencies in which the portfolio's investments are denominated, and may impose costs on the portfolio. As a result of practical considerations, fluctuations in a security's prices, and fluctuations in currencies, an account's hedges are expected to approximate, but will generally not equal, the account's perceived currency exposure.

Stocks and bonds are subject to different risks. In general, stocks are subject to greater price fluctuations and volatility than bonds and can decline significantly in value in response to adverse issuer, political, regulatory, market, or economic developments. Unlike stocks, bonds, if held to maturity, generally offer to pay both a fixed rate of return and a fixed principal value. Bonds are subject to interest rate risk (as interest rates rise bond prices generally fall), the risk of issuer default, issuer credit risk, and inflation risk, although US Treasuries are backed by the full faith and credit of the US government.

This letter contains forthright opinions and statements on investment techniques, economics, market conditions and other matters. Of course, there is no guarantee that these opinions and statements will prove to be correct, since some of them are inherently speculative; as such, they should not be relied upon as statements of fact.

The Managing Directors and employees of Tweedy, Browne Company LLC may have a financial interest in the securities mentioned herein. They or their family members may own these securities in their own securities accounts (only where such ownership is consistent with the Firm's Code of Ethics), or through their ownership of various pooled vehicles that own these securities.

Price/Earnings (or P/E) ratio is a comparison of the company's closing stock price and its trailing 12-month earnings per share.

Earnings before Interest and Tax (or EBIT) is an indicator of a company's profitability, calculated as revenue minus expenses, excluding tax and interest.

Earnings Before Interest, Taxes, Depreciation and Amortization (or EBITDA) is used to gauge a company's operating profitability, adding back the non-cash expenses of depreciation and amortization to a firm's operating income (EBIT + depreciation + amortization expense).

Indexes are unmanaged, and the figures for the indexes shown include the reinvestment of dividends and capital gains distributions and do not reflect any fees or expenses. Investors cannot invest directly in an index.

S&P 500 Index is widely regarded as the best single gauge of large-cap US equities. The index includes 500 leading companies and covers approximately 80% of available market capitalization.

MSCI EAFE Index is an equity index which captures large and mid-cap representation across 21 Developed Markets countries around the world, excluding the US and Canada. With 795 constituents as of September 29th, 2023, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

MSCI World Index captures large and mid-cap representation across 23 Developed Markets (DM) countries. With 1,510 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

Portfolio accounts are actively managed, unlike the indexes, and consist of securities that vary widely from those included in the indexes in terms of portfolio composition, country and sector allocations and other metrics. Please refer to the Funds' prospectus for a description of risk factors associated with investments in securities which may be held by the Funds. All investments are subject to risk including the possible loss of principal. There is no assurance that a Fund will achieve its investment objective.