

Overview

The investment objective is to seek to provide long-term total return, which includes income and capital appreciation, while considering capital preservation.

- **Consistent, transparent process: Fund's duration determined by the longest duration that will produce a breakeven return if interest rates rise 100 basis points over twelve months ("100bps stress test").**
 - Effective duration expected to be between ~1.5 and ~4.5 years (Morningstar Short Government category range).
 - Fund's duration will be rebalanced quarterly using the 100bps stress test.
- **High quality:**
 - Minimum of 90% of net assets in U.S. Treasuries and/or Agencies under normal market conditions.
 - Opportunistic allocation (up to 10% of net assets) in other investment grade debt (rated BBB and above).

Portfolio Management

Abhijeet Patwardhan
Joined FPA in 2010

Fund Facts

Ticker Symbol	FPAS
Type	Active
NAV	\$24.92
Market Price ¹	\$24.95
Premium (Discount)	0.12%
Fund Assets	\$1.2 Million
Fund Inception	October 31, 2024
Gross Expense Ratio ²	0.83%
Net Expense Ratio (through 10/31/27) ²	0.09%
Distribution Frequency	Monthly

Portfolio Information

	Fund	Bloomberg U.S. Treasury 1-5 Year
Yield-to-Worst (YTW) ³	4.28%	4.30%
Effective Duration	4.2 years	2.6 years
Effective Maturity	4.8 years	2.9 years
Average Weighted Price (\$)	96.3	96.5
Subsidized 30-Day SEC Yield ⁴	4.18%	NA
Unsubsidized 30-Day SEC Yield ⁴	-7.30%	NA
Turnover ⁵	NA	NA
Number of Issues	1	157

Effective Maturity (%)

	Fund	Bloomberg U.S. Treasury 1-5 Year
< 1 year	2.3	0.0
1 - 3 years	0.0	59.5
3 - 5 years	97.7	40.5
5 - 7 years	0.0	0.0

Performance

Historical (%)⁶

Fund/Index	Since Inception
FPA Short Duration Government ETF - NAV	-0.28
FPA Short Duration Government ETF - Market Price	-0.22
Bloomberg U.S. Treasury 1-5 Year Index	0.30

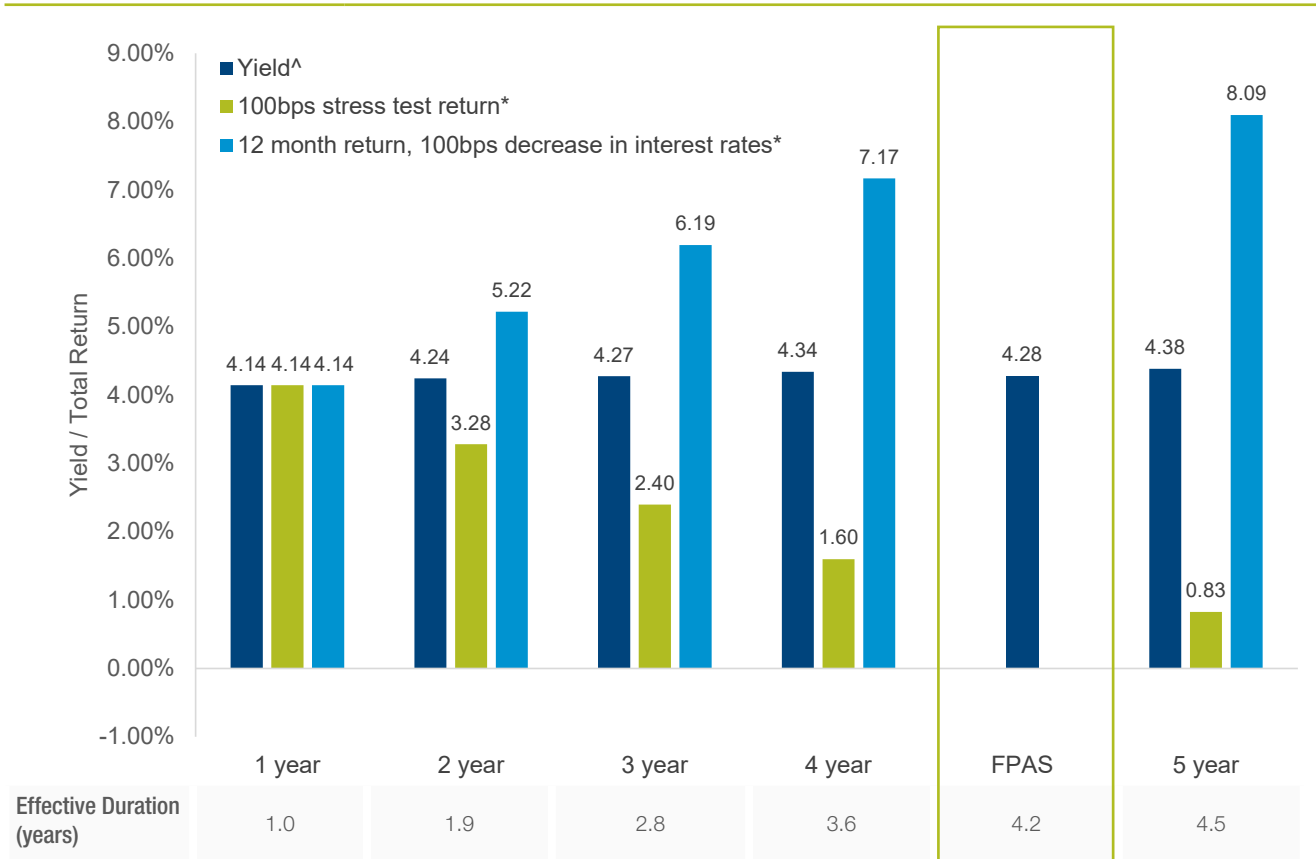
Past performance is no guarantee, nor is it indicative, of future results. Current performance may be higher or lower than the performance shown. This data represents past performance and investors should understand that investment returns and principal values fluctuate, so that when you redeem your 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.

Periods greater than one year are annualized. FPA Short Duration Government 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.

Index Data Source: Morningstar. ¹ Reflects closing market price on December 31, 2024. ² The Fund's investment adviser has contractually agreed to limit Total Annual Fund Operating Expenses (excluding any leverage expense, 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), to 0.09% of the Fund's average daily net assets through October 31, 2027. The Fund's investment adviser 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. This agreement may only be terminated before its expiration date by the Board of Trustees of Investment Managers Series Trust III.

³ Yield-to-Worst (YTW) is presented gross of fees and reflects the lowest potential yield that can be received on a debt investment without the issuer defaulting. YTW considers the impact of expected prepayments, calls and/or sinking funds, among other things. Average YTW is based on the weighted average YTW of the investments held in the Fund's portfolio. YTW may not represent the yield an investor should expect to receive. ⁴ The SEC Yield calculation is an annualized measure of the Fund's dividend and interest payments for the last 30 days, less Fund expenses. Subsidized yield reflects fee waivers and/or expense reimbursements during the period. Without waivers and/or reimbursements, yields would be reduced. Unsubsidized yield does not adjust for any fee waivers and/or expense reimbursements in effect. The SEC Yield calculation is based on the price of the Fund at the beginning of the month. ⁵ Data is unavailable due to recent Fund launch. The Fund has not issued an Annual or Semi-Annual Report to date. ⁶ Fund performance is net of all fees and expenses and includes the reinvestment of distributions. Periods over one year are annualized. Fund returns do 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. Please refer to the back of the presentation for important disclosures.

U.S. Treasuries 100bps Stress Test ⁷



⁷ Data Source: Bloomberg. [^] Yield to Maturity (YTM) is the total return anticipated on a bond if the bond is held until it matures. * The 100bps stress test, or downside, return estimates the 12-month total return assuming yields increase by 100 bps over 12 months. Upside return estimates the 12-month total return assuming yields decline by 100 bps over 12 months. Return estimates assume gradual change in yield over 12 months. **The hypothetical stress test data provided herein is for illustrative and informational purposes only and is intended to demonstrate the mathematical impact of a hypothetical change in Treasury yields on Treasury returns.** No representation is being made that any account, product or strategy will or is likely to achieve profits, losses, or results similar to those shown. Hypothetical results do not reflect trading in actual accounts, and does not reflect the impact that economic, market or other factors may have on the management of the account. Hypothetical results have certain inherent limitations. There are frequently sharp differences between simulated results and the actual results subsequently achieved by any particular account, product or strategy. The Fund is included in this cart to illustrate where it lands from a yield and duration perspective in relation to the current 100bps stress test. **Past results are no guarantee, nor are they indicative, of future results.**

Important Disclosures

Material must be accompanied or preceded by a Prospectus. You should consider the Fund's investment objectives, risks, and charges and expenses carefully before you invest. The Prospectus details the Fund's objective, policies, charges, 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 fpas.fpa.com, by email at crm@fpa.com, toll-free by calling 1-800-982-4372 or by contacting the Fund in writing.

Investments, including investments in mutual funds, 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.

The return of principal in a bond fund is not guaranteed. Bond funds have the same issuer, interest rate, inflation and credit risks that are associated with underlying bonds owned by the fund. Lower rated bonds, convertible securities and other types of debt obligations involve greater risks than higher rated bonds.

Interest rate risk is when interest rates go up, the value of fixed income securities, such as bonds, typically go down and investors may lose principal value. Credit risk is the risk of loss of principle due to the issuer's failure to repay a loan. Generally, the lower the quality rating of a security, the greater the risk that the issuer will fail to pay interest fully and return principal in a timely manner. If an issuer defaults the security may lose some or all its value.

The Fund's investment in U.S. government obligations such as Treasury Bills, Treasury Notes and bonds are backed by the full faith and credit of the United States. GNMA securities, like U.S. Treasuries, are guaranteed and backed by the full faith and credit of the U.S. government and generally are considered to be of the highest credit quality. Although U.S. government-sponsored enterprises such as the FHLMC may be chartered or sponsored by Congress, they are not funded by Congressional appropriations, and their securities are not issued by the U.S. Treasury nor supported by the full faith and credit of the U.S. government. There can be no assurance that the U.S. government would provide financial support to its agencies or instrumentalities (including government-sponsored enterprises) when it is not obligated to do so.

This fund is new and has limited operating history. 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.

Important Disclosures (Continued)

The ratings agencies that provide ratings are Standard and Poor's ("S&P"), Fitch, Moody's, Kroll, DBRS, and any other nationally recognized statistical rating organization ("NRSRO"). Credit ratings range from AAA (highest) to D (lowest). Bonds rated BBB or above are considered investment grade. Credit ratings of BB and below are lower-rated securities (junk bonds). High-yielding, non-investment grade bonds (junk bonds) involve higher risks than investment grade bonds. Bonds with credit ratings of CCC/Caa or below have high default risk.

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.

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, FPA, the portfolio managers, or the distributor. The portfolio holdings as of the most recent quarter-end may be obtained at fpa.com.

Index Definitions

The **Bloomberg U.S. Treasury 1-5 Year Index** measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. To be included in the index, securities must have at least one and up to, but not including, five years to maturity.

An investor cannot invest directly in an index. Comparison to the 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. The Fund does not include outperformance of any index or benchmark in its investment objectives.

Glossary of Terms

Average Effective Maturity is a length of time it takes for a bond to reach maturity, taking into consideration that an action such as a call or refunding may cause some bonds to be repaid before they mature.

Effective Duration is the duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change.

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