



# FMI International Fund II - Currency Unhedged

Institutional Class | FMIFX

Annual Shareholder Report | September 30, 2024



This annual shareholder report contains important information about the FMI International Fund II - Currency Unhedged for the period of October 1, 2023, to September 30, 2024. 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	\$99	0.90%

## HOW DID THE FUND PERFORM LAST YEAR AND WHAT AFFECTED ITS PERFORMANCE?

Over the past 12 months ending September 30, 2024, the FMI International Fund II – Currency Unhedged Institutional Class gained 20.96%, compared with the MSCI EAFE® (USD) Index return of 24.77% in U.S. Dollars. The Fund invests in quality businesses that have strong balance sheets and trade at discount valuations. We strive to generate strong absolute returns through a full cycle while having less volatility. We typically lag in more speculative-driven bull markets like the one seen over the past fiscal year.

## WHAT FACTORS INFLUENCED PERFORMANCE

Inflation moderated during the period, and several central banks started cutting interest rates, leading to investor enthusiasm and rising equity markets across market caps and geographies. Similar to the U.S., growth outperformed value internationally. Many comparable companies in Europe and Asia trade at sizeable discounts to U.S. peers, creating relative opportunities. The FMI International Fund II – Currency Unhedged trades at a discount to the MSCI EAFE® (USD) Index. The biggest driver of the MSCI EAFE® (USD) Index was the Finance sector, where the Fund is typically underweight due to concerns over business quality and balance sheet leverage. Conversely, the Fund's Food and Household/Personal Care industry exposures were additive to returns as several of our more defensive holdings demonstrated strong fundamentals.

### Top Contributors

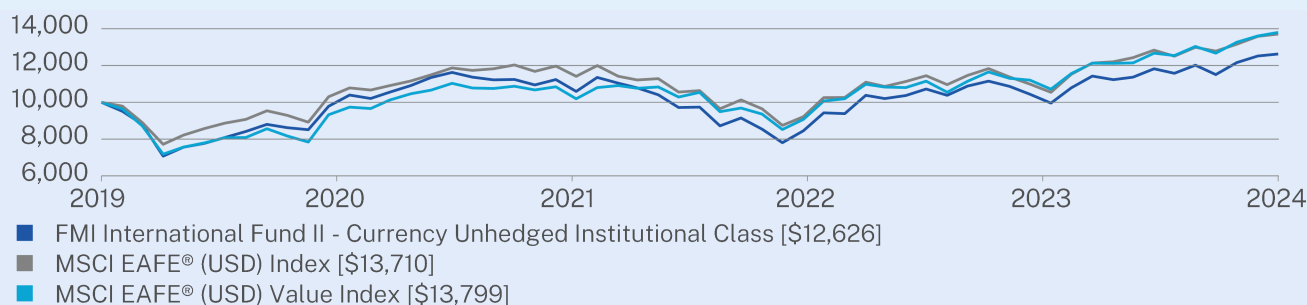
- ↑ Sectors: Consumer Non-Durables, Distribution Services, Electronic Technology
- ↑ Positions: Safran S.A., Koninklijke Philips N.V., Ferguson Enterprises Inc.

### Top Detractors

- ↓ Sectors: Retail Trade, Industrial Services, Health Services
- ↓ Positions: B&M European Value Retail S.A., Edenred SE, Schlumberger Ltd.

## HOW DID THE FUND PERFORM SINCE INCEPTION?\*

The \$10,000 chart reflects a hypothetical \$10,000 investment in the class of shares noted and assumes the maximum sales charge. 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 \$10,000)**ANNUAL AVERAGE TOTAL RETURN (%)**

	1 Year	Since Inception (12/31/2019)
<b>Institutional Class</b>	20.96	5.03
<b>MSCI EAFE® (USD) Index</b>	24.77	6.87
<b>MSCI EAFE® (USD) Value Index</b>	23.14	7.01

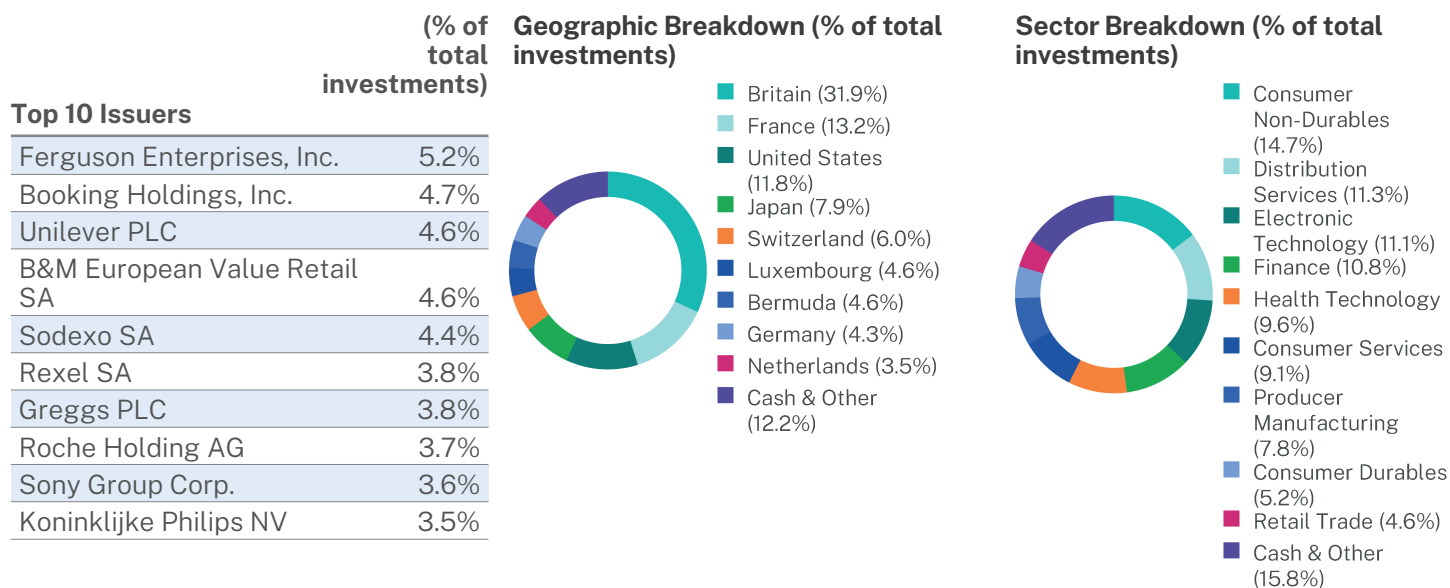
Visit <https://www.fmimgt.com/international-fund-2/> for more recent performance information.

\* 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, 2024)

<b>Net Assets</b>	\$72,709,869
<b>Number of Holdings</b>	34
<b>Net Advisory Fee</b>	\$395,335
<b>Portfolio Turnover</b>	23%

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**WHAT DID THE FUND INVEST IN?** (as of September 30, 2024)

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 FMI Funds, Inc. documents not be householded, please contact FMI Funds, Inc. at 1-800-811-5311, or contact your financial intermediary. Your instructions will typically be effective within 30 days of receipt by FMI Funds, Inc. or your financial intermediary.