

June 30, 2025

Dear Fellow FAM Dividend Focus Fund Shareholder,

We are pleased to report that the FAM Dividend Focus Fund remains a 5-Star Morningstar-rated fund¹ at the halfway point of 2025. Despite a volatile start to the year, we believe that our consistent investment approach helped deliver strong performance — beating the Russell Midcap Index² by more than two percentage points.³

Market Environment: A Year of Twists

The year began with optimism. Investors expected inflation to ease, corporate earnings to grow, and business sentiment to improve thanks to the potential for lower taxes and reduced regulation. This favorable backdrop pushed markets to a new 52-week high in February.

That optimism was short-lived. In April, a surprise announcement of new tariffs — including a baseline 10% rate and broad reciprocal levies — triggered a sharp market decline. In just four days, the Nasdaq Composite fell into bear market territory. However, a steep rise in the 10-year U.S. Treasury yield and a selloff in the U.S. dollar index prompted a delayed rollout of the reciprocal tariffs. Stocks rebounded quickly after and by the end of the second quarter, markets had not only recovered but reached new all-time highs — highlighting the risks of trying to time the market.

Our fund held up well through the turbulence due to investments in what we believe are high-quality, domestically focused businesses such as trash collection and insurance brokerage. These types of companies helped cushion the downside during the volatility. Meanwhile, the broader economy showed resilience with steady consumer spending, continued job growth, and low unemployment.

¹ The Morningstar Rating™ is a quantitative assessment of a fund's past performance — both return and risk — as measured from 1 to 5 stars. It uses focused comparison groups to better measure fund manager skill. The Morningstar Rating™ is intended for use as the first step in the fund evaluation process. A high rating alone is not a sufficient basis for investment decisions.

The Morningstar Rating™ for funds, or "star rating," is calculated for funds with at least a three-year history. (Exchange traded funds and open-end mutual funds are considered a single population for comparative purposes.) It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly excess performance (excluding the effect of sales charges, if any), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each fund category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star.

The FAM Dividend Focus Fund received a 5-Star Overall Morningstar Rating™ for the period ending 5/31/2025 among other Mid-Cap Blend funds.

Past performance is no guarantee of future results. The Morningstar Analyst Rating should not be used as the sole basis in evaluating a mutual fund. Morningstar Ratings involve unknown risks and uncertainties which may cause Morningstar's expectations not to occur or to differ significantly from what we expected. Rating, risk, and return values are relative to each fund's Morningstar Category. Visit [Morningstar.com](https://www.morningstar.com) to see their methodology.

² The Russell Midcap is an unmanaged index that measures the performance of a mid-cap segment of the U.S. equity universe. This benchmark is used for comparative purposes only and very generally reflects the risk or investment style of the investments reported.

³ FactSet as of 6/30/2025

Performance Overview

From January through June, the FAM Dividend Focus Fund gained 7.35%, compared to 4.84% for the Russell Midcap Index — an outperformance of 251 basis points. Looking at longer timeframes, the fund has continued to beat the benchmark over the past 3, 5, and 10 years. On an annualized basis, the fund is ahead by 0.80% over 3 years, 0.30% over 5 years, and 2.10% over 10 years.⁴

We believe this outperformance stems from our commitment to identifying companies with sustainable competitive advantages and holding them over the long term.

Dividend Growth: A Sign of Strength

A key feature of our strategy is focusing on businesses that grow their dividends. This signals management's confidence in future earnings and reflects disciplined capital allocation. Over the past year, 26 of our 27 portfolio holdings raised their dividends with an average increase of 9.6%. Notable increases came from Amphenol Corporation (APH) (50%), GE HealthCare Technologies (GEHC) (17%), and Cintas Corporation (CTAS) (16%).⁵

Portfolio Activity

Purchases

Our team initiated a new investment in **GE HealthCare Technologies (GEHC)** (0.5%),⁶ which was spun off from GE in 2023. GE HealthCare provides essential medical equipment, such as MRIs and ultrasound machines, and it benefits from a large installed base, recurring revenue streams, and growing demand for healthcare innovation.

We also increased our holdings in several existing positions, including **Avery Dennison Corporation (AVY)** (1.8%), **Houlihan Lokey (HLI)** (1.5%), **Microchip Technology (MCHP)** (2.9%), **STERIS (STE)** (3.6%), **Verisk Analytics (VRSK)** (3.0%), and **Watsco (WSO)** (2.0%). These additions reflected both our belief in their long-term positioning and that the valuations were attractive.

Sales

On the other hand, we sold our position in **McCormick & Company (MKC)** (0.0%) due to concerns about the impact of tariffs on its global supply chain. McCormick's cost structure has become increasingly challenged and we believe those pressures could intensify.

Our team also trimmed several other holdings, including **Agilent Technologies (A)** (1.4%), **Arthur J. Gallagher & Co. (AJG)** (7.4%), **CDW Corporation (CDW)** (3.3%), **Pool Corporation (POOL)** (1.8%), **Ross Stores (ROST)** (3.8%), and **Trane Technologies (TT)** (8.9%) to raise cash and manage position sizes.

Looking Ahead

Many of our holdings continue to grow through acquisition — about one-third have announced or completed deals this year. Research from McKinsey & Company shows that businesses making two or more acquisitions a year tend to outperform their peers.⁷ Looking at fundamentals, the companies in our portfolio are expected to grow earnings by 8.9% in 2025, well above the Russell Midcap Index's 7.2% average.⁸

⁴ FactSet as of 6/30/2025

⁵ FactSet as of 6/30/2025

⁶ Percentage is the company's weight in the portfolio as of 6/30/2025

⁷ McKinsey & Company as of 10/13/2021, <https://www.mckinsey.com/capabilities/strategy-and-corporate-finance/our-insights/how-one-approach-to-m-and-a-is-more-likely-to-create-value-than-all-others/>

⁸ FactSet as of 6/30/2025

Performance data quoted above is historical. Past performance is not indicative of future results, current performance may be higher or lower than the performance data quoted. Investment returns may fluctuate; the value of your investment upon redemption may be more or less than the initial amount invested. All returns are net of expenses. To obtain performance data that is current to the most recent month-end for each fund as well as other information on the FAM Funds, please go to fenimoreasset.com or call (800) 932-3271. To obtain a prospectus or summary prospectus for each fund as well as other information on the FAM Funds, please go to fenimoreasset.com or call (800) 932-3271.

As always, we are focused on the long term and do not try to predict every policy shift or economic twist. Instead, we stay committed to our core principles: owning what we deem to be strong businesses with durable advantages, led by capable management, and committed to growing their dividends. This steady approach has served us well through nearly 30 years of market cycles since the fund was launched — and we believe it will continue to do so in the coming decades.

Thank you for your continued trust and partnership.

Top 5 Contributors and Detractors*

12/31/2024 to 6/30/2025

| TOP 5 CONTRIBUTORS | | |
|---------------------------|--------------------|------------------|
| NAME | AVERAGE WEIGHT (%) | CONTRIBUTION (%) |
| Trane Technologies | 8.70 | 1.82 |
| HEICO Corp. | 4.76 | 1.70 |
| Arthur J. Gallagher & Co. | 8.56 | 1.15 |
| Republic Services | 4.99 | 1.02 |
| Cintas Corp. | 4.57 | 0.96 |

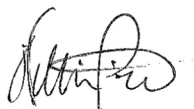
This reflects the FAM Dividend Focus Fund's best and worst performers, in descending order, based on individual stock performance and portfolio weighting. Past performance does not indicate future results.

| TOP 5 DETRACTORS | | |
|----------------------|--------------------|------------------|
| NAME | AVERAGE WEIGHT (%) | CONTRIBUTION (%) |
| Entegris | 3.49 | -0.74 |
| Ross Stores | 4.58 | -0.71 |
| IDEX Corp. | 3.53 | -0.59 |
| Pool Corp. | 2.20 | -0.35 |
| Agilent Technologies | 1.62 | -0.24 |

Past performance does not indicate future results.



Paul Hogan, CFA
Portfolio Manager



William Preston, CFA
Portfolio Manager

The opinions expressed herein are those of the portfolio managers as of the date of the report and are subject to change. There is no guarantee that any forecast made will come to pass. This material does not constitute investment advice and is not intended as an endorsement of any specific investment.

Performance data quoted above is historical. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost.

**Reflects top contributors and top detractors to the fund's performance based on each holding's contribution to the overall fund's return for the period shown. The information provided does not reflect all positions purchased, sold or recommended for advisory clients during the period shown. It should not be assumed that future investments will be profitable*

or will equal the performance of the security examples discussed. Past performance is no guarantee, nor is it indicative, of future results. For more detailed information on the calculation and methodology as well as a complete list of every holding's contribution to the overall fund's performance during the time period shown, please call (800) 932-3271 or visit the fund's website at famfunds.com. Portfolio composition will change due to ongoing management of the fund. References to individual securities are for informational purposes only and should not be construed as an offer or a recommendation, by the fund, the portfolio managers, or the fund's distributor, to purchase or sell any security or other financial instrument. The summary is not advice, a recommendation or an offer to enter into any transaction with Fenimore or any of its affiliated funds. The portfolio holdings as of the most recent quarter most recent quarter.

TOP 10 HOLDINGS

AS OF 6/30/2025

| FAM DIVIDEND FOCUS FUND | % OF PORTFOLIO |
|--------------------------------|----------------------|
| Trane Technologies | 8.99% |
| Arthur J. Gallagher | 7.41% |
| HEICO Corp. | 5.54% |
| Stryker Corp. | 5.43% |
| Broadridge Financial Solutions | 5.25% |
| Republic Services | 4.84% |
| Cintas Corp. | 4.55% |
| Paychex | 4.23% |
| Martin Marietta Materials | 3.96% |
| Ross Stores | 3.83% |
| TOTAL NET ASSETS | \$778,574,389 |

The portfolios are actively managed and current holdings may be different.

AVERAGE ANNUAL TOTAL RETURNS

AS OF 6/30/2025

| | SINCE INCEPTION | 10 YEAR | 5 YEAR | 3 YEAR | 1 YEAR | TOTAL FUND OPERATING EXPENSES* |
|--|-----------------|---------|--------|--------|--------|--------------------------------|
| FAM DIVIDEND FOCUS FUND (3/31/96) | 9.62% | 11.79% | 13.26% | 14.92% | 7.52% | 1.22% (gross) 1.22%* (net) |

The performance data quoted represents past performance.

**FAM Dividend Focus Fund Disclosure: The Fund's gross annual operating expense ratio as stated in the fee table of the Fund's most recent prospectus is 1.22%. The gross operating expense as reported in the FAM Dividend Focus Fund's audited financial statements as of December 31, 2024, is 1.21%. The Advisor has contractually agreed, until May 1, 2026, to waive fees and/or reimburse the Fund certain expenses (excluding interest, taxes, brokerage costs, Acquired Fund Fees and Expenses, dividend expense and extraordinary expenses) to the extent necessary to cap Net Fund Operating Expenses for Investor Shares at 1.26%. There are no sales charges.*

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Performance data quoted above is historical. Past performance is not indicative of future results, current performance may be higher or lower than the performance data quoted. Investment returns may fluctuate; the value of your investment upon redemption may be more or less than the initial amount invested. All returns are net of expenses. To obtain performance data that is current to the most recent month-end for each fund as well as other information on the FAM Funds, please go to fenimoreasset.com or call (800) 932-3271.

Please consider a fund's investment objectives, risks, charges and expenses carefully before investing. The FAM Funds prospectus or summary prospectus contains this and other important information about each Fund and should be read carefully before you invest or send money. To obtain a prospectus or summary prospectus for each fund as well as other information on the FAM Funds, please go to fenimoreasset.com or call (800) 932-3271.

IMPORTANT RISK INFORMATION

Risk Disclosures: The principal risks of investing in the fund are: stock market risk (stocks fluctuate in response to the activities of individual companies and to general stock market and economic conditions), stock selection risk (Fenimore utilizes a value approach to stock selection and there is risk that the stocks selected may not realize their intrinsic value, or their price may go down over time), and small-cap risk (prices of small-cap companies can fluctuate more than the stocks of larger companies and may not correspond to changes in the stock market in general).

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