



**THIRD AVENUE**  
MANAGEMENT

# Third Avenue Variable Series Trust

Annual Shareholder Report

Third Avenue Value Portfolio | December 31, 2024

This annual shareholder report contains important information about the Third Avenue Value Portfolio (the “Portfolio”) for the period of January 1, 2024 to December 31, 2024. You can find additional information about the Portfolio at <https://www.thirdave.com/fund-literature>. You can also request this information by contacting your insurance company.

## What were the Portfolio costs for the last year?

(Based on a hypothetical \$10,000 investment)

Fund	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Third Avenue Value Portfolio	\$129	1.30%

## Management's Discussion of Portfolio Performance

The Portfolio generated returns of -2.27% over the fiscal year ended December 31, 2024. The Portfolio’s benchmark, the MSCI World Index, returned 19.19% over the same period.

During the twelve-month period ending December 31, 2024, value strategies generally underperformed broad global indices, as did smaller capitalization companies, and non-U.S. companies globally. For example, the MSCI World Value Index returned 12.30% during the period, lagging the MSCI World Index by approximately 7%, while the MSCI World Small-Cap Index returned 8.63%, also substantially underperforming the MSCI World Index, and the MSCI World Excluding United States Index returned 5.33%. The Portfolio’s opportunistic investment strategy is designed to invest in undervalued and out of favor investments. In recent years, unusually elevated valuations within U.S. equity markets, in absolute terms and in terms of valuations relative to equities outside of the United States, have led to an increasing weight of non-U.S. securities within the Portfolio. At year end, the weight of U.S. equity holdings in the Portfolio was approximately 12% of total investments, a fraction of the 74% U.S. weight within the MSCI World Index. Further, the nature of the strategy is to invest in less expensive companies using a value-oriented approach. To the extent that value strategies broadly underperform growth-oriented strategies, as they did substantially in 2024, this generally creates a headwind for the Portfolio’s relative performance. Finally, historically it has been more common for the Portfolio’s strategy to identify attractive opportunities in smaller market-capitalization companies. In periods in which small-cap companies broadly exhibit underperformance, this also may create relative performance challenges. In the portfolio management team’s view, periodic underperformance does not diminish the effectiveness of the strategy over longer periods of time.

### Top Contributors to Performance

The Portfolio’s performance benefited from copper producer Capstone Copper Corp., investment and advisory firm Lazard, Inc., investment bank Deutsche Bank AG, insurance firm Old Republic International Corp., and global cement manufacturer Buzzi SpA, among others.

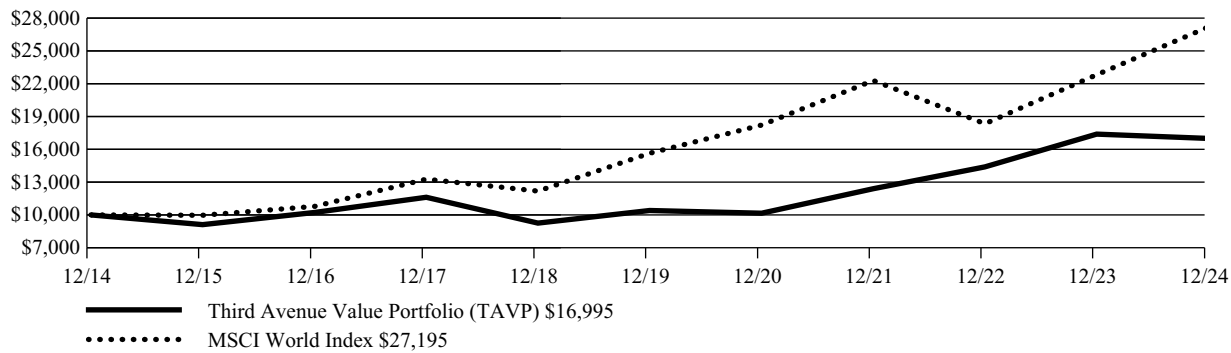
### Top Detractors from Performance

The Portfolio’s holdings in digital media company S4 Capital PLC, offshore energy services firm Valaris, Ltd., U.K. banking business Close Brothers Group PLC, Brazilian fuel distribution and logistics company Ultrapar Participacoes S.A., and global auto manufacturer BMW, among others, all contributed negatively to absolute returns over the one-year period.

Portfolio Performance

The following graph and chart compare the change in value of a \$10,000 investment and subsequent account values at the end of each of the most recently completed 10 fiscal years of the Third Avenue Value Portfolio and the MSCI World Index.

Growth of \$10,000



Average Annual Total Returns	1 Year	5 Years	10 Years
Third Avenue Value Portfolio	-2.27%	10.31%	5.45%
MSCI World Index	19.19%	11.70%	10.52%

**Past performance does not indicate future results.** Performance reflects fee waivers, expense offset arrangement and/or recovery of previously waived fees, when applicable. Total return would have been lower if the Adviser had not waived certain expenses. Conversely, total return would have been higher if the Adviser had not recovered previously waived expenses. Also, the returns shown in the graph and table do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of Portfolio shares.

Key Portfolio Statistics

Portfolio net assets	\$68,619,420
Total number of portfolio holdings	31
Total advisory fee paid, net	\$652,322
Portfolio turnover rate, as of the end of the reporting period	23%

## Graphical Representation of Holdings

The tables below show the investment makeup of the Portfolio as of the report date.

### SUMMARY OF INVESTMENTS BY INDUSTRY\*

Banks	12.8%
Metals & Mining	11.9%
Automotive	11.5%
Oil & Gas Production & Services	11.0%
Transportation & Logistics	9.4%
Diversified Holding Companies	7.7%
Building Products	7.0%
Capital Equipment	3.7%
Energy - Refining & Marketing	2.2%
Non-U.S. Real Estate Operating Companies	2.1%
Insurance	2.0%
Consumer Products	2.0%
Short-Term Investments	10.1%
Other	4.40%
Total Investments	97.8%

\* (% of Net Assets)

### COUNTRY CONCENTRATION\*

United States	21.8%
Japan	13.3%
Germany	12.3%
United Kingdom	10.6%
Canada	9.3%
Singapore	5.1%
Ireland	4.3%
Italy	4.1%
Chile	3.6%
Cayman Islands	3.2%
Other	10.2%

## Material Portfolio changes during the period

There were no material changes to the Portfolio.

## Changes in and Disagreements with Accountants

During the fiscal year ended December 31, 2024, there were no changes in and/or disagreements with Accountants.

## Availability of Additional Information

You can find additional information about the Portfolio, including the prospectus, financial information, holdings and proxy voting information, at <https://www.thirdave.com/fund-literature>. You can also request this information by contacting your insurance company.