



# THIRD AVENUE MANAGEMENT

## Third Avenue Variable Series Trust

Annual Shareholder Report

Third Avenue Value Portfolio | December 31, 2025

This annual shareholder report contains important information about the Third Avenue Value Portfolio (the “Portfolio”) for the period of January 1, 2025 to December 31, 2025. 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	\$153	1.30%

### Management’s Discussion of Portfolio Performance

The following discussion compares the performance of the Portfolio to the MSCI World Index to show how the Portfolio’s performance compares to the returns of a broad global equity index for the reporting period. Please reference the Average Annual Total Returns table below for the returns of the Portfolio and related index. The Portfolio seeks to generate long-term capital appreciation by employing Third Avenue Management LLC’s (the “Adviser”) fundamental, bottom-up, value investing philosophy.

The Portfolio generated returns of 34.85% over the fiscal year ended December 31, 2025. The Portfolio’s benchmark, the MSCI World Index, returned 21.60% over the same period.

#### Top Contributors to Performance

- Portfolio relative performance was significantly aided by security selection within the Financials and Materials sectors. To a lesser extent, security selection within the Consumer Discretionary sector also aided relative performance.
- Portfolio performance was also aided by relative overweight exposures to Japan, Germany and Canada as well as by security selection within Canada, Ireland and Germany.
- The Portfolio’s very large relative underweight within the United States was beneficial to relative performance during the year.
- Top performing holdings included European banks, Bank of Ireland Group PLC and Deutsche Bank AG.
- Mining companies such as Lundin Mining Corp. and Capstone Copper Corp. provided significant positive contributions to performance, as did metallurgical coal company, Warrior Met Coal, Inc.
- U.K. bank, Close Brothers Group PLC, Italian cement manufacturer, Buzzi SpA, and Japanese semiconductor equipment maker, Horiba, Ltd., also provided important positive contributions.

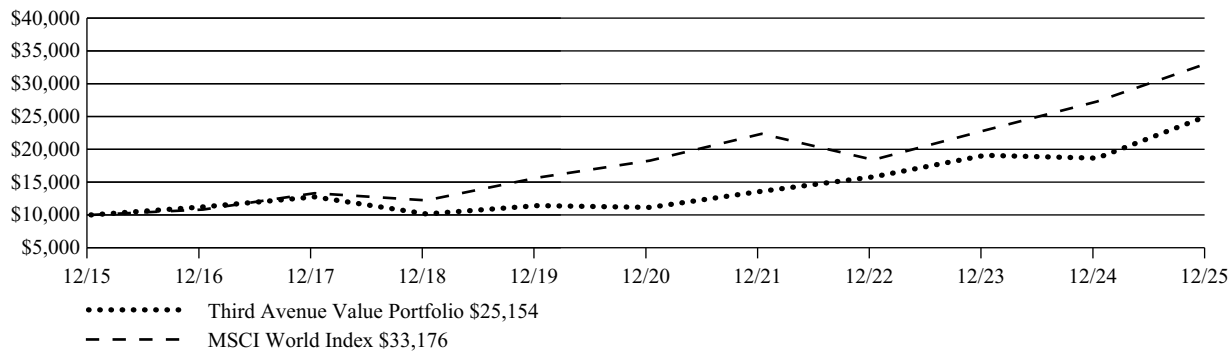
#### Top Detractors from Performance

- The Portfolio’s relative performance was negatively impacted by the Portfolio’s somewhat elevated cash position.
- While the Portfolio’s relative underweight to U.S. holdings was beneficial to relative performance, security selection within the United States produced a drag on relative performance.
- The Portfolio’s relative overweight and security selection within the Energy sector both produced a negative impact on relative performance.
- Absolute and relative performance were negatively impacted by holdings in two U.K. companies, S4 Capital PLC and Harbour Energy PLC, as well as North American building products companies, Interfor Corp. and Boise Cascade Co.

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	34.85%	17.68%	9.66%
MSCI World Index	21.60%	12.66%	12.74%

**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	\$85,383,325
Total number of portfolio holdings	34
Total advisory fee paid, net	\$623,868
Portfolio turnover rate, as of the end of the reporting period	21%

## Graphical Representation of Holdings

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

### SUMMARY OF INVESTMENTS BY INDUSTRY\*

Metals & Mining	15.2%
Oil & Gas Production & Services	11.6%
Building Products	10.2%
Diversified Holding Companies	9.0%
Automotive	8.9%
Banks	8.0%
Transportation & Logistics	7.4%
Capital Equipment	5.1%
Energy - Refining & Marketing	2.9%
Insurance	2.1%
Non-U.S. Real Estate Operating Companies	2.0%
Others^	5.9%
Short-Term Investments	10.5%
Other Assets less Liabilities	1.2%
Total	100.0%

\* (% of Net Assets)

^ Includes Consumer Products, Materials/Diversified Chemicals, Media and Brokerages & Exchanges.

+ Includes Brazil, Bermuda, South Korea, Mexico and Philippines.

### COUNTRY CONCENTRATION\*

United States	27.0%
Japan	14.4%
United Kingdom	11.8%
Canada	10.8%
Germany	6.5%
Singapore	5.0%
Hong Kong	3.9%
Italy	3.8%
Chile	3.5%
Ireland	3.3%
Others+	8.8%

## 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, 2025, 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.