



# **Financial Statements**

## **December 31, 2025**

### **Tidal Trust III**

Alpha Brands™ Consumption Leaders ETF | LOGO | The Nasdaq Stock Market, LLC

# Alpha Brands™ Consumption Leaders ETF

---

## Table of Contents

	<b>Page</b>
Schedule of Investments:	1
Statement of Assets and Liabilities	3
Statement of Operations	4
Statement of Changes in Net Assets	5
Financial Highlights	6
Notes to Financial Statements	7
Report of Independent Registered Public Accounting Firm	16
Other Unaudited Information	17

**Alpha Brands™ Consumption Leaders ETF**  
**Schedule of Investments**  
**December 31, 2025**

<b>COMMON STOCKS - 99.7%</b>	<b>Shares</b>	<b>Value</b>
<b>Consumer Discretionary Products - 3.5%</b>		
Compagnie Financiere Richemont SA - Class A, ADR	23,500	\$ 505,955
Tesla, Inc. <sup>(a)</sup>	983	442,075
		<u>948,030</u>
<b>Consumer Discretionary Services - 1.8%</b>		
Starbucks Corp.	5,767	485,639
<b>Financial Services - 13.4%</b>		
American Express Co.	1,525	564,174
Apollo Global Management, Inc.	4,112	595,253
Blackstone, Inc.	3,786	583,574
Charles Schwab Corp.	5,764	575,881
Goldman Sachs Group, Inc.	841	739,239
KKR & Co., Inc.	4,561	581,436
		<u>3,639,557</u>
<b>Health Care - 5.1%</b>		
AbbVie, Inc.	2,000	456,980
Eli Lilly & Co.	438	470,710
Intuitive Surgical, Inc. <sup>(a)</sup>	827	468,380
		<u>1,396,070</u>
<b>Industrial Products - 9.5%</b>		
Caterpillar, Inc.	719	411,894
GE Aerospace	1,348	415,224
GE Vernova, Inc.	920	601,284
HEICO Corp.	1,716	555,281
TransDigm Group, Inc.	459	610,401
		<u>2,594,084</u>
<b>Media - 24.4%</b>		
Alphabet, Inc. - Class A	3,302	1,033,526
AppLovin Corp. - Class A <sup>(a)</sup>	766	516,146
Booking Holdings, Inc.	115	615,863
Liberty Media Corp-Liberty Formula One - Class C <sup>(a)</sup>	7,530	741,780
Meta Platforms, Inc. - Class A	673	444,241
Netflix, Inc. <sup>(a)</sup>	9,587	898,877
Spotify Technology SA <sup>(a)</sup>	1,923	1,116,705
Tencent Holdings Ltd., ADR	8,369	640,647
Uber Technologies, Inc. <sup>(a)</sup>	7,778	635,541
		<u>6,643,326</u>

The accompanying notes are an integral part of these financial statements.

**Real Estate - 2.0%**

CBRE Group, Inc. - Class A <sup>(a)</sup>	3,446	\$ 554,082
---	-------	------------

**Retail & Wholesale - Discretionary - 15.7%**

Alibaba Group Holding Ltd., ADR	4,248	622,672
Amazon.com, Inc. <sup>(a)</sup>	5,252	1,212,267
MercadoLibre, Inc. <sup>(a)</sup>	555	1,117,914
O'Reilly Automotive, Inc. <sup>(a)</sup>	4,066	370,860
TJX Cos., Inc.	3,530	542,243
Warby Parker, Inc. - Class A <sup>(a)</sup>	18,800	409,652
		<u>4,275,608</u>

**Retail & Wholesale - Staples - 4.8%**

Costco Wholesale Corp.	585	504,469
Walmart, Inc.	7,355	819,420
		<u>1,323,889</u>

**Software & Tech Services - 11.4%**

Intuit, Inc.	1,221	808,815
Microsoft Corp.	2,054	993,356
ServiceNow, Inc. <sup>(a)</sup>	8,443	1,293,383
		<u>3,095,554</u>

**Tech Hardware & Semiconductors - 8.1%**

Apple, Inc.	4,416	1,200,534
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	3,279	996,455
		<u>2,196,989</u>

**TOTAL COMMON STOCKS (Cost \$25,884,843)**

27,152,828

**SHORT-TERM INVESTMENTS - 0.2%****Money Market Funds - 0.2%**

	Shares	Value
First American Government Obligations Fund - Class X, 3.67% <sup>(b)</sup>	61,146	61,146

**TOTAL SHORT-TERM INVESTMENTS (Cost \$61,146)**

61,146

**TOTAL INVESTMENTS - 99.9% (Cost \$25,945,989)**

\$ 27,213,974

Other Assets in Excess of Liabilities - 0.1%

21,518

**TOTAL NET ASSETS - 100.0%**\$ 27,235,492

Percentages are stated as a percent of net assets.

ADR American Depositary Receipt

(a) Non-income producing security.

(b) The rate shown represents the 7-day annualized effective yield as of December 31, 2025.

The accompanying notes are an integral part of these financial statements.

## Statement of Assets and Liabilities

December 31, 2025

### Alpha Brands™ Consumption Leaders ETF

#### ASSETS:

Investments, at value (cost \$25,945,989) (Note 2)	\$ 27,213,974
Receivable for investments sold	446,011
Dividends receivable	4,274
Interest receivable	45

#### Total assets

27,664,304

#### LIABILITIES:

Payable for investments purchased	412,655
Payable to adviser (Note 4)	16,157

#### Total liabilities

428,812

#### NET ASSETS

\$ 27,235,492

#### NET ASSETS CONSISTS OF:

Paid-in capital	\$ 27,227,641
Total distributable earnings/(accumulated losses)	7,851

#### Total Net Assets

\$ 27,235,492

Net assets	\$ 27,235,492
Shares issued and outstanding <sup>(a)</sup>	1,300,000
Net asset value per share	\$ 20.95

(a) Unlimited shares authorized without par value.

## Statement of Operations

For the Period Ended December 31, 2025

**Alpha Brands™  
Consumption  
Leaders ETF<sup>(a)</sup>**

**INVESTMENT INCOME:**

Dividend income	\$ 81,303
Less: Dividend withholding taxes	(1,082)
Interest income	1,917
<b>Total investment income</b>	<b>82,138</b>

**EXPENSES:**

Investment advisory fee (Note 4)	96,425
<b>Total expenses</b>	<b>96,425</b>
<b>NET INVESTMENT INCOME (LOSS)</b>	<b>(14,287)</b>

**REALIZED AND UNREALIZED GAIN (LOSS)**

Net realized gain (loss) from:

Investments	(1,293,446)
In-kind redemptions	986,557
<b>Net realized gain (loss)</b>	<b>(306,889)</b>

Net change in unrealized appreciation (depreciation) on:

Investments	1,267,985
<b>Net change in unrealized appreciation (depreciation)</b>	<b>1,267,985</b>

Net realized and unrealized gain (loss)

<b>NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS</b>	<b>\$ 946,809</b>
--	-------------------

(a) Inception date of the Fund was May 27, 2025.

## Statement of Changes in Net Assets

	<b>Alpha Brands™ Consumption Leaders ETF<sup>(a)</sup></b>
	<b>Period Ended December 31, 2025</b>
<b>OPERATIONS:</b>	
Net investment income (loss)	\$ (14,287)
Net realized gain (loss)	(306,889)
Net change in unrealized appreciation (depreciation)	1,267,985
Net increase (decrease) in net assets resulting from operations	<u>946,809</u>
<b>CAPITAL TRANSACTIONS:</b>	
Subscriptions	33,303,540
Redemptions	(7,014,857)
Net increase (decrease) in net assets from capital transactions	<u>26,288,683</u>
<b>NET INCREASE (DECREASE) IN NET ASSETS</b>	<u>27,235,492</u>
<b>NET ASSETS:</b>	
Beginning of the period	—
End of the period	<u>\$ 27,235,492</u>
<b>SHARES TRANSACTIONS</b>	
Subscriptions	1,625,000
Redemptions	(325,000)
Total increase (decrease) in shares outstanding	<u>1,300,000</u>

(a) Inception date of the Fund was May 27, 2025.

## Financial Highlights

### For a share outstanding throughout the period presented

**Alpha Brands™  
Consumption  
Leaders ETF**

---

**Period Ended  
December 31,  
2025<sup>(a)</sup>**

---

**PER SHARE DATA:**

Net asset value, beginning of period \$20.00

**INVESTMENTS OPERATIONS:**

Net investment income (loss)<sup>(b)</sup> (0.01)

Net realized and unrealized gain (loss)<sup>(c)</sup> 0.96

Total from investment operations 0.95

Net asset value, end of period \$20.95

**TOTAL RETURN<sup>(d)</sup>** 4.75%

**SUPPLEMENTAL DATA AND RATIOS:**

Net assets, end of period (in thousands) \$27,235

Ratio of expenses to average net assets<sup>(e)</sup> 0.69%

Ratio of net investment income to average net assets<sup>(e)</sup> (0.10)%

Portfolio turnover rate<sup>(d)(f)</sup> 169%

(a) Inception date of the Fund was May 27, 2025.

(b) Net investment income per share has been calculated based on average shares outstanding during the periods.

(c) Realized and unrealized gains and losses per share in the caption are balancing amounts necessary to reconcile the change in net asset value per share for the periods, and may not reconcile with the aggregate gains and losses in the Statement of Operations due to share transactions for the periods.

(d) Not annualized for periods less than one year.

(e) Annualized for periods less than one year.

(f) Portfolio turnover rate excludes in-kind transactions, if any.

# Notes to Financial Statements

---

December 31, 2025

## NOTE 1 - ORGANIZATION

The Alpha Brands™ Consumption Leaders ETF (the “Fund”) is a diversified series of shares of beneficial interest of Tidal Trust III (the “Trust”). The Trust was organized as a Delaware statutory trust on May 19, 2016 and is registered with the Securities and Exchange Commission (the “SEC”) under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company and the offering of the Fund’s shares (“Shares”) is registered under the Securities Act of 1933, as amended. The Trust is governed by its Board of Trustees (the “Board”). Tidal Investments LLC (“Tidal Investments” or the “Adviser”), a Tidal Financial Group company, serves as investment adviser to the Fund and Accuvest Global Advisors Inc. (the “Sub-Adviser”), serves as investment sub-adviser to the Fund. The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 946 “Financial Services — Investment Companies.” The Fund commenced operations on May 27, 2025.

The primary investment objective of the Fund is to seek long-term capital appreciation. The Fund’s secondary investment objective is to seek to preserve capital during adverse market conditions.

## NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund. These policies are in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

**Security Valuation** - Equity securities listed on a securities exchange, market or automated quotation system for which quotations are readily available (except for securities traded on The Nasdaq Stock Market, LLC (“NASDAQ”), including securities traded over-the-counter, are valued at the last quoted sale price on the primary exchange or market (foreign or domestic) on which they are traded on the valuation date (or at approximately 4:00 p.m. EST if a security’s primary exchange is normally open at that time), or, if there is no such reported sale on the valuation date, at the most recent quoted bid price or mean between the most recent quoted bid and ask prices for long and short positions. For a security that trades on multiple exchanges, the primary exchange will generally be considered the exchange on which the security is generally most actively traded. For securities traded on NASDAQ, the NASDAQ Official Closing Price will be used. Prices of securities traded on the securities exchange will be obtained from recognized independent pricing agents each day that the Fund is open for business.

Investments in money market mutual funds are valued at each underlying fund’s published net asset value (“NAV”) per share as of the valuation time. Each underlying money market fund calculates NAV using the amortized cost method (which approximates fair value) as permitted by Rule 2a-7 under the 1940 Act.

Under Rule 2a-5 of the 1940 Act, a fair value will be determined for securities for which quotations are not readily available by the Valuation Designee (as defined in Rule 2a-5) in accordance with the Pricing and Valuation Policy and Fair Value Procedures, as applicable, of the Adviser, subject to oversight by the Board. When a security is “fair valued,” consideration is given to the facts and circumstances relevant to the particular situation, including a review of various factors set forth in the Adviser’s Pricing and Valuation Policy and Fair Value Procedures, as applicable. Fair value pricing is an inherently subjective process, and no single standard exists for determining fair value. Different funds could reasonably arrive at different values for the same security. The use of fair value pricing by a Fund may cause the NAV of its shares to differ significantly from the NAV that would be calculated without regard to such considerations.

## Notes to Financial Statements

December 31, 2025

As described above, the Fund utilizes various methods to measure the fair value of its investments on a recurring basis. U.S. GAAP establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available; representing the Fund’s own assumptions about the assumptions a market participant would use in valuing the asset or liability and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The following is a summary of the inputs used to value the Fund's investments as of December 31, 2025:

	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
<b>Investments:</b>				
Common Stocks	\$ 27,152,828	\$ –	\$ –	\$ 27,152,828
Money Market Funds	61,146	–	–	61,146
<b>Total Investments</b>	<b>\$ 27,213,974</b>	<b>\$ –</b>	<b>\$ –</b>	<b>\$ 27,213,974</b>

Refer to the Schedule of Investments for further disaggregation of investment categories.

**Federal Income Taxes** - The Fund has elected to be taxed as a regulated investment company (“RIC”) and intends to distribute substantially all taxable income to its shareholders and otherwise comply with the provisions of the Internal Revenue Code applicable to RICs. Therefore, no provision for federal income taxes or excise taxes has been made.

In order to avoid imposition of the excise tax applicable to RICs, the Fund intends to declare as dividends in each calendar year, at least 98% of its net investment income (earned during the calendar year) and at least 98.2% of its net realized capital gains (earned during the twelve months ended October 31) plus undistributed amounts, if any, from prior years. As a RIC, the Fund is subject to a 4% excise tax that is imposed if the Fund does not distribute by the end of any calendar year at least the sum of (i) 98% of its ordinary income (not taking into account any capital

## Notes to Financial Statements

---

December 31, 2025

gain or loss) for the calendar year and (ii) 98.2% of its capital gain in excess of its capital loss (adjusted for certain ordinary losses) for a one-year period generally ending on October 31 of the calendar year (unless an election is made to use the Fund's fiscal year). The Fund generally intends to distribute income and capital gains in the manner necessary to minimize (but not necessarily eliminate) the imposition of such excise tax. The Fund may retain income or capital gains and pay excise tax when it is determined that doing so is in the best interest of shareholders. Management evaluates the costs of the excise tax relative to the benefits of retaining income and capital gains, including that such undistributed amounts (net of the excise tax paid) remain available for investment by the Fund and are available to supplement future distributions. Tax expense is disclosed in the Statement of Operations, if applicable.

As of December 31, 2025, the Fund did not have any tax positions that did not meet the threshold of being sustained by the applicable tax authority. Generally, tax authorities can examine all the tax returns filed for the last three years. The Fund identifies its major tax jurisdiction as U.S. Federal and the Commonwealth of Delaware; however, the Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits on uncertain tax positions as income tax expense in the Statement of Operations.

**Securities Transactions and Investment Income** - Investment securities transactions are accounted for on the trade date. Gains and losses realized on sales of securities are determined on a specific identification basis. Discounts/premiums on debt securities purchased are accreted/amortized over the life of the respective securities using the effective interest method. Dividend income is recorded on the ex-dividend date. Interest income is recorded on an accrual basis. Other non-cash dividends are recognized as investment income at the fair value of the property received. Withholding taxes on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and rates.

**Distributions to Shareholders** - Distributions to shareholders from net investment income, if any, for the Fund are declared and paid annually. Distributions to shareholders from net realized gains on securities, if any, for the Fund normally are declared and paid at least annually. Distributions are recorded on the ex-dividend date.

**Use of Estimates** - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

**Share Valuation** - The NAV per Share is calculated by dividing the sum of the value of the securities held by the Fund, plus cash or other assets, minus all liabilities by the total number of Shares outstanding for the Fund, rounded to the nearest cent. Fund Shares will not be priced on the days on which the NASDAQ is closed for trading.

**Guarantees and Indemnifications** - In the normal course of business, the Fund enters into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.

**Illiquid Securities** - Pursuant to Rule 22e-4 under the 1940 Act, the Fund has adopted a Board-approved Liquidity Risk Management Program (the "Program") that requires, among other things, that the Fund limit its illiquid investments that are assets to no more than 15% of the value of the Fund's net assets. An illiquid investment is any security that the Fund reasonably expects cannot be sold or disposed of in current market conditions in seven

## Notes to Financial Statements

---

December 31, 2025

calendar days or less without the sale or disposition significantly changing the market value of the investment. If the Fund should be in a position where the value of illiquid investments held by the Fund exceeds 15% of the Fund's net assets, the Fund will take such steps as set forth in the Program.

**Reclassification of Capital Accounts.** U.S. GAAP requires that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or NAV per Share. These differences are primarily related to redemptions in-kind. For the period ended December 31, 2025, the following adjustments were made:

<b>Paid-In Capital</b>	<b>Total distributable earnings/(accumulated losses)</b>
\$ 938,958	\$ (938,958)

### NOTE 3 - PRINCIPAL INVESTMENT RISKS

**Equity Market Risk.** By virtue of the Fund's investments in equity securities, the Fund is exposed to common stocks which subject the Fund to equity market risk. Common stocks are generally exposed to greater risk than other types of securities, such as preferred stock and debt obligations, because common stockholders generally have inferior rights to receive payment from specific issuers. Equity securities may experience sudden, unpredictable drops in value or long periods of decline in value. This may occur because of factors that affect securities markets generally or factors affecting specific issuers, industries, or sectors in which the Fund invests.

**Foreign Securities Risk.** Investments in securities or other instruments of non-U.S. issuers involve certain risks not involved in domestic investments and may experience more rapid and extreme changes in value than investments in securities of U.S. companies. Financial markets in foreign countries often are not as developed, efficient, or liquid as financial markets in the U.S., and therefore, the prices of non-U.S. securities and instruments can be more volatile. In addition, the Fund will be subject to risks associated with adverse political and economic developments in foreign countries, which may include the imposition of economic sanctions. Generally, there is less readily available and reliable information about non-U.S. issuers due to less rigorous disclosure or accounting standards and regulatory practices. Investments in foreign companies' securities, including investments via depositary receipts, are subject to special risks, including the following:

- **Depositary Receipt Risk.** Depositary receipts involve risks similar to those associated with investments in foreign securities and give rise to certain additional risks. Depositary receipts listed on U.S. or foreign exchanges are issued by banks or trust companies, and entitle the holder to all dividends and capital gains that are paid out on the underlying foreign shares ("Underlying Shares"). When the Fund invests in depositary receipts as a substitute for an investment directly in the Underlying Shares, the Fund is exposed to the risk that the depositary receipts may not provide a return that corresponds precisely with that of the Underlying Shares.
- **Developed Markets Risk.** Developed market countries generally tend to rely on the services sectors (e.g., the financial services sector) as the primary source of economic growth and may be susceptible to the risks of individual service sectors. Many developed market countries have heavy indebtedness, which may lead downward pressure on the economies of these countries. As a result, it is possible that interest rates on debt of certain developed countries may rise to levels that make it difficult for such countries to service high debt levels without significant help from other countries or from a central bank. Developed market

## Notes to Financial Statements

---

December 31, 2025

countries generally are dependent on the economies of certain key trading partners. Changes in any one economy may cause an adverse impact on several developed countries.

- **Emerging Markets Risk.** The Fund may invest in securities issued by companies domiciled or headquartered in emerging market nations. Investments in securities traded in developing or emerging markets, or that provide exposure to such securities or markets, can involve additional risks relating to political, economic, currency, or regulatory conditions not associated with investments in U.S. securities and investments in more developed international markets. Such conditions may impact the ability of the Fund to buy, sell or otherwise transfer securities, adversely affect the trading market and price for Fund Shares and cause the Fund to decline in value.

**Sector Risks.** The Sub-Adviser's investment selection process may result in the allocation of more of the Fund's investments to a particular sector or sectors in the market. If the Fund invests a significant portion of its total assets in a certain sector or certain sectors, its investment portfolio will be more susceptible to the financial, economic, business, and political developments that affect those sectors than a fund that is more diversified.

- **Consumer Discretionary Sector Risk.** The success of consumer product manufacturers and retailers is tied closely to the performance of domestic and international economies, interest rates, exchange rates, competition, consumer confidence, changes in demographics and consumer preferences. Companies in the consumer discretionary sector depend heavily on disposable household income and consumer spending and may be strongly affected by social trends and marketing campaigns. These companies may be subject to severe competition, which may have an adverse impact on their profitability.
- **Consumer Staples Sector Risk.** The consumer staples sector may be affected by the regulation of various product components and production methods, marketing campaigns and other factors affecting consumer demand. Tobacco companies, in particular, may be adversely affected by new laws, regulations and litigation. The consumer staples sector may also be adversely affected by changes or trends in commodity prices, which may be influenced by unpredictable factors.

As with any investment, there is a risk that you could lose all or a portion of your principal investment in the Fund. The Fund is subject to the above principal risks, as well as other principal risks which may adversely affect the Fund's NAV, trading price, yield, total return and/or ability to meet its objective. For more information about the risks of investing in the Fund, see the section in the Fund's Prospectus titled "Additional Information About the Fund — Principal Investment Risks."

### NOTE 4 - COMMITMENTS AND OTHER RELATED PARTY TRANSACTIONS

The Adviser serves as investment adviser to the Fund pursuant to an investment advisory agreement between the Adviser and the Trust, on behalf of the Fund (the "Advisory Agreement"), and, pursuant to the Advisory Agreement, provides investment advice to the Fund and oversees the day-to-day operations of the Fund, subject to the direction and oversight of the Board. The Adviser is also responsible for trading portfolio securities for the Fund, including selecting broker-dealers to execute purchase and sale transactions. The Adviser provides oversight of the Sub-Adviser and review of the Sub-Adviser's performance.

Pursuant to the Advisory Agreement, the Fund pays the Adviser a unitary management fee (the "Investment Advisory Fee") of 0.69% based on the average daily net assets of the Fund. Out of the Investment Advisory Fee, the Adviser is obligated to pay or arrange for the payment of substantially all expenses of the Fund, including the cost of sub-advisory, transfer agency, custody, fund administration, and all other related services necessary for the Fund to

## Notes to Financial Statements

---

December 31, 2025

operate. Under the Advisory Agreement, the Adviser has agreed to pay, or require the Sub-Adviser to pay, all expenses incurred by the Fund except for interest charges on any borrowings, dividends and other expenses on securities sold short, taxes, brokerage commissions and other expenses incurred in placing orders for the purchase and sale of securities and other investment instruments, acquired fund fees and expenses, accrued deferred tax liability, extraordinary expenses, distribution fees and expenses paid by the Fund under any distribution plan adopted pursuant to Rule 12b-1 under the 1940 Act (collectively, "Excluded Expenses"), and the Investment Advisory Fee payable to the Adviser. The Investment Advisory Fees incurred are paid monthly to the Adviser. Investment Advisory Fees for the period ended December 31, 2025 are disclosed in the Statement of Operations.

The Sub-Adviser serves as investment sub-adviser to the Fund, pursuant to a sub-advisory agreement between the Adviser and the Sub-Adviser with respect to the Fund (the "Sub-Advisory Agreement"). Pursuant to the Sub-Advisory Agreement, the Sub-Adviser is responsible for the day-to-day management of the Fund's portfolio, including determining the securities purchased and sold by the Fund, subject to the supervision of the Adviser and the Board. The Sub-Adviser is paid a fee by the Adviser, which is calculated daily and paid monthly, at an annual rate of 0.04% of the Fund's average daily net assets (the "Sub-Advisory Fee"). The Sub-Adviser has agreed to assume all or a portion of the Adviser's obligation to pay all expenses incurred by the Fund, except for the Excluded Expenses. For assuming the payment obligation for a portion of the Fund's expenses, the Adviser has agreed to pay to the Sub-Adviser a corresponding share of profits, if any, generated by the Fund's Investment Advisory Fee, less a contractual fee retained by the Adviser. Expenses incurred by the Fund and paid by the Sub-Adviser include fees charged by Tidal (defined below), which is an affiliate of the Adviser.

Tidal ETF Services LLC ("Tidal"), a Tidal Financial Group company and an affiliate of the Adviser, serves as the Fund's administrator and, in that capacity, performs various administrative and management services for the Fund. Tidal coordinates the payment of Fund-related expenses and manages the Trust's relationships with its various service providers. Tidal prepares various federal and state regulatory filings, reports and returns for the Fund, including regulatory compliance monitoring and financial reporting; prepares reports and materials to be supplied to the Board; and monitors the activities of the Fund's custodian.

U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services ("Fund Services"), serves as the Fund's fund accountant and transfer agent. In those capacities, Fund Services performs various accounting and transfer agency services for the Fund. U.S. Bank N.A. (the "Custodian"), an affiliate of Fund Services, serves as the Fund's custodian.

Forside Fund Services, LLC (the "Distributor") acts as the Fund's principal underwriter in a continuous public offering of the Fund's Shares.

Certain officers and a trustee of the Trust are affiliated with the Adviser. Neither the affiliated trustee nor the Trust's officers receive compensation from the Fund.

The Board has adopted a Distribution (Rule 12b-1) Plan (the "Plan") pursuant to Rule 12b-1 under the 1940 Act. In accordance with the Plan, the Fund is authorized to pay an amount up to 0.25% of its average daily net assets each year to pay distribution fees for the sale and distribution of its Shares. No Rule 12b-1 fees are currently paid by the Fund, and there are no plans to impose these fees. However, in the event Rule 12b-1 fees are charged in the future, because the fees are paid out of the Fund's assets on an ongoing basis, over time these fees will increase the cost of your investment and may cost you more than certain other types of sales charges.

## Notes to Financial Statements

December 31, 2025

### NOTE 5 - SEGMENT REPORTING

In accordance with the FASB Accounting Standards Update 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures (“ASU 2023-07”), the Fund has evaluated its business activities and determined that it operates as a single reportable segment.

The Fund's investment activities are managed by the Principal Financial Officer, which serves as the Chief Operating Decision Maker ("CODM"). The Principal Financial Officer is responsible for assessing the Fund's financial performance and allocating resources. In making these assessments, the Principal Financial Officer evaluates the Fund's financial results on an aggregated basis, rather than by separate segments. As such, the Fund does not allocate operating expenses or assets to multiple segments, and accordingly, no additional segment disclosures are required. There were no intra-entity sales or transfers during the reporting period.

The Fund primarily generates income through dividends, interest, and realized/unrealized gains on its investment portfolio. Expenses incurred, including management fees, Fund operating expenses, and transaction costs, are considered general Fund-level expenses and are not allocated to specific segments or business lines.

Management has determined that the Fund does not meet the criteria for disaggregated segment reporting under ASU 2023-07 and will continue to evaluate its reporting requirements in accordance with applicable accounting standards.

### NOTE 6 - PURCHASES AND SALES OF SECURITIES

For the period ended December 31, 2025, the cost of purchases and proceeds from the sales or maturities of securities, excluding short-term investments, U.S. government securities, and in-kind transactions were:

<b>Purchases</b>	<b>Sales</b>
\$39,623,606	\$ 38,061,391

For the period ended December 31, 2025, there were no purchases or sales of long-term U.S. government securities.

For the period ended December 31, 2025, in-kind transactions associated with creations and redemptions for the Fund were:

<b>Purchases</b>	<b>Sales</b>
\$ 31,035,786	\$ 6,399,672

### NOTE 7 - INCOME TAXES AND DISTRIBUTIONS TO SHAREHOLDERS

The Fund did not have any distributions for the period ended December 31, 2025.

As of the fiscal period ended December 31, 2025, the components of distributable earnings/(accumulated losses) on a tax basis were as follows:

Cost of investments <sup>(a)</sup>	\$ 26,485,578
Gross tax unrealized appreciation	2,069,627
Gross tax unrealized depreciation	(1,341,231)

## Notes to Financial Statements

December 31, 2025

Net tax unrealized appreciation (depreciation)	728,396
Undistributed ordinary income (loss)	–
Undistributed long-term capital gain (loss)	–
Total distributable earnings	–
Other accumulated gain (loss)	(720,545)
Total distributable earnings/(accumulated losses)	\$ 7,851

(a) The difference between book and tax-basis unrealized appreciation is primarily due to wash sale adjustments.

Net capital losses incurred after October 31 (post-October losses) and net investment losses incurred after December 31 (late-year losses), and within the taxable year, may be elected to be deferred to the first business day of the Fund's next taxable year. As of the fiscal period ended December 31, 2025, the Fund had not elected to defer any post-October or late-year losses.

As of December 31, 2025, the Fund had long-term and short-term capital loss carryovers of \$0 and \$720,545, respectively, which do not expire.

### NOTE 8 - SHARES TRANSACTIONS

Shares of the Fund are listed and traded on the NASDAQ. Market prices for the Shares may be different from their NAV. The Fund issues and redeems shares on a continuous basis at NAV, generally in large blocks of Shares, called Creation Units. Creation Units are issued and redeemed principally in-kind for securities included in a specified universe. Once created, Shares generally trade in the secondary market at market prices that change throughout the day. Except when aggregated in Creation Units, Shares are not redeemable securities of the Fund. Creation Units may only be purchased or redeemed by Authorized Participants. An Authorized Participant is either (i) a broker-dealer or other participant in the clearing process through the Continuous Net Settlement System of the National Securities Clearing Corporation or (ii) a Depository Trust Company participant and, in each case, must have executed a Participant Agreement with the Distributor. Most retail investors do not qualify as Authorized Participants nor have the resources to buy and sell whole Creation Units. Therefore, they are unable to purchase or redeem the Shares directly from the Fund. Rather, most retail investors may purchase Shares in the secondary market with the assistance of a broker and are subject to customary brokerage commissions or fees.

The Fund currently offers one class of Shares, which has no front-end sales load, no deferred sales charge, and no redemption fee. A fixed transaction fee is imposed for the transfer and other transaction costs associated with the purchase or sale of Creation Units. The standard fixed transaction fee for the Fund is \$300, payable to the Custodian. The fixed transaction fee may be waived on certain orders if the Fund's Custodian has determined to waive some or all of the costs associated with the order or another party, such as the Adviser, has agreed to pay such fee. In addition, a variable fee may be charged on all cash transactions or substitutes for Creation Units and Redemption Units of up to a maximum of 2% of the value of the Creation Units and Redemption Units subject to the transaction. Variable fees are imposed to compensate the Fund for transaction costs associated with the cash transactions. Variable fees received by the Fund, if any, are disclosed in the capital shares transactions section of the Statement of Changes in Net Assets. The Fund may issue an unlimited number of Shares of beneficial interest, with no par value. All Shares of the Fund have equal rights and privileges.

## Notes to Financial Statements

---

December 31, 2025

### **NOTE 9 - RECENT MARKET EVENTS**

U.S. and international markets have experienced and may continue to experience significant periods of volatility in recent years and months due to a number of economic, political and global macro factors including uncertainty regarding inflation and central banks' interest rate changes, the possibility of a national or global recession, trade tensions and tariffs, political events, armed conflict, war, and geopolitical conflict. These developments, as well as other events, could result in further market volatility and negatively affect financial asset prices, the liquidity of certain securities and the normal operations of securities exchanges and other markets, despite government efforts to address market disruptions. As a result, the risk environment remains elevated. The Adviser and Sub-Adviser will monitor developments and seek to manage the Fund in a manner consistent with achieving the Fund's investment objective, but there can be no assurance that they will be successful in doing so.

### **NOTE 10 - NEW ACCOUNTING PRONOUNCEMENTS**

In December 2023, the Financial Accounting Standards Board ("FASB") issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"), which enhances the transparency and decision usefulness of income tax disclosures. The amendments are effective for annual periods beginning after December 15, 2024. The Fund has adopted ASU 2023-09, which did not have a material impact on the Fund's financial statements or disclosures.

### **NOTE 11 - SUBSEQUENT EVENTS**

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued. Management has determined that there are no subsequent events that would need to be recognized or disclosed in the Fund's financial statements.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

### To the Shareholders of Alpha Brands™ Consumption Leaders ETF and The Board of Trustees of Tidal Trust III

#### Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Alpha Brands™ Consumption Leaders ETF (the “Fund”), a series of Tidal Trust III (the “Trust”), including the schedule of investments, as of December 31, 2025, the related statement of operations, the statement of changes in net assets and the financial highlights for the period from May 27, 2025 (commencement of operations) through December 31, 2025, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2025, the results of its operations, the changes in its net assets and the financial highlights for the period from May 27, 2025 (commencement of operations) through December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We have served as the auditor of one or more of the funds in the Trust since 2025.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2025, by correspondence with the custodian and broker; when replies were not received from the broker, we performed other auditing procedures. We believe that our audit provides a reasonable basis for our opinion.

*Tait, Weller & Baker LLP*

**TAIT, WELLER & BAKER LLP**

**Philadelphia, Pennsylvania  
February 27, 2026**

December 31, 2025

**QUALIFIED DIVIDEND INCOME/DIVIDENDS RECEIVED DEDUCTION**

For the fiscal year ended December 31, 2025, certain dividends paid by the Fund may be subject to a maximum tax rate of 23.8%, as provided for by the Jobs and Growth Tax Relief Reconciliation Act of 2003 and the Tax Cuts and Jobs Act of 2017. The percentage of dividends declared from ordinary income designated as qualified dividend income was as follows:

Alpha Brands™ Consumption Leaders ETF	0.00%
---------------------------------------	-------

For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the fiscal year ended December 31, 2025, was as follows:

Alpha Brands™ Consumption Leaders ETF	0.00%
---------------------------------------	-------

The percentage of taxable ordinary income distributions that are designated as short-term capital gain distribution under Internal Revenue Section 871(k)(2)(c) for the fiscal year ended December 31, 2025, was as follows:

Alpha Brands™ Consumption Leaders ETF	0.00%
---------------------------------------	-------

**Item 8. Changes in and Disagreements with Accountants for Open-End Investment Companies.**

There have been no changes in or disagreements with the Fund's accountants.

**Item 9. Proxy Disclosure for Open-End Investment Companies.**

There were no matters submitted to a vote of shareholders during the period covered by the report.

**Item 10. Remuneration Paid to Directors, Officers, and Others of Open-End Investment Companies.**

See Item 7(a). Under the Investment Advisory Agreement, in exchange for a single unitary management fee from the Fund, the Adviser has agreed to pay all expenses incurred by the Fund, including Trustee compensation, except for certain excluded expenses.

**Item 11. Statement Regarding Basis for Approval of Investment Advisory Contract.**

Not applicable.