



AVE MARIA VALUE FUND

Q4 2021 COMMENTARY

The Ave Maria Value Fund (AVEMX) had a total return of 7.83% for the three months ended December 31, 2021, compared to 8.00% for the S&P MidCap 400® Index. The returns for the Fund compared to its benchmark as of December 31, 2021:

	1 Yr.	3 Yrs.^	5 Yrs.^	10 Yrs.^	Since Inception^*	Prospectus Expense Ratio
Ave Maria Value Fund	25.15%	16.99%	11.46%	9.27%	7.54%	0.97%
S&P MidCap 400® Index	24.76%	21.41%	13.09%	14.20%	10.18%	

^ Annualized * Since Inception date is 5-1-2001

Performance data quoted represents past performance, which is no guarantee of future results. Investment return and principal value are historical and may fluctuate so that redemption value may be worth more or less than the original cost. Current performance may be lower or higher than what is quoted. Call 1-866-AVE-MARIA or visit www.avemariafunds.com for the most current month-end performance.

After underperforming for many years, value stocks generally outperformed growth stocks last year. Similarly, small caps finally outperformed large caps after lagging for many years. The Fund benefitted from the outperformance of its value stocks and small-cap stocks.

The Fund's top contributor to performance in 2021 was The Fund's largest holding, Texas Pacific Land Corporation (TPL), which rose 73% for the year. TPL's oil & natural gas royalty business benefitted from rising energy prices during the year. Other top performers included KKR & Co., Inc. (investment management), Pioneer Natural Resources Company (oil & gas exploration and production), Valvoline, Inc. (automotive services and lubricants) and AMERCO (U-Haul rental & leasing services).

The main detractor from the Fund's performance in 2021 was Haemonetics Corporation, which declined 55%. The company lost a significant customer during the year, and we continue to assess the investment merits of this holding at its currently depressed price. Other detractors from performance included Frontdoor, Inc. (home services), Allison Transmission Holdings (automotive transmissions & parts) and VF Corporation (apparel manufacturing & retail). Near year-end, the Fund established a new position in Purple Innovation, Inc. a vertically integrated designer and manufacturer of gel-grid mattresses, pillows, and accessories. The company's proprietary gel-grid technology is distinctly different from other mattresses such as innersprings and memory foam, allowing Purple mattresses to stand out in a crowded, commoditized industry. Purple's marketing operation is also highly efficient. Viral advertising campaigns have resulted in extensive marketing reach despite relatively little advertising spend. We expect the company to overcome its recent operational setbacks from supply chain restraints and resume growing at an attractive rate.

With the strong performance of our value-oriented portfolio last year, an important inflection point may have been reached. There are signs that a long-overdue rotation favoring value stocks has begun with energy, industrials, materials, and financials among the best performing sectors in 2021. Value investing based on fundamental security analysis, has historically provided excellent long-term investment results. We believe fundamentals matter and will always be the primary driver of long-term investment performance.



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The year-end distribution of \$1.8852 per share consisted of \$0.0618 of investment income, \$0.1211 of short-term gains, and \$1.7023 of long-term capital gains. The net asset value of the Fund ended the year at \$23.22 per share.

Thank you for being a shareholder in the Ave Maria Value Fund.

IMPORTANT INFORMATION FOR INVESTORS

As of 12-31-21, the holding percentages of the stocks mentioned in this commentary are as follows; Texas Pacific Land Corporation (9.7%), KKR & Co., Inc. (2.3%), Pioneer Natural Resources Company (5.0%), Valvoline, Inc. (3.7%), AMERCO (2.4%), Haemonetics Corporation (2.2%), Frontdoor, Inc. (1.9%), Allison Transmission Holdings (1.2%), VF Corporation (1.7%) and Purple Innovation, Inc. (2.8%). Fund holdings are subject to change and should not be considered purchase recommendations. There is no assurance that the securities mentioned remain in the Fund's portfolio or that securities sold have not been repurchased. The Fund's top ten holdings as of 12-31-21: Texas Pacific Land Corporation (9.7%), Pioneer Natural Resources Co. (5.0%), Chevron Corporation (4.4%), Graham Holdings Co. Class B (3.8%), Valvoline, Inc. (3.7%), Alcon, Inc. (3.6%), Franco Nevada Corporation (3.3%), CME Group, Inc. (2.9%), Chemed Corporation (2.9%) and Intercontinental Exchange, Inc. (2.9%). The most current available data regarding portfolio holdings can be found on our website, www.avemariafunds.com. Current and future portfolio holdings are subject to risk.

The Adviser invests only in securities that meet the Fund's investment and religious requirements. The returns may be lower or higher than if decisions were based solely on investment considerations. The method of security selection may or may not be successful and the Fund may underperform or outperform the stock market as a whole. All mutual funds are subject to market risk, including possible loss of principal. The Fund's investments in small- and mid-capitalization companies could experience greater volatility than investments in large-capitalization companies. The investment performance assumes reinvestment of dividends and capital gains distributions. Performance data reflects certain fee waivers and reimbursements. Without such waivers, performance would have been lower. The S&P 400® Midcap Index is an unmanaged index created by Standard & Poor's made up of 400 midcap companies. The index is the most widely used index for mid-sized companies. Indexes do not incur fees and it is not possible to invest directly in an index.

Request a prospectus, which includes investment objectives, risks, fees, charges and expenses and other information that you should read and consider carefully before investing. The prospectus can be obtained by calling 1-866-283-6274 or online at www.avemariafunds.com. Distributed by Ultimus Fund Distributors, LLC.



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MUTUAL FUNDS

1-866-AVE-MARIA (1-866-283-6274)
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