

# AVE MARIA VALUE FUND

Q2 2023  
PRESENTATION BOOK

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# SCHWARTZ INVESTMENT COUNSEL, INC.

# SCHWARTZ INVESTMENT COUNSEL, INC.

## Important Facts

- ❑ Founded in 1980
- ❑ Headquartered in Plymouth, Michigan
- ❑ Portfolio managers and analysts average over 20 years of investment experience
- ❑ Investment adviser to the Ave Maria Mutual Funds

# SCHWARTZ INVESTMENT COUNSEL, INC.

## Our Philosophy

- ❑ Importance placed on long-term relationships
- ❑ Investment goals consistent with risk tolerance levels
- ❑ Prudent management utilizes trust-quality investments
- ❑ Seek to provide above-average returns and below-average risk
- ❑ Our reputation is our most valuable asset
- ❑ The Ave Maria Mutual Funds couple intelligent, disciplined investing with Catholic Values

# SCHWARTZ INVESTMENT COUNSEL, INC.

## Equity Investment Discipline

- ❑ Emphasize companies with superior business characteristics
- ❑ Utilize independent analysis and proprietary screening supplemented by Wall Street research
- ❑ Purchase shares of financially sound companies when they are out of favor and attractively priced
- ❑ Buy across market capitalizations if price represents a significant discount to our estimate of intrinsic value
- ❑ Contrarian discipline designed to reduce the risk of loss and enhance returns
- ❑ Sell stocks when they no longer meet our standards

# SCHWARTZ INVESTMENT COUNSEL, INC.

## Research Process

- ❑ Focus on fundamentals – income statements, balance sheets and cash flow statements in conjunction with growth prospects
- ❑ Augment with external research from a variety of sources (for factual data)
- ❑ Make decisions based on assessment of risk/reward relationship
- ❑ Investment committee comprised of all portfolio managers and analysts meets regularly
- ❑ Securities selection process is not committee driven – PMs are responsible for managing their portfolios

# SCHWARTZ INVESTMENT COUNSEL, INC.

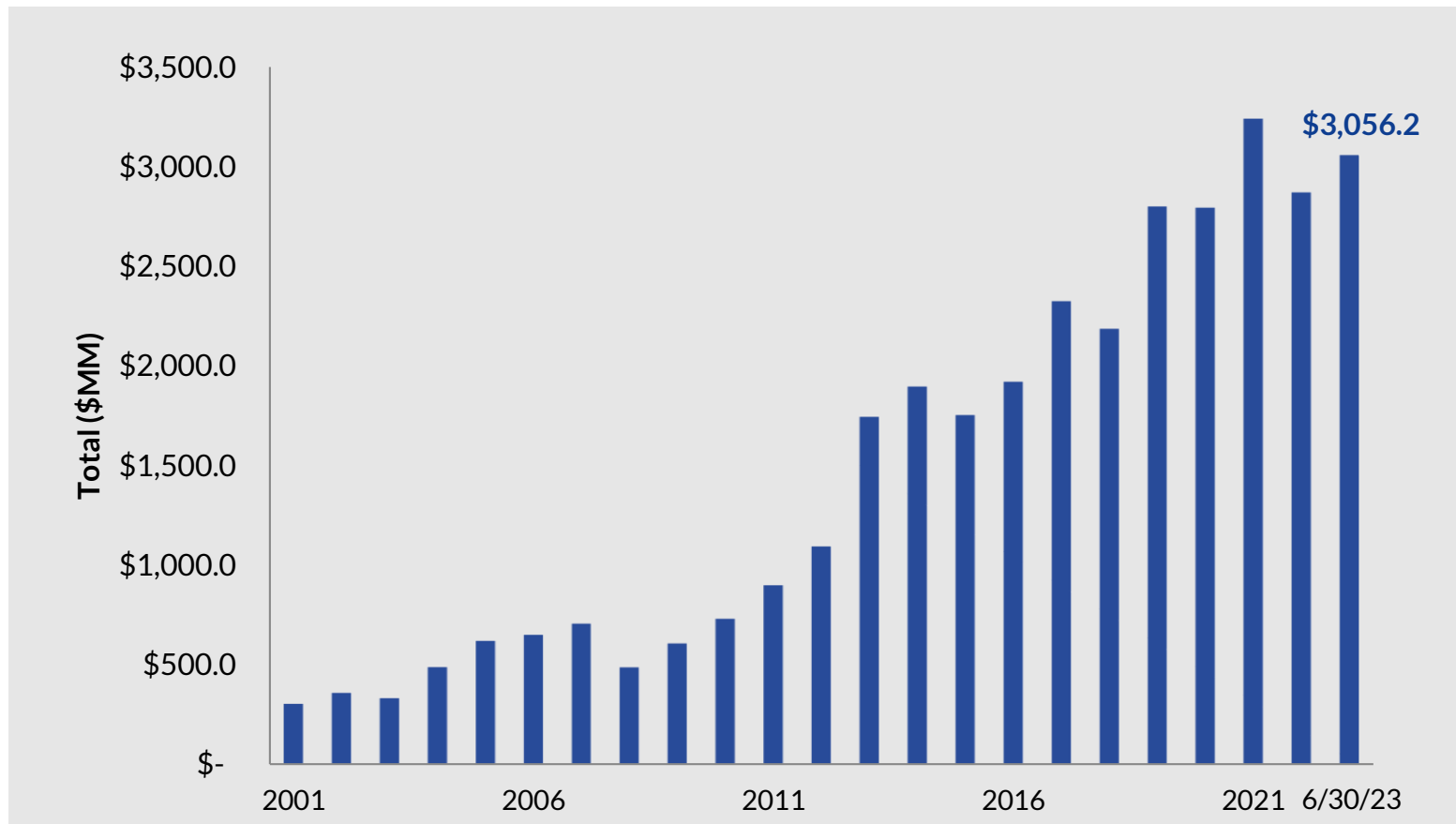
## Alpha Generation

- ❑ Alpha added through our disciplined bottom-up security selection
- ❑ Focus on sound operating fundamentals, conservative capital structures and proven staying power should lead to our companies doing well over entire market cycles
- ❑ Expect portfolios to perform well on a relative basis when economy is struggling
- ❑ Expect portfolios to have weaker relative performance when economy is rapidly growing or when investors are more inclined to speculation



# SCHWARTZ INVESTMENT COUNSEL, INC.

## Growth of Assets Under Management



# SCHWARTZ INVESTMENT COUNSEL, INC.

## Experienced Portfolio Managers



**George P. Schwartz, CFA**

Years of investment experience	Funds managed
40+	Bond, Rising Dividend



**Adam P. Gaglio, CFA**

Years of investment experience	Funds managed
10	Focused, Growth



**Timothy S. Schwartz, CFA**

Years of investment experience	Fund managed
25	Value



**Chadd M. Garcia, CFA**

Years of investment experience	Funds managed
19	Focused, Growth

# SCHWARTZ INVESTMENT COUNSEL, INC.

## Experienced Portfolio Managers



Brandon S. Scheitler	
Years of investment experience	Fund managed
17	Bond, Rising Dividend



Ryan M. Kuyawa, CFA	
Years of investment experience	Fund managed
21	Value



Anthony W. Gennaro, CFA, CPA	
Years of investment experience	Fund managed
25	World Equity



Sean C. Gaffney, CFA	
Years of investment experience	Fund managed
6	World Equity



# AVE MARIA MUTUAL FUNDS

# AVE MARIA MUTUAL FUNDS

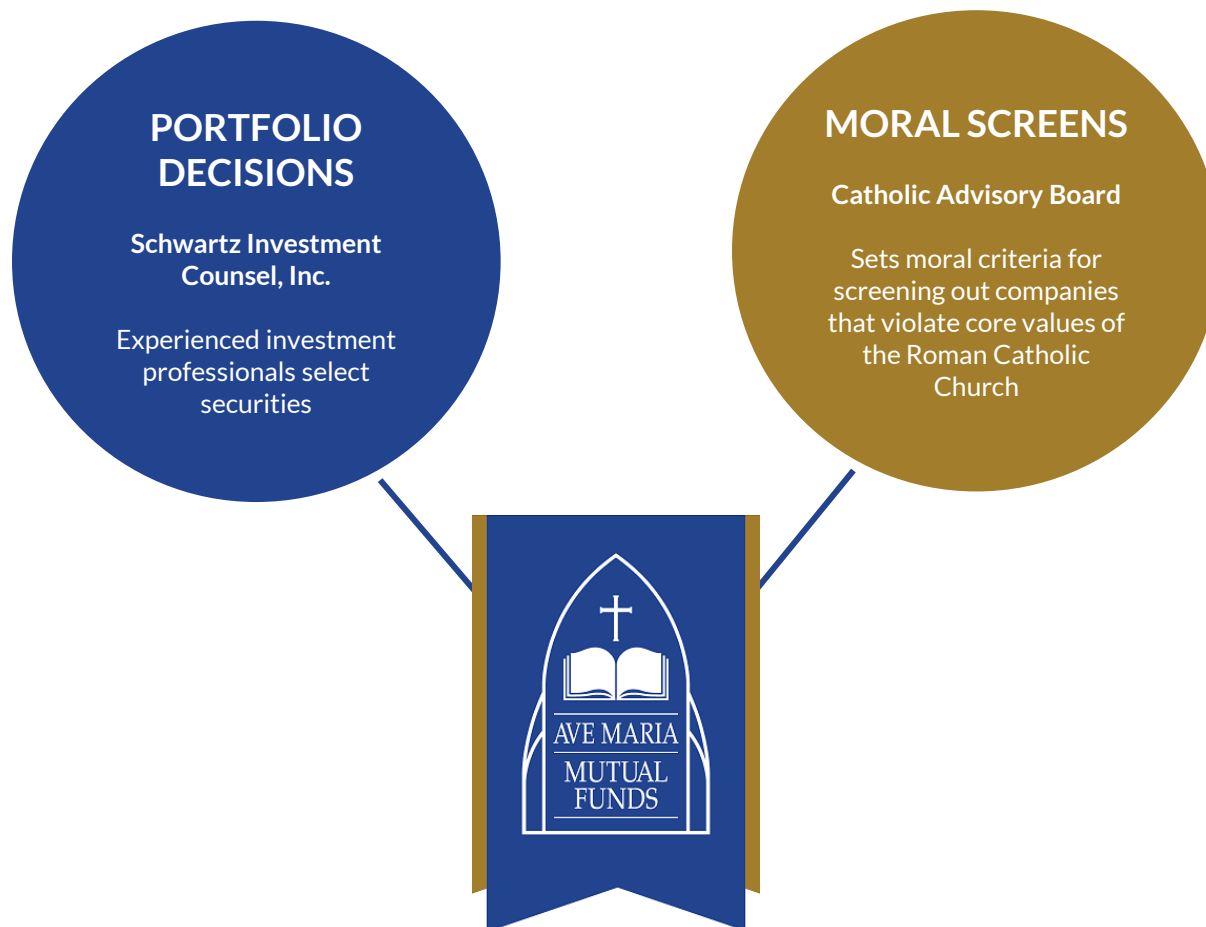


## Searching For An Investment That Shares Your Values?

Wise Investors are selective; they recognize the impact of investment choices on the lives of those around them. If you do not want to own stocks of companies that support abortion, pornography or other anti-family policies, consider the Ave Maria Mutual Funds.

# AVE MARIA MUTUAL FUNDS

## Organizational Structure



# AVE MARIA MUTUAL FUNDS

## Diversified Fund Family

Value Fund (AVEMX)	
Investment Goal	Long-term capital appreciation
Primary Investment Focus	Invests in companies that are believed to be undervalued relative to their intrinsic worth
Inception Date	May 1, 2001

Growth Fund (AVEGX)	
Investment Goal	Long-term capital appreciation
Primary Investment Focus	Invests in mid-cap and larger companies offering above-average potential for growth in revenues, profits and cash flow
Inception Date	May 1, 2003

Rising Dividend Fund (AVEDX)	
Investment Goal	Long-term capital appreciation and a rising stream of dividend payments
Primary Investment Focus	Invests in dividend-paying common stocks with price appreciation potential
Inception Date	May 2, 2005

World Equity Fund (AVEWX)	
Investment Goal	Long-term capital appreciation
Primary Investment Focus	Invests in companies of all capitalizations from around the world
Inception Date	April 30, 2010

Focused Fund (AVEAX)	
Investment Goal	Long-term capital appreciation
Primary Investment Focus	Invests in companies of all sizes offering high earnings growth potential
Inception Date	May 1, 2020

Bond Fund (AVEFX)	
Investment Goal	Preservation of principal with a reasonable level of current income
Primary Investment Focus	Invests primarily in domestic investment-grade debt of government and corporate issuers. May invest up to 20% of its assets in equities
Inception Date	May 1, 2003

# AVE MARIA MUTUAL FUNDS

## Institutional Shareholders

- ❑ 68 Schools & Universities
- ❑ 14 Endowment Funds
- ❑ 45 Foundations
- ❑ 65 Dioceses
- ❑ 59 Churches
- ❑ 170 Other Organizations

As of 12-31-22



# AVE MARIA MUTUAL FUNDS

## Catholic Advisory Board

Composed of prominent Catholics who provide religious guidance in accordance with the Roman Catholic Church, the Board meets regularly to review the Funds' religious standards and criteria.



**Raymond  
Arroyo**  
Fox News &  
EWTN Host



**Scott  
Hahn**  
Professor,  
Franciscan  
University of  
Steubenville



**Lou  
Holtz, Emeritus**  
Former Head  
Football Coach  
University of  
Notre Dame



**Larry  
Kudlow, Emeritus**  
Former National  
Economic Council  
Director & Fox  
News Anchor



**Tom  
Monaghan**  
Chairman of  
the Ave  
Maria  
Foundation



**Melissa  
Moschella, PhD**  
Professor,  
Catholic  
University of  
America



**Father  
Riccardo, Emeritus**  
Executive Director,  
ACTS XXIX



**Paul  
Roney, CPA**  
President of  
Domino's Farms  
Corporation



**His Eminence  
Adam Cardinal  
Maida**  
Archbishop of  
Detroit, Emeritus



**His Excellency  
Allen  
Vigneron**  
Archbishop of  
Detroit

Episcopal  
Advisors

# AVE MARIA MUTUAL FUNDS

## Moral Screens

### Companies Eliminated by the Ave Maria Mutual Funds Moral Screens

**Abortion**

**Embryonic Stem Cell  
Research**

**Planned Parenthood**

**Pornography**

Abortifacient  
Producers, Hospitals  
Insurance Companies &  
Retail

Companies engaged in  
embryonic stem cell  
research

Companies that  
contribute corporate  
funds to Planned  
Parenthood (the largest  
provider of abortions in  
the U.S.)

Producers &  
Distributors, including  
Media Cos., Hotels,  
Retail, Internet & Cable  
Providers



The screening process eliminates approximately 150 of the companies in the Russell 3000® Index, leaving 95% of this universe eligible for investment.



# AVE MARIA VALUE FUND

# AVE MARIA VALUE FUND

## Investment Objective

The Ave Maria Value Fund's investment objective is capital appreciation from primarily small and mid-sized companies that are believed to be undervalued relative to their intrinsic worth.

## Investment Strategy

- We are bottom-up, fundamental value investors
- We utilize fundamental security analysis to identify securities selling at a discount to intrinsic value
- We seek to invest in high quality companies, in sound financial condition, selling at attractive valuations. We sell them when they no longer meet our standards.
- Investing in companies that possess strong operating fundamentals may provide a margin of safety and reduce downside risk
- Managing the Fund with a value focus requires us to be long-term oriented, disciplined and patient

# AVE MARIA VALUE FUND

## Investment Process



# AVE MARIA VALUE FUND

## Investable Universe

- The Fund invests primarily in small- and mid-cap companies, with the majority of investments in companies with market caps between \$5-25 billion
- We exclude stocks inconsistent with core values and teachings of the Roman Catholic Church. This excludes about 5% of the companies in the Russell 3000 Index<sup>®</sup>
- We may invest in foreign companies, either indirectly through depositary receipts or directly



# AVE MARIA VALUE FUND

## Buy Discipline

- Price matters. Buying even exceptional companies at an excessive valuation will reduce the chance for superior investment performance.
- We always seek a margin of safety by investing in companies when prices are below our estimate of intrinsic value.



# AVE MARIA VALUE FUND

## Buy Discipline

Portfolio companies will typically have one or more of the following characteristics:

- ❑ Above average free cash flow generation
- ❑ High returns on equity and capital, with low debt levels
- ❑ Sustainable competitive advantage owing to proprietary products or services, dominant market position or specialty niche
- ❑ Shareholder-friendly management that has a demonstrated track record of wise capital allocation
- ❑ Attractive valuation based upon fundamentals, including: earnings, cash flow, book value and enterprise value
- ❑ Out-of-favor, underfollowed or misunderstood companies





# AVE MARIA VALUE FUND

## Risk Controls

- ❑ Risk-reducing stock selection process using a fundamentals-based approach
- ❑ Portfolio is constructed one stock at a time, from the bottom-up
- ❑ Portfolio is diversified across a variety of industry sectors with industry concentration limited to no more than 25%
- ❑ Position sizes generally limited to 3% at the time of purchase, with a maximum position of 5% on cost basis
- ❑ Portfolio typically has 35-45 holdings



# AVE MARIA VALUE FUND

## Sell Discipline

- ❑ Company becomes a violator of any moral screen established by our Catholic Advisory Board
- ❑ Stock price significantly exceeds our estimate of intrinsic value
- ❑ We identify another security that provides a more attractive risk-reward alternative
- ❑ Company's financial performance deteriorates due to internal or external factors

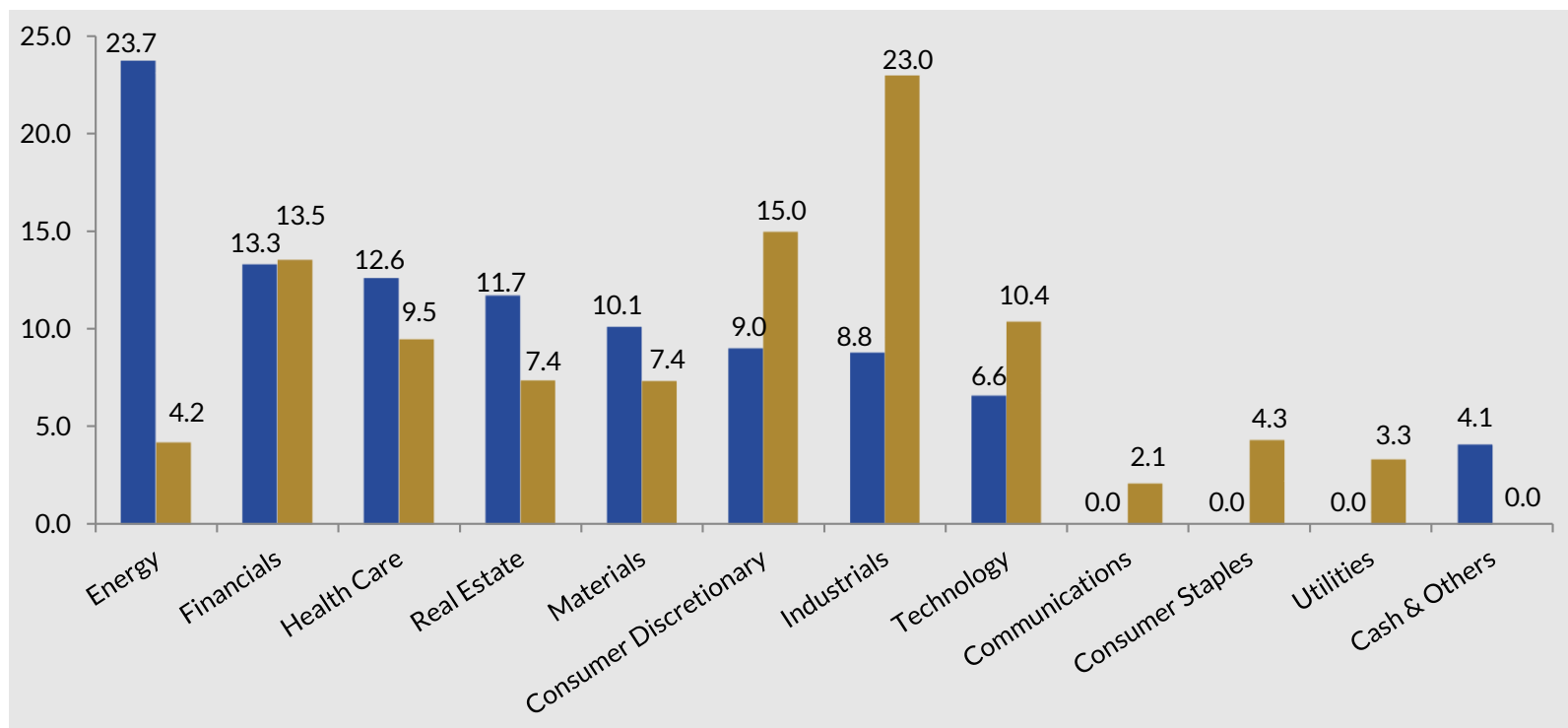


# AVE MARIA VALUE FUND

## Economic Sector Breakdown as of June 30, 2023\*

■ Ave Maria Value Fund

■ S&P MidCap 400® Index



\* Source: Morningstar. You cannot invest directly in an index.

# AVE MARIA VALUE FUND

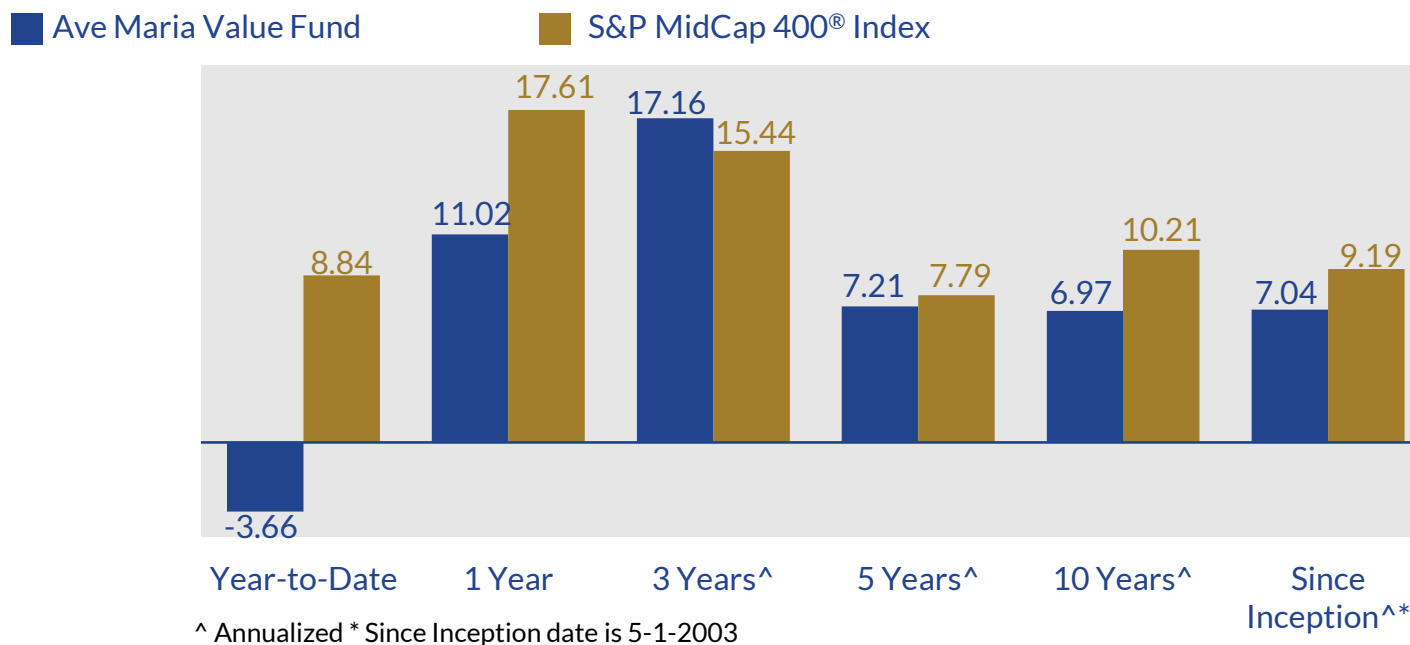
## Portfolio Top Equity Holdings as of June 30, 2023

Top 10 Equity Holdings*		45.9% of Net Assets
1.	Texas Pacific Land Corporation	9.7%
2.	Pioneer Natural Resources Co.	5.4%
3.	Franco Nevada Corporation	4.7%
4.	Schlumberger Limited	4.6%
5.	Haemonetics Corporation	3.9%
6.	Hingham Institution for Svgs.	3.8%
7.	Chesapeake Energy Corporation	3.6%
8.	CDW Corp.	3.5%
9.	Mirion Technologies, Inc.	3.4%
10.	ConocoPhillips	3.3%

\* Fund holdings are for illustrative purposes, subject to change and should not be considered a recommendation to buy or sell securities. Current and future portfolio holdings are subject to risk.

# AVE MARIA VALUE FUND

## Average Annual Total Returns (%) as of June 30, 2023



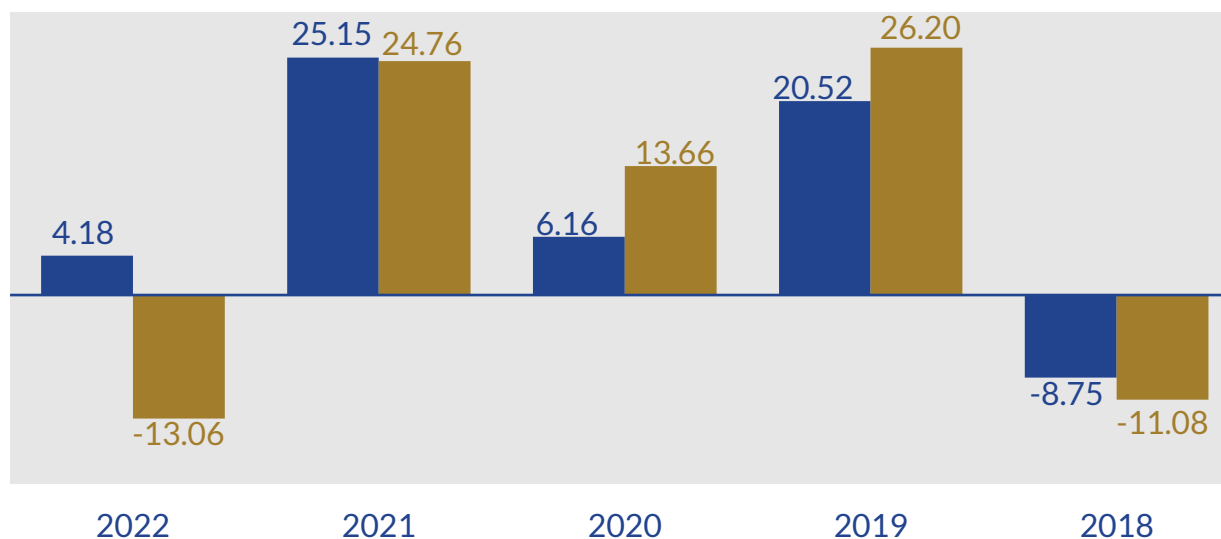
*Performance data quoted represents past performance, which is no guarantee of future results. Investment return and principal value are historical and may fluctuate so that redemption value may be worth more or less than the original cost. Call 1-866-AVE-MARIA (1-866-283-6274) or visit [avemariafunds.com](http://avemariafunds.com) for the most current month-end performance. Expense ratio: 0.94%*

# AVE MARIA VALUE FUND

## Last Five Calendar Year Returns (%)

■ Ave Maria Value Fund

■ S&P MidCap 400® Index



*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. Call 1-866-AVE-MARIA (1-866-283-6274) or visit [avemariafunds.com](http://avemariafunds.com) for the most current month-end performance.*

# AVE MARIA VALUE FUND

## Up and Down Market Summary



5 best S&P MidCap 400 rolling 3 month periods			
Rolling Period	S&P MidCap 400 Index	AVEMX	Relative Performance
Mar. 2009 - May 2009	28.69	35.88	7.19
Oct. 2020 - Dec. 2020	24.37	20.00	-4.37
April 2020 - June 2020	24.07	15.99	-8.08
Nov. 2020 - Jan. 2021	23.56	21.79	-1.77
July 2009 - Sept. 2009	19.98	19.65	-0.33

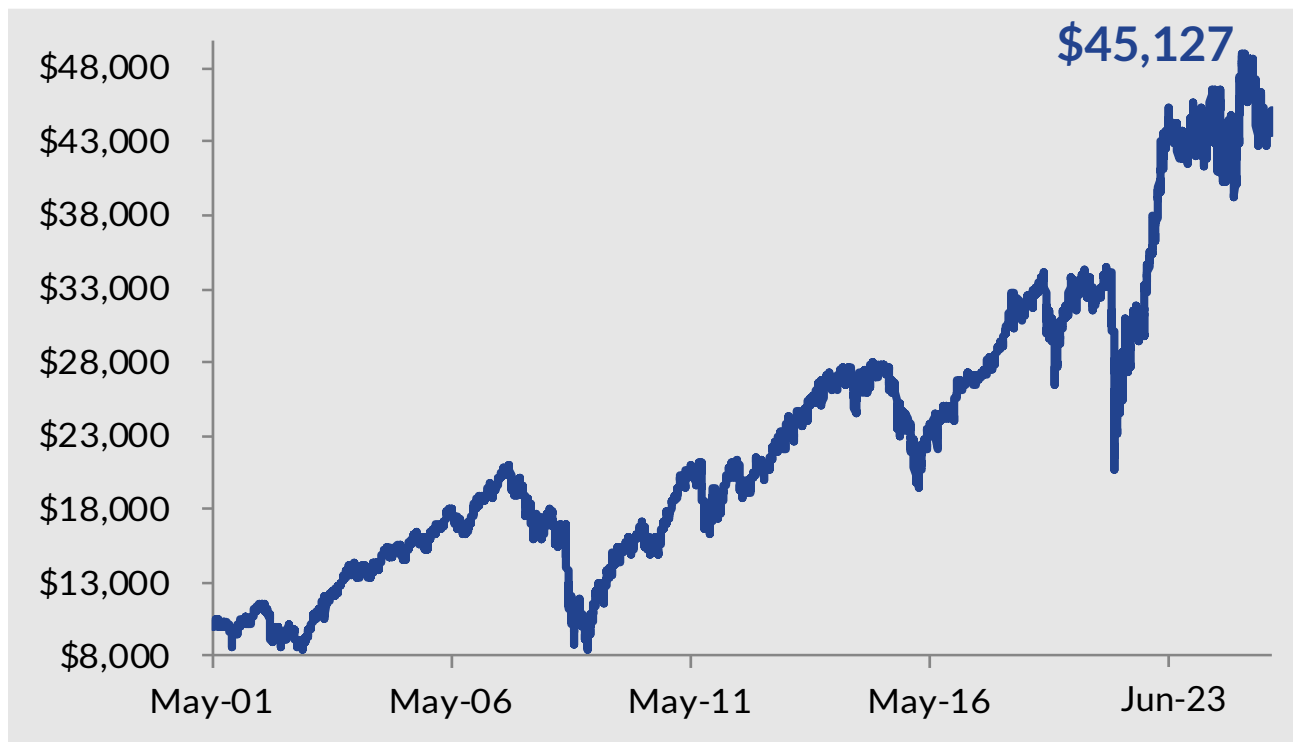


5 worst S&P MidCap 400 rolling 3 month periods			
Rolling Period	S&P MidCap 400 Index	AVEMX	Relative Performance
Sept. 2008 - Nov. 2008	-36.60	-35.93	0.67
Jan. 2020 - March 2020	-29.70	-28.51	1.19
Aug. 2008 - Oct. 2008	-28.92	-27.58	1.35
July 2011 - Sept. 2011	-25.55	-25.71	-0.16
May 2002 - July 2002	-19.88	-18.42	1.46

Performance data quoted represents past performance, which is no guarantee of future results. This illustration is based on the 3-month rolling periods since the inception of the Ave Maria Value Fund (5/1/01).

# AVE MARIA VALUE FUND

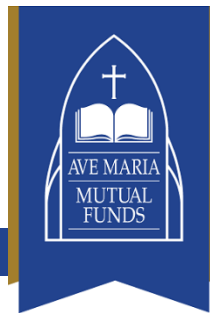
## Growth of a Hypothetical \$10,000 Investment†



† From 5-1-01 to 6-30-23. Reflects reinvested distributions and the beneficial effect of any expense reduction and does not guarantee future results.

Performance data quoted represents past performance, which is no guarantee of future results.





For additional information, call  
**1-866-AVE-MARIA (1-866-283-6274)**  
Or visit [avemariafunds.com](http://avemariafunds.com)

## IMPORTANT INFORMATION FOR INVESTORS

Schwartz Investment Counsel, Inc., a registered investment adviser established in 1980, serves as investment adviser for Ave Maria Mutual Funds and invests only in securities that meet the Funds' 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 Funds may underperform or outperform the stock market as a whole. All mutual funds are subject to market risk, including possible loss of principal. The Funds' investments in small and mid capitalization companies could experience greater volatility than investments in large capitalization companies. AVEWX invests in foreign securities and securities issued by U.S. entities with substantial foreign operations. Investments in these securities can involve additional risks relating to political, economic or regulatory conditions in foreign countries. These risks include less stringent investor protection and disclosure standards of some foreign markets; fluctuations in foreign currencies; and withholding or other taxes. AVEFX invests primarily in fixed income securities and as a result the Fund is also subject to the followings risks: interest rate risk, credit risk, credit rating risk and liquidity risk. AVEDX invests primarily in dividend paying companies and it is possible these companies may eliminate or reduce their dividend payments. AVEAX is classified as non-diversified and may therefore invest a greater percentage of its assets in the securities of a limited number of issuers than a fund that is diversified. At times, the Fund may overweight a position in a particular issuer or emphasize investment in a limited number of issuers, industries or sectors, which may cause its share price to be more susceptible to any economic, business, political or regulatory occurrence affecting an issuer than a fund that is more widely diversified. The issuers that the Fund may emphasize will vary from time to time.

**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 it can be viewed at [www.avemariafunds.com](http://www.avemariafunds.com).** Distributed by Ultimus Fund Distributors, LLC. Schwartz Investment Counsel, Inc. is not affiliated with Ultimus Fund Distributors, LLC.