AVE MARIA FOCUSED FUND

Q4 2023 COMMENTARY

For the three months ended December 31, 2023, the total return on the Ave Maria Focused Fund (AVEAX) was 14.62%, compared to the S&P MidCap 400® Growth Index which returned 9.94%. The returns for the Ave Maria Focused Fund compared to its benchmark as of December 31, 2023 were:

	1 Yr.	3 Yrs.^	Since Inception^*	Prospectus Expense Ratio[1]
Ave Maria Focused Fund	38.73%	4.90%	10.44%	1.14%
S&P MidCap 400® Growth Index	17.50%	4.23%	15.01%	

^ Annualized * Since Inception date is 5-1-2020

[1]The adviser has contractually agreed to limit the ordinary operating expenses (excluding Acquired Fund Fees and Expenses, interest, taxes, brokerage costs and extraordinary expenses) of the Ave Maria Focused Fund to an amount not exceeding 1.25% of the Fund's average daily net assets until at least May 1, 2024.

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. Performance data reflects certain fee waivers and reimbursements. Without such waivers, performance would have been lower. ***Call 1-866-AVE-MARIA or visit www.avemariafunds.com for the most current month-end performance.***

Our goal is to compound shareholder capital at a rate in excess of the Fund's benchmark by investing in companies with (1) durable, forecastable, and growing earnings, (2) a strong competitive advantage, (3) high incremental returns on invested capital, and (4) ethical management teams that are skilled in both operations and capital allocation.

In our opinion, the first advantage of the Fund is that it is unconstrained, aside from its moral screens. To start, it has no geographic constraints. While 8 of its 15 holdings are headquartered in the United States, the rest are headquartered in Canada, Luxembourg, Spain or the United Kingdom. We focus on buying a company for less than it is worth, setting aside investment style classifications. Also, there are no limitations on the size of the company the Fund can own; its smallest holding is just under $100 million in market capitalization and its largest is around $60 billion. The lack of constraints allows us to cast a wide net to find a small number of eclectic holdings that we believe provide the Fund with an opportunity to compound its shareholders' capital at a high rate.

We feel that another advantage of the Fund is that investments can be concentrated into a few large positions. We search for companies that we believe are going to be materially larger five to ten years from now, and we identify the key drivers that could make these companies larger in the future. When overseeing investments, we pay much more attention to the key drivers of a company's success than whether or not a company "beats" or "misses" quarterly earnings.

To decide how large of an initial investment to make, we determine a range of outcomes for a company's growth trajectory. A tighter range means that we are more confident in a business's growth and would be more inclined to make the position a larger holding in the Fund. This is evident in the Fund's top five positions, as eDreams has a subscription-based business model, APi Group provides statutorily-mandated services, DigitalBridge and Brookfield generate fees from long-lived or perpetual investment funds, and GFL collects and disposes municipal waste. These business models are durable and highly predictable, which is why these businesses are among the five largest positions of the Fund. It may work out that some of the smaller holdings end up generating higher returns, but their wider range of outcomes warrants a smaller position size.

The performance of the Fund in 2023 was strong, generating a 38.73% return. We believe the Fund's two primary advantages aided in generating the strong returns. The advantages do not come without a cost. Given the Fund's concentration, it may be more volatile than a standard diversified portfolio. Furthermore, as the portfolio managers seek to identify companies that are undervalued by the market, there will be times when the Fund's holdings will be out of favor, resulting in stock price performances that do not match the holdings' operating performances. This was the case in 2022, when the Fund's holdings performed well fundamentally, but the market was overly pessimistic. While it is not comfortable to own investments that, temporarily, have stock prices that do not yet reflect their strong fundamentals, it is a common occurrence and can have positive benefits. By being focused on the fundamentals of the Fund's holdings, we took advantage of the dislocation in 2022 by adding to the Fund's top positions, increasing the holdings of APi by 16%, eDreams by 37%, GFL by 36%, and Brookfield Corp. by 135%. These actions paid off in 2023 as these generated strong returns in 2023, 83.9% for APi, 29.4% for Brookfield Corp., 101.1% for eDreams, and 18.3% for GFL. Despite their strong performance in 2023, it is our view that these holdings are still materially undervalued by the market.

Portfolio Changes:

Ferroglobe PLC was added to the portfolio in the fourth quarter. Ferroglobe is a leading manufacturer of silicon metal, which is a critical input for hundreds of industrial and consumer applications. It was formed via a merger of two companies, but the integration initially went poorly, causing a decline in the company's stock price. New management was brought in to rectify the situation. The new team successfully completed the integration, which lowered the ongoing costs of the operations and eliminated the company's debt. Going forward, regulations in the United States and Europe should dramatically increase the production of solar panels. Silicon metal is an irreplaceable input for solar panels, and this new demand for silicon metal will make Ferroglobe's revenue less cyclical. Now that Ferroglobe has a fortress balance sheet, management has room to enact a large share repurchase initiative. At the time of the initial investment, the Fund was able to purchase Ferroglobe for almost half the replacement cost of its assets. The Fund exited positions in Nvidia, Tyler Technologies, and Valvoline, in part, to fund the Ferroglobe purchase and increase the position sizes of some existing holdings.

Thank you for partnering with us. Your investment in the Ave Maria Focused Fund is appreciated.

IMPORTANT INFORMATION FOR INVESTORS

As of 12-31-23, the holding percentages of the stocks mentioned in this commentary are as follows: as eDreams ODIGEO SA (18.4%), APi Group Corporation (16.5%), DigitalBridge Group, Inc. (12.8%), Brookfield Corporation (11.5%), GFL Environmental, Inc. (7.9%) and Ferroglobe PLC (4.5%). 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 12-31-23: eDreams ODIGEO SA (18.4%), APi Group Corporation (16.5%), DigitalBridge Group, Inc. (12.8%), Brookfield Corporation (11.5%), GFL Environmental, Inc. (7.9%), Orion Engineered Carbons SA (5.6%), Apollo Global Management (5.3%), Ferroglobe PLC (4.5%), Texas Pacific Land Corporation (3.8%) and First Watch Restaurant Group (3.3%). 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. *Combination of Brookfield Corporation and Brookfield Reinsurance, Ltd.

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. 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.

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 500® Index is a capitalization weighted unmanaged index of 500 widely traded stocks, created by Standard & Poor's. The index is considered to represent the performance of the stock market in general. The S&P MidCap 400® Growth Index is an unmanaged benchmark representing medium-size U.S. growth 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.*