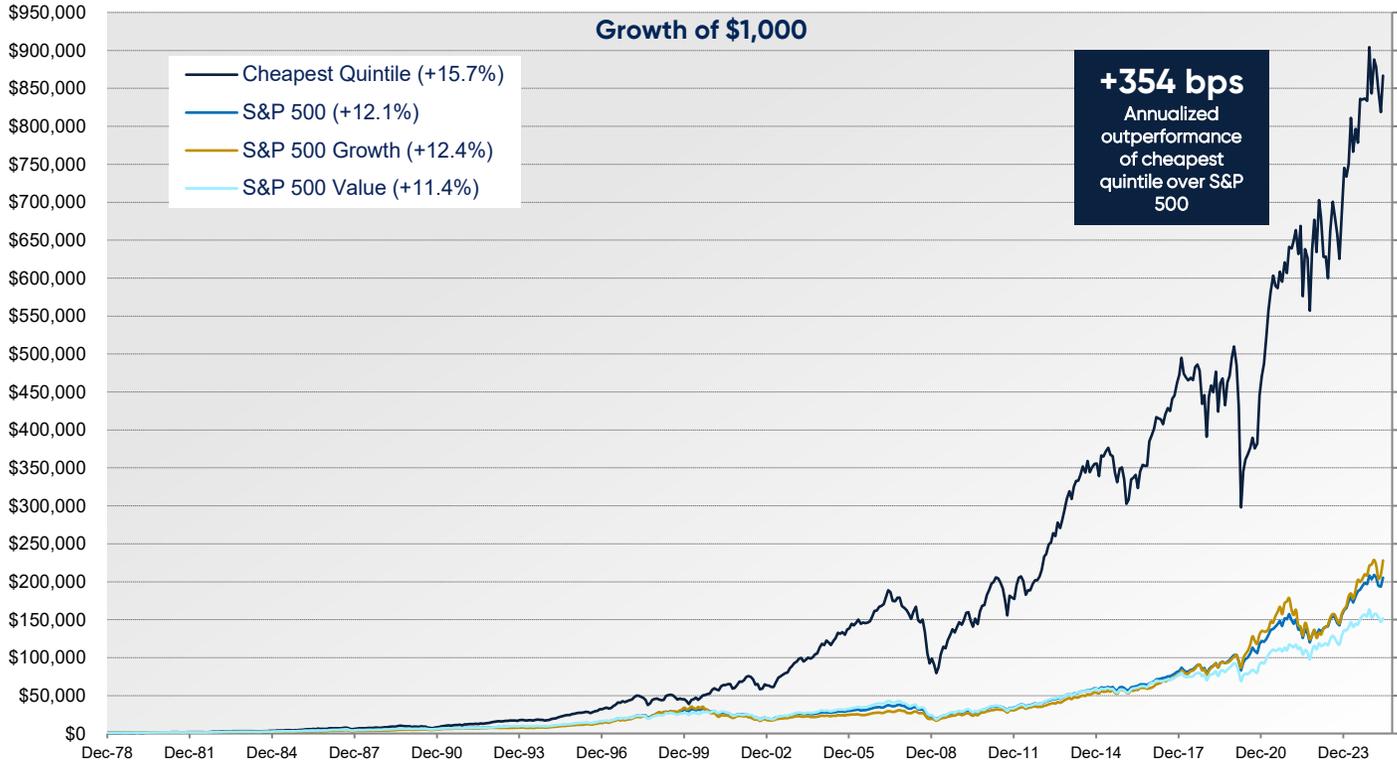




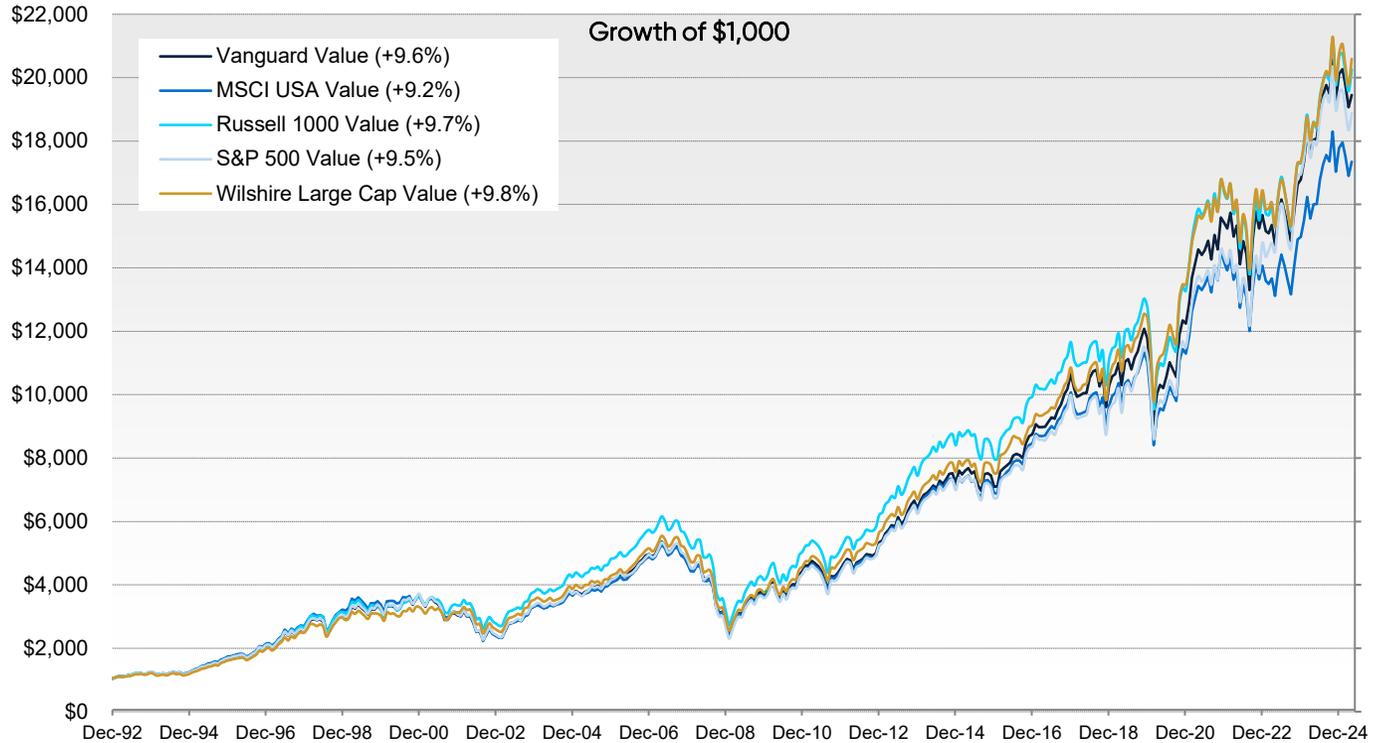
**2025 Value Investing Seminar @
Ivey Business School**

June 24, 2025

Why Value Stocks?



Value Index Performance Comparison

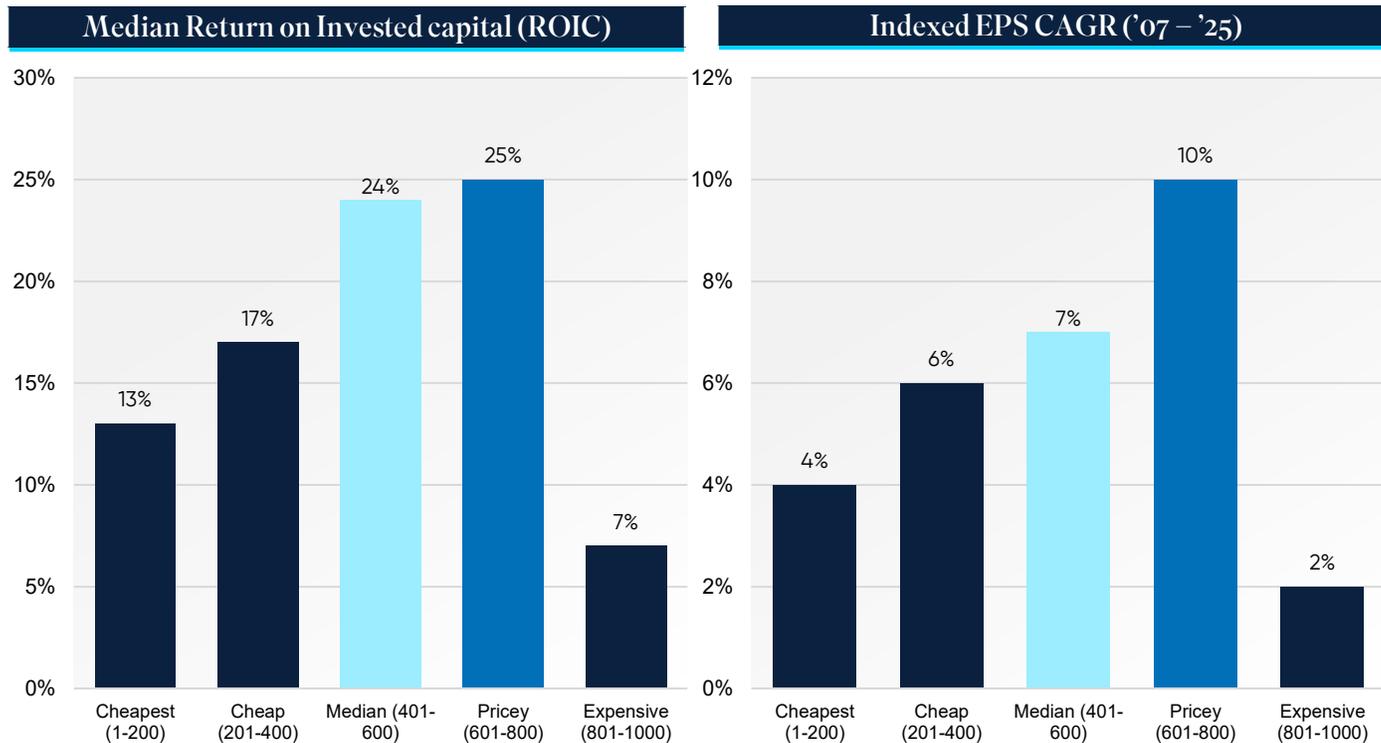


Don't Get Your Value From An Index!

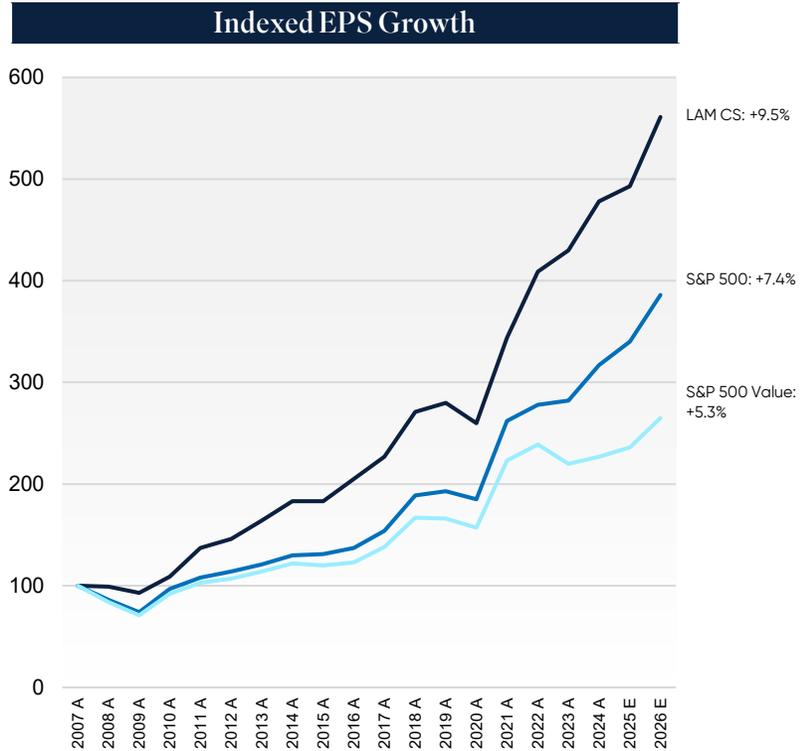
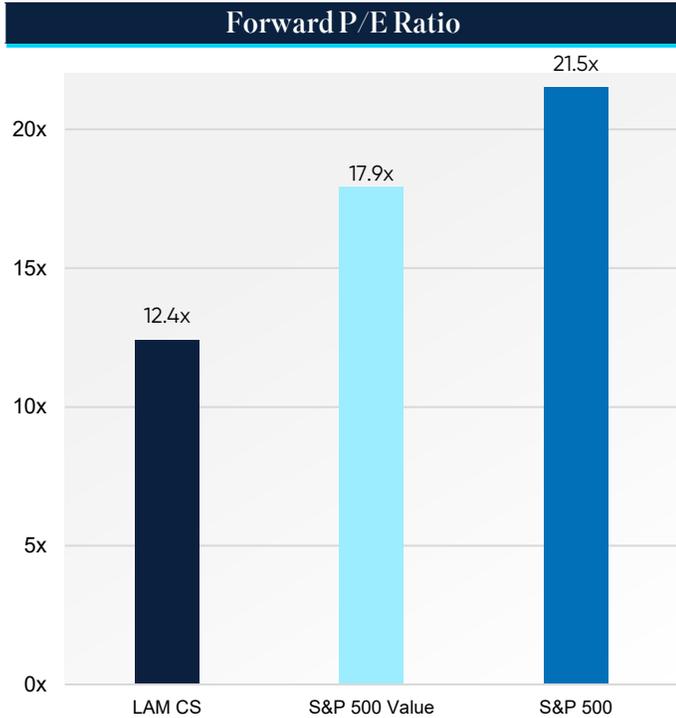
Proxy Value Comparison

	Low P/E Quintile	Russell 1000 Value	S&P 500 Value
Selection Universe	1000 Largest Stocks	Russell 1000	S&P 500
# of Holdings	200	852	405
Value Factor	P/E (NTM)	P/B	P/B, P/E & P/S
Growth Anti-Factor	None	EPS & Sales	EPS, Sales & Momentum
Weighting	Equal Weighted	Capitalization Weighted	Capitalization Weighted
Passive Share (S&P 500)	7%	48%	63%

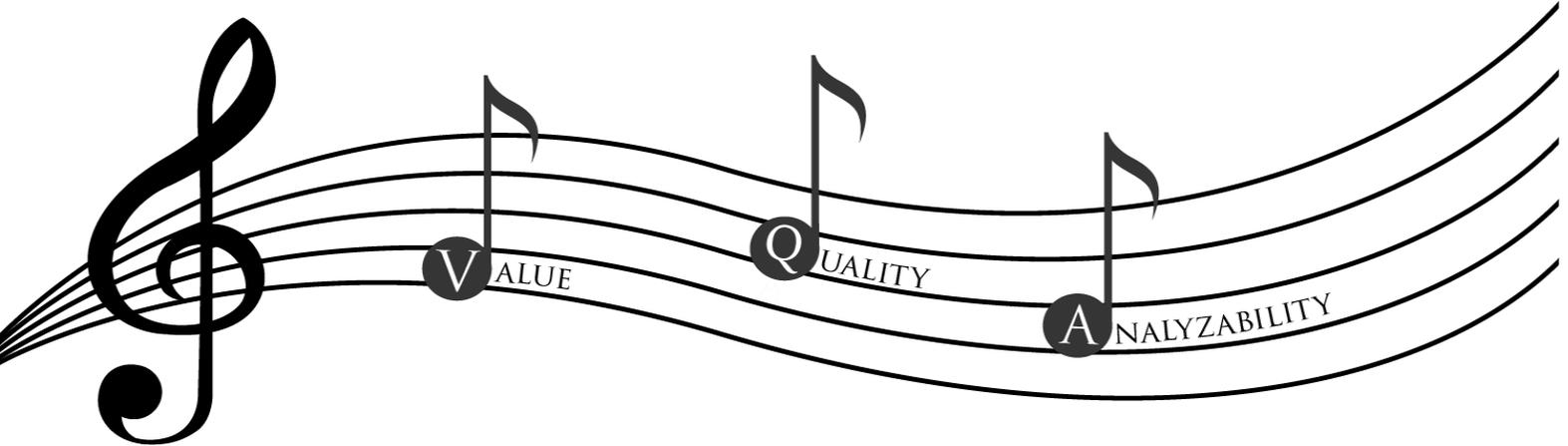
Quality and Growth by Valuation Quintile



Uncommon Combination of Deep Value and Growth



The Lyrical Way is V-Q-A



Value

Value investing is the best way we know to generate superior long-term returns.

Not just value investing, but **deep value** investing. We believe the deeper the discount, the greater the return (when you're right).

The challenge is separating companies that deserve low valuations from those that don't.

Quality

In our experience, avoiding low ROIC companies improves the probability of success.

Among the cheapest stocks, we only invest in companies with an expected ROIC >10%.

We avoid certain industries because they do not meet our ROIC hurdle:

- Deep Cyclical (e.g., Airlines)
- Basic Materials
- Regulated Utilities

Analyzability

In our experience, the easier it is to analyze a business, the greater the probability of success.

Some businesses are too complex or opaque to analyze adequately.

We avoid certain industries because they lack analyzability:

- Banks
- Pharma / Biotech
- Traditional Retail

Research Process Overview

Step 1: Idea Generation

Step 2: Exploratory Research

Step 3: Identify Key Questions and Investigate

Step 4: Stress Test and Finalize Earnings Model

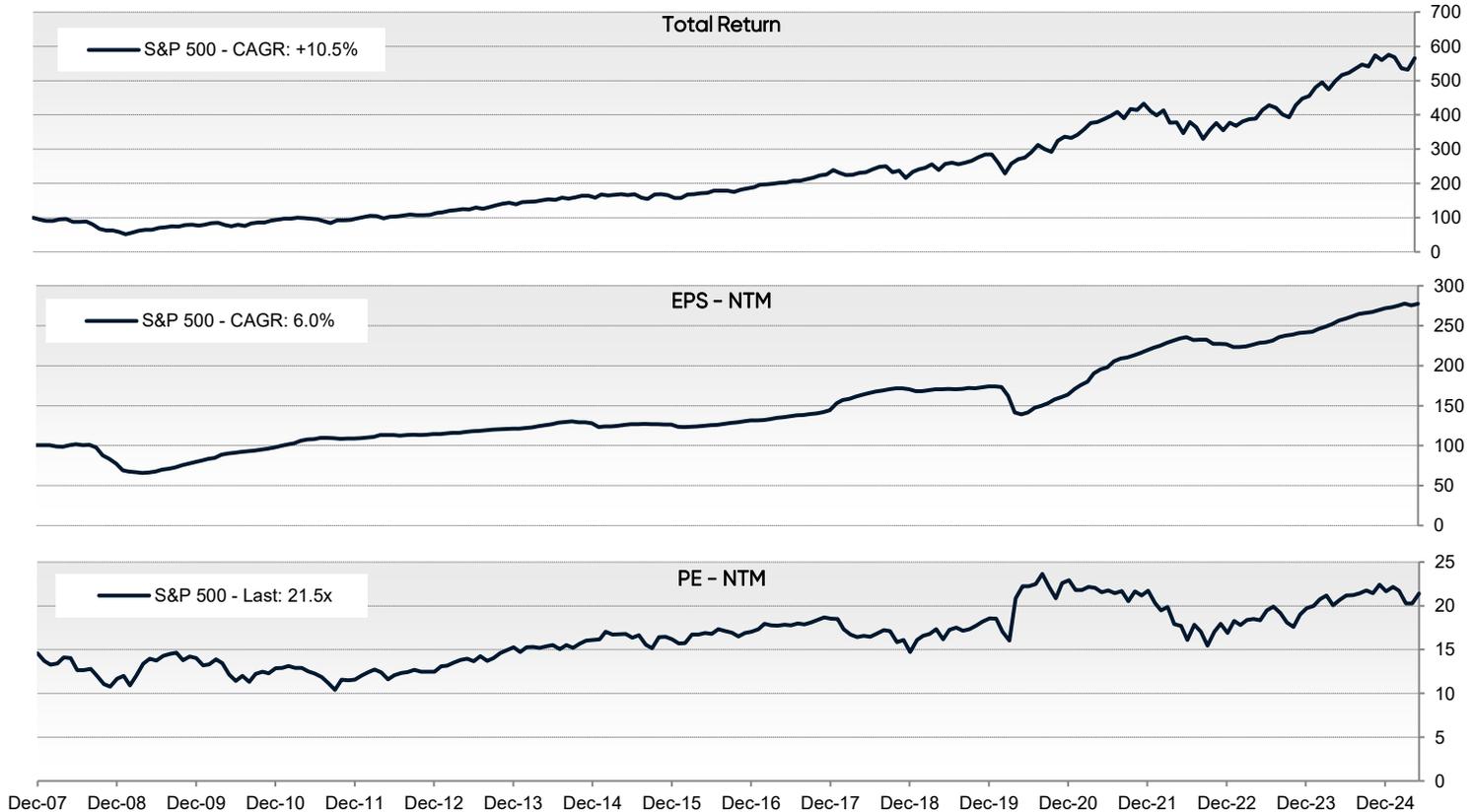
Step 5: Final Review and Approval

Step 6: BUY

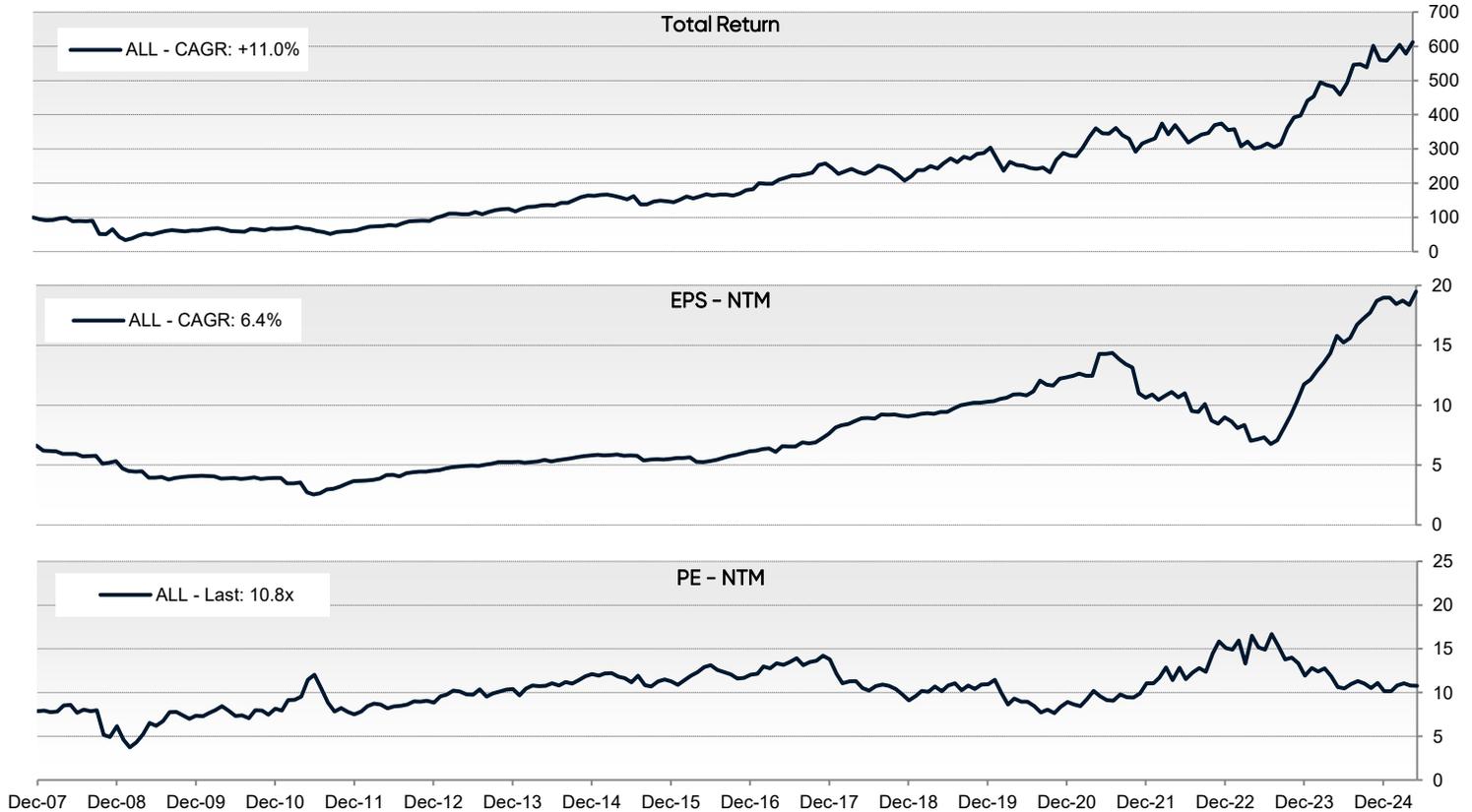
Step 1: Idea Generation

	Ticker	Company Name	Current Price	Mkt Cap	FY24 P/E	FY25 P/E	Est Growth	5yr CAGR	Return to Fair	Target Price
38	MTDR	Matador Resources Company	53.06	6.6	7.0	6.5	8%	33%	147%	131
39	TMHC	Taylor Morrison Home Corpora	71.69	7.4	8.5	7.5	10%	31%	145%	176
40	FUN	Six Flags Entertainment Corpo	42.55	4.3	19.1	12.0	17%	2%	146%	105
41	OVV	Ovintiv Inc	39.95	10.5	8.1	7.9	7%	10%	144%	98
42	PFSI	PennyMac Financial Services,	102.36	5.2	8.8	7.1	9%	1%	144%	249
43	WBS	Webster Financial Corporation	50.85	8.7	9.6	8.9	13%	10%	143%	123
44	SRPT	Sarepta Therapeutics, Inc.	125.01	11.9	41.4	11.0	17%	1%	142%	303
45	HOG	Harley-Davidson, Inc.	32.17	4.2	8.8	7.8	8%	5%	138%	76
46	F	Ford Motor Company	10.60	41.4	5.9	6.0	4%	9%	136%	25
47	KEY	KeyCorp	17.26	16.3	15.8	11.0	17%	-8%	138%	41
48	XP	XP Inc. Class A	17.90	7.8	12.3	10.9	10%	na	136%	42
49	UNM	Unum Group	64.87	11.8	7.6	7.2	7%	8%	134%	152
50	ALL	Allstate Corporation	185.06	49.0	11.7	10.1	17%	-35%	134%	434
51	GPN	Global Payments Inc.	107.37	27.3	9.3	8.4	12%	15%	133%	250
52	BPOP	Popular, Inc.	89.92	6.5	10.6	9.2	11%	11%	132%	209
53	MHO	M/I Homes, Inc.	160.22	4.4	8.0	7.7	10%	32%	132%	372
54	AES	AES Corporation	15.51	11.0	8.0	7.4	9%	7%	130%	36
55	ALV	Autoliv Inc.	97.34	7.7	11.9	9.6	13%	4%	130%	224
56	APA	APA Corporation	23.57	8.7	6.1	6.5	6%	21%	128%	54
57	SIG	Signet Jewelers Limited	91.68	4.0	8.5	8.0	9%	23%	128%	209
58	WDC	Western Digital Corporation	66.83	23.1	na	9.0	10%	-153%	128%	153
59	PRU	Prudential Financial, Inc.	120.18	42.8	9.0	8.2	11%	0%	128%	274
60	CTRA	Coterra Energy Inc.	23.32	17.2	14.4	10.4	10%	14%	128%	53
61	GAP	Gap, Inc.	21.72	8.2	11.7	10.6	17%	-11%	126%	49
62	OBDC	Blue Owl Capital Corporation	14.66	5.7	7.7	8.2	9%	na	124%	33
63	CMA	Comerica Incorporated	63.28	8.3	11.8	11.4	17%	-2%	124%	142
64	RNR	RenaissanceRe Holdings Ltd.	269.29	14.0	6.8	7.5	9%	33%	122%	599
65	IVZ	Invesco Ltd.	17.86	8.0	10.7	9.5	12%	-9%	123%	40
66	OZK	Bank OZK	44.38	5.0	7.3	7.5	6%	13%	122%	98
67	ALK	Alaska Air Group, Inc.	48.56	6.1	11.4	8.9	10%	0%	122%	108
68	PVH	PVH Corp.	100.00	5.6	8.6	7.9	10%	2%	121%	221
69	MUR	Murphy Oil Corporation	31.30	4.7	10.2	8.5	6%	29%	121%	69
70	GL	Globe Life Inc.	104.38	9.4	8.5	7.7	9%	12%	121%	231
71	MRK	Merck & Co., Inc.	101.65	257.7	13.1	10.6	17%	-18%	122%	226
72	ESGR	Enstar Group Limited	322.75	4.9	8.1	8.1	10%	-254%	120%	709
73	EXPE	Expedia Group, Inc.	164.87	20.6	13.9	11.5	17%	11%	119%	362
74	AR	Antero Resources Corporation	26.69	8.3	410.6	13.5	17%	-12%	118%	58

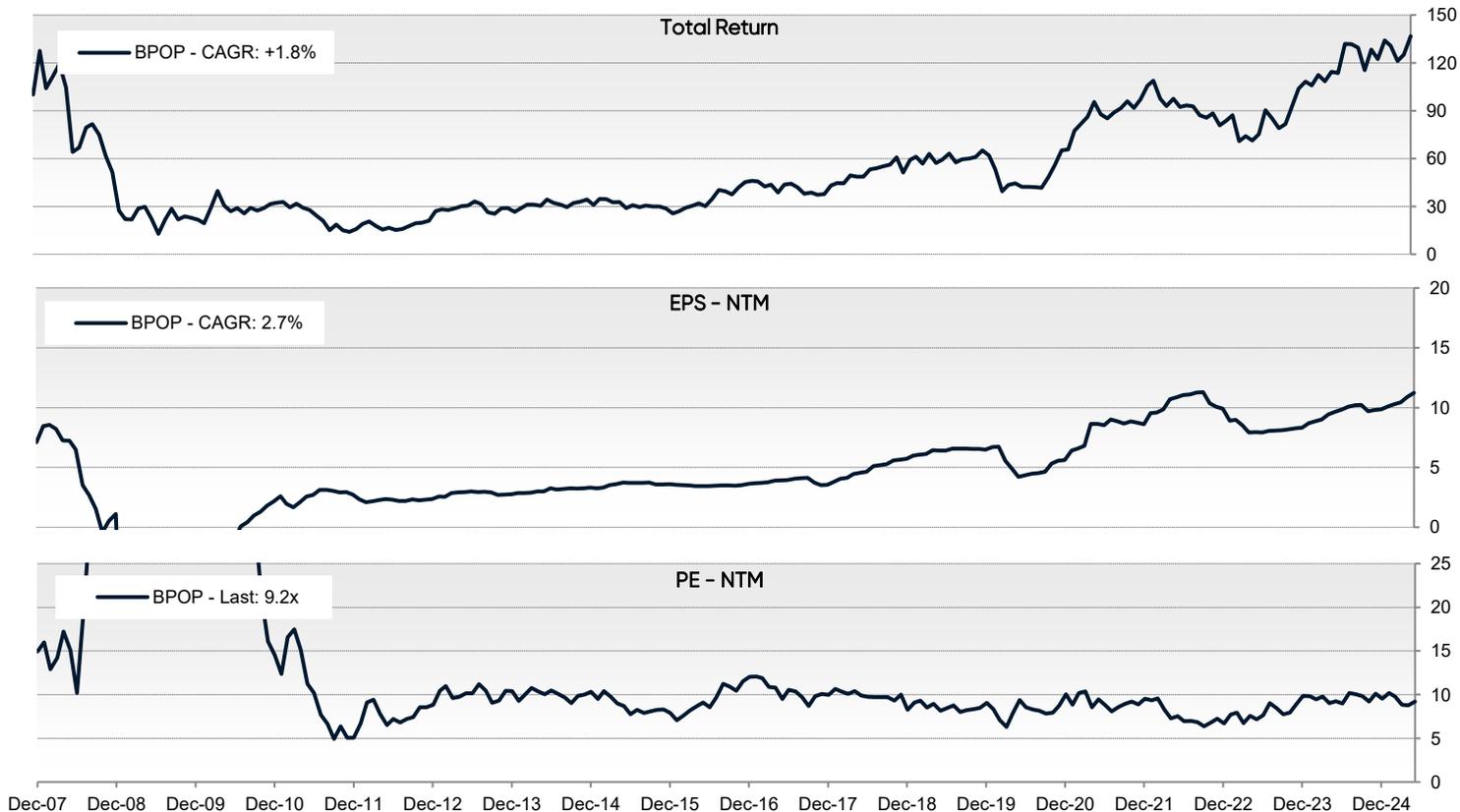
S&P 500



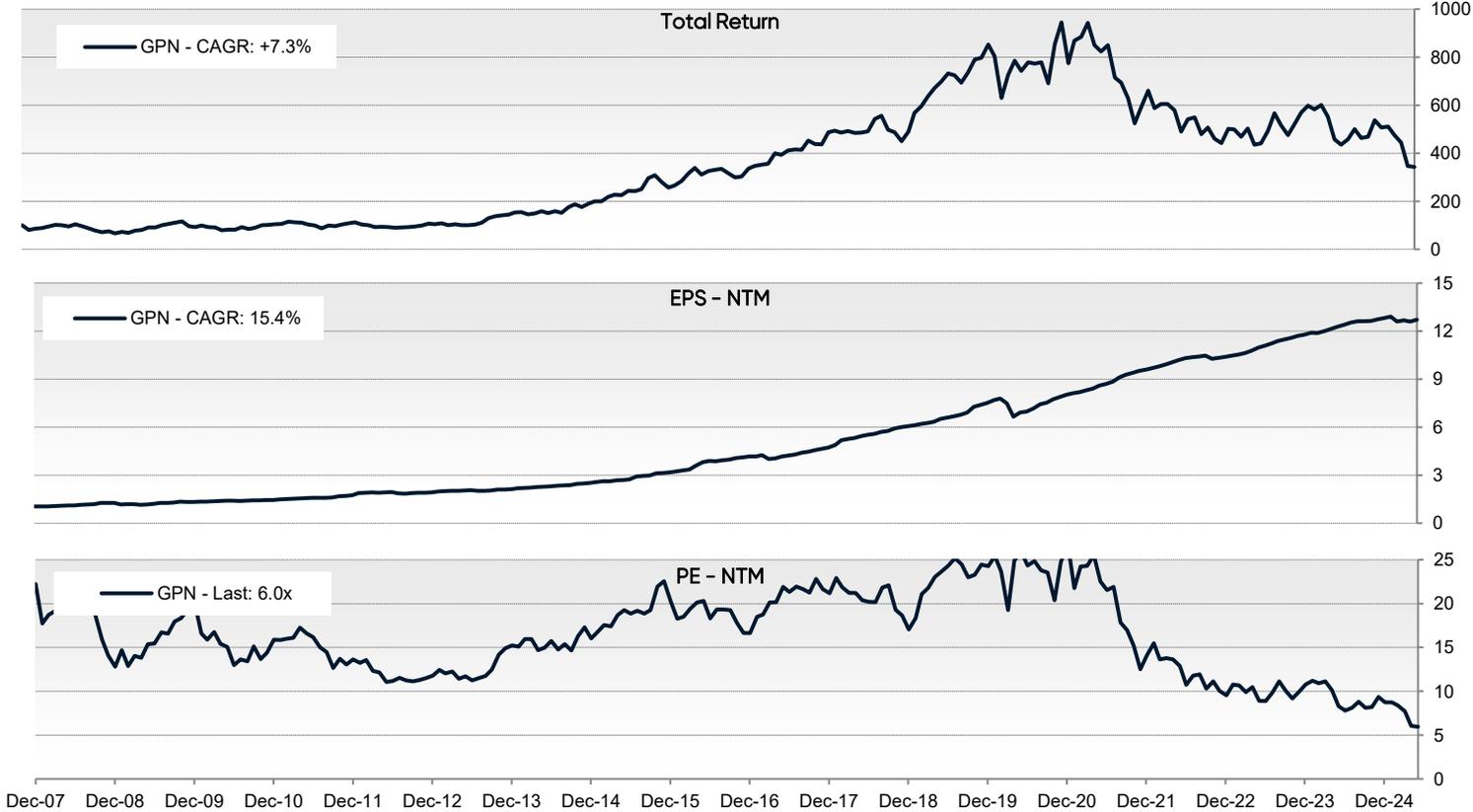
Allstate (ALL)



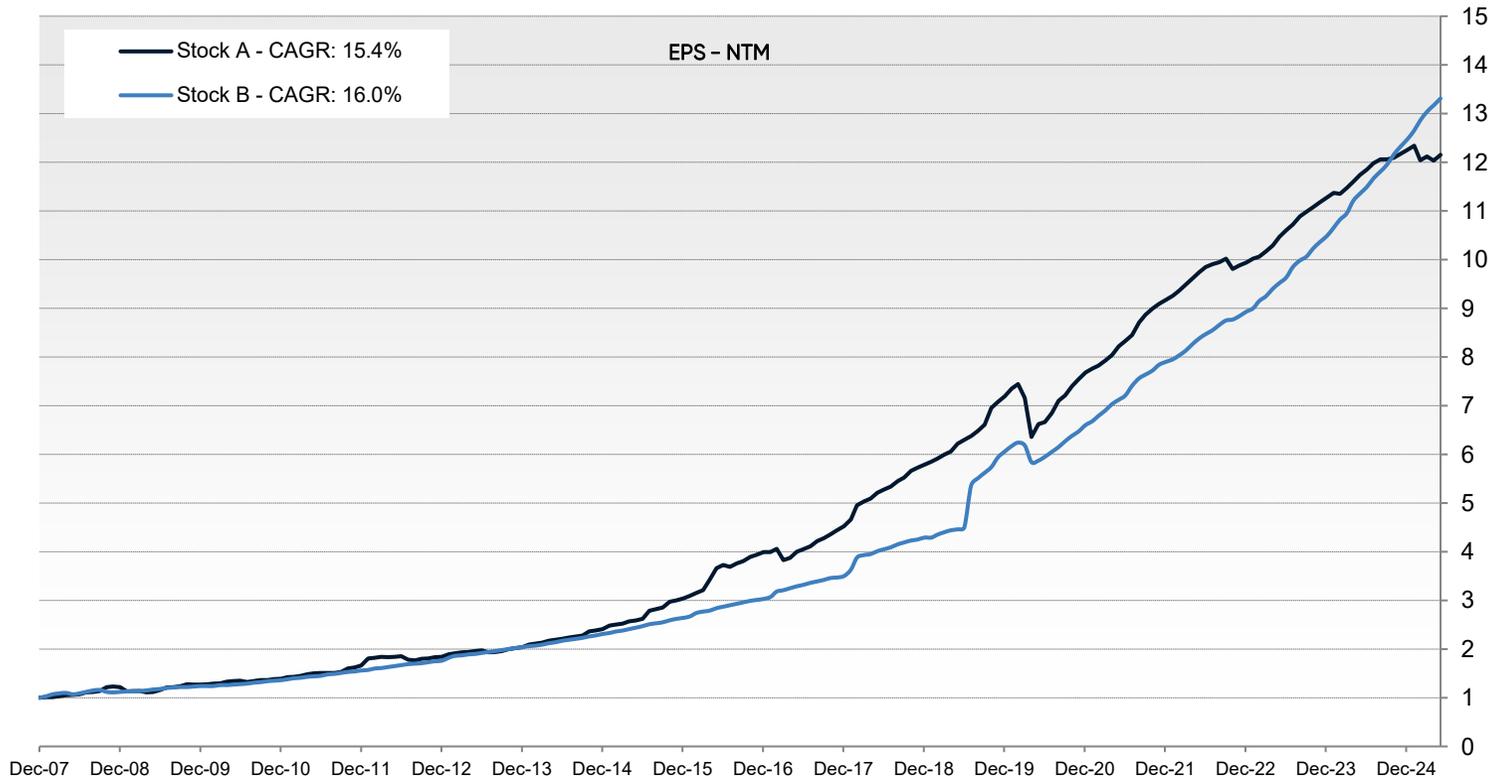
Popular (BPOP)



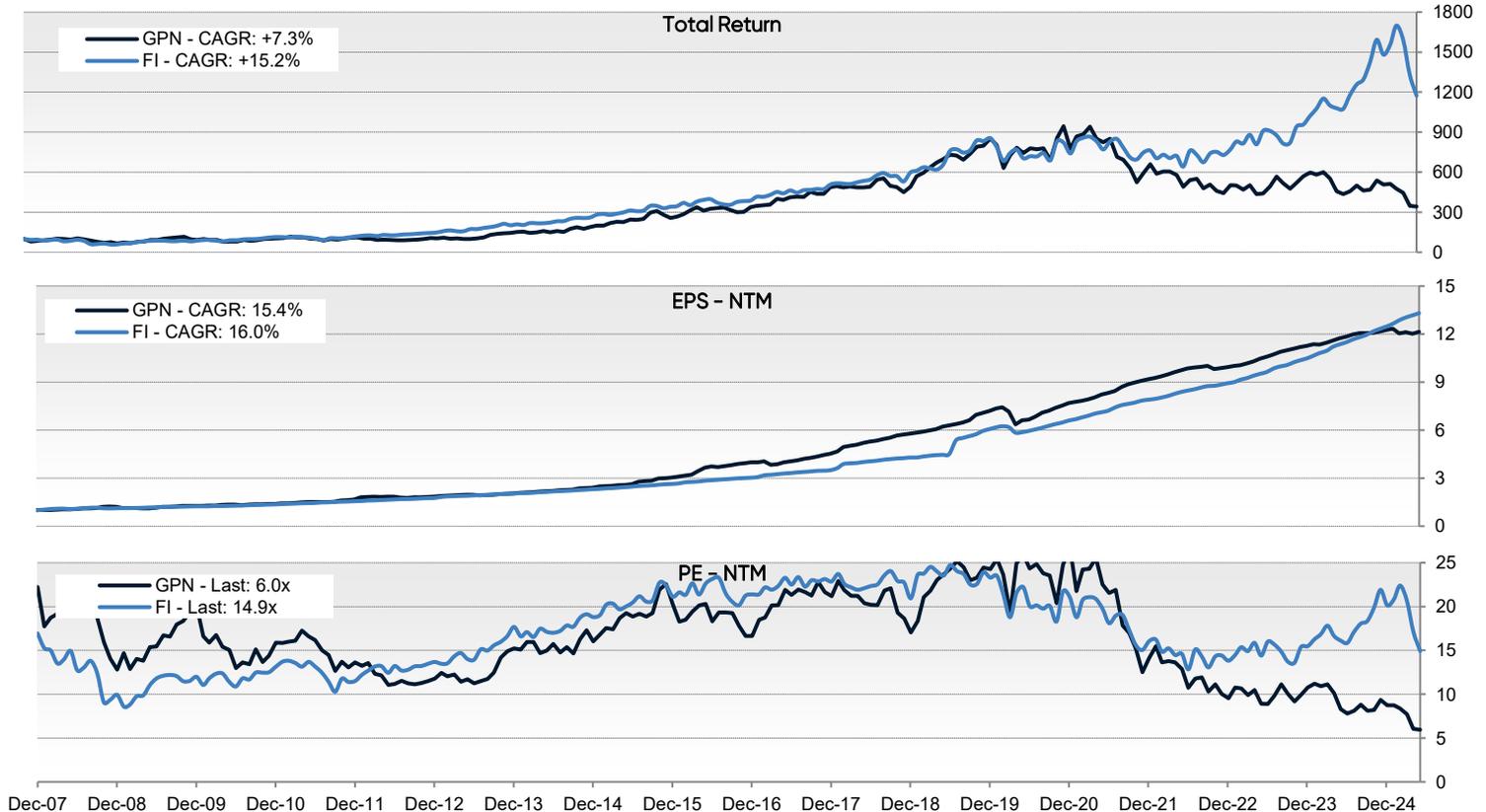
Global Payments (GPN)



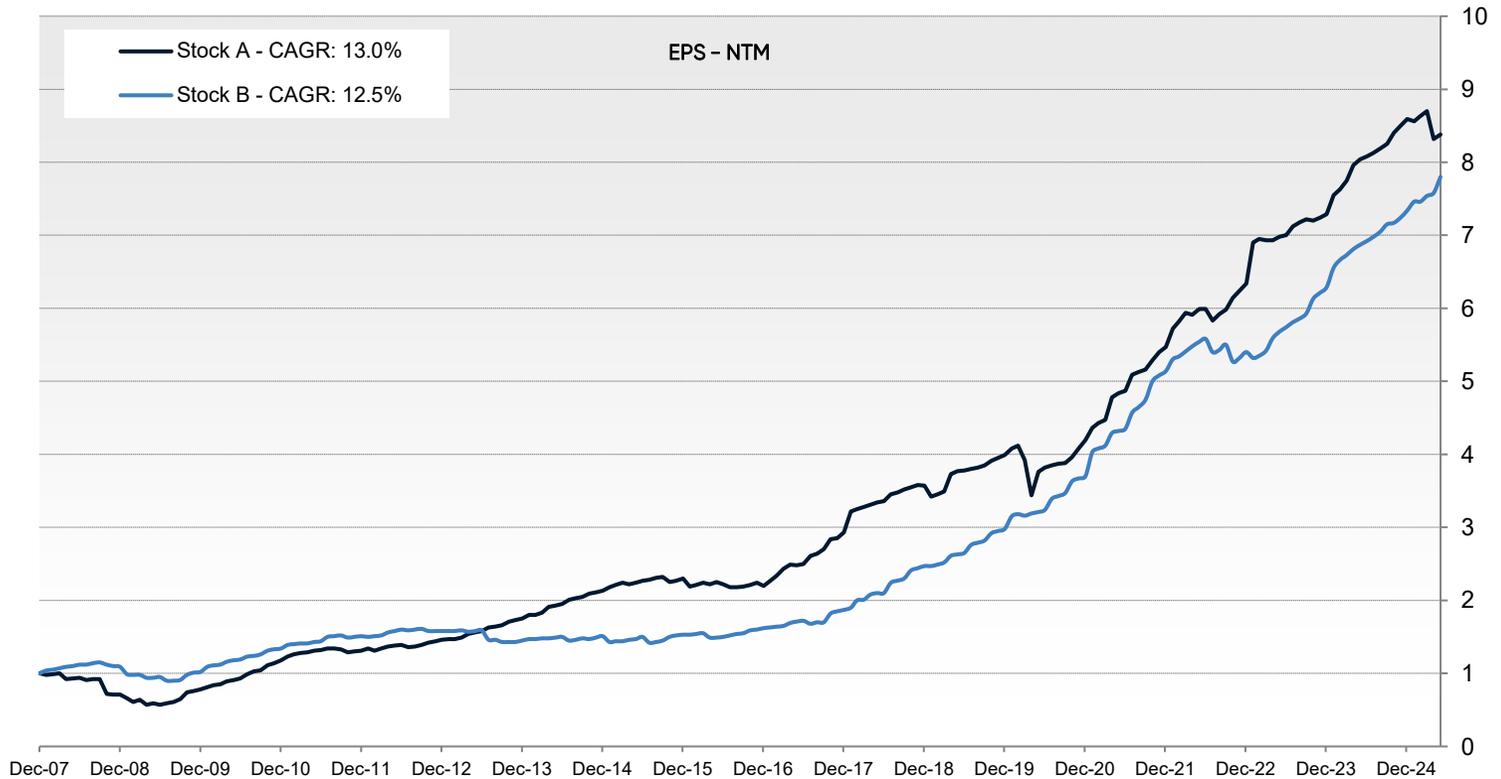
Lyrical Challenge: Stock A vs. Stock B



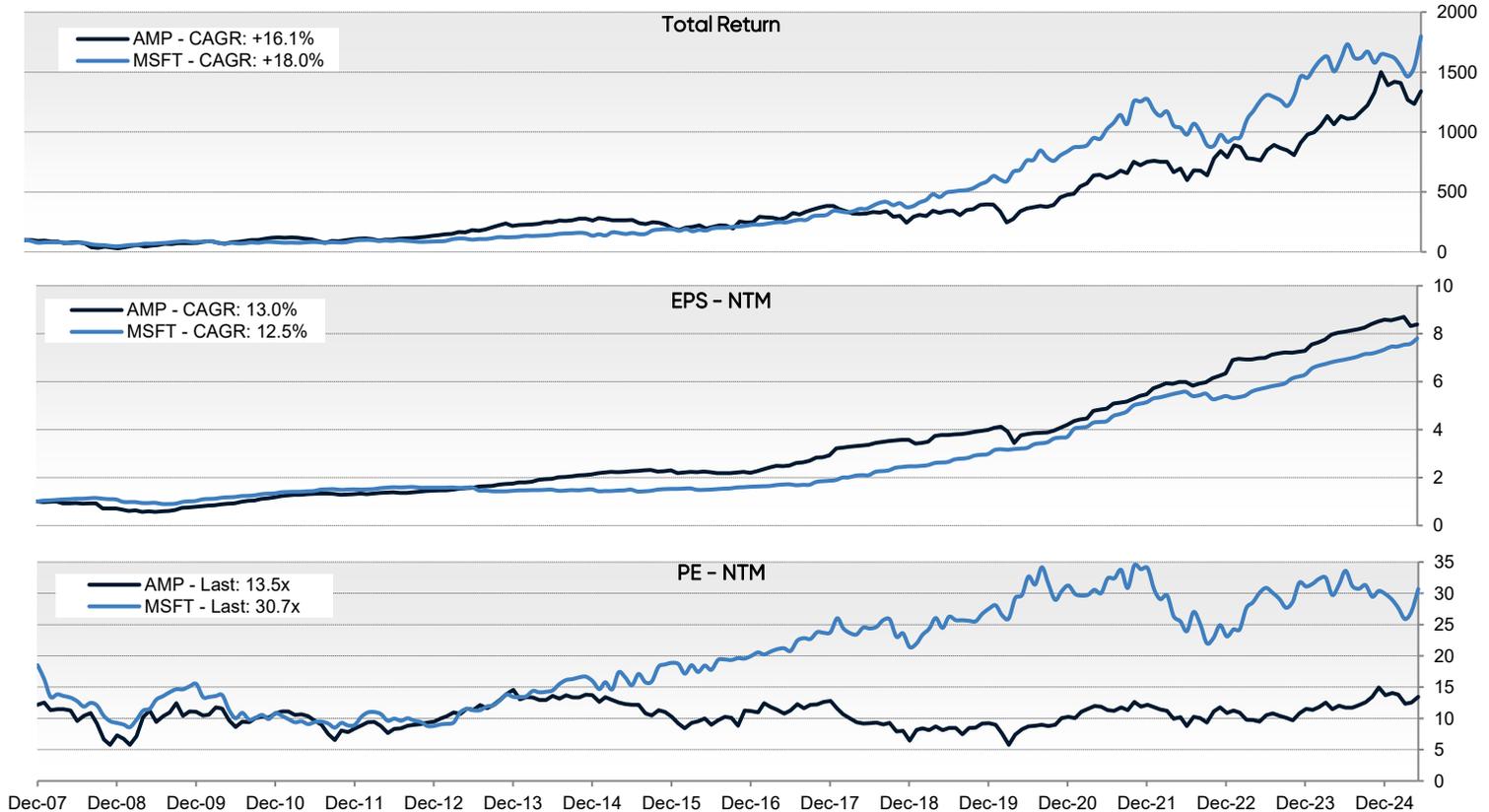
Lyrical Challenge: GPN vs FI



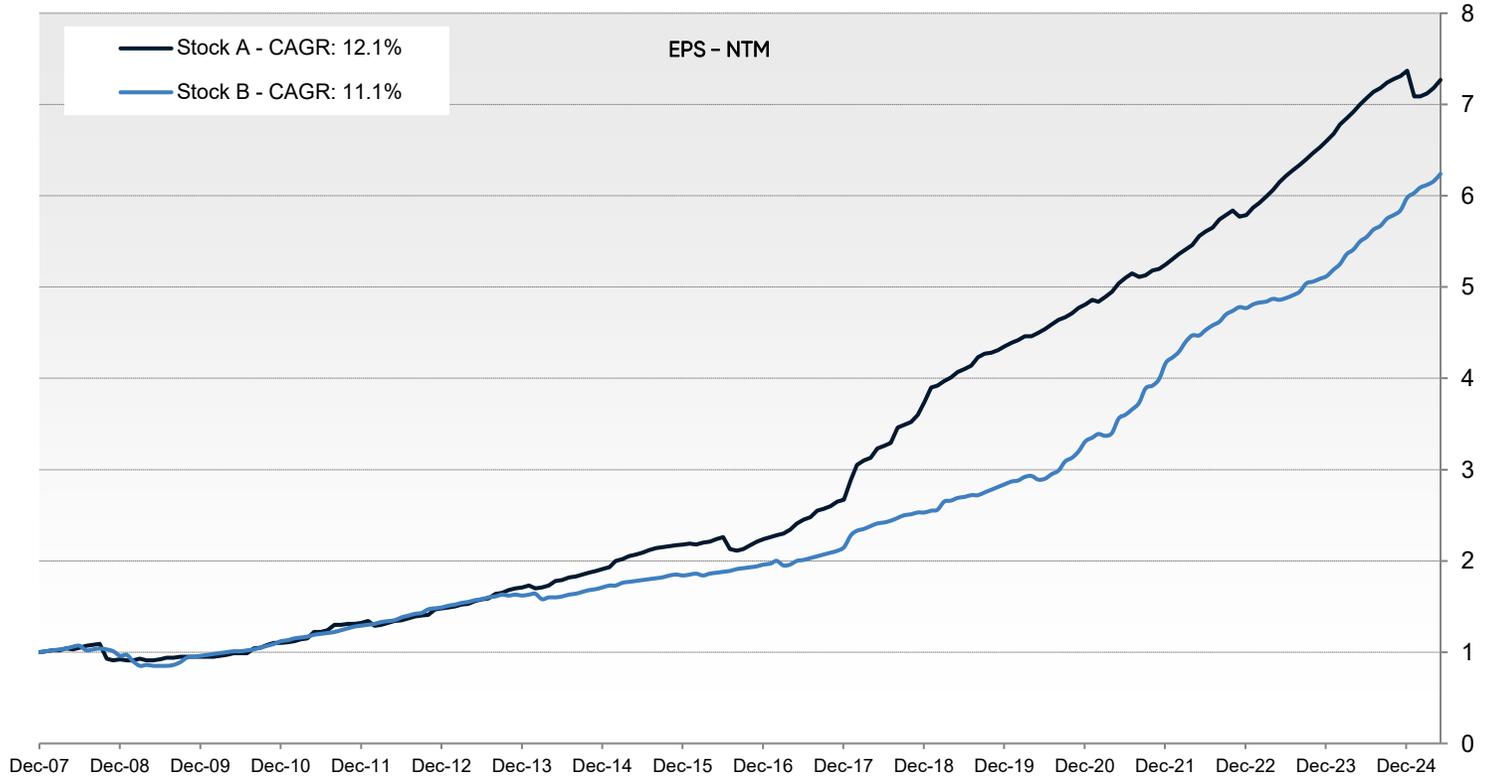
Lyrical Challenge: Stock A vs. Stock B



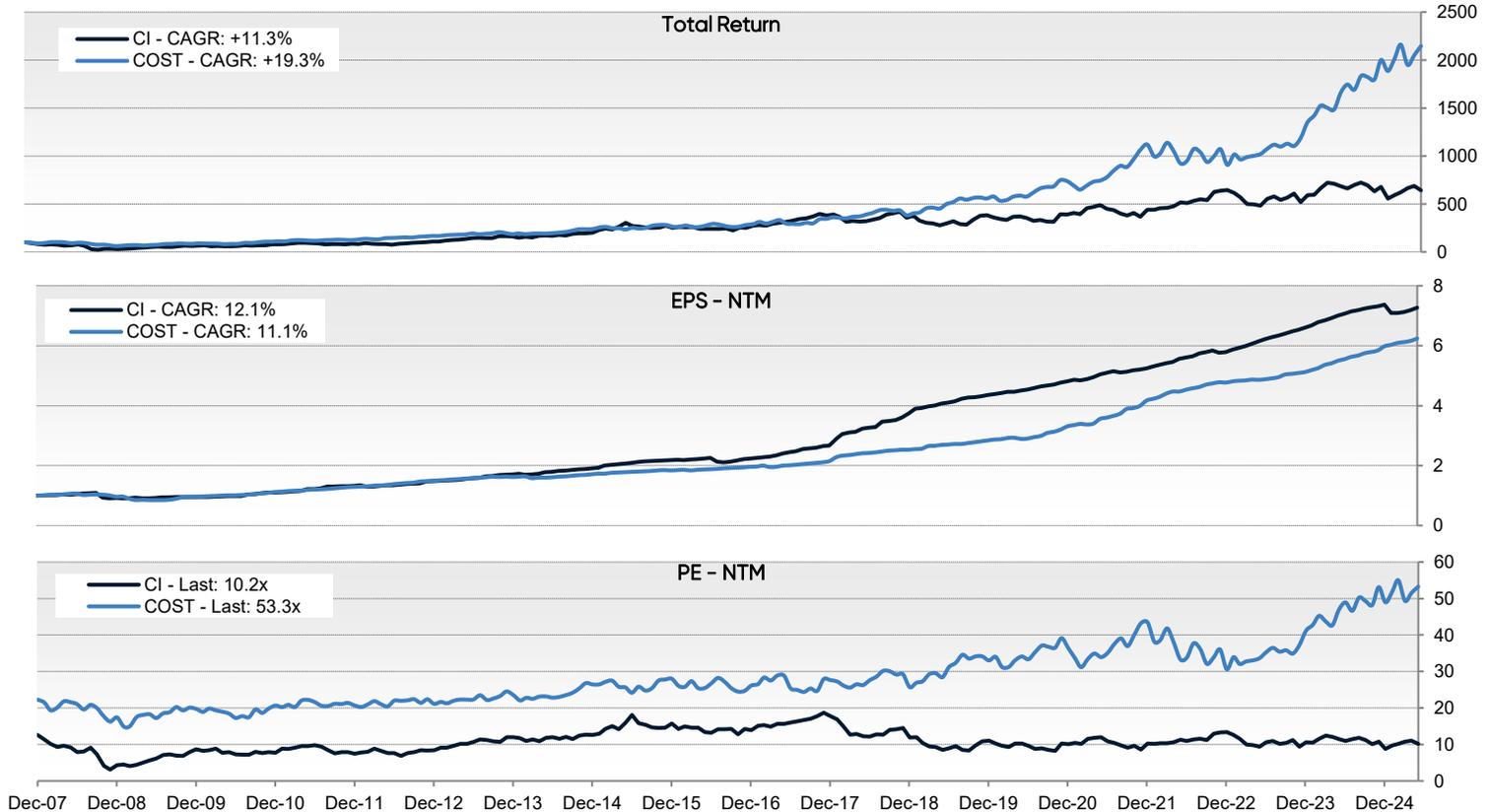
Lyrical Challenge: AMP vs MSFT



Lyrical Challenge: Stock A vs. Stock B

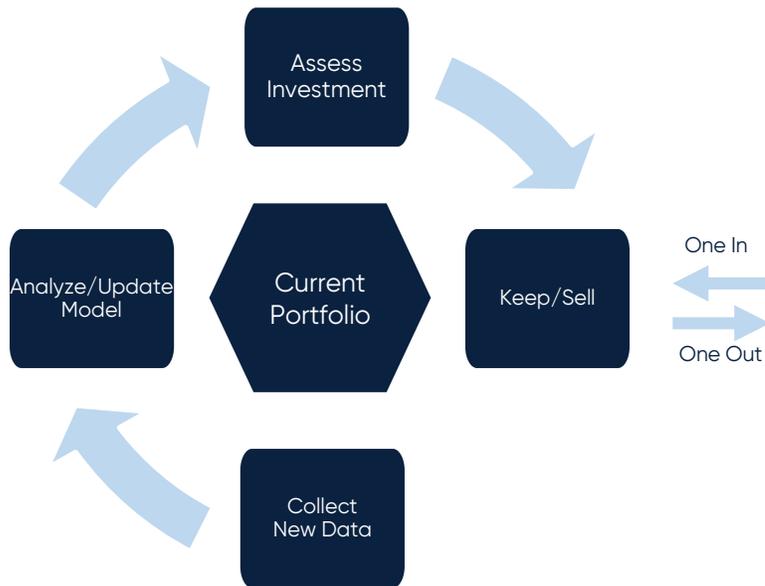


Lyrical Challenge: CI vs COST

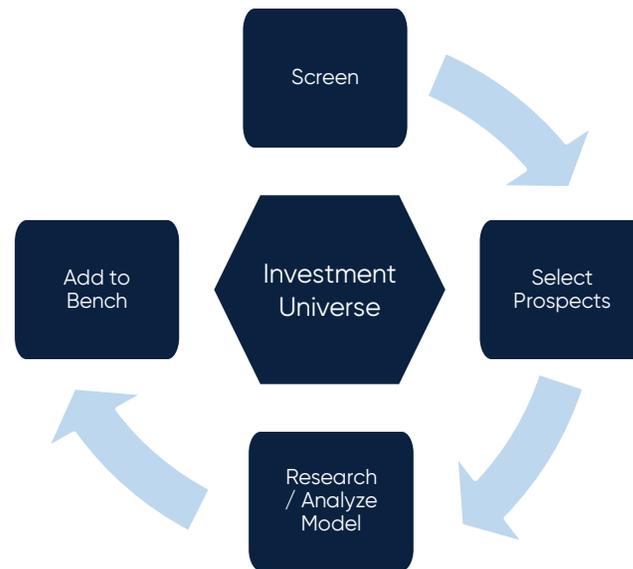


Lyrical Investment Process

Job #1: Monitor Portfolio

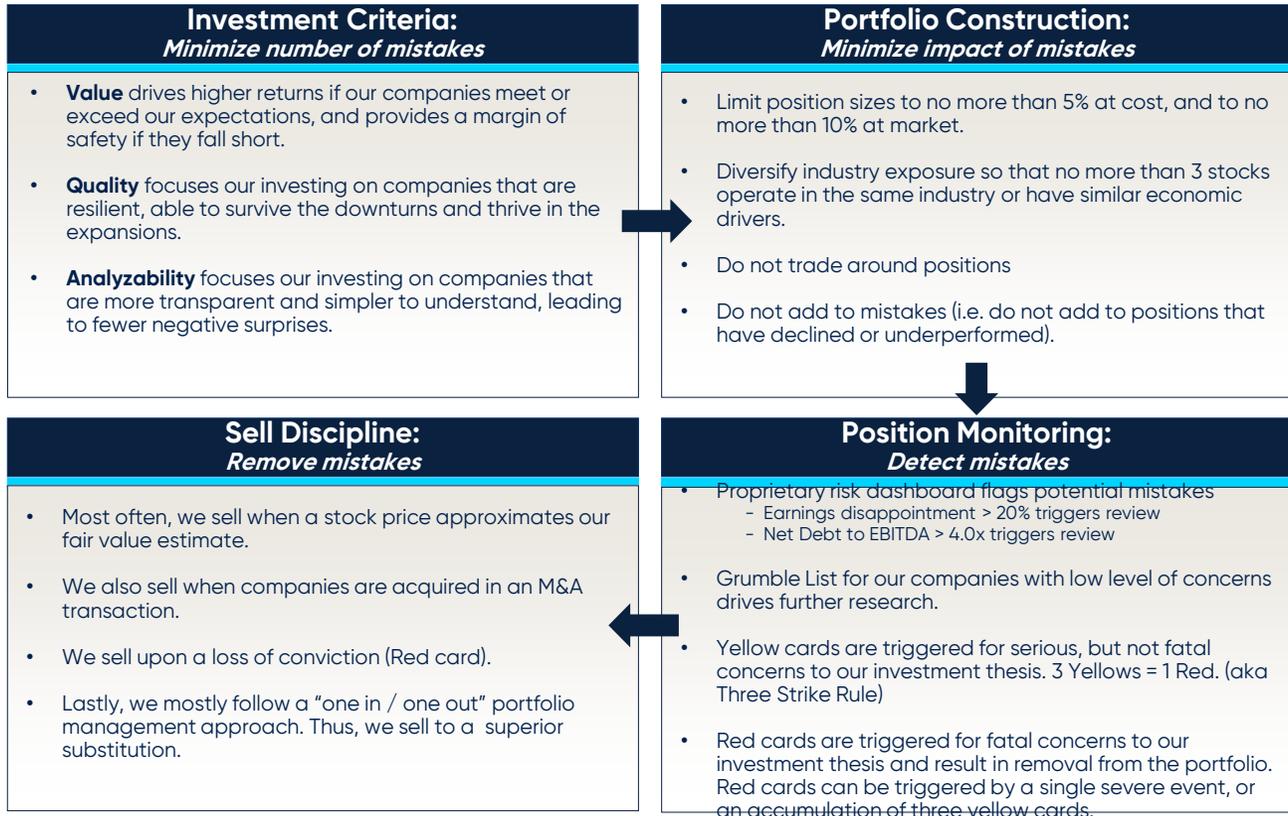


Job #2: Find the Best Stocks We Don't Own Yet



One In
←
→
One Out

Risk Management



Exposure by Industry

Consumer	17.2%
Used Goods Marketplace	4.4%
Automotive Aftermarket	2.1%
Retail Auto	16%
Travel	4.1%
Transportation Services	5.0%

Financials	29.3%
Consumer Insurance	2.2%
Airplane Leasing	5.3%
Asset Management	3.2%
Financial Advisory	3.9%
Financial Technology	5.0%
Life Insurance	19%
Merchant Acquiring	2.1%
Corporate Payments	5.7%

Health Care	11.3%
Managed Care	4.1%
Pharmaceutical Benefits Mgmt	17%
Dental Distribution	18%
Hospitals	3.8%

eBay
LKQ
Lithia
Expedia
Uber

Assurant
Aercap, Air Lease
AMG, 30%Ameriprise
70%Ameriprise
Fidelity Nat'l
Primerica
Global Payments
Corpay, WEX

Centene, 50% Cigna
50% Cigna
Henry Schein
HCA

Energy	3.6%
Oil	3.6%

Utilities	7.1%
Electric Utilities	7.1%

Industrials	16.9%
Auto Production	13%
Equipment Rental	5.9%
Electrical/ Construction	17%
Building Solutions	5.6%
Commercial Services	0.6%
Plastic Packaged Goods	19%

Information Technology	13.7%
Semi Distribution	12%
Software	3.4%
IT Distribution	2.1%
Consumer Cybersecurity	3.2%
IT Hardware Design/ Manufacturing	3.9%

Suncor

NRG

Adient, Lear
United Rentals
WESCO
Johnson Controls
Concentrix
Amcor

70% Arrow
F5
30% Arrow, Synnex
Gen Digital
Flex

Important Notes

Index Information

Any indexes and other financial benchmarks shown are provided for illustrative purposes only, are unmanaged, reflect reinvestment of income and dividends and do not reflect the impact of advisory fees. Investors cannot invest directly in an index. Comparisons to indexes have limitations because indexes have volatility and other material characteristics that may differ from those of Lyrical's strategies.

The S&P 500 Index is a market capitalization weighted index comprised of 500 widely-held common stocks.

The S&P 500 Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those S&P 500 companies with lower price-to-book ratios and lower expected growth values. The S&P 500 Value Index is constructed to provide a comprehensive and unbiased barometer of the large-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics.

The S&P 500 Growth Index measures the performance of the large cap growth segment of the U.S. equity universe. It includes those S&P 500 companies with higher sales growth, ratio of earnings change to price, and momentum. The S&P 500 Value Index is constructed to provide a comprehensive and unbiased barometer of the large cap growth segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics.

Vanguard Value Index invests in stocks of large U.S. companies in market sectors that tend to grow at a slower pace than the broad market; these stocks may be temporarily undervalued by investors. This low-cost index fund follows a buy-and-hold approach, and invests in substantially all of the stocks contained within its broad benchmark. In addition to general stock market volatility, the fund's primary risk comes from the fact that at times its focus on large-capitalization value stocks may underperform the broader stock market.

The Russell 1000 Value Index measures the performance of the large cap value segment of the US equity universe. It includes those Russell 1000 companies with relatively lower price-to-book ratios, lower 1/B/E/S forecast medium term (2 year) growth and lower sales per share historical growth (5 years). The Russell 1000 Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics

The MSCI USA Value Index captures large and mid cap US securities exhibiting overall value style characteristics. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield

The Wilshire US Large Cap Value Index is designed to reflect the performance of large-capitalization, value-oriented stocks within the U.S. stock market.

Important Notes (Continued)

History of Value Performance Cycles (Slide 2)

For the period from January 1960 – December 1984 we use Sanford Bernstein data for the cheapest quintile within the 1,000 largest U.S. stocks by market capitalization based on price to book value as the representative “Cheapest Quintile”.

For the period from January 1985 – December 1997 for each quarter, based on FactSet data, we divided the 1,000 largest U.S. stocks by market capitalization into quintiles based on their beginning of quarter price to median trailing earnings multiple. Return for the lowest p/e quintile is the simple average of the total returns, including dividends, of each stock in that quintile. Returns for stocks that ceased trading are included through the date they ceased trading.

For all periods after 1997, for each calendar quarter, based on FactSet data, we divided the 1,000 largest U.S. stocks by market capitalization into quintiles based on their beginning of quarter price to median forward earnings multiple. Return for each quintile is the simple average of the total returns, including dividends, of each stock in that quintile. Returns for stocks that ceased trading are included through the date they ceased trading.

Note that discretion was applied by Lyrical in determining the beginning and ending of each cycle. The period shown for 2020s reflects returns through March 18, 2020. There can be no assurance that such date marks the end of the down cycle.

Indexed EPS Growth (Slide 7)

This chart depicts the historical change of earnings per share of the companies in the LAM U.S. Value Equity strategies as of May 31, 2025, using current composite shares as of May 31, 2025, and the change in earnings per share of the S&P 500® Index over the same period. Actual shares of such holdings varied over time. Earnings per share is computed using consensus earnings data per FactSet, which include certain adjustments from reported, GAAP earnings. Periods marked with an “E” include estimated earnings per share.