

DAVIS SMA: Selective. Attractive Growth. Undervalued.



“What gives us confidence that our SMAs may build wealth for our shareholders in the years and decades to come? The compelling attributes of our businesses.

By being highly selective and rejecting the vast majority of companies in the index, we’ve built portfolios in which the gap between price and value is among the widest we have ever seen. We believe this sets the stage for attractive returns in the years ahead.”

Chris Davis, Portfolio Manager

	Selective Holdings	Attractive Growth EPS Growth (5 Year) ¹	Undervalued P/E (Forward) ²
Davis Large Cap Value SMA Portfolio	26	21.4%	14.1x
S&P 500	503	17.7%	24.9x
Davis All-Cap SMA Portfolio	29	18.2%	13.5x
S&P 1500	1,506	17.6%	24.3x
Davis International ADR SMA Portfolio	22	18.7%	8.4x
MSCI ACWI ex US	2,058	12.3%	14.7x
Davis Global ADR SMA Portfolio	35	22.4%	9.4x
MSCI ACWI	2,647	16.6%	20.4x

As of 12/31/24. The Attractive Growth and Undervalued reference in this piece relates to underlying characteristics of the portfolio holdings. There is no guarantee that the Portfolio’s performance will be positive as equity markets are volatile and an investor may lose money. **Past performance is not a guarantee of future returns.** Performance may vary.

1. Five-year EPS Growth Rate (5-year EPS) is the average annualized earnings per share growth for a company over the past 5 years. The values shown are the weighted average of the 5-year EPS of the stocks in the Portfolio or Index. Not all assets of the Portfolios are accounted for in the calculation of 5-year EPS as relevant information on certain companies is not available to the Advisor's data provider. Approximate amounts are: LCV SMA: 2.20%; ACC SMA: 3.80%; INT SMA: 17.60%; GBL SMA: 14.50%. The EPS Growth of the Indices are S&P 500: 17.7%; S&P 1500: 17.6%; MSCI ACWI ex US: 12.3%; MSCI ACWI: 16.6%. 2. Forward Price/Earnings (Forward P/E) Ratio is a stock's price at the date indicated divided by the company's forecasted earnings for the following 12 months based on estimates provided by the Advisor's data provider. These values for both the Portfolio and the Index are the weighted average of the stocks in the Portfolio or Index. The Forward P/E of the Indices are: S&P 500 24.9x; S&P 1500 24.3x; MSCI ACWI ex US 14.7x; MSCI ACWI 20.4x.

This material may be shared with existing and potential clients to provide information concerning market conditions and the investment strategies and techniques used by Davis Advisors to manage its client accounts. Please refer to Davis Advisors Form ADV Part 2 for more information regarding investment strategies, risks, fees, and expenses. Clients should also review other relevant material, including a schedule of investments listing securities held in their account.

The investment objective of Davis Large Cap Value, Davis All-Cap, Davis Global Equity, and Davis International Equity accounts is long-term growth of capital. There can be no assurance that Davis will achieve its objective. The principal risks are: China risk (LCV, Global and International only), common stock risk, depository receipts risk, emerging markets risk, exposure to industry or sector risk (Global and International only), fees and expenses risk, financial services risk, focused portfolio risk (LCV only), foreign country risk, foreign

currency risk, headline risk, large capitalization companies risk, manager risk, mid- and small-capitalization companies risk, and stock market risk. See the ADV Part 2 for a description of these principal risks.

We gather our index data from a combination of reputable sources, including, but not limited to, Wilshire, Lipper, and index websites.

The **S&P 500 Index** is an unmanaged index of 500 selected common stocks, most of which are listed on the New York Stock Exchange. The index is adjusted for dividends, weighted towards stocks with large market capitalizations and represents approximately two-thirds of the total market value of all domestic common stocks. Investments cannot be made directly in an index. The **S&P 1500 Index** is comprised of the S&P 500, MidCap 400, and SmallCap 600, which together represent approximately 90% of the U.S. equity market. Investments cannot be made directly in an index. The **MSCI ACWI (All Country World Index) ex US**

is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets, excluding the United States. The index includes reinvestment of dividends, net of foreign withholding taxes. Investments cannot be made directly in an index. The **MSCI ACWI (All Country World Index)** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets throughout the world. The index includes reinvestment of dividends, net foreign withholding taxes. Investments cannot be made directly in an index.