



DELPHI MANAGEMENT

Delphi Management is a recognized leader in superior, research-driven value investing.

Founded in 1980 by Scott Black.

Proven stock selection criteria with over forty years track record.

High ROE/Low P/E criteria identify *quality at value prices with a margin of safety.*

Firm regularly featured on:



INVESTMENT PRINCIPLES

High Return on Equity

- *Ceteris paribus*, high ROE = high growth g .
- ROE (and its related metric, ROIC) is a defense against the dreaded *value trap*.

Price is what you pay, **value** is what you get

- Low P/E.
- Margin of Safety.
- Discount to Intrinsic Value: DCF, P/B.

Asset plays vs. Earnings Plays

- Graham vs. Buffett.
- Graham vs. Buffett.
- "Cigar Butts" vs. Compounders.
- "Cigar Butts" vs. Compounders.

Quality of Earnings

- EPS is worthless if it's not underpinned by Free Cash Flow.
- Non-GAAP Adjustments: You want us to exclude *what?*

Management Integrity

- What we say is what we do.
- Clearly communicated strategy.
- Turnarounds.

Invest for the long term, but don't pin your hopes on it

- Graham vs. Buffett.
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- "Cigar Butts" vs. Compounders.
- "Cigar Butts" vs. Compounders.



INTRODUCING
DELPHI RESEARCH:
OUR OFFERING FOR
WEALTH MANAGERS

A NEW STRATEGY, A PROVEN APPROACH



Delphi Research uses the Delphi Concentrated Portfolio:

- 25-30 stocks from the Delphi Universe.
- Inception: 2016.
- +9.32% CAGR vs +5.86% R2500V*

Daily Trade Instructions for each Individual Account.

Weekly Model Portfolios.

Access to short-form Investment Summaries.

Individualized Quarterly Letter.

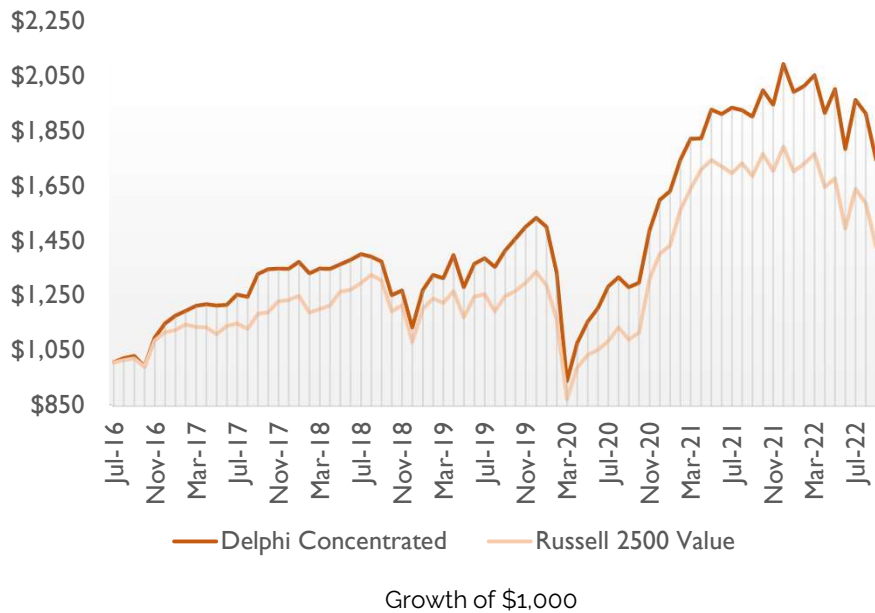
Four Investment Professionals.

- Focused entirely on research.
- Strategy Manager: Evan Campbell, CFA.
- Scott Black acts as Portfolio Advisor.

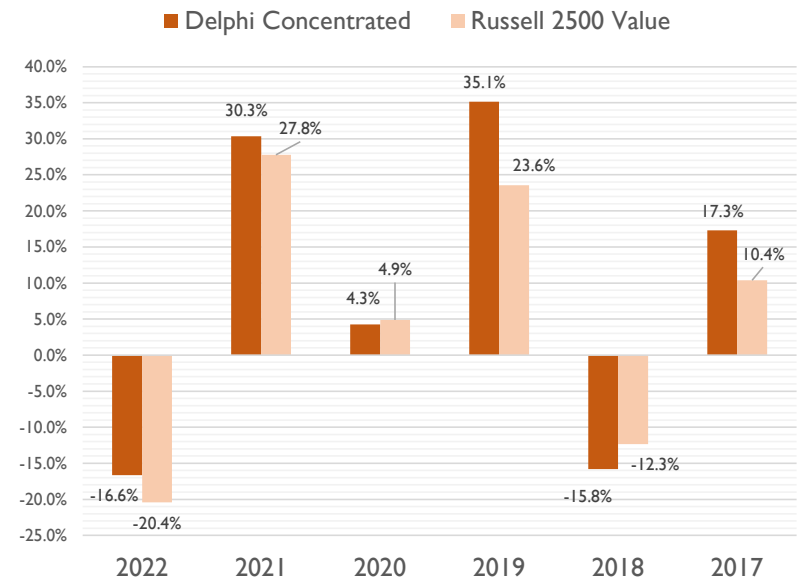
* Net of fees through 9/30/22; vs Russell 2500 Value

DELPHI CONCENTRATED: CONSISTENTLY SUPERIOR RETURNS

VAMI CHART



ANNUAL RETURNS



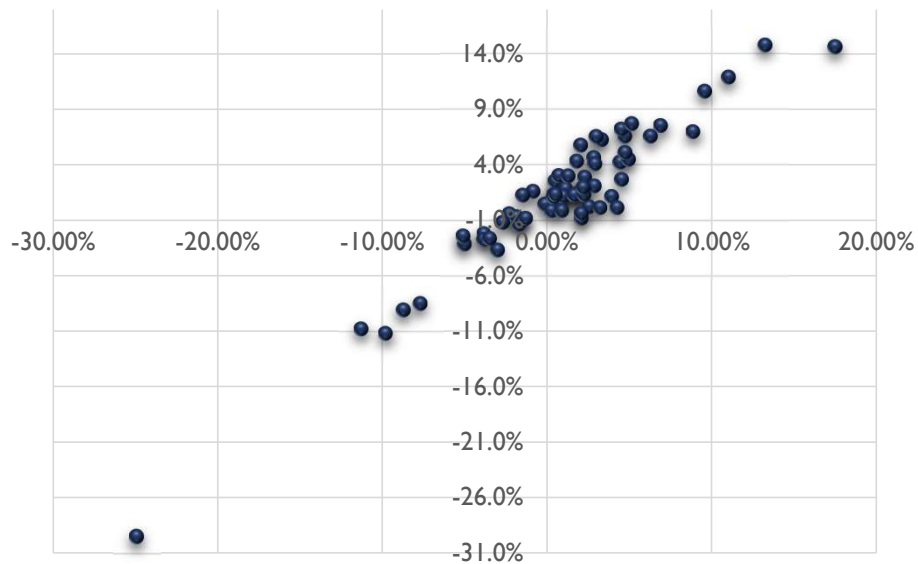
RETURNS SINCE INCEPTION

(THROUGH SEPTEMBER 30, 2022)

	Delphi Concentrated		Russell 2500 Value		+ / -	
1 Month	-8.80%		-10.11%		+1.31%	
3 Month	-2.22%		-4.50%		+2.29%	
1 Year	-8.26%		-15.36%		+7.10%	
3 Year	+11.31%	<i>per annum</i>	+9.34%	<i>per annum</i>	+1.97%	<i>per annum</i>
5 Year	+13.91%	<i>per annum</i>	+10.98%	<i>per annum</i>	+2.94%	<i>per annum</i>
Inception	+9.32%	<i>per annum</i>	+5.86%	<i>per annum</i>	+3.46%	<i>per annum</i>

LOW EXCESS VOLATILITY

ALPHA α GENERATION



y axis: Delphi Concentrated

MPT Statistics	Delphi vs Benchmark	Capture Statistics	Delphi vs Benchmark
Alpha α^*	+3.00%	Upside	109.8%
Beta β	1.02	Downside	95.9%
r^2	0.92	Standard Deviation	8.77% vs. 8.23%

7/15/2016 through 9/30/2022

* annualized

PORTFOLIO CONSTRUCTION VS SEPARATELY MANAGED

	Delphi Portfolio Construction	Delphi Separately Managed Accounts
Client Receives Statements from	Partner	Delphi
Trade Execution	Partner	Delphi
Deployable on	Any Client Brokerage Account	Whole Accounts Only
Management Fee	30 bps	75 bps
Client Receives Delphi Quarterly Letter	YES	YES
Product	Delphi Concentrated	Concentrated (25-30) or All-Cap (60-80)

ADDENDUM

- All investment results are net of fees: they reflect the reinvestment of dividends and interest income, and the subtraction of all brokerage commissions and advisory fees.
- Historical performance is not a predictor of future results. Since stock markets fluctuate, there is the possibility of loss as well as the potential for profit.
- While Delphi Management has cumulatively outpaced the S&P 500, Russell 2500, and Russell 2000 since inception, in any given year we may have trailed the respective benchmarks.
- Like mutual funds, Delphi Management runs diversified portfolios with thirty to ninety names in each portfolio.
- Delphi Management's fee structure is fully disclosed in Part II of its Form ADV, which is available upon request.
- Finally, advisory fees have the following impact on cumulative performance:
- Delphi Management claims compliance with the [Global Investment Performance Standards \(GIPS\)](#) for all periods after January 1, 2000.
- The Concentrated All-Cap Composite, is defined as the asset-weighted, time-weighted return of all actual equity accounts for which Delphi has full discretion in the Concentrated All-Cap strategy. It includes advisory-only assets, but excludes accounts that have a portion of their assets invested in other asset classes (e.g., fixed income).
- The benchmark for the Delphi Concentrated All-Cap product is the Russell 2500 Value Index.
- The presentation currency is \$US.
- Delphi's GIPS Compliant Presentation, which includes a full list of composites, policies for valuing portfolios, calculating returns, and other statistical information, is available upon request.

Annual Fee	5 Years	10 Years
1%	-4.9%	-9.6%
0.75%	-3.7%	-7.2%
0.50%	-2.5%	-4.9%