Select Equity High Income

Firm Overview

Parvin Asset Management offers traditional and alternative investment management to address the specific needs and preferences of the individuals, families and institutions we serve. Our objective is to preserve capital and to provide higher risk-adjusted returns than the market. To accomplish this goal for equities, we concentrate on the fundamental importance of profitability and value. Equity portfolios are constructed with focused positions since we view too much diversification as lowering the opportunity for higher returns without reducing risk. As a result, we build portfolios with stocks that are typically spread among 20 equal-weighted positions. In general, we look for stock holdings that are usually characterized by high returns on capital; steady earnings growth; reasonable valuation; substantial income, as appropriate; and diversification across six, or more, economic sectors.

Strategy Overview

Parvin Select Equity High Income represents an extension of Parvin's core stock selection approach highlighting profitability and value. While following the same fundamental equity strategy, there is an additional requirement for substantial income. These portfolios are designed to provide a relatively high level of income from dividends that are anticipated to be sustained over time. Returns on Select Equity High Income portfolios are usually derived from income more than growth, with yields that are typically higher than market levels. The most significant risk for this strategy is underperforming stock selections.

Portfolio Highlights

High income and modest growth are primary objectives of this strategy	Focused portfolio diversified with up to 20 equally-sized stock positions
Selection process concentrates on finding economically profitable businesses trading at prices below intrinsic value	Most dividend payments represent qualified income for tax purposes

Managing risk is a critical aspect of any investment process. The preservation of capital is an important goal at Parvin, but there is no guarantee against loss since risk is inherent in every capital allocation decision.
All portfolios are held by independent custodians.

Select Equity High Income [1]

4Q2024

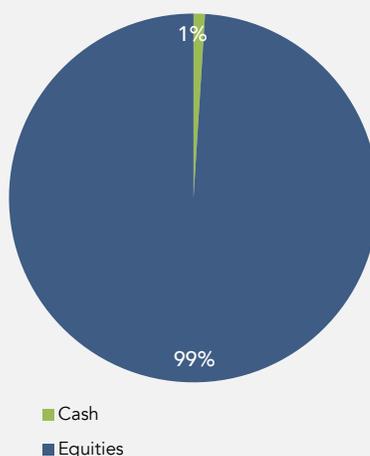## Portfolio Manager

J. Steven Smith, CFA®

- Managing Director, Parvin Asset Management
- Investment Committee Member and Portfolio Manager, Nuveen (Radnor, PA)
- Treasurer, Harman International
- Vice President, Lehman Brothers
- Analyst, Morgan Stanley
- Williams College (BA)
- Tuck School at Dartmouth (MBA)
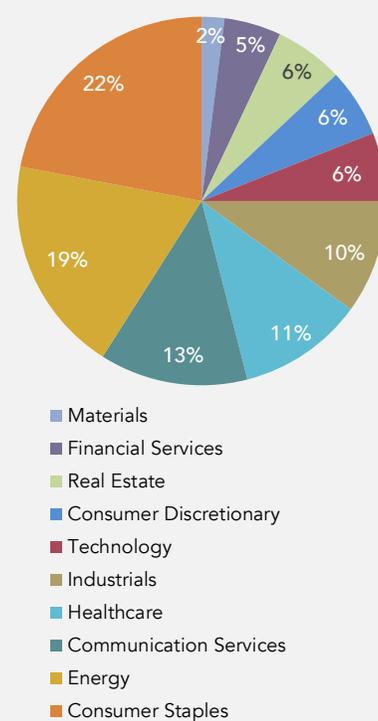
Representative Account Profile [2]

Significant Holdings [3]	%
Merck & Co.	8.5
Paychex Inc.	8.5
Archer-Daniels Midland	8.0
Kinder Morgan Inc.	5.9
AT&T Inc.	5.3
United Parcel Service Inc.	4.8

Financial Overview [4]	Data*
Return on Equity	20.4%
Return on Assets	6.5%
Indicated Yield	4.6%
Forward P/E	12.9x
Price/Cash Flow	8.8x
Price/Book	2.4x

*Source: Morningstar

Asset Allocation

- Cash
- Equities

Sector Allocation

- Materials
- Financial Services
- Real Estate
- Consumer Discretionary
- Technology
- Industrials
- Healthcare
- Communication Services
- Energy
- Consumer Staples

[1] Information presented is supplemental to and not required for GIPS Reports.

[2] Based on an average of all fully-discretionary client accounts currently managed according to Parvin's Select Equity High Income strategy.

[3] The Significant Holdings are intended only as a sample of the types of securities that Parvin may purchase and hold and may differ from other accounts and change any time without notice. The securities listed are not recommendations to buy, sell or hold.

[4] The Financial Overview is only intended as the current weighted-average profile of securities in an account that Parvin may purchase and hold, and may differ from other accounts and change any time without notice. These profile characteristics are not comprehensive and are not guaranteed to either generate returns or control risk. The source of data is Morningstar, which Parvin has deemed reliable but does not guarantee.

For use by the individual recipient only. Past performance is not a guarantee of future results. Additional information on Parvin's performance results is available upon request.