

Small Cap Composite

As of 31 Mar 2022

DIAMOND HILL

INVESTED IN THE LONG RUN

Team

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Portfolio Manager

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Portfolio Manager

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Portfolio Specialist

Philosophy and Process Highlights

Under our intrinsic value philosophy, we:

- Treat every investment as a partial ownership interest in that company
- Seek to invest at a discount to intrinsic value
- Possess a long-term investment temperament
- Recognize that market price and intrinsic value tend to converge over a reasonable period of time

Portfolio Guidelines

- Typically 50-80 positions
- Maximum position size is 7%
- Top 10 holdings are typically greater than 25% of net assets
- Maximum industry exposure is 20%
- Maximum sector exposure is 30%

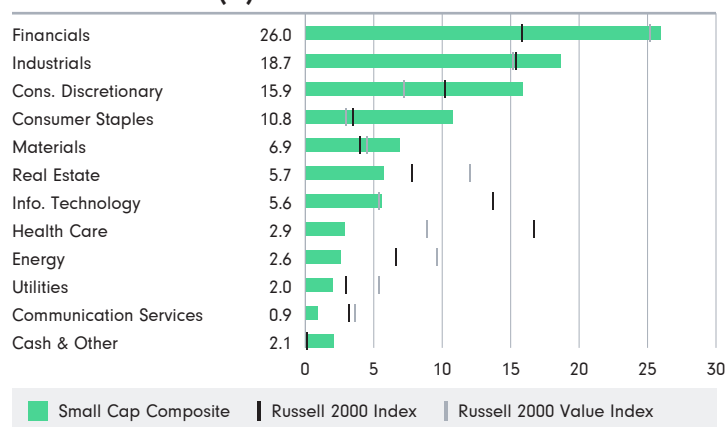
Market Capitalization

The portfolio typically invests in companies with a market capitalization below \$3 billion (or, if greater, the maximum market capitalization of companies generally within the capitalization range of the Russell 2000 Index) at the time of purchase.

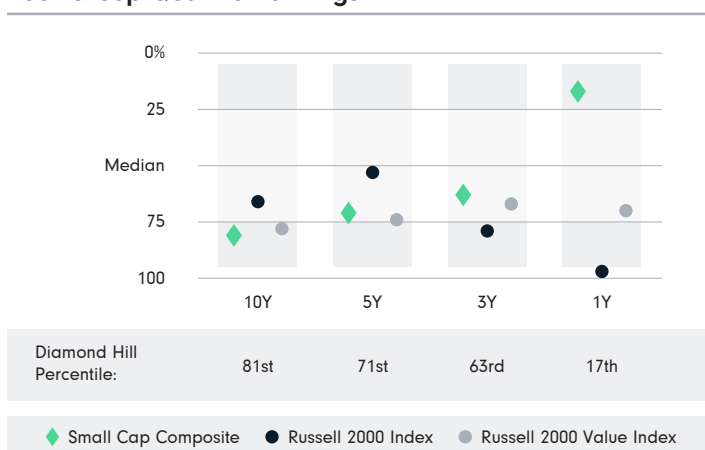
Top Ten Equity Holdings

	Sector	% of Net Assets
Red Rock Resorts, Inc. (CI A)	Cons. Discretionary	5.8
Cal-Maine Foods, Inc.	Consumer Staples	4.8
Webster Financial Corp.	Financials	4.6
Colfax Corp.	Industrials	4.5
Bank OZK	Financials	4.5
WESCO International, Inc.	Industrials	3.7
WNS (Holdings) Ltd.	Info. Technology	3.0
Enstar Group Ltd.	Financials	3.0
Mr. Cooper Group, Inc.	Financials	2.8
Allegiant Travel Co.	Industrials	2.6
Total as % of Net Assets		39.3
Total Holdings		54

Sector Allocation (%)¹



Peer Group Quartile Rankings²



Best and Worst Performers (%)³

	1Q22 Contribution	Ending Weight
Best		
Cal-Maine Foods, Inc.	1.7	4.8
Civitas Resources, Inc.	0.5	2.6
South Jersey Industries, Inc.	0.4	1.1
Rimini Street, Inc. (CI A)	0.3	2.1
Taseko Mines Ltd.	0.2	2.3
Worst		
Live Oak Bancshares, Inc.	-1.2	2.2
Green Brick Partners, Inc.	-0.8	1.6
PROG Holdings, Inc.	-0.7	1.3
Red Rock Resorts, Inc. (CI A)	-0.6	5.8
Vail Resorts, Inc.	-0.5	2.3

¹ Cash & Other may include cash, treasuries, money market funds and short duration fixed income funds.

² Source: eVestment. Ranking within eVestment US Small Cap Value equity universe based on monthly returns gross of fees. Ranking data calculated on 18 Apr 2022 (as of 31 Mar 2022) and is subject to change as additional firms within the category submit data.

³ Source: FactSet. Securities referenced may not be representative of all portfolio holdings. Contribution to return is not indicative of whether an investment was or will be profitable. To obtain contribution calculation methodology and a complete list of every holding's contribution to return during the period, contact 855.255.8955 or info@diamond-hill.com.

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Portfolio Characteristics vs Benchmark⁴

	Small Cap Composite	Russell 2000 Index	Russell 2000 Value Index
Median Forward P/E	17.2x	14.9x	13.4x
Median Trailing P/E	18.3x	15.9x	14.1x
Weighted Average Dividend Yield	1.0%	1.0%	1.6%
Median Price/Book	2.0x	2.1x	1.7x
Median Price/Sales	1.9x	2.5x	2.3x
Median Market Capitalization	\$3.9B	\$1.1B	\$1.0B
Weighted Average Market Cap.	\$4.3B	\$3.4B	\$3.1B
Portfolio Turnover (5-Year)	20%	—	—
Active Share ⁵ vs Core ⁶ /Value ⁷ Benchmark	97%/97%	—	—
Upside/Downside Capture Ratio ⁸ vs Core Benchmark ⁶	87%/80%	—	—
Upside/Downside Capture Ratio ⁸ vs Value Benchmark ⁷	91%/85%	—	—

⁴Source: FactSet.

⁵Source: FactSet. Active share measures the difference between portfolio holdings and the benchmark. The higher the active share, the greater the difference.

⁶The Russell 2000 Index is the core benchmark.

⁷The Russell 2000 Value Index is the value benchmark.

⁸Source: eVestment based on monthly returns (gross of fees) from 1 Jan 2001 – 31 Mar 2022.

Period and Annualized Total Returns (%)	Since Inception (31 Dec 2000)	20Y	15Y	10Y	5Y	3Y	1Y	YTD	1Q22
Gross of Fees	11.34	10.20	8.38	10.45	8.69	13.05	10.52	-4.22	-4.22
Net of Fees	10.48	9.34	7.53	9.58	7.83	12.16	9.65	-4.41	-4.41
Russell 2000 Index	8.51	8.72	7.99	11.04	9.74	11.74	-5.79	-7.53	-7.53
Russell 2000 Value Index	9.16	8.55	6.91	10.54	8.57	12.73	3.32	-2.40	-2.40

Calendar Year Returns (%)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Gross of Fees	-2.41	-25.03	30.96	24.76	-5.90	14.32	41.64	5.97	-2.44	15.61	12.05	-14.03	22.92	0.77	34.17
Net of Fees	-3.18	-25.62	29.93	23.77	-6.63	13.43	40.55	5.17	-3.22	14.70	11.16	-14.73	21.96	-0.03	33.13
Russell 2000 Index	-1.57	-33.79	27.17	26.85	-4.18	16.35	38.82	4.89	-4.41	21.31	14.65	-11.01	25.52	19.96	14.82
Russell 2000 Value Index	-9.78	-28.92	20.58	24.50	-5.50	18.05	34.52	4.22	-7.47	31.74	7.84	-12.86	22.39	4.63	28.27

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