



Schwartz Value Focused Fund **RCMFX**



U N A U D I T E D

semi-annual report

JUNE 30, 2023

Schwartz Value Focused Fund

Shareholder Services

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Investment Adviser

Schwartz Investment Counsel, Inc.
801 W. Ann Arbor Trail
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Plymouth, MI 48170

Dear Fellow Shareholders:

The Schwartz Value Focused Fund (the “Fund”) had a total return of -7.57% for the six-month period ended June 30, 2023, compared to 16.15% for the S&P 1500 Index. The Fund’s underperformance can be attributed to: 1) declining oil and natural gas prices and the negative impact on energy-related stocks; 2) value stocks underperformance versus growth stocks; and 3) relative weakness in small and mid-cap stocks compared to large-cap stocks.

After back-to-back strong years in 2021 and 2022, our energy-related holdings have performed poorly so far in 2023. Since peaking in June last year, oil prices have been on a steady downward trajectory due to a combination of factors, including: rising interest rates, fears of an economic slowdown, weaker than expected Chinese demand, and concern about the sustainability of OPEC+’s ongoing production cuts. Due to a myriad of factors, we believe oil prices are headed higher from their currently depressed levels, and our high-quality, energy-related companies are well positioned to benefit.

Value stocks, including many of our portfolio holdings, are currently out of favor. Lately, the major stock market indices have been led by a narrow group of richly valued, growth-oriented, mega-cap tech stocks, including Apple, Amazon, Alphabet (Google), Meta (Facebook), Tesla, and NVIDIA. With market participants currently enamored with these “glamour” stocks, the Fund’s value-focused investments, consisting of primarily small and mid-cap stocks, have languished thus far in 2023.

The Fund’s bottom 5 performing stocks in the first half of this year were:

Company	Industry	2023 Performance
Texas Pacific Land Corporation	Real Estate and Royalties	-43.61%
Devon Energy Corporation	Oil & Gas Exploration & Prod.	-18.94%
Chevron Corporation	Integrated Oil & Natural Gas	-10.69%
Pan American Silver Corporation	Metals & Mining	-9.60%
YETI Holdings, Inc	Consumer Products	-9.14%

The Fund’s top 5 performing stocks in the first half of this year were:

Company	Industry	2023 Performance
A.O. Smith Corporation	Specialty Industrials	+28.34%
The St. Joe Company	Real Estate	+24.61%
Moody’s Corporation	Financial Services	+22.60%
Masco Corporation	Building Products	+19.83%
Mastercard, Inc	Credit Services	+15.63%

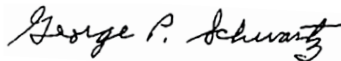
During the past six months, we liquidated a handful of stocks that had reached our estimate of intrinsic value and used the proceeds to establish new positions in three oil and gas exploration and production companies: Chesapeake Energy Corporation, ConocoPhillips, and Occidental Petroleum Corporation. Recent weakness in oil and natural gas prices allowed us the opportunity to initiate positions in these companies at attractive prices. Another new position is Mirion Technologies, Inc., a global leader in ionizing radiation detection and measurement technologies. The company provides radiation detection and monitoring equipment, analytical tools, and radionuclide therapy products and services that are vital applications in the nuclear power, medical, lab, civil, and defense end markets. All four new holdings meet our security selection criteria of owning shares of high-quality businesses, in sound financial condition, run by shareholder-friendly management teams, and that are selling at prices significantly below our estimate of intrinsic value.

The Fund continues to be managed with a value-focused investment approach, using fundamental security analysis to identify stocks trading at a discount to intrinsic value. We believe this approach continues to be an excellent way to achieve superior long-term results.

Thank you for your investment in the Schwartz Value Focused Fund.



Timothy S. Schwartz, CFA
Lead Portfolio Manager



George P. Schwartz, CFA
Co-Portfolio Manager

SCHWARTZ VALUE FOCUSED FUND

TEN LARGEST HOLDINGS

June 30, 2023 (Unaudited)

Shares	Security Description	Market Value	% of Net Assets
5,500	Texas Pacific Land Corporation	\$ 7,240,750	21.1%
52,600	St. Joe Company (The)	2,542,684	7.4%
13,500	Franco-Nevada Corporation	1,925,100	5.6%
9,000	Pioneer Natural Resources Company	1,864,620	5.4%
4,500	Mastercard, Inc. - Class A	1,769,850	5.1%
4,500	Moody's Corporation	1,564,740	4.6%
29,800	Schlumberger Ltd.	1,463,776	4.2%
24,800	Masco Corporation	1,423,024	4.2%
8,000	Chevron Corporation	1,258,800	3.7%
6,400	Madison Square Garden Sports Corporation	1,203,520	3.5%

ASSET ALLOCATION (Unaudited)

	% of Net Assets
COMMON STOCKS	
<u>Sector</u>	
Consumer Discretionary	9.4%
Energy	21.3%
Financials	12.2%
Health Care	1.8%
Industrials	2.2%
Materials	12.0%
Real Estate	28.5%
Technology	9.7%
Money Market Funds, Liabilities in Excess of Other Assets	2.9%
	<u>100.0%</u>

SCHWARTZ VALUE FOCUSED FUND

SCHEDULE OF INVESTMENTS

June 30, 2023 (Unaudited)

COMMON STOCKS — 97.1%	Shares	Fair Value
Consumer Discretionary — 9.4%		
<i>Home Construction — 4.2%</i>		
Masco Corporation	24,800	\$ 1,423,024
<i>Leisure Facilities & Services — 3.5%</i>		
Madison Square Garden Sports Corporation	6,400	1,203,520
<i>Leisure Products — 1.7%</i>		
YETI Holdings, Inc. *	15,300	594,252
Energy — 21.3%		
<i>Oil & Gas Producers — 17.1%</i>		
Chesapeake Energy Corporation	6,000	502,080
Chevron Corporation	8,000	1,258,800
ConocoPhillips	9,000	932,490
Devon Energy Corporation	20,000	966,800
Occidental Petroleum Corporation	6,000	352,800
Pioneer Natural Resources Company	9,000	1,864,620
		5,877,590
<i>Oil & Gas Services & Equipment — 4.2%</i>		
Schlumberger Ltd.	29,800	1,463,776
Financials — 12.2%		
<i>Institutional Financial Services — 6.0%</i>		
CME Group, Inc.	5,100	944,979
Intercontinental Exchange, Inc.	9,800	1,108,184
		2,053,163
<i>Insurance — 6.2%</i>		
Berkshire Hathaway, Inc. - Class A *	2	1,035,620
Markel Group, Inc. *	794	1,098,245
		2,133,865
Health Care — 1.8%		
<i>Biotech & Pharma — 1.8%</i>		
Mirion Technologies, Inc. *	75,000	633,750

SCHWARTZ VALUE FOCUSED FUND

SCHEDULE OF INVESTMENTS

(Continued)

COMMON STOCKS — 97.1% (Continued)	Shares	Fair Value
Industrials — 2.2%		
<i>Electrical Equipment — 2.2%</i>		
A.O. Smith Corporation	10,600	\$ 771,468
Materials — 12.0%		
<i>Chemicals — 2.7%</i>		
Valvoline, Inc.	25,000	937,750
<i>Metals & Mining — 9.3%</i>		
Barrick Gold Corporation	35,300	597,629
Franco-Nevada Corporation	13,500	1,925,100
Pan American Silver Corporation	45,500	663,390
		3,186,119
Real Estate — 28.5%		
<i>Real Estate Owners & Developers — 28.5%</i>		
St. Joe Company (The)	52,600	2,542,684
Texas Pacific Land Corporation	5,500	7,240,750
		9,783,434
Technology — 9.7%		
<i>Technology Services — 9.7%</i>		
Mastercard, Inc. - Class A	4,500	1,769,850
Moody’s Corporation	4,500	1,564,740
		3,334,590
Total Common Stocks (Cost \$20,868,115)		\$ 33,396,301

SCHWARTZ VALUE FOCUSED FUND

SCHEDULE OF INVESTMENTS

(Continued)

MONEY MARKET FUNDS — 3.1%	Shares	Fair Value
Federated Hermes Government Obligations Tax-Managed Fund - Institutional Shares, 4.96% ^(a) (Cost \$1,074,212)	1,074,212	\$ 1,074,212
Total Investments at Fair Value — 100.2% (Cost \$21,942,327)		\$ 34,470,513
Liabilities in Excess of Other Assets — (0.2%)		(81,897)
Net Assets — 100.0%		\$ 34,388,616

* Non-income producing security.

^(a) The rate shown is the 7-day effective yield as of June 30, 2023.

See notes to financial statements.

SCHWARTZ VALUE FOCUSED FUND
STATEMENT OF ASSETS AND LIABILITIES
June 30, 2023 (Unaudited)

ASSETS	
Investments, at fair value (cost of \$21,942,327) (Note 1)	\$ 34,470,513
Receivable for capital shares sold	1,656
Dividends receivable	15,339
Other assets	16,616
TOTAL ASSETS	<u>34,504,124</u>
LIABILITIES	
Payable for capital shares redeemed	28,297
Payable to Adviser (Note 2)	75,021
Payable to administrator (Note 2)	3,025
Other accrued expenses	9,165
TOTAL LIABILITIES	<u>115,508</u>
NET ASSETS	<u>\$ 34,388,616</u>
NET ASSETS CONSIST OF:	
Paid-in capital	\$ 21,237,406
Accumulated earnings	<u>13,151,210</u>
NET ASSETS	<u>\$ 34,388,616</u>
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value)	<u>825,753</u>
Net asset value, offering price and redemption price per share (Note 1)	<u>\$ 41.65</u>

See notes to financial statements.

SCHWARTZ VALUE FOCUSED FUND

STATEMENT OF OPERATIONS

For the Six Months Ended June 30, 2023 (Unaudited)

INVESTMENT INCOME	
Dividends	\$ 421,428
Foreign withholding taxes on dividends	<u>(5,601)</u>
TOTAL INVESTMENT INCOME	<u>415,827</u>
EXPENSES	
Investment advisory fees (Note 2)	170,075
Administration, accounting and transfer agent fees (Note 2)	22,782
Legal fees	21,445
Registration and filing fees	16,665
Audit and tax services fees	8,417
Trustees' fees and expenses (Note 2)	4,634
Custodian and bank service fees	3,537
Postage and supplies	3,049
Shareholder reporting expenses	2,151
Insurance expense	1,280
Compliance service fees (Note 2)	340
Other expenses	<u>7,642</u>
TOTAL EXPENSES	262,017
Previous investment advisory fee reductions recouped by the Adviser (Note 2)	<u>21,442</u>
NET EXPENSES	<u>283,459</u>
NET INVESTMENT INCOME	<u>132,368</u>
REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS	
Net realized gains from investment transactions	711,533
Net change in unrealized appreciation (depreciation) on investments	<u>(4,983,479)</u>
NET REALIZED AND UNREALIZED LOSSES ON INVESTMENTS..	<u>(4,271,946)</u>
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS..	<u>\$ (4,139,578)</u>

See notes to financial statements.

SCHWARTZ VALUE FOCUSED FUND

STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2023 (Unaudited)	Year Ended December 31, 2022
FROM OPERATIONS		
Net investment income	\$ 132,368	\$ 448,585
Net realized gains (losses) from investment transactions	711,533	(221,016)
Net change in unrealized appreciation (depreciation) on investments	(4,983,479)	6,358,455
Net increase (decrease) in net assets resulting from operations	(4,139,578)	6,586,024
FROM DISTRIBUTIONS TO SHAREHOLDERS (Note 1)	<u>—</u>	<u>(448,446)</u>
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	10,148,644	26,360,198
Reinvestment of distributions to shareholders	—	401,888
Payments for shares redeemed	(23,393,024)	(4,688,357)
Net increase (decrease) in net assets from capital share transactions	(13,244,380)	22,073,729
TOTAL INCREASE (DECREASE) IN NET ASSETS ...	(17,383,958)	28,211,307
NET ASSETS		
Beginning of period	51,772,574	23,561,267
End of period	<u>\$ 34,388,616</u>	<u>\$ 51,772,574</u>
SUMMARY OF CAPITAL SHARE ACTIVITY		
Shares sold	228,724	621,397
Shares issued in reinvestment of distributions to shareholders	—	8,925
Shares redeemed	(552,041)	(109,141)
Net increase (decrease) in shares outstanding	(323,317)	521,181
Shares outstanding, beginning of period	1,149,070	627,889
Shares outstanding, end of period	<u>825,753</u>	<u>1,149,070</u>

See notes to financial statements.

SCHWARTZ VALUE FOCUSED FUND

FINANCIAL HIGHLIGHTS

Per Share Data for a Share Outstanding Throughout Each Period

	Six Months Ended June 30, 2023 (Unaudited)	Year Ended Dec. 31, 2022	Year Ended Dec. 31, 2021	Year Ended Dec. 31, 2020	Year Ended Dec. 31, 2019	Year Ended Dec. 31, 2018
Net asset value at beginning of period	\$ 45.06	\$ 37.52	\$ 30.54	\$ 28.03	\$ 23.62	\$ 26.44
Income (loss) from investment operations:						
Net investment income (loss)	0.16	0.39	0.12	0.15	(0.03)	(0.08)
Net realized and unrealized gains (losses) on investments	(3.57)	7.54	9.39	3.11	4.44	(2.08)
Total from investment operations ...	(3.41)	7.93	9.51	3.26	4.41	(2.16)
Less distributions from:						
Net investment income	—	(0.39)	(0.12)	(0.15)	—	—
Net realized gains on investments	—	—	(2.41)	(0.60)	—	(0.66)
Total distributions	—	(0.39)	(2.53)	(0.75)	—	(0.66)
Net asset value at end of period	\$ 41.65	\$ 45.06	\$ 37.52	\$ 30.54	\$ 28.03	\$ 23.62
Total return ^(a)	(7.57%) ^(b)	21.15%	31.14%	11.62%	18.67%	(8.14%)
Ratios/Supplementary Data:						
Net assets at end of period (000's) ..	\$ 34,389	\$ 51,773	\$ 23,561	\$ 18,097	\$ 22,461	\$ 19,428
Ratio of total expenses to average net assets	1.16% ^(c)	1.28%	1.51%	1.71%	1.61%	1.67%
Ratio of net expenses to average net assets ^(d)	1.25% ^(c)	1.25%	1.25%	1.25%	1.25%	1.25%
Ratio of net investment income (loss) to average net assets ^(d)	0.58% ^(c)	1.39%	0.28%	0.49%	(0.13%)	(0.31%)
Portfolio turnover rate	22% ^(b)	14%	18%	45%	28%	34%

^(a) Total return is a measure of the change in value of an investment in the Fund over the period covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. Returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

^(b) Not annualized.

^(c) Annualized.

^(d) Ratio was determined after advisory fee reductions and/or recoupments (Note 2).

See notes to financial statements.

SCHWARTZ VALUE FOCUSED FUND

NOTES TO FINANCIAL STATEMENTS

June 30, 2023 (Unaudited)

1. Organization and Significant Accounting Policies

Schwartz Value Focused Fund (the “Fund”) is a non-diversified series of Schwartz Investment Trust (the “Trust”), an open-end management investment company established as an Ohio business trust under a Declaration of Trust dated August 31, 1992. Other series of the Trust are not incorporated in this report. The Fund is registered under the Investment Company Act of 1940, as amended (the “1940 Act”).

The investment objective of the Fund is to seek long-term capital appreciation. See the Prospectus for information regarding the principal investment strategies of the Fund.

Shares of the Fund are sold at net asset value (“NAV”). To calculate the NAV, the Fund’s assets are valued and totaled, liabilities are subtracted, and the balance is divided by the number of shares outstanding. The offering price and redemption price per share are equal to the NAV per share.

The Fund follows accounting and reporting guidance under Financial Accounting Standards Board Accounting Standards Codification Topic 946, “*Financial Services – Investment Companies*.” The following is a summary of the Fund’s significant accounting policies used in the preparation of its financial statements. These policies are in conformity with accounting principles generally accepted in the United States of America (“GAAP”).

(a) Valuation of investments — Securities which are traded on stock exchanges, other than NASDAQ, are valued at the closing sales price as of the close of the regular session of trading on the New York Stock Exchange on the day the securities are being valued, or, if not traded on a particular day, at the closing bid price. Securities which are quoted by NASDAQ are valued at the NASDAQ Official Closing Price or, if an Official Closing Price is not available, at the most recently quoted bid price. Securities traded in the over-the-counter market are valued at the last reported sales price or, if there is no reported sale on the valuation date, at the most recently quoted bid price. Securities which are traded both in the over-the-counter market and on a stock exchange are valued according to the broadest and most representative market. Fixed income securities, if any, are generally valued using prices provided by an independent pricing service. The independent pricing service uses information with respect to transactions in bonds, quotations from bond dealers, market transactions in comparable securities and various relationships between securities in determining these prices. Investments representing shares of other open-end investment companies are valued at their NAV as reported by such companies. When using quoted prices and when the market for the securities are considered active, the securities will be classified as Level 1 within the fair value hierarchy (see below). Securities (and other assets) for which market quotations are not readily available are valued at their fair value as determined in good faith by Schwartz Investment Counsel, Inc. (the “Adviser”), as the valuation designee, in accordance with consistently applied procedures established by and under the general supervision of the Board of Trustees pursuant to Rule 2a-5 under the 1940 Act, and will be classified as Level 2 or 3 within the fair value hierarchy, depending on the inputs used. Fair value pricing may be used, for example, in situations where (i) a portfolio security is so thinly traded

SCHWARTZ VALUE FOCUSED FUND
NOTES TO FINANCIAL STATEMENTS
(Continued)

that there have been no transactions for that stock over an extended period of time; (ii) the exchange on which the portfolio security is principally traded closes early; or (iii) trading of the portfolio security is halted during the day and does not resume prior to the Fund’s NAV calculation. A portfolio security’s “fair value” price may differ from the price next available for that portfolio security using the Fund’s normal pricing procedures.

GAAP establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements.

Various inputs are used in determining the value of the Fund’s investments. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs
- Level 3 – significant unobservable inputs

U.S. Government & Agencies securities held by the Fund, if any, are classified as Level 2 since the values for such securities are based on prices provided by an independent pricing service that utilizes various “other significant observable inputs” including bid and ask quotations, prices of similar securities and interest rates, among other factors.

The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement.

The following is a summary of the Fund’s investments and the levels assigned to the investments, by security type, as of June 30, 2023:

	Level 1	Level 2	Level 3	Total
Common Stocks	\$ 33,396,301	\$ —	\$ —	\$ 33,396,301
Money Market Funds	<u>1,074,212</u>	<u>—</u>	<u>—</u>	<u>1,074,212</u>
Total	<u>\$ 34,470,513</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 34,470,513</u>

Refer to the Fund’s Schedule of Investments for a listing of the securities by security type, sector and industry type. There were no Level 3 securities or derivative instruments held by or transferred in/out of the Fund as of or during the six months ended June 30, 2023.

(b) Income taxes — The Fund has qualified and intends to continue to qualify as a regulated investment company under the Internal Revenue Code of 1986, as amended (the “Code”). Qualification generally will relieve the Fund of liability for federal income taxes to the extent 100% of its net investment income and net realized capital gains are distributed in accordance with the Code.

SCHWARTZ VALUE FOCUSED FUND

NOTES TO FINANCIAL STATEMENTS

(Continued)

In order to avoid imposition of the excise tax applicable to regulated investment companies, it is also the Fund's intention to declare as dividends in each calendar year at least 98% of its net investment income and 98.2% of its net realized capital gains plus undistributed amounts from prior years.

The following information is computed on a tax basis for each item as of June 30, 2023:

Federal income tax cost	<u>\$ 21,942,327</u>
Gross unrealized appreciation	<u>\$ 12,575,562</u>
Gross unrealized depreciation	<u>(47,376)</u>
Net unrealized appreciation	12,528,186
Undistributed ordinary income	139
Accumulated ordinary income	132,368
Capital loss carryforwards	(221,016)
Other gains	<u>711,533</u>
Accumulated earnings	<u>\$ 13,151,210</u>

As of December 31, 2022, the Fund had a short-term capital loss carryforward of \$221,016 for federal income tax purposes, which may be carried forward indefinitely. This capital loss carryforward is available to offset net realized gains in the current and future years, thereby reducing future taxable gain distributions.

The Fund recognizes the tax benefits or expenses of uncertain tax positions only when the position is "more-likely-than-not" to be sustained assuming examination by tax authorities. Management has reviewed the tax positions taken on federal income tax returns for the current and all open tax years (generally, three years) and has concluded that no provision for unrecognized tax benefits or expenses is required in these financial statements.

The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense on the Statement of Operations. During the six months ended June 30, 2023, the Fund did not incur any interest or penalties.

(c) Investment transactions and investment income — Investment transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Non-cash dividends included in dividend income, if any, are recorded at the fair value of the securities received. Interest income is recognized on the accrual basis. Realized capital gains and losses on investment transactions are determined on the identified cost basis. Withholding taxes on foreign dividends have been recorded in accordance with the Fund's understanding of the applicable country's rules and tax rates.

(d) Dividends and distributions — Dividends from net investment income and distributions of net realized capital gains, if any, are declared and paid annually in December. Dividends and distributions to shareholders are recorded on the ex-

SCHWARTZ VALUE FOCUSED FUND

NOTES TO FINANCIAL STATEMENTS

(Continued)

dividend date. The tax character of distributions paid to shareholders during the periods ended June 30, 2023 and December 31, 2022 was as follows:

Period Ended	Ordinary Income	Long-Term Capital Gains	Total Distributions*
June 30, 2023	\$ —	\$ —	\$ —
December 31, 2022	\$ 448,446	\$ —	\$ 448,446

* Total Distributions may not tie to the amounts listed on the Statements of Changes in Net Assets due to reclassifications of the character of the distributions as a result of permanent differences between the financial statements and income tax reporting.

(e) Estimates — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(f) Common expenses — Common expenses of the Trust are allocated among the Fund and the other series of the Trust based on relative net assets of each series or the nature of the services performed and the relative applicability to each series.

2. Investment Advisory Agreement and Transactions with Related Parties

The Chairman and President of the Trust is also the Chairman and Chief Executive Officer of the Adviser. Certain other officers of the Trust are officers of the Adviser, or of Ultimus Fund Solutions, LLC (“Ultimus”), the administrative, accounting and transfer agent for the Fund, or of Ultimus Fund Distributors, LLC (the “Distributor”), the Fund’s principal underwriter.

Pursuant to an Investment Advisory Agreement between the Trust and the Adviser, the Adviser is responsible for the management of the Fund and provides investment advice along with the necessary personnel, facilities, equipment and certain other services necessary to the operations of the Fund. The Adviser receives from the Fund a quarterly fee at the annual rate of 0.75% per annum of the Fund’s average daily net assets.

The Adviser has contractually agreed to reduce its advisory fees or reimburse a portion of the Fund’s expenses until at least May 1, 2024, so that the ordinary operating expenses of the Fund do not exceed 1.25% per annum of average daily net assets. The Adviser did not reduce its investment advisory fees during the six months ended June 30, 2023.

Any fee reductions or expense reimbursements by the Adviser are subject to repayment by the Fund for a period of three years after such fees and expenses were incurred, provided repayment to the Adviser does not cause the ordinary operating expenses of the Fund to exceed 1.25% per annum of average daily net assets. During the six months ended June 30, 2023, the Fund recouped \$21,442 of prior years’ investment advisory

SCHWARTZ VALUE FOCUSED FUND
NOTES TO FINANCIAL STATEMENTS
(Continued)

fee reductions. As of June 30, 2023, the Adviser may seek recoupment of investment advisory fee reductions totaling \$131,743 no later than the dates stated below:

December 31, 2023	\$	31,269
December 31, 2024		64,264
December 31, 2025		36,210
Total	\$	<u>\$131,743</u>

The Chief Compliance Officer of the Trust (the “CCO”) is an employee of the Adviser. The Trust pays the Adviser a fee for providing CCO services, of which the Fund pays its proportionate share along with the other series of the Trust. In addition, the Trust reimburses the Adviser for out-of-pocket expenses incurred, if any, for providing these services.

Pursuant to a Mutual Fund Services Agreement between the Trust and Ultimus, Ultimus supplies regulatory and compliance services, calculates the daily NAV per share, maintains the financial books and records of the Fund, maintains the records of each shareholder’s account, and processes purchases and redemptions of the Fund’s shares. For these services Ultimus receives fees computed as a percentage of the average daily net assets of the Fund, subject to a minimum monthly fee.

Pursuant to a Distribution Agreement between the Trust and the Distributor, the Distributor serves as the Fund’s exclusive agent for the distribution of its shares. The Distributor is an affiliate of Ultimus.

Trustees and officers affiliated with the Adviser or Ultimus are not compensated by the Trust for their services. Each Trustee who is not an affiliated person of the Adviser or Ultimus (“Independent Trustee”) receives from the Trust an annual retainer of \$63,000 (except that such fee is \$76,500 for the Lead Independent Trustee/Chairman of the Governance Committee and \$71,500 for the Chairman of the Audit Committee), payable quarterly; a fee of \$6,000 for attendance at each meeting of the Board of Trustees; plus reimbursement of travel and other expenses incurred in attending meetings. Trustee Emeritus, if any, receives one-half of both the annual retainer and fee for attendance at each meeting; plus reimbursement of travel and other expenses incurred in attending meetings. The Fund paid its proportionate share of the Independent Trustees’ fees and expenses along with the other series of the Trust.

3. Investment Transactions

During the six months ended June 30, 2023, cost of purchases and proceeds from sales and maturities of investment securities, excluding short-term investments and U.S. government securities, amounted to \$9,115,820 and \$14,876,952, respectively.

4. Contingencies and Commitments

The Fund indemnifies the Trust’s officers and Trustees for certain liabilities that might arise from their performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Fund’s maximum

SCHWARTZ VALUE FOCUSED FUND

NOTES TO FINANCIAL STATEMENTS

(Continued)

exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.

5. Sector Risk

If the Fund has significant investments in the securities of issuers in industries within a particular sector, any development affecting that sector will have a greater impact on the value of the net assets of the Fund than would be the case if the Fund did not have significant investments in that sector. In addition, this may increase the risk of loss of an investment in the Fund and increase the volatility of the Fund's NAV per share. From time to time, circumstances may affect a particular sector and the companies within such sector. For instance, economic or market factors, regulation or deregulation, and technological or other developments may negatively impact all companies in a particular sector and therefore the value of the Fund's portfolio will be adversely affected. As of June 30, 2023, the Fund had 28.5% of the value of its net assets invested in common stocks within the real estate sector. The Fund had 21.1% of the value of its net assets invested in Texas Pacific Land Corporation ("TPL") within the real estate sector. The financial statements for TPL can be found at www.sec.gov.

6. Subsequent Events

The Fund is required to recognize in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed as of the date of the Statement of Assets and Liabilities. For non-recognized subsequent events that must be disclosed to keep the financial statements from being misleading, the Fund is required to disclose the nature of the event as well as an estimate of its financial effect, or a statement that such an estimate cannot be made. Management has evaluated subsequent events through the issuance of these financial statements and has noted no such events.

SCHWARTZ VALUE FOCUSED FUND
ABOUT YOUR FUND’S EXPENSES
(Unaudited)

We believe it is important for you to understand the impact of costs on your investment. As a shareholder of the Fund, you incur ongoing costs, including management fees and other Fund expenses. The following examples are intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

A mutual fund’s ongoing costs are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The ongoing costs reflected in the table below are based on an investment of \$1,000 made at the beginning of the most recent semi-annual period (January 1, 2023) and held until the end of the period (June 30, 2023).

The table below illustrates the Fund’s ongoing costs in two ways:

Actual fund return – This section helps you to estimate the actual expenses that you paid over the period. The “Ending Account Value” shown is derived from the Fund’s actual return, and the third column shows the dollar amount of operating expenses that would have been paid by an investor who started with \$1,000 in the Fund. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for the Fund under the heading “Expenses Paid During Period.”

Hypothetical 5% return – This section is intended to help you compare the Fund’s ongoing costs with those of other mutual funds. It assumes that the Fund had an annual return of 5% before expenses during the period shown, but that the expense ratio is unchanged. In this case, because the return used is not the Fund’s actual return, the result does not apply to your investment. The example is useful in making comparisons because the U.S. Securities and Exchange Commission (the “SEC”) requires all mutual funds to calculate expenses based on a 5% return. You can assess the Fund’s ongoing costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that expenses shown in the table are meant to highlight and help you compare ongoing costs only. The Fund does not charge sales loads or redemption fees.

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

SCHWARTZ VALUE FOCUSED FUND

ABOUT YOUR FUND’S EXPENSES

(Unaudited) (Continued)

More information about the Fund’s expenses, including historical annual expense ratios, can be found in this report. For additional information on operating expenses and other shareholder costs, please refer to the Fund’s Prospectus.

	Beginning Account Value January 1, 2023	Ending Account Value June 30, 2023	Net Expense Ratio ^(a)	Expenses Paid During Period ^(b)
Based on Actual Fund Return	\$1,000.00	\$ 924.30	1.25%	\$5.96
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$1,018.60	1.25%	\$6.26

^(a) Annualized, based on the Fund’s most recent one-half year expenses.

^(b) Expenses are equal to the Fund’s annualized net expense ratio multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period) for Actual Fund Return and Hypothetical 5% Return information, respectively.

SCHWARTZ VALUE FOCUSED FUND

APPROVAL OF ADVISORY AGREEMENT

(Unaudited)

Schwartz Value Focused Fund

At an in-person meeting held on February 17, 2023 (the “Board Meeting”), the Board of Trustees of the Schwartz Investment Trust (the “Trust”), including the Trustees who are not “interested persons” of the Trust as defined by the Investment Company Act of 1940 (the “Independent Trustees”) voting separately, reviewed and approved the continuation of the Advisory Agreement with Schwartz Investment Counsel, Inc. (the “Adviser”) (the “Advisory Agreement”) on behalf of the Schwartz Value Focused Fund, a series of the Trust (the “Fund”), for an additional one-year period. The Independent Trustees were advised and assisted throughout their evaluation by independent legal counsel experienced in matters relating to the investment management industry. The Independent Trustees met separately with their independent counsel to discuss the continuance of the Advisory Agreement, during which time, no representatives of the Adviser were present.

The Board retained Institutional Shareholder Services of Michigan (“ISS”), an independent third-party provider of mutual fund data, to prepare an independent expense and performance summary for the Fund and comparable funds managed by other investment advisers identified by ISS. The ISS materials included information regarding advisory fee rates, other operating expenses, expense ratios, and performance comparisons to the Fund’s peer group and to a broad-based securities index. Prior to the Board Meeting, the Independent Trustees discussed separately with ISS the methodologies that it used to construct its report and the Morningstar, Inc. (“Morningstar”) category that it identified to base its peer group comparisons for the Fund and other aspects of its report. The Independent Trustees also received and reviewed relevant information provided by the Adviser in response to requests of the Independent Trustees and their independent legal counsel to assist in their evaluation of the terms of the Advisory Agreement, including, among other things, information about the Adviser’s profitability with respect to the portfolio management and administrative services the Adviser provides the Fund, the financial condition of the Adviser, and the Adviser’s management fee revenues and separately managed account fee schedules. The Board additionally considered the Fund’s portfolio management process and compliance structure, and the ways in which the Fund can realize economies of scale. The Board also received copies of the Advisory Agreement and a memorandum from the independent legal counsel to the Independent Trustees discussing the factors the Board should consider while evaluating the continuation of the Advisory Agreement.

The Independent Trustees noted that they had received information and materials over the course of the 2022 calendar year relating to the investment management and administrative services provided by the Adviser and had met with the portfolio managers of the Fund at the quarterly Board meetings to discuss the Fund’s portfolio composition and the Adviser’s views of the factors that affected the financial markets in calendar year 2022, as well as information on the performance of the Fund. They also considered that during those quarterly meetings, the Adviser had provided its views on the overall condition of the economy and the markets and its strategies for managing the Fund under those market conditions, including its rationale for disposing certain positions and

SCHWARTZ VALUE FOCUSED FUND

APPROVAL OF ADVISORY AGREEMENT

(Unaudited) (Continued)

purchasing others. As part of this process, the Trustees considered various factors, none of which by itself was considered dispositive, including:

- the nature, extent and quality of the services provided by the Adviser (including any possible fall-out benefits);
- the fees charged for those services and the Adviser's profitability with respect to the Fund (and the methodology by which such profitability was calculated);
- the Fund's investment performance;
- the extent to which economies of scale may be realized as the Fund grows; and
- whether current fee levels reflect these economies of scale for the benefit of the Fund's shareholders.

Nature, Extent and Quality of Services

In evaluating the nature, extent and quality of services provided by the Adviser, the Independent Trustees took into account the Fund's portfolio management structure, the consistency in the Adviser's investment approach and the overall level of attention it devotes to its core management process. The Independent Trustees noted the services that are provided by the Adviser in addition to portfolio management, including maintaining its own and the Trust's compliance program and executing brokerage trades on behalf of the Fund and also considered the risks assumed by the Adviser in connection with the services provided to the Fund. The Independent Trustees also considered whether the Adviser experienced any indirect benefits (i.e., fall-out benefits) for serving as investment adviser to the Fund, and after taking into account all this information, concluded that the nature, extent and quality of services provided by the Adviser to the Fund is satisfactory.

Investment Performance

The Independent Trustees considered the performance of the Fund against its Morningstar category peers for the one-year period ended November 30, 2022, as well as for longer-term periods. The Independent Trustees considered that the Adviser's long-held valuation discipline and its belief that it has the ability to avoid exposures to many high valuation technology companies that experienced dramatic share price declines in 2022 was constructive for the Fund. The Independent Trustees further noted that for the one-year period ended November 30, 2022, the Fund placed in the first (top) quartile of its Morningstar peer category. The Independent Trustees also compared the performance of the Fund over selected periods ended December 31, 2022 with its benchmark index, and noted that for the one-year period, the Fund outperformed its primary benchmark index. The Independent Trustees concluded that the performance of the Fund was satisfactory.

The Costs of Services and Profits to be Realized by the Adviser

The Trustees reviewed information provided by ISS on the advisory fees paid by the Fund and compared such fees to the advisory fees paid by similar mutual funds, as compiled by Morningstar. The Trustees also compared the Fund's total expense ratio, of which the Fund's advisory fee is a part, with expense ratios of representative funds

SCHWARTZ VALUE FOCUSED FUND

APPROVAL OF ADVISORY AGREEMENT

(Unaudited) (Continued)

within its Morningstar peer group. The Trustees noted that the Morningstar information showed that the net total expense ratio for the Fund was lower than the median net total expense ratio of its Morningstar peer expense group. The Independent Trustees also reviewed information on fee rates the Adviser charges to accounts that have investment programs similar to those of the Fund and considered the differences in the nature and scope of services the Adviser provides to the Fund as compared to the Adviser's other client accounts, as well as material differences in the regulatory costs of the Fund and the other types of clients. After taking into account all this information, the Trustees found that the cost of the services provided to the Fund are reasonable in light of the quality and scope of services that the Adviser provides to the Fund.

The Independent Trustees also considered the Adviser's costs of providing ongoing services to the Fund, the profits of the Adviser with respect to the Fund and the methodologies by which the Adviser calculated that profitability information, and concluded that the profits of the Adviser are reasonable in light of the quality and scope of services that are provided to the Fund.

The Extent to Which Economies of Scale Would be Realized and Whether Advisory Fee Levels Reflect these Economies of Scale

The Independent Trustees considered the extent to which shareholders have realized economies of scale with respect to the management of the Fund. The Independent Trustees discussed the Adviser's history of waiving the expenses of the Fund in order to maintain a lower total annual operating expense ratio for the Fund. The Independent Trustees also noted that the Adviser had reduced the advisory fee rate of the Fund effective as of May 1, 2022. They noted that the Adviser builds economies of scale into its advisory fee structure by keeping overall expenses down as the Fund grows and seeks additional economies of scale through its asset gathering efforts on behalf of the Fund. The Independent Trustees concluded that the extent to which shareholders are achieving economies of scale as the Fund grows is acceptable.

Conclusion

The Board, including the Independent Trustees, subsequently concluded that the existing Advisory Agreement is fair and reasonable and voted to approve the continuance of the Advisory Agreement. In reaching its decision regarding the continuation of the Advisory Agreement, the Board, including the Independent Trustees, did not identify any single factor or particular information as all-important or controlling, and each Trustee may have attributed different weights to certain factors. Rather, the Trustees concluded, in light of a weighing and balancing of all factors considered, that it was in the best interests of the Fund and its shareholders to renew the Advisory Agreement for an additional annual period.

SCHWARTZ VALUE FOCUSED FUND

OTHER INFORMATION

(Unaudited)

A description of the policies and procedures the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge upon request by calling toll-free (888) 726-0753, or on the SEC's website at www.sec.gov. Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is also available without charge upon request by calling toll-free (888) 726-0753, or on the SEC's website at www.sec.gov.

The Trust files a complete listing of portfolio holdings for the Fund with the SEC as of the end of the first and third quarters of each fiscal year as an exhibit on Form N-PORT. The filings are available free of charge, upon request, by calling (888) 726-0753. Furthermore, you may obtain a copy of the filings on the SEC's website at www.sec.gov.

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