## PERFORMANCE

| | Inception Date | Qtr. | YTD | 1 Year | 3 Year | 5 Year | 10 Year | Since Inception | |
|---|---|---|---|---|---|---|---|---|---|
| | | Total Return | | | Average Annualized Total Returns June 30, 2021 | | | | |
| Intrepid Capital Fund - Inv. | 1/03/05 | 6.29% | 11.93% | 36.14% | 4.77% | 5.30% | 5.62% | 6.19% | |
| Intrepid Capital Fund - Inst. | 4/30/10 | 6.35% | 12.05% | 36.45% | 5.01% | 5.55% | 5.88% | 6.12% | |
| BBC Combined 1-5Yr | | 5.20% | 8.84% | 23.39% | 12.93% | 11.53% | 9.77% | 7.56% | ^ |
| S&P 500 Index | | 8.55% | 15.25% | 40.79% | 18.67% | 17.65% | 14.84% | 10.27% | ^ |

^ Since Inception returns are as of the Fund's Investor Class inception date. Since the inception date of the Institutional Class, the annualized return of the BBC Combined 1-5Yr Index is 9.67% and S&P 500 Index is 14.52%.

**Performance data quoted represents past performance and does not guarantee future results.** *Investment returns and principal value will fluctuate, and when sold, may be worth more or less than their original cost. Performance current to the most recent month-end may be lower or higher than the performance quoted and can be obtained by calling 866-996-FUND. The Fund imposes a 2% redemption fee on shares held for 30 days or less. Performance data does not reflect the redemption fee. If it had, returns would be reduced.*

Per the Prospectus dated January 31, 2021, the annual operating expense (gross) for the Intrepid Capital Fund-Investor Share Class is 1.70% and for the Intrepid Capital Fund-Institutional Share Class is 1.45%. The Fund's Advisor has contractually agreed to waive a portion of its fees and/or reimburse expenses until January 31, 2022, such that the total operating expense for the Capital Fund-Investor Share Class is 1.40% and for the Capital Fund-Institutional Share Class is 1.15%. The Capital Fund-Investor Share Class may have Net Expense higher than these expense caps as a result of any sales, distribution and other fees incurred under a plan adopted pursuant to Rule 12b-1 under the Investment Company Act of 1940, as amended (the "Investment Company Act"), acquired fund fees and expenses or other expenses (such as taxes, interest, brokerage commissions and extraordinary items) that are excluded from the calculation. As a result of the calculations, the Net Expense for the Capital Fund-Investor Share Class is 1.41%. The Net Expense for the Capital Fund-Institutional Share Class is 1.16%. The Net Expense Ratio represents the percentage paid by investors. Otherwise, performance shown would have been lower.

July 1, 2021

Dear Friends and Clients,

I am pleased to report another positive quarter for the Intrepid Capital Fund ("the Fund"), with results of +6.29% for calendar Q2. This brings calendar year-to-date results to +11.93%. This compares favorably to the Fund's benchmark, which consists of a similar blend of stocks, bonds, and cash that had a return of +5.20% for calendar Q2 and +8.84% for calendar YTD. Our activity was very muted compared to the similar period last year. Then, unlike now, volatility was high, fear rampant, and prices lower. Many securities we purchased last year, both stocks and bonds, have led to these results.

In a world now "anchored" by the 10- year Treasury yielding less than 1.50%, I am now hearing a refrain that was popular over twenty years ago, prior to the "Tech Bubble" bear market of 2000-2002, which is T.I.N.A. aka "There Is No Alternative" to owning stocks with returns barely visible on cash/money markets accounts. Well, that period didn't end so well for many market participants at the time either.

I bring this up because there is always an alternative, it is simply a question of how far afield you are willing to go to find it. Housing, Bitcoin, crude oil, corn, copper are just few that come to mind that have done well since the pandemic lows of March 2020 and the subsequent Federal Reserve intervention in the capital markets.

Some of the activity in "Meme" stocks such as AMC Entertainment also gives me pause. Traders utilizing Robinhood have focused on companies in which a large percentage of shares are sold short. Then they can "hit the bid" enough as a group and watch the shares soar as those shorting the shares scramble to cover their short positions in an effort to cut their losses. On the other side of the table, so to speak, the CEO of AMC Entertainment has both issued new shares, taking shares outstanding from 104 million to 534 million, as well as sold his personal shares into this feeding frenzy. I guess you could say in this situation, much like youth soccer, everyone is a winner!

| Top Ten Holdings | (% OF NET ASSETS) |
|---|---|
| Alphabet Inc - Class A | 4.2% |
| Trulieve Cannabis Corporation | 4.1% |
| Skechers USA Inc. - Class A | 3.9% |
| Twitter Inc. | 3.8% |
| Berkshire Hathaway - Class B | 3.7% |
| Verano Holdings, 05/20/2023, 9.750% | 3.4% |
| Jefferies Financial Group, Inc. | 3.3% |
| TJX Companies | 3.3% |
| Copart Inc. | 3.2% |
| Dollar General Corp. | 3.2% |

Top ten holdings are as of June 30, 2021. Fund holdings are subject to change and are not recommendations to buy or sell any security.

This game of musical chairs continues to be predicated on the omnipresent and all-knowing Federal Reserve. I continue to contend that the faith required in the "Fed" to steer an 18 trillion-dollar US economy with a short-term interest rate is one in which I am skeptical for a Goldilocks outcome. I feel certain I am in the minority here. I will point out for the good of the order here, I was able to navigate both the "tech bubble" and "financial crisis" half a dozen years apart with similar skepticism.

One change we have discussed in the past is an effort to "water our flowers" and allow the magic of compound interest to work for us. This is even more timely in light of the sea change in the control of the House of Representatives, Senate, and the US Presidency and the proposed tax increases on high income earners and investors, which are often one in the same. By deferring transactions, we can hopefully defer tax liability. Keep in mind one part (and a large one at that!) is the proposed elimination of the "stepped up basis," effectively requiring capital gains taxes at death, as opposed to allowing those inheriting the asset to take a "step up" with new costs being established the day assets were passed on to them. If this were to pass, it would wreak havoc on farmers, small business owners, and others with interests in assets that do not trade in a readily liquid market. Time will tell on this one.

As an alternative to a singular investment in the S&P index and the corresponding dividend yield of ~1.5%, the Fund's portfolio of stocks and bonds offered a higher income from the combination of the above, with some risk reduction as stocks currently comprise roughly 70% of the portfolio. I do believe those seeking more income than a singular equity index may find it here.

Looking forward, we are happy with our current holdings and continue to believe that management of these companies will compound capital at attractive rates. The "fly in the ointment" is, as is often, Washington, with whatever legislative or Federal Reserve changes occur that the financial markets view unfavorably.

Thank you for your continued support. If there is anything we can do to assist you, please don't hesitate to call.

**Top 5 Contributors for the quarter:**

- Skechers (SKX) +19.48%
- Alphabet (GOOGL) +18.39%
- Copart (CPRT) +21.38%
- Jefferies (JEF) +14.32%
- Great Western Petroleum 12% 9/01/2025 (Bond) +16.49%

**Bottom Detractors for the quarter (only 2 securities were down during the quarter!):**

- Turning Point Brands (TPB) -12.16%
- Trulieve Cannabis (TRUL CN) -17.52%

Best regards,

Mark F. Travis, President
Intrepid Capital Fund Portfolio Manager

**Mutual Fund investing involves risk.**

**All investments involve risk. Principal loss is possible. The Fund is subject to special risks including volatility due to investments in smaller companies, which involve additional risks such as limited liquidity and greater volatility. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments by the Fund in lower-rated and non-rated securities present a greater risk of loss to principal and interest than higher-rated securities. The Fund may invest in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. The risks of owning ETFs generally reflect the risks of owning the underlying securities they are designed to track. ETFs also have management fees that increase their costs versus the costs of owning the underlying securities directly.**

The S&P 500 Index is a broad-based, unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. The Bloomberg Barclays US Gov/Credit 1-5Y TR Index measures the performance of U.S. dollar-denominated U.S. Treasury bonds, government-related bonds, and investment-grade U.S. corporate bonds that have a remaining maturity of greater than or equal to one year and less than five years. The Bloomberg Barclays (BB) Combined Index consists of an unmanaged portfolio of 60% common stocks represented by the S&P 500 Index and 40% bonds represented Bloomberg Barclays US Government/Credit 1-5 Yr Index. You cannot invest directly in an index. The Nasdaq Composite Index is the market capitalization-weighted index of over 2,500 common equities listed on the Nasdaq stock exchange. EBITDA, or earnings before interest, taxes, depreciation, and amortization, is a measure of a company's overall financial performance and is used as an alternative to net income in some circumstances.

Opinions expressed are subject to change, are not guaranteed and should not be considered investment advice or recommendations to buy or sell any security.

The Intrepid Capital Funds are distributed by Quasar Distributors, LLC.