INTREPID CAPITAL FUNDS

INTREPID INCOME FUND

2ND QUARTER 2023 COMMENTARY

2Q 2023

JUNE 30, 2023

PERFORMANCE

	Inception Date	Total Return Qtr.	Total Return YTD	Total Return 1 Year	Average Annualized Total Returns as of March 31, 2023 3 Year	5 Year	10 Year	Since Inception
Intrepid Income Fund - Inst. ^	8/16/10	2.17%	3.90%	5.13%	7.17%	4.80%	3.61%	3.95%
Bloomberg USGov/Cred 1-5Y		-0.62%	1.19%	0.19%	-1.57%	1.15%	1.14%	1.26%
Bloomberg US Agg Bond Index		-0.84%	2.09%	-0.94%	-3.96%	0.77%	1.52%	1.83%
ICE BofAML US Corporate Index		-0.21%	3.24%	1.41%	-3.25%	1.82%	2.68%	3.12%
ICE BofAML High Yield Index		1.63%	5.42%	8.87%	3.21%	3.19%	4.34%	5.49%

^ Institutional Class shares of the Intrepid Income Fund commenced operations on August 16, 2010. Performance shown prior to August 16, 2010 (Since Inception) reflects the performance of Investor Class shares, which commenced operations on July 2, 2007, and includes expenses that are not applicable to and are higher than those of Institutional Class shares.

Effective January 31, 2014, the Investor Class shares of the Fund were closed, and any outstanding Investor Class shares were converted into Institutional Class shares.

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, 2023, the annual operating expense (gross) for the Intrepid Income Fund-Institutional Share Class is 0.98%. The Fund's Advisor has contractually agreed to reduce its fees and/or reimburse expenses until January 31, 2024 such that total operating expense for the Income Fund-Institutional Share Class is 0.91%. The Income Fund may have Net Expense higher than the expense cap 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 Income Fund-Institutional Class is 0.91%. The Net Expense Ratio represents the percentage paid by investors. Otherwise, performance shown would have been lower.

30-Day Subsidized SEC Yield: 10.49%; 30-Day Unsubsidized SEC Yield: 10.33%

July 1, 2023

Dear Fellow Shareholders,

The second calendar quarter of 2023 ended with a sanguine tone, leaving the memory of March's banking crisis and May's debt ceiling standoff as distant memories. Treasury yields continued to float higher, and volatility across the entire fixed income landscape ended the quarter close to the lows for the year. Most fixed income investors seem content to "wait and see" how the higher interest-rate experiment pans out while enjoying the spoils of the highest cash yields in recent history.

During the second quarter, we witnessed the furious reemergence of the "reach for yield" trend with investors quite willing to embrace credit risk. As spreads continued to tighten during the quarter, the CCC tranche saw the most tightening, with the riskiest tier of performing junk bonds coming in by a massive 129 basis points in June alone. Does this mean that fixed income investors believe we are headed for a soft landing? Undoubtedly some do, although, at Intrepid, we remain extremely skeptical that the effects from higher yields have truly been felt by the broader economy yet.

We continue to view short-dated, higher quality credit as a ballast for the portfolio that will allow us to continue redeploying capital into a choppy, but attractive high yield bond environment. We continue to look for robust, core credit positions issued by companies that we believe have the liquidity and cash flow profile to weather a recession and/or absorb the impact of higher rates.

The past few quarters, we have written about how this is a credit picker's market, and that lenders will be rewarded or exposed based on the caliber of their credit work. We continue to believe that there are plenty of attractive credits out there, but that shrewd and patient underwriting is the key to not losing one's shirt in this environment.

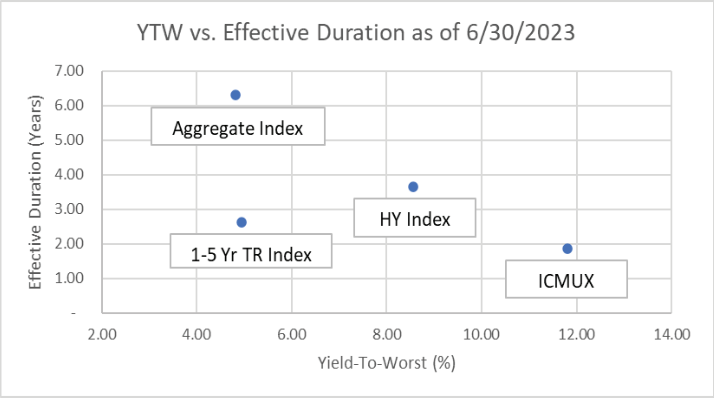
Top Ten Holdings	(% OF NET ASSETS)
Cimpress PLC., 06/15/2026, 7.000%	4.4%
Turning Point Brands, Inc., 02/15/2026, 5.625%	4.1%
Citgo Holding, Inc., 08/01/2024, 8.452%	3.8%
Turning Point Brands, Inc., 02/15/2026, 5.625%	3.8%
QVC, Inc., 04/01/2024, 4.850%	3.8%
Fiserv, Inc., 10/01/2023, 3.800%	3.3%
Abercrombie & Fitch, 07/15/2025, 8.750%	3.1%
Vector Group Ltd., 11/01/2026, 10.500%	3.0%
WASH Multifamily, 04/15/2026, 5.750%	2.9%
Shryne Group, Inc., 05/26/2026, 16.000%	2.7%

Top ten holdings are as of June 30, 2023. Fund holdings are subject to change and are not recommendations to buy or sell any security.

During the quarter, the Intrepid Income Fund (the "Fund") decreased its effective duration and increased its yield-to-worst as compared to the end of the first calendar quarter of 2023. We will be the first to admit that we have no superior knowledge of the trajectory of interest rates. We are instead focused on doing sound, fundamental analysis for which we believe we are getting more than adequate return per unit of risk.

We have been acutely focused this year on increasing the credit quality of the Fund by lending to higher quality issuers and/or through instruments with robust security. At the end of the second calendar quarter, 20.5% of the Fund was in investment grade bonds and 57.1% was in secured bonds or loans.

Although we are still open to lending on an unsecured basis, the hurdle to deploying capital to companies without security has been raised much higher. To that end, the Fund's allocation to convertible bonds, which tend to have loose covenants, dropped to just 2.2% at the end of the quarter. Accordingly, the Fund's allocation to loans, which tend to have much tighter covenants, ended the quarter at 15.3%. We will continue to be opportunistic about how we allocate across these sleeves.



As the chart shows, we continue to limit our interest-rate risk, as measured by the Income Fund's effective duration, especially relative to the indices. In this dislocated credit market, we also continue to find double-digit yielding credits with favorable return per unit of risk, in our view. All things equal, we would expect the Fund's yield-to-worst to come down over the next few quarters as our higher-yielding positions begin to mature.

Shifting to performance, the Fund returned 2.17% in the second calendar quarter of 2023. The High Yield Index increased 1.63% over the same period. The Bloomberg Barclays U.S. Gov/Credit 1-5Y TR Index returned -0.62% and the Bloomberg Barclays US Aggregate Bond Index returned -0.84% during the quarter. The US Corporate Index saw a -0.21% return for the same period.

The Fund returned 5.65% for the nine-month period ended June 30, 2023. The High Yield Index increased 9.61% over the same period. The Bloomberg Barclays U.S. Gov/Credit 1-5Y TR Index returned 2.40% and the Bloomberg Barclays

US Aggregate Bond Index returned 4.00% during the nine-month period ended June 30, 2023. Lastly, the US Corporate Index was up 6.87% across the same nine-month period.

Relevant Benchmarks vs. ICMUX Performance	3 Months Ended 6/30/2023	9 Months Ended 6/30/2023
Bloomberg Barclays US Govt/Credit 1-5 Year Total Return USD Index	-0.63%	2.40%
Bloomberg Barclays US Aggregate Index	-0.84%	4.00%
ICE BofAML US Corporate Index	-0.21%	6.87%
ICE BofAML High Yield Index	1.63%	9.61%
Intrepid Income Fund	***2.17%***	***5.65%***

As always, we encourage investors to reach out for additional commentary on our positioning and strategy.

We remain sanguine about the prospects for short duration high yield despite the turbulence that may lie ahead for risk markets. Careful credit analysis will be the differentiator. The yield-to-worst for the Fund at the end of the first calendar quarter was 11.81% with a modified duration of 1.87 years.

Thank you for your investment.

Sincerely,

Hunter Hayes
Intrepid Income Fund Co-Portfolio Manager

Mark F. Travis, President
Intrepid Income Fund Co-Portfolio Manager

Mutual Fund investing involves risk.

All investments involve risk. Principal loss is possible. Investments in debt securities typically decrease in value when interest rates rise. The risk is generally 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 ICE BofAML US High Yield Index tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody's, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of $250 million. Bloomberg Barclays Capital U.S. Aggregate Bond Index is an index representing about 8,200 fixed income securities. To be included in the index, bonds must be rated investment grade by Moody's and S&P. ICE BofAML U.S. Corporate Index is an unmanaged index of U.S. dollar denominated investment grade corporate debt securities publicly issued in the U.S. domestic market with at least one-year remaining term to final maturity. 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.

Bond ratings are grades given to bonds that indicate their credit quality as determined by private independent rating services such as Standard & Poor's, Moody's and Fitch. These firms evaluate a bond issuer's financial strength, or its ability to pay a bond's principal and interest in a timely fashion. Ratings are expressed as letters ranging from 'AAA', which is the highest grade, to 'D', which is the lowest grade. In limited situations when the rating agency has not issued a formal rating, the rating agency will classify the security as nonrated.

A high-yield bond is a high paying bond with lower credit rating than investment-grade corporate bonds, Treasury bonds and municipal bonds. Bonds in high yield indices tend to be less liquid and more volatile than U.S. Treasuries. Corporate bonds come with significant credit risks and, although sometimes secured by collateral, do not have any guarantee of principal repayment. U.S. Treasury Bonds are long-term government debt securities with a maturity of more than 10 years. They are guaranteed as to the timely payment of principal and interest and are backed by the full faith and credit of the U.S. Government. Investment Grade (IG) is a bond with credit rating of BBB or higher by Standard & Poor's or Baa3 or higher by Moody's.

Duration is an approximate measure of the price sensitivity of a fixed-income investment to a change in interest rates, expressed as a number of years. Call is an option contract that gives the holder the right to buy a certain quantity of an underlying security from the writer of the option, at a specified price up to a specified date.

Yield-to-worst is a measure of the lowest possible yield that can be received on a bond that fully operates within the terms of its contract without defaulting. It is a type of yield that is referenced when a bond has provisions that would allow the issuer to close it out before it matures.

Free cash flow, or cash flow, represents the cash a company generates after accounting for cash outflows to support operations and maintain its capital assets.

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.