

**PERFORMANCE**

Inception Date	Total Return			Average Annualized Total Returns September 30, 2024			
	Qtr.	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Intrepid Capital Fund - Inv. 1/03/05	4.70%	11.21%	18.26%	4.89%	7.08%	3.88%	5.75%
Intrepid Capital Fund - Inst. 4/30/10	4.74%	11.38%	18.52%	5.09%	7.31%	4.13%	5.59%
BBC Combined 1-5Yr	4.93%	14.83%	24.47%	7.71%	10.37%	8.88%	7.50% <sup>^</sup>
S&P 500 Index	5.89%	22.08%	36.35%	11.91%	15.98%	13.38%	10.41% <sup>^</sup>

<sup>^</sup> 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 9.12% and S&P 500 Index is 13.75%.

**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, 2024, the annual operating expense (gross) for the Intrepid Capital Fund-Investor Share Class is 1.99% and for the Intrepid Capital Fund-Institutional Share Class is 1.84%. The Fund's Advisor has contractually agreed to reduce its fees and/or reimburse expenses until January 31, 2025, such that the total operating expense (net) for the Capital Fund-Investor Share Class is 1.41% and for the Capital Fund-Institutional Share Class is 1.15%. The Capital Fund 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 1.15%. The Net Expense Ratio represents the percentage paid by investors. Otherwise, performance shown would have been lower.

October 10, 2024

*"In politics, forget the truth,  
The focus is to win;  
It's not what's needed to be done,  
It's how to make it spin."*

— Art Buck

Dear Fellow Shareholders,

I am pleased to report a successful third quarter in the Intrepid Capital Fund with returns of +4.70%, which brings the results for our fiscal year ended September 30, 2024 to +18.26%. These results were driven by my preference for what I generally refer to as "founder-led firms." This would be juxtaposed to companies led by more mercenary professional management teams, often times with not enough "skin in the game" in my opinion.

In my last communication I described one of the Fund’s founder-led holdings in Copart (CPRT), founded by Willis Johnson and now run by his son-in-law, Jay Adair. I will describe a few others we hold in a moment. The underlying theme in these businesses where we hold shares is:

- a family started a business as a private company and through hard work, chutzpah, and sometimes good luck took it public, and
- they treat the business like a family heirloom and tend to be conservative in how they manage the company’s affairs.

One of my favorite business quotes is actually from race car driver (coincidentally, notorious for wrecking) Mario Andretti, who said: “To finish first, you must first finish!”

Well, these businesses are not only built to finish first, they are built to last with a balance sheet in many instances void of debt. As I like to say “the bankers get to eat first” – but without any debt to be repaid, we can fully benefit from all of the cash flow a business generates as common shareholders. These businesses are also large, but not too large...so if a private equity firm or strategic buyer were to appear with an offer to buy out the company, there could be a number of suitors.

The negatives that I will hesitantly point out are a couple that come to mind. First, if the founding family likes their position in life too much, it will be difficult, if not impossible, to replace them when there are two share classes. Often those with two share classes maintain control not on an absolute basis (i.e. 51% of the equity), but rather by the share class they hold having superior voting rights. The offset to this minority position we find ourselves in is that these families often have hundreds of millions, if not billions tied up in the equity values of the companies they lead.

Here are a few examples of the Founder-led companies we hold in the Fund:

- Jefferies (ticker JEF) is a \$12 billion market cap financial services firm that handles brokerage for stocks/bonds/commodities and investment banking services. I have followed this company for over twenty years back to when it was a mini-Berkshire Hathway conglomerate called Leucadia National, with holdings in beef processing, real estate, etc. One of the founders of Leucadia, Joe Steinberg, is still the largest single shareholder with a 10% stake. The CEO of Jefferies, Rich Handler, is an 8% holder. Together, their combined holdings are worth roughly \$ 2.2 billion. Over the past five years, JEF shares have generated an annualized return of 32.48%. The current dividend rate is 2.28% on these shares.
- Garmin (ticker GRMN) is a \$35 billion market cap company that has captured the market for GPS tracking devices. The name is almost synonymous with tracking, whether it’s a handheld device, wristwatch, boat, airplane, or dog. For a pretty balance sheet, look no further than Garmin with almost 10% of the equity market capitalization held in cash (roughly \$3.4 billion). The founding families of Kao and Pemble each own a little over 9%, which equates to over \$6.5 billion combined in equity value for these families. The shares have appreciated an annualized 18.55% over the 5 years ending September 30, 2024. The current dividend rate is 1.66%.
- Skechers (ticker SKX) is a \$10 billion market cap company. The company has two share classes, which as I have mentioned is not my preference but not uncommon in founder-led companies. The father/son duo of Robert and Michael Greenberg lead the third-largest shoe brand, behind only Nike and Adidas. The Greenberg’s class B shares have 10 votes per share and are worth \$1.3 billion. The company’s balance sheet

**Top Ten Holdings**

(% OF NET ASSETS)

Berkshire Hathaway - Class B	4.5%
TJX Companies, Inc.	4.3%
Garmin Ltd.	4.0%
Jefferies Financial Group, Inc.	4.0%
Copart, Inc.	3.8%
Alphabet, Inc. - Class A	3.8%
FRP Holdings Inc.	3.7%
Watsco, Inc.	3.6%
Liberty Meda Corp. - Liberty Live	3.6%
Take-Two Interactive Software, Inc.	3.2%

Top ten holdings are as of September 30, 2024. Fund holdings are subject to change and are not recommendations to buy or sell any security.



holds \$1.4 billion in cash and virtually no “net debt.” The shares have returned 12.36% annualized over the last 5 years. There is no dividend currently.

- Watsco (ticker WSO) is a \$19 billion market cap company led by Al Nahmad and son Aaron. They distribute air conditioning, heating and refrigeration equipment, primarily in the SunBelt. This company, too, has no “net debt” with cash exceeding debt. There are two share classes here as well, and the Nahmad family holds \$2.6 billion through Class B shares that possess 10 votes per share. The shares have generated an annualized 27.63% return over the 5 years ending September 30, 2024. The shares currently have a 2.18% dividend.

These are just a few examples of the founder-led businesses we have committed capital to in the Fund. Warren Buffett has a myriad of sayings that contain a large share of his 90+ years of investment wisdom. One is to imagine that the stock market closes down for an extended period and, by extension, you are unable to sell any holdings for a long time. In this scenario – to paraphrase Will Rogers – my concern is more for the return of my capital versus the return on my capital. The examples above would give me enough comfort that I think you could potentially have both!

I bring up the markets being closed for an extended period to change your perception of holding periods in a world where the average portfolio manager turns over 100% of his portfolio annually...taxes be damned! We are now in the “silly season” where the politicians offer promises they can’t keep and market participants on each end of the political spectrum promise to liquidate if the other party wins. Just say “no” and stay invested! This fall I am sure we will see market volatility around the election in early November. Stir in the war in the Middle East and Ukraine, along with saber rattling by North Korea and China and you have a potential “volatility cocktail” of high potency!

Thank you for your continued support! If there is anything we can do to serve you better, please don’t hesitate to call.

All the best,

Mark F. Travis, President  
Intrepid Capital Fund Portfolio Manager

**Past performance is not a guarantee of future results.**

Mutual fund investing involves 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 Funds’ investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company. Please read it carefully before investing. A hard copy of the prospectus can be requested by calling 866-996-FUND (3863).*

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 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 (BBC) Combined Index consists of an unmanaged portfolio of 60% common stocks represented by the S&P 500 Index and 40% bonds represented by the Bloomberg US Government/Credit 1-5 Yr Index. You cannot invest directly in an index.

The Magnificent Seven stocks are a group of high-performing and influential companies in the US stock market: Alphabet, Amazon, Apple, Meta Platforms, Microsoft, Nvidia, and Tesla.

The 10-Year US Treasury Note is debt obligation issued by the US government that matures in 10 years.

The Morningstar Small Cap Index tracks the performance of U.S. small-cap stocks that fall between 90th and 97th percentile in market capitalization of the investable universe. You cannot invest directly in an index.

The Bloomberg 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.

The Consumer Price Index (CPI) measures the monthly change in prices paid by U.S. consumers.

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.

Basis point is a standard financial measure for interest rates. One basis point equals 1/100th of 1%.

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

Dividends are not guaranteed and may fluctuate.

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