TRIUMPH ASSET MANAGEMENT

November Results

November was terrific. ***For the month, the Fund gained +7% and is now up +27% for the year.*** Our outperformance remains +9% over the S&P500 Index and +24% above the TSX Composite Index. By every measure, both relative and absolute, 2023 has been a spectacular year. As such, in lieu of simply reporting on the month, this letter will be used to describe our investment process and why it will lead to continued success.

Our philosophy follows the late Charlie Munger's number one rule of investing--***"a great business at a fair price is a superior investment to a fair business at a great price"***. At Triumph, we define great businesses as ones that are profitable, growing, safe, and have high payout ratios (via dividends and/or buybacks). Fairly priced is a function of valuation and is determined by looking at a variety of metrics, including discounted cash flows (DCF), price to earnings ratios(P/E), and total enterprise value/forward EBITDA(TEV/fEBITDA).

Our investment process combines fundamental analysis with a proprietary technology platform utilizing data from Bloomberg. The output enables us to visualize 1500+ North American (Canada & US) and European companies. These companies are mapped on 2 axes (quality and valuation) and ranked by standard deviation. ***From the output, a cross-sectional "target zone" of reasonably priced, great companies is displayed.***

As a result of the stringent requirements to meet both criteria, the target zone typically contains 5-10 ideas. Companies can both enter and exit this zone because of updates to their fundamentals and forward guidance from quarterly reports, or because of price fluctuations. ***By monitoring every company in real time, we gain the advantage of visually observing when one of our holdings become cheap or expensive or when its quality has improved or diminished.***

Nvidia is a recent example of how the technology was utilized. In May of this year, Nvidia's stock price rose dramatically without any commensurate improvement of its fundamentals. With valuation moving into the danger zone, we exited the position. Six months later, after two consecutive positive quarterly earnings reports, Nvidia's quality ranking improved. Despite this, we did not purchase the stock as it remained overvalued. Over the past week, Nvidia's stock price declined by over 10% and we began re-establishing a position. ***We are excited to own Nvidia and look forward to future gains from our investment.***

In addition to Nvidia, the majority of the portfolio continues to hold concentrated positions in six other high-quality, reasonably priced companies (the MAMAAs and Berkshire Hathaway). Other smaller positions comprise 12% of the portfolio, while cash represents 15%. We remain optimistic on the outlook for the balance of 2023 and 2024, look forward to next month's communication, and thank you for your continued support. ***Given our next letter will arrive in 2024, we hope you all enjoy the Holiday Season and wish you a Happy New Year!***

Sincerely,

Steven Tuchner
Founder and CIO

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