TRIUMPH ASSET MANAGEMENT

August Update - ATH + Positioned for More Upside!

We finished August up approximately +1.3%, in line with the markets, even as Meta, Microsoft, Amazon, and NVIDIA pulled back during the month. Our result was helped by the trading account (20% of the fund), which performed very well and did exactly what it is designed to do: ***add incremental return and dampen factor swings when leadership is choppy.*** Offsetting the mega-cap weakness, Google (Alphabet) and Apple were notably strong contributors.

We are pleased to note that the Fund closed August at all-time highs (ATH), up approximately +7.5% YTD. That said, we don't manage to month-end marks—we manage to the durable compounding of high-quality businesses. ***Our portfolio is deliberately concentrated in some of the highest-quality companies in the world: profitable, growing, safe and shareholder-friendly.*** We welcome temporary price pullbacks and are never concerned about permanent capital impairment from the businesses we own; ***volatility is the occasional toll we pay for long-term compounding.***

From a positioning standpoint, we currently hold about 6% in cash, giving us dry powder to take advantage of dislocations and to fund new ideas.

A quick reality-check on "the market": since 2021, the total market cap of the Nasdaq has grown from roughly $25T to $33T -an $8T increase - ***of which NVIDIA represents about half.*** In other words, over the past four years, Nasdaq ex-NVIDIA is up only ~18%. Much of the pedestrian appreciation is a result of the poor stock performance of our favorite group, the MAMAAs.
Looking at the EPS improvement in our MAMMAs versus their stock prices since 2021:

- **Meta: EPS ↑3x, stock ↑80%**
- **Amazon: EPS ↑3x, stock ↑17%**
- **Microsoft: EPS ↑180%, stock ↑50%**
- **Apple: EPS ↑50%, stock ↑20%**
- **Alphabet: EPS ↑2x, stock ↑45%**

Despite the persistent media narrative that the MAG7 are overvalued (we don't own Tesla), our MAMAA's as a group are the least expensive they've ever been! ***In fact, Amazon, Google and Meta trade at sub-market P/E multiples.*** This disconnect between extraordinary fundamental growth and muted returns reinforces why we confidently prefer to allocate 50% to these holdings over broad market exposure.

We continue to execute our playbook—own great businesses at reasonable and ever-shrinking valuations, accept short-term noise, and let fundamentals do the heavy lifting. All our holdings continue to invest heavily in building AI infrastructure, gain share, grow cash flows, and increase intrinsic value, even when the tape is indecisive. ***That combination keeps us confident about forward returns.***

As always, thank you for your trust and continued support.

Steven Tuchner
Founder & CIO

130 Adelaide St W., Suite 1010
Toronto, ON, M5H 3P5