



TRIUMPH

ASSET MANAGEMENT

The Timex

Dominant in the mid-20th century, Timex became famous for one defining attribute: durability. *The Timex watch was known for its ability to take a licking and keep on ticking — an attribute we associate with our Fund.*

For the month of February, the Fund declined by 3.2%. Our core names declined as markets reacted to a wave of macro headlines — artificial intelligence disruption fears, speculation about software economics, tariff uncertainty, private credit concerns, and rising geopolitical tensions. However, as in January, *the Fund once again generated profits in our trading account (12% of Fund assets), which allowed us to partially mitigate the losses.*

The current macro-driven dislocation brings me to the theme of this letter: our portfolio is built for durability. As can be seen below, the chart reveals the degree of decline our core names have suffered in February and year-to-date. *What we also see is that the Fund has navigated these choppy waters relatively well.*

Core Holdings & Performance

Company	Feb Return	YTD Return	P/E (2026E)
Amazon	-12%	-9%	22x
Microsoft	-10%	-14%	22x
Berkshire Hathaway	-2%	-1%	20x
Nvidia	-6%	-4%	22x
Meta	-11%	-8%	20x
Mastercard	-7%	-6%	26x
Apple	-4%	-3%	29x
JPMorgan	-5%	-3%	14x
Goldman Sachs	-6%	-4%	14x
Alphabet	-9%	-11%	22x
Core Average	-7%	-6%	22x
Portfolio	-3.2%	-3.3%	
S&P 500	-1%	+1%	22x

While prices have declined, the underlying earnings power of our core holdings remains fully intact. All of them recently reported exceptional fourth-quarter results and guided to continued strong performance for 2026. These strong results, combined with declining share prices, *have compressed valuations to levels we rarely see for companies of this caliber.*

Using 2026 estimates, our portfolio now trades at roughly the same earnings multiple as the S&P 500 Index. This is despite our companies generating significantly higher returns on capital and growing earnings at roughly twice the pace of the remaining companies in the Index. *In short, the market is valuing extraordinary businesses as if they were ordinary ones.*

With war raging and markets under continued pressure, the Fund is down an additional 2% in March (after Monday's opening). We hold approximately 4% in cash and 4% in XLE (U.S. oil and gas shares) in our trading account.

Each time we face an external crisis, we take comfort knowing our holdings are both durable and undervalued. If the fundamentals continue to play out as we expect, today's volatility should prove temporary.

As always, thank you for your continued support, and we look forward to next month's communication and remain hopeful that by year-end, we will be able to trade our Timex for something a bit more elegant - maybe even a Patek Philippe!

Steven Tuchner
Founder & CIO