

NEW

Titan

Opportunities

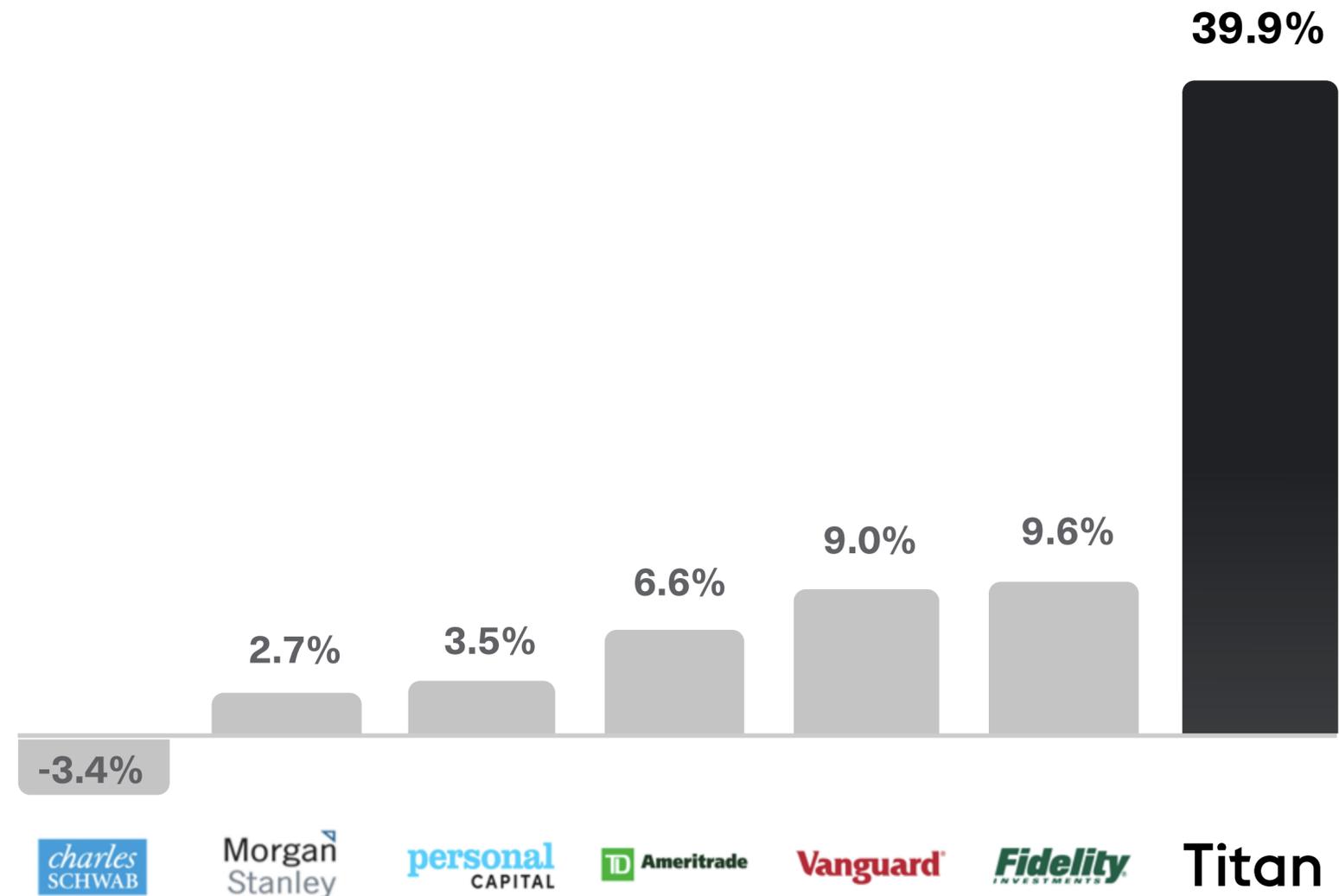


Confidential: Titan Clients Only

August 2020

Reminder: Our goal is to identify world-class businesses that can deliver long-term outperformance.

Titan Flagship's Total Return After Fees



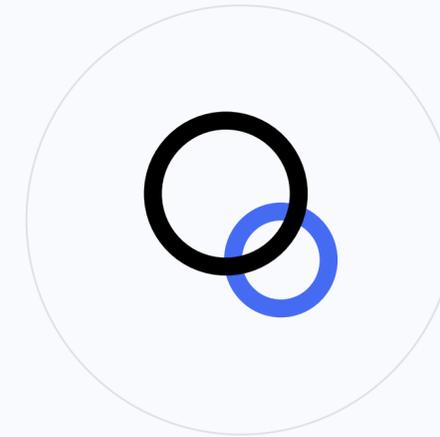
First, we tackled large stocks. ✓



Flagship

World-class compounders

Next: small stocks.



Opportunities

Rising stars, under the radar

Opportunities takes Titan's winning philosophy and applies that to **under-the-radar companies earlier in their journeys.**

Under-the-radar could mean higher returns.

Why should you invest in Opportunities?

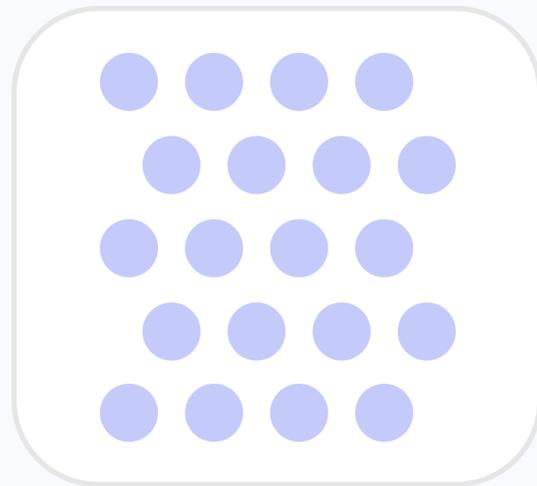
A: Opportunities could have a much higher slugging percentage (size of wins).

- ✓ **Faster growth.** Smaller companies often have longer runways.
- ✓ **More discretionary.** We'll be taking advantage of intra-quarter market moves.
- ✓ **Overlooked.** Most are focused on popular stocks, letting us buy before the crowd.

Bottom-line: _____

Higher slugging percentage

Opportunities Overview



20 stocks, ~equal-weighted

Varies based on risk/reward prospects we see in the market

Hedged based on your risk profile, similar to Flagship



Best-in-class players

Our philosophy remains biased towards great businesses with wide economic moats.



Smaller stocks

Stocks that are off the typical investor's radar; usually under \$10 billion in market cap.



Opportunistic

More opportunistic given potential for greater market dislocations in small/mid cap markets.



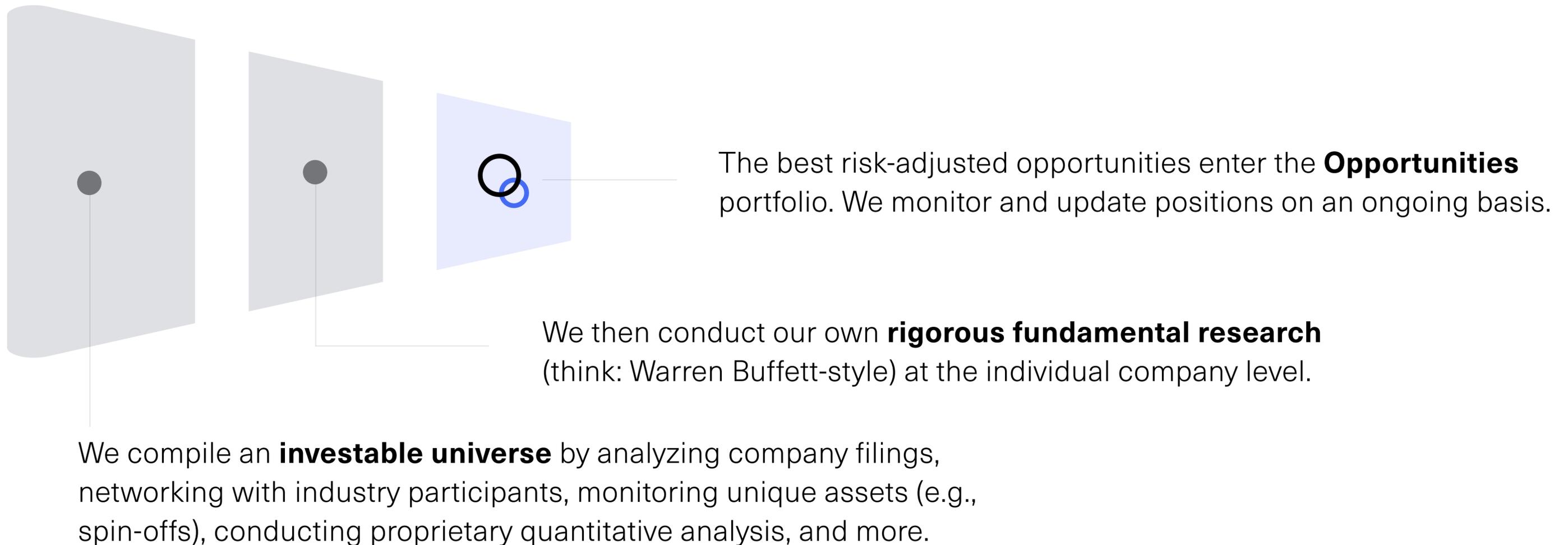
Long-term focused

Our target holding period remains 3-5 years. Occasional rebalancing for risk mitigation.

How do we pick the stocks?

A: Fundamental, bottoms-up research conducted in-house.

Our process is like a funnel



A sneak peek of the Opportunities portfolio

Used cars, a collectibles activist, and a retail recovery bet.

Ticker: CARG (\$26.91)

CarGurus



The dominant website to buy used cars, poised to take off.

Thesis: **Leading U.S. online auto marketplace** uniquely positioned as the low-cost competitor, with a superior customer experience, network effects, and pricing power. An undervalued trifecta.

- Investment highlights:**
- ✓ Underappreciated search engine model enables best-in-class consumer experience
 - ✓ Network effects between dealers and consumers make it “sticky”
 - ✓ New products and features will unlock pricing power amongst dealers

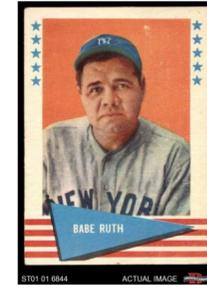
What others are missing: We believe CarGurus is significantly undercharging its dealers (more than others think) and will therefore raise prices, driving material margin expansion and cash flow growth for shareholders.

Price Target: **\$50 by YE 2023 (+20% annualized return; +86% cumulative)**

Ticker: CLCT (\$42.45)

Collectors Universe

A turnaround story with an activist.



Thesis: Despite being a clear **leader in sports memorabilia** authentication, the business has been historically mismanaged. But now an activist is leading the charge on transformational changes.

- Investment highlights:**
- ✓ A refreshed board (led by activist investor Alta Fox) will improve core business
 - ✓ Strong returns on capital, high barriers to entry, and growing end markets
 - ✓ Small size (\$400 million market cap) and lack of analyst coverage creates buying opp

What others are missing: We believe Alta Fox's plans to rectify CLCT's history of shareholder ambivalence and lack of transparency will ultimately prove successful, driving earnings growth and multiple expansion.

Price Target: **\$100 by YE 2023 (+30% annualized return; +136% cumulative)**

Ticker: FIVE (\$111.64)

Five Below



A cyclical recovery bet on a beloved discount store.

Thesis: Ripe time to be investing for a **cyclical recovery in one of the marquee discount retailers**. Due to COVID-19, the company is trading at a material discount to its long-term store growth potential.

Investment highlights:

- ✓ We think FIVE can grow from ~900 stores today to 5-10K over time, with strong economics.
- ✓ Differentiated focus on serendipitous discovery of the "things you didn't know you wanted."
- ✓ Proven management team that can execute well through business cycles.

What others are missing: Many investors believe that consumers will avoid brick-and-mortar stores post COVID-19 normalization. We think FIVE's unique in-store experience and merchandise mix will attract shoppers again in droves, to many more new stores than investors believe possible.

Price Target: **\$190 by YE 2023 (+17% annualized return; +70% cumulative)**



As you can see, Opportunities is about off-the-beaten-path, opportunistic investments in companies that can generate outstanding returns relative to the broader market.

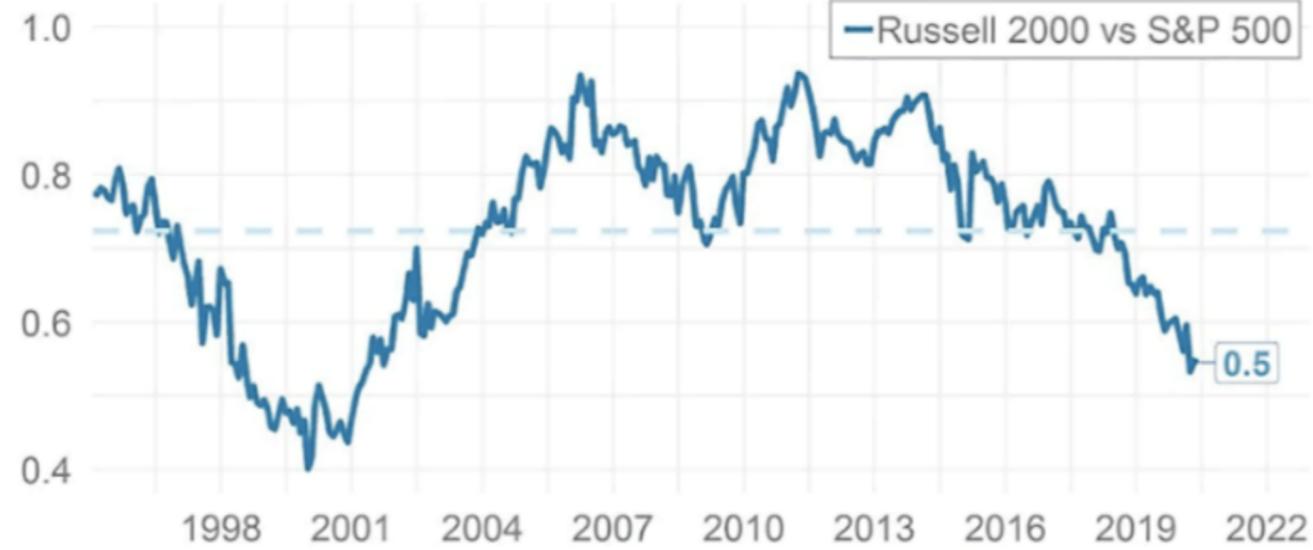
Why invest now?

A: Small cap stocks are currently trading at a discount. A rare opportunity.

 LEARN

Despite smaller stocks historically presenting the best risk-adjusted returns, many investors are underweight small caps as large caps have dominated the last 10+ year bull market.

Price to Book Ratio



As of: 2020-05-18

Source: Bloomberg, Morgan Stanley Research

How much should I invest?

A: This should be ~10-20% of your Flagship dollars.

How much in stocks?

Rule of thumb: You should invest [110 minus your age] percent of your investable assets in equities.

So if you're 35, you should invest 75% of your capital in stocks.



Within stocks, 10-20% in Opportunities

You should have money invested in both Opportunities and Flagship -- they are complementary, not substitutes.

Our recommendation for you, based on your personal financial profile, is in the app. Update your app to check it out. (Sneak peak: it's 0-20% in Opportunities)

Note:

Opportunities is available only to clients with at least \$10K of net deposits across accounts (Indiv, IRAs).

If you have <\$10,000 of net deposits with Titan, simply add more funds to gain access.



Titan Opportunities

Update your app to invest.

Titan Invest is an SEC registered investment adviser. Titan's investment advisory services are available only to residents of the United States in jurisdictions where Titan is registered. Nothing here should be considered an offer, solicitation of an offer, or advice to buy or sell securities. Past performance is no guarantee of future results. Any historical returns, expected returns or probability projections] are hypothetical in nature and may not reflect actual future performance. Account holdings are for illustrative purposes only and are not investment recommendations.

The content here is for informational purposes only and does not constitute a comprehensive description of Titan's investment advisory services.

Refer to Titan Invest's Program Brochure for more information. Certain investments are not suitable for all investors. Before investing, consider your investment objectives. The rate of return on investments can vary widely over time, especially for long term investments.

Investment losses are possible, including the potential loss of all amounts invested. Brokerage services are provided to Titan Clients by Apex Clearing, an SEC registered broker-dealer and member FINRA/SIPC. For more information, see our disclosures. Contact: 110 Greene Street, Suite 910, New York, NY 10012. Information provided by Titan Support is for informational and general educational purposes only and is not investment or financial advice.

Legal Disclosures (1 of 2)

Titan Invest (“Titan”) is an SEC registered investment adviser. Brokerage services are provided to Titan Clients by Apex Clearing Corporation, an SEC registered broker-dealer and member FINRA/SIPC. Clients are encouraged to compare the account statements received from the qualified custodian to the reports provided by Titan Invest. Market data by IEX. Titan’s investment advisory services are available only to residents of the United States in jurisdictions where Titan is registered.

The rate of return on investments can vary widely over time, especially for long term investments. Investment losses are possible, including the potential loss of all amounts invested. There can be no assurance that Titan’s objectives will be achieved or that an investor will receive any desired return on their investment. Titan’s performance may be volatile. An investment should only be considered by persons who can afford a loss of their entire investment. The graphs, charts and other visual aids are provided for informational purposes only, not to be used to make investment decisions.

Past performance is no guarantee of future results. Any historical returns, expected returns [or probability projections] are hypothetical in nature and may not reflect actual future performance.

Important: All Titan performance results include the use of a personalized hedge for a hypothetical client with an “Aggressive” risk profile; clients with “Moderate” or “Conservative” risk profiles would have experienced lower returns. For all Titan accounts we employ a personalized hedge based on a given client’s personalized risk tolerance. We believe it can help mitigate losses on the Titan portfolio during periods of volatility. However, there is no guarantee that any or all losses will be mitigated by this hedge. Please visit our Hedging page for full disclosures on our hedging process. As of 5/18/2020, Titan’s Flagship strategy was broadened to enable more opportunistic trading and tax optimization. Please visit our Help Center for full details.

Performance results are net of fees and include dividends and other adjustments. Titan Flagship’s Total Return is the total rate of return from 3/31/18 through 6/30/20 for a hypothetical account created on Titan’s launch date of 2/20/18 using Titan’s Flagship investment process for an aggressive portfolio, not an actual account. For Titan Flagship, “Inception Date” is defined as 2/20/18 (or 2/28/18 for Betterment and Investment Advisors). For Titan Opportunities, “Inception Date” is defined as 8/17/20. All stock prices mentioned in this presentation are as of 8/17/20. Titan’s investment program does not mirror that of the Illustrative Benchmarks and the volatility may be materially different from the volatility of Illustrative Benchmarks. Reference or comparison to an Illustrative Benchmark does not imply that Titan’s Flagship portfolio will be constructed in the same way as the Illustrative Benchmark or achieve returns, volatility, or other results similar to those of the Illustrative Benchmark. Results for the Titan Flagship and Titan Opportunities portfolios as compared to the performance of Illustrative Benchmarks is for informational purposes only. The S&P 500 and Russell 2000 are unmanaged market capitalization-weighted indices chosen for market size, liquidity, and industry group representation to represent certain U.S. equity performance. S&P 500 and Russell 2000 results include the reinvestment of dividends and do not reflect transaction costs.

Legal Disclosures (2 of 2)

“Illustrative Benchmarks” may include the Betterment 90% Stock Portfolio ("Betterment"), Wealthfront Taxable Risk Score 10.0 Portfolio ("Wealthfront"), Standard & Poor's 500 Index (the "S&P 500"), and the ARC USD Equity Risk Private Client Index ("PCI"), as well as other robo advisors identified via Backend Benchmarking, a third-party firm unaffiliated with Titan. All performance data is strictly illustrative, may represent best estimates based on available data, and may differ from actual results.

Results for Titan strategies as compared to the performance of the Standard & Poor's 500 Index (the "S&P 500"), the Russell 2000 Index ("the Russell 200"), or other benchmarks are for informational purposes only. Account holdings are for illustrative purposes only and are not investment recommendations. The S&P 500 is an unmanaged market capitalization-weighted index of 500 common stocks chosen for market size, liquidity, and industry group representation to represent U.S. equity performance. The investment program does not mirror this index and the volatility may be materially different than the volatility of the S&P 500. Reference or comparison to an index does not imply that the portfolio will be constructed in the same way as the index or achieve returns, volatility, or other results similar to the index. Indices are unmanaged, include the reinvestment of dividends and do not reflect transaction costs.

Certain information contained herein constitutes “forward-looking statements”, which can be identified by the use of terms such as “may”, “will”, “should”, “expect”, “anticipate”, “project”, “estimate”, “intend”, “continue”, “target” or “believe” (or the negatives thereof) or other variations there on or comparable terminology. Due to various risks and uncertainties, actual events or results or actual performance may differ materially from those reflected or contemplated in such forward-looking statements. As a result, investors should not rely on such forward-looking statements in making their investment decisions. No representation or warranty is made as to future performance or such forward-looking statements.

The research is based on current public information that Titan Invest considers reliable, but Titan Invest does not represent that the research or the report is accurate or complete, and it should not be relied on as such. The views and opinions expressed in this are current as of the date of this communication and are subject to change. Financial metrics are subject to future adjustment and revision. Any forecasted metrics may not reflect actual future results. Any securities identified do not represent all of the securities purchased, sold, or recommended for clients in the Titan portfolio. It should not be assumed that investments made in the future will be profitable or will equal the performance of any securities referenced.

This should not to be considered an offer, solicitation of an offer, or advice to buy or sell securities. Statements made herein may be outdated and subsequent events may have occurred, information may have changed, that could make any statement in these materials inaccurate or incomplete. The media presented may contain certain forward looking or promissory language regarding the performance of Titan Invest or a company; these statements should not be relied upon to make an investment decision. Before investing, consider your investment objectives as certain investments are not suitable for all investors. Please consult with your financial advisor before making any investment decisions. Past performance is no guarantee of future results. The graphs, charts and other visual aids are provided for informational purposes only, not to be used to make investment decisions.

Please see our website for full disclaimers.