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January 22, 2024

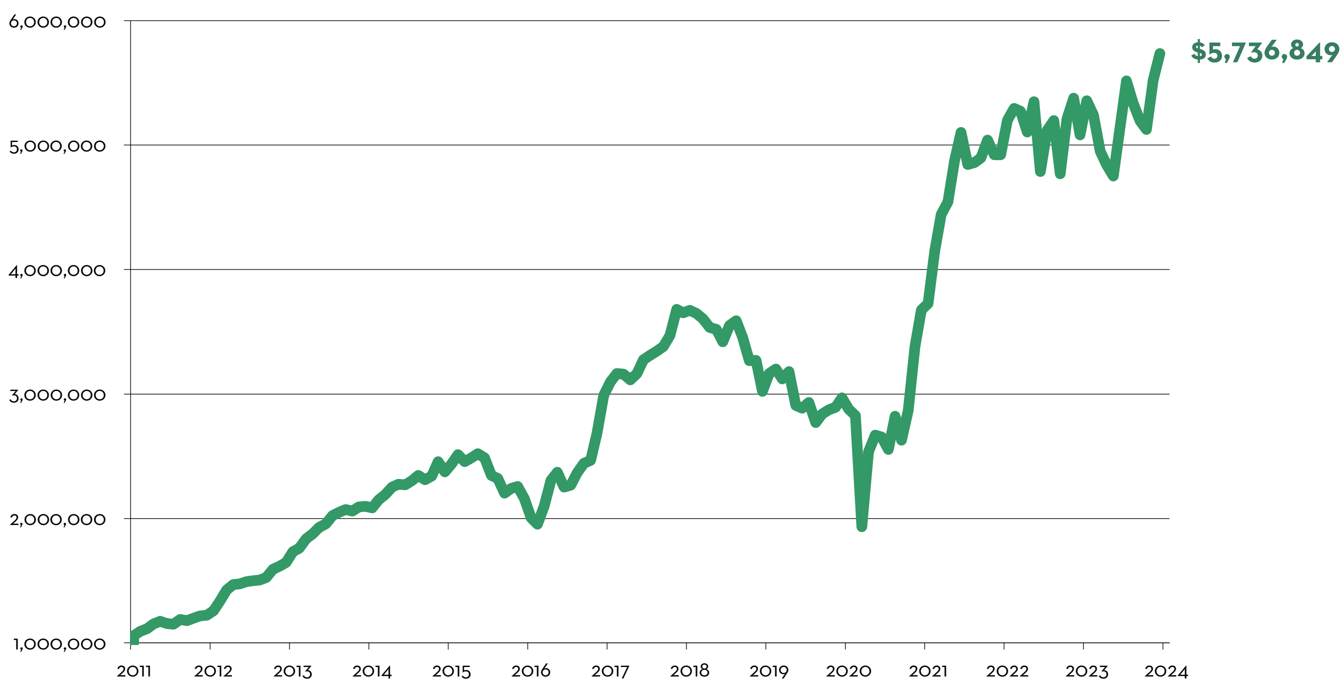
Dear Investors,

The Portfolio* returned +12.9% (net) in 2023.

Since inception, Marram has generated +473.7% cumulative return and +14.4% annualized return, net of fees.

For monthly details, see Historical Performance Returns* at the end of this letter. Also, please refer to your separate account statement for exact account return figures.

$1,000,000 Investment in Marram (Net Return, Inception 1/1/2011 to 12/31/2023)*



ABOUT MARRAM

Marram is an outsourced long-term investment solution, focused on growing wealth for retirement or legacy purposes. We began as a service for a small circle of friends and family. Our investor-friendly fee structure (lower than most hedge funds), terms (separate accounts, no lock-up), and high standards of care and excellence, reflect those origins. Our portfolio manager has the majority of her family's liquid net worth invested in the same strategy – we eat our own cooking – ensuring that we shepherd your investment with the utmost care, as we would our own.

OUR GOAL:	• To compound (grow) capital over time
PHILOSOPHY:	• Patient Opportunism
STRATEGY:	• Buy cheap assets (when available) • Hold cash when there are no cheap assets • Hedge the portfolio when appropriate • Think opportunistically and creatively
IMPLEMENTATION METHOD:	• Utilize any security or asset that offers superior risk reward, with a preference for liquidity
RESULT:	• Outsourced wealth compounding solution for investors whose primary goal is to grow money over time

PORTFOLIO ALLOCATIONS

Below is the target portfolio allocation – the optimal allocation as of the writing of this letter. Investor separate accounts may differ from this allocation due to changes in asset prices, availability to acquire/divest securities in the marketplace, margin & trading capabilities, and tax considerations. Over time, all investor separate accounts converge upon the target portfolio allocation.

- **Large-Cap Financials: 36% NAV**

  In March 2023, the U.S. banking system experienced a brief crisis when three banks failed in quick succession. The prices of large regional banks fell precipitously as investors indiscriminately sold shares, allowing us to significantly increase our exposure at fire-sale prices. Current market sentiment does not distinguish between Held To Maturity ("HTM") vs. Available For Sale ("AFS") securities unrealized losses, presenting us with a unique opportunity. While other market participants view the AFS unrealized losses as an undesirable risk, we view them as a juicy source of future upside as the losses naturally reverse with time. Taking into account the price appreciation that occurred in 2023, we estimate this basket (through the combination of AFS unrealized loss reversals, profitable earnings yields, and valuation multiple expansion) will generate 2.0X to 2.5X+ in the next 4 years. See our 2023 1st Quarter Letter for our Regional Bank investment thesis.

- **Energy Infrastructure / Master Limited Partnerships (MLPs): 30% NAV**

  Energy infrastructure companies with assets indispensable to the smooth function of modern society. Recent headlines on global energy shortages are stark reminders of how fossil fuels remain critical to our modern society. We took advantage in early 2020 of commodity price volatility, shareholder turnover, forced selling, and uncertainty related to the long-term demand of fossil fuels which drove prices to extremely low levels. Our diversified basket of MLPs trades, on average, at 8% NOI, 13% Cash Flow Yield, and pay dividends averaging 6% per year. See our 2019 4th Quarter and 2021 2nd Quarter Letters for our MLP investment thesis.

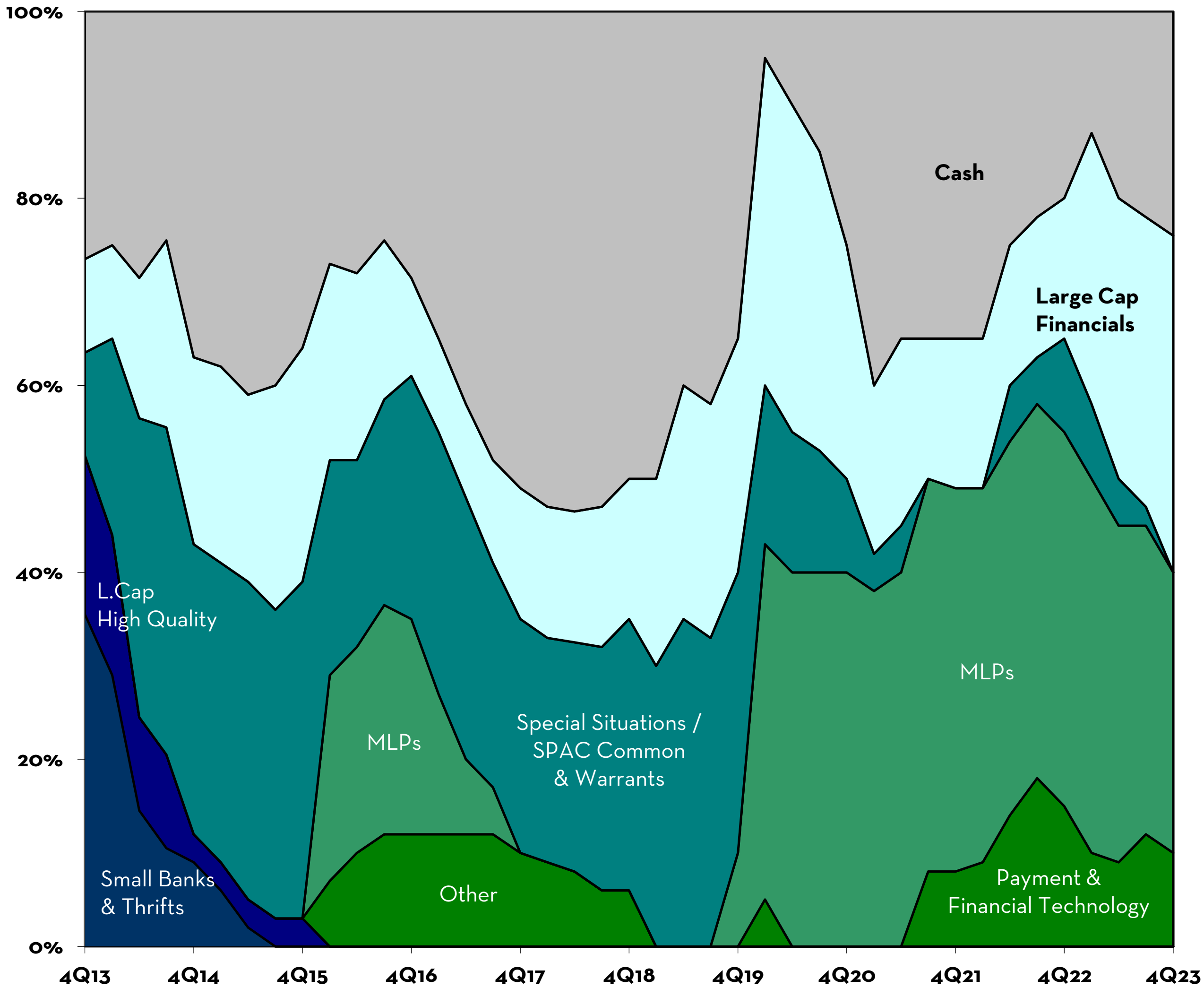
- **Reinvestment Growth (Payments/Fintech): 10% NAV**

  This category mostly consists of fast-growing payments & financial technology businesses with favorable revenue tail winds, operating in areas with large and untapped total addressable markets, generating cash profits, actively reinvesting profits back into the business at high incremental margins, and self-funding future growth with little/no equity dilution. We purchased these investments at attractive prices that should generate at least 3X return in 5 years based on reasonable topline growth & margin assumptions. See our 2022 1st Quarter Letter for more details.

- **Cash & Cash Equivalents: 24% NAV**

  This category will fluctuate depending on investment opportunities available in the marketplace. We collect ~5% interest and dividends per year which continuously replenishes our cash balance.

Target Portfolio Allocation % Over Time



PORTFOLIO RETURN* ANALYSIS & FUTURE POSITIONING

The Portfolio* returned +12.9% (net) in 2023.

Energy Infrastructure / Master Limited Partnerships (MLPs) continued to appreciate and contributed 47% of 2023 $ gains. Geopolitical strife, inflation, and increased recognition of the limitations of renewable energy has led market participants to reembrace fossil fuels, which in turn has lifted the prices of our MLPs. The cash flows of our MLPs are unaffected by rising interest rates because the majority are investment grade companies with long-term debt at fixed rates. MLPs have also benefitted from higher inflation through escalator clauses built into revenue contracts and transportation rates. The size of our MLP allocation has gradually declined (due to harvested gains, trimmed exposures, and M&A activity), peaking at 42% NAV late-2021 to 30% NAV today. The MLP basket is still a cornerstone of our portfolio given favorable industry demand dynamics, stable cash flows, conservative balance sheets, reasonable valuations, and generous cash distributions.

Large-Cap Financials contributed 46% of 2023 $ gains. Market participants shunned the sector for most of 2023, but changed their minds in November, and our regional banks rallied significantly in the 4th quarter. This basket remains attractively priced given the combination of current earnings, return of capital, and unrealized AFS bond losses that will reverse with time regardless of the direction of near-term interest rates. For patient investors, regional banks will prove highly lucrative in the years ahead. Please see the 2023 1st Quarter Letter for our full thesis.

SPACs common equities and warrants contributed 9% of 2023 $ gains. The biggest winner in our portfolio this year was KLR, a SPAC equity that sold to Tata Communications for $7.25/share in June 2023, versus our average cost basis of $2.66/share. Despite this very positive outcome, we made the decision to wind down the SPAC basket. As our diligence progressed, we realized that the quality of SPAC businesses and management teams fell far short of our already low expectations (there were too many "Ugh" reactions, see AINC section below for further explanation). There was also significant information asymmetry: original insiders sold their stakes to blank check SPACs for reasons not fully disclosed in offering documents. We ultimately decided the time requirements to properly underwrite the SPAC basket allocation was not commensurate with the potential reward. We have liquidated our entire SPAC basket (except for Paysafe, a payment technology SPAC, which is now part of our Payments/Financial Technology basket) and will dedicate our time and capital to more fertile hunting grounds.

AINC, a legacy investment, was a drag on performance at -17% of 2023 $ gains. Although still cheaply priced, we no longer believe the management team is aligned with shareholder interests. It will take some time to fully exit due to limited trading volume.

"You don't have to make it back the way you lost it." This is an important concept that we have seen fund managers forget, leading them to press losing bets, blindly confident in their own intelligence and research, ultimately leading to financial ruin for themselves and their investors. In contrast, we did not let AINC consume us, mentally or financially. We allocated capital into other investments to diversify our exposures, which have proven lucrative over time, allowing us to overcome AINC's drag. Yes, our exceptional results would have been even better without AINC (we estimate $1mm invested since inception would have been worth $6.14mm vs. $5.74mm today, or ~$400,000 more), but we would not have learned valuable lessons that have improved our investment process and ultimately made us better investors. These improvements include:

- <u>Financial Engineering Doesn't Count.</u> We will only invest in businesses with revenues derived from supplying useful products or services to customers. Revenues as a result of financial engineering, especially with related party entities, do not qualify.
- <u>Three "Ughs" and You're Out.</u> We keep detailed notes on all our investments. Sometimes we come across unpleasant information that makes us write "Ugh" as commentary. A good recent example: one of our SPAC investments issued a press release announcing insider open market purchases and expressing optimism about future prospects, while simultaneously issuing insiders dilutive equity grants in far larger size than the open market purchases. Each "Ugh" is a red flag signaling underlying problems with incentives and governance that will hinder equity appreciation regardless of the cheapness of valuation.
- <u>Baskets Are Better.</u> We have improved our portfolio construction and management process by no longer investing in individual undervalued special situations, preferring instead to invest via basket allocations to undervalued sectors. The limited trading liquidity and idiosyncratic risk inherent in individual special situations make them imprudent to own in size. Yet the time

needed to conduct research and diligence on a single name is similar to that for a sector. We believe basket allocations are a superior method for portfolio construction because they allow us to (1) diversify away idiosyncratic risks associated with individual securities (2) better identify company specific issues or untruthful management by comparing progress across the entire sector, and (3) increase the size of the allocation when opportunities emerge because we are not limited by trading liquidity or company-specific idiosyncratic risks.

Cash interest income contributed steadily to 6% of this year's $ gains. During 2023, our investments attracted a flood of buyer interest, a testament to their economic desirability and undervalued nature. Four names received buyout offers, totaling over 15% portfolio NAV. This pushed our cash higher than originally anticipated. Our cash will decline over time as we make new investments, and we are always prepared to deploy cash very quickly should the right opportunities appear. In the interim, cash earns ~5% interest per year thanks to higher interest rates. Next, we'd like to discuss where we are actively deploying cash.

Payment/Financial Technology basket contributed 9% of 2023 $ gains. Currently sized at 10% of NAV, we expect the size of this allocation will increase over time, especially if market volatility continues. The industry is undergoing significant technological change, market participants are confused, and shareholder turnover is high. This has led to increased price volatility for both legacy incumbents and new challengers.

Long overdue technological advances are finally happening in the U.S. in the form of new real-time payment systems (e.g., FedNow, RTP, CFPB's Proposed Rule for open banking) to replace infrastructure that has not undergone meaningful change in nearly 50 years! For example:

- Credit cards gained momentum in the 1960s.
- Automated Clearing House (ACH) began in the 1970s.
- SWIFT (a wire messaging network for global payments) was developed in the 1970s.

Internationally, the pace of innovation has moved even faster through real-time account-to-account payments and digital wallet adoption (e.g., PIX in Brazil, UPI in India, AliPay & WeChatPay in China).

Changes in payment system technology and user preferences are creating operational complexity for businesses with global operations and those involved in global supply chains.[1] The chaos has presented a ladder for challengers to climb, to gain share in a highly lucrative industry that has remained undisrupted for half a century. For incumbent players, the prolonged period of prosperity bred corporate weakness. Menial investment in innovation is coming home to roost: they now have to reconcile aging technology stacks with new payment systems, and the growing real-time demands of businesses and consumers. Some will adapt, others will not.

These are fertile hunting grounds. Having spent the past three years methodically cultivating our knowledge of the payment/financial technology sector, further supplemented by our deep expertise of the traditional banking sector, we are uniquely positioned to take advantage of opportunities.

[1] For those interested in learning more, we highly recommend this conversation between Glenbrook Partners and Google's internal payment optimization experts: https://glenbrook.com/payments_on_fire/episode-224-creating-best-in-class-payment-experiences-at-scale-google/

We want to own attractively priced payment businesses with superior technology offerings that will win market share at high incremental margins, or will become acquisition targets for incumbents desperately seeking a solution to their inferior technological offerings. We also want to own incumbents whose moats remain strong, with share prices that have been unfairly punished by overblown fears of creative destruction.

At its current size of 10% NAV, our payment/financial technology basket already provides us with another source of uncorrelated attractive future upside and complements our other basket allocations to regional banks and energy infrastructure – different investments tend to "work" at different times while harboring different vulnerabilities. The buildout of our payment/financial technology basket is still in the early innings, and we expect it will increase with time.

We are extremely excited about the return prospects of our investments in the next few years. Our portfolio today has significant upside potential, is diversified, uncorrelated, and well-positioned to capitalize on future volatility via new opportunities.

As always, thank you for your trust. We look forward to continuing our capital compounding adventures in the years ahead.

Yours very truly,

Vivian Y. Chen, CFA
Portfolio Manager
Marram Investment Management

APPENDIX: HISTORICAL PERFORMANCE RETURNS (NET OF FEES)*

Calendar Year	Marram (Net of Fees)	S&P 500 (Total Return)	% Difference
2011	22.3%	2.1%	+20.2%
2012	34.7%	16.0%	+18.7%
2013	27.3%	32.4%	-5.1%
2014	13.3%	13.7%	-0.4%
2015	-9.1%	1.4%	-10.5%
2016	38.5%	12.0%	+26.6%
2017	22.1%	21.8%	+0.3%
2018	-17.3%	-4.4%	-12.9%
2019	-1.7%	31.5%	-33.2%
2020	23.7%	18.4%	+5.3%
2021	34.0%	28.7%	+5.3%
2022	3.2%	-18.1%	+21.3%
2023	12.9%	26.3%	-13.4%
Cumulative Return %	**473.7%**	**388.5%**	**+85.2%**
Annualized Return %	**14.4%**	**13.0%**	**+1.4%**

** Unaudited, net return figure calculation assumes 2% per annum management fee, pro-rated and deducted monthly from performance of the portfolio manager's separate account which does not pay management or performance fees. This separate account most accurately reflects the long-term investment strategy of Marram Investment Management. Remaining separate accounts were purposefully omitted as they may deviate from the strategy due to fee structure, custodial & trading expenses, fund transfer & order timing, margin & trading capabilities, tax considerations, and other account restrictions. Returns for each separate account may differ. Please refer to your account statements for actual net return figures.*

Returns presented for S&P 500 include dividend reinvestment. While the S&P 500 is a well-known and widely recognized index, the index has not been selected to represent an appropriate benchmark for Marram's investment strategy whose holdings, performance and volatility may differ significantly from the securities that comprise the index. Investors cannot invest directly in an index (although one can invest in an index fund designed to closely track such index).

Historical performance is not indicative of future results. An investment is speculative and involves a high degree of risk and possible loss of principal capital. All information presented herein is for informational purposes only. No investor or prospective investor should assume that any such discussion serves as the receipt of personalized advice from Marram. Investors are urged to consult a professional advisor regarding the possible economic, tax, legal or other consequences of entering into any investments or transactions described herein.

A list of all recommendations made by Marram within the immediately preceding period of not less than one year is available upon request. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities on this list. Specific companies or securities shown are meant to demonstrate Marram's investment style and the types of companies, industries, and instruments in which we invest, and are not selected based on past performance. The analyses and conclusions include certain statements, assumptions, estimates and projections that reflect various assumptions by Marram concerning anticipated results that are inherently subject to significant economic, competitive, and other uncertainties and contingencies, and have been included solely for illustrative purposes. No representations, express or implied, are made as to the accuracy or completeness of such statements, assumptions, estimates or projections, or with respect to any other materials herein.