Far View Capital Management
646-838-4401
info@farviewcapitalmgmt.com

January 16, 2024

Dear Partner,
Welcome to the performance update for Far View Partners L.P. ("Far View") for the half-year that ended on December 31, 2023.

Portfolio Performance

During H2 2023, Far View generated a return of +11.26% net of all fees and expenses, which was comprised of +0.69% in Q3 2023 and +10.50% in Q4 2023. For 2023, Far View produced a return of +6.08%.[1] Since inception on July 1, 2011, Far View Partners has generated a cumulative net return of +113.17%, a +6.24% CAGR.

Far View enjoyed gains from our largest position Distribution Solutions Group (DSGR). In September, DSGR hosted an Investor Day where they laid out the company's attractive mid-term opportunity. This increased investor clarity drove material outperformance. In December, I presented on Andrew Walker's Yet Another Value Podcast to discuss the long-term upside opportunity I see in DSGR.

The Partnership also benefitted from strong performance in new position Trustpilot PLC (TRST), a leading provider of consumer reviews. TRST shares rallied after announcing strong H1 2023 results with better-than-expected profitability and a commitment from the company to return excess cash to shareholders.

Finally, Far View's H2 performance benefited from our position in Cirata (CRTA, FKA WANdisco). While this position was our largest loser in 2023, those losses occurred in Q2 when we marked the position at the value of the rescue capital raise (that we participated in). In Q4, CRTA shares appreciated after multiple share purchases by a variety of members of the management team.

I met with the CRTA team multiple times in H2 2023. Increasingly, I believe that the salesperson's fraud, as damaging as it was for 2023 performance, may end up being a blessing in disguise as it has driven necessary upgrades to CRTA's management team. As a reminder, I provided Far View LPs with our detailed CRTA investment thesis with the H1 2023 investor letter.

Far View's largest loser in H2 2023 was Marlowe PLC (MRL), a UK-listed testing and inspection company. I initiated the MRL position in H2 2022 because I believed the company was a high-quality business with recurring, regulatory-driven revenues and a strong management team poised to continue making

[1] *The performance for Q1 presented herein includes +6.03% of unrealized gain on WANdisco, a position that was placed in a side pocket on March 9, 2023 because trading was halted. On June 30, the side pocket was dissolved. The Q2 return presented herein is a blended return representing the side pocket loss and the overall portfolio gain.*

accretive acquisitions. However, recent results have lowered my opinion of the management team, and I sold the entire position in Q4 2023.

The Partnership also suffered losses in its position in First Derivatives PLC (FDP), a UK company which provides consulting services to the financial industry and owns leading time-series database KX. The stock dropped significantly in October after reporting disappointing results. However, KX continues to make strategic progress, building out its management team and contracting with key partners including Microsoft Azure. KX is poised to grow rapidly over the long-term, and, in Q4, FDP announced a strategic alternatives review to potentially separate this highly-valuable asset. As a result, we have increased our FDP position and are optimistic about its mid-term future.

Finally, Far View generated losses in US private equity manager P10 Holdings (PX). Investor disappointment about weaker profitability and a lack of accretive M&A in 2023 drove a lowering of PX's valuation. While I have been disappointed with PX's performance in 2023, its strong balance sheet and highly stable cash flows provide significant downside support with upside optionality as operating performance improves.

On December 31, 2023, Far View's portfolio consisted of long equity investments in the United States, Canada, United Kingdom, Sweden, Germany, and Spain as well as short positions in equity options as a hedge. Far View was fully invested at the end of the quarter and maintained short positions in various currency futures for hedging purposes.

The Partnership

The last two years have been a challenging period for the Partnership and for me. In the last eight quarters, we have suffered our 1st, 3rd, 4th, and 5th worst quarters in Far View's fifty quarter existence (the 2nd worst quarter was the outbreak of Covid from which performance rapidly recovered).

While these clustered losses have been frustrating, I understand that downside volatility is an unfortunate feature of investing, especially with a concentrated portfolio of unique ideas. As Charlie Munger noted during the financial crisis:

> *"This is the third time Warren and I have seen our holdings go down top tick to bottom tick, by 50%. I think it's in the nature of long-term shareholding, of the normal vicissitudes in worldly outcomes and markets that the long-term holder has his quoted value of his stock go down by say 50%. In fact you could argue that if you are not willing to react with equanimity to a market price decline of 50% 2-3 times a century, you are not fit to be a common shareholder and you deserve the mediocre result that you are going to get, compared to the people who do have the temperament who can be more philosophical about these market fluctuations."*[2]

Even if large losses should be expected during a long investment career, it doesn't make their occurrence any less painful to endure. These two years have been extremely challenging for me as I have not generated the returns that I desire for my limited partners. As the fund's largest investor, I have also suffered significant investment losses alongside my LPs.

[2] https://www.fool.com/investing/general/2016/02/09/the-agony-of-high-returns.aspx

Despite our poor recent performance, I am optimistic about Far View's long-term future. I believe the portfolio contains several unique situations with the potential to deliver highly attractive long-term returns. I am encouraged by the operational progress that Far View's portfolio companies achieved in 2023 and am optimistic that these improvements will eventually be realized in their share prices. I have provided Far View's limited partners with a separate email discussing our top 5 positions in greater detail to provide insight on the reasons for my optimism.

Thank you very much for your trust and confidence and please don't hesitate to reach out if you would like to discuss Far View in greater detail.

Sincerely,

Brad Hathaway

Brad Hathaway

Managing Partner

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