January 2023

December 2022 letter

Dear Fellow Investors,

Thank you for being a part of Great Ocean Road Advisors.

For the December quarter, the GORA Southern Endeavor Fund advanced +9.3%, net of fees and expenses.

The Retail sector (XRT) advanced +8.1% and the S&P 500 (SPY) advanced +7.6%.

Markets delivered a tepid December quarter bounce. The primary explanations were clearer signals of softening inflation and better-than-feared company earnings results. A more sensible explanation is that the market had simply become oversold after three successive quarters of descent that made 2022 among the worst years on record for equities. The relative calm and consistency of the numbers above belie what is still a volatile market.

Critically for us, share price dispersion has returned. Earnings beats or misses are moving stocks again as the dust settles on a new economic operating environment. Good news for fundamental investors. Arhaus (ARHS), a design-forward furniture manufacturer and retailer, is the fund's largest investment. Its shares advanced +40% in the December quarter, aided by yet another outsized earnings beat. That said, its share price still only finished 2022 back where it started. Macro sentiment hurt for the first nine months of the year; micro fundamentals drove recovery in the final three months.

Looking forward, our visibility into consumer business performance in the broadest sense is lessening. Our checks across industries show unusually high volatility in month-to-month sales by brand and between competitors. Certainly not all bad, but just inconsistent. Some of this can be explained by 2022's macro surprises being universally negative. As we detail in our market outlook, there's good reason to believe 2023 may offer positive surprises for US families that translate into improved sales at our retailers - a risk certainly not reflected in the share prices of many of our portfolio companies.

Our portfolio remains broadly unchanged. It is concentrated in businesses with conservative balance sheets who deliver clear value to their customers and where we can see demand remains robust. We size up where we have identified a market misunderstanding about an aspect of their business that will manifest in near-term positive earnings surprises. PRG is a new investment described in (too much) detail throughout this letter fitting this mold.

The only thematic portfolio evolution is our positive view towards tech-consumer. Inflation is nearer the end than the beginning. Relief in acute pockets of supply-chain bottlenecks have continued and input cost deflation is broadening. This bodes well for duration assets that were most vulnerable to 2022's rising interest rates. Tech-consumer is their focal point. We've worked hard to find businesses in this space that have become oversold on transitory macro concerns, but which delivered strides forward in intrinsic value creation over the past year. FTCH is our best example, and we share a further update in this letter.

Market views – assessing what's priced in

The outlook for everything from the US consumer all the way up to the global economy is opaque. Headwinds that include rising interest rates, stubbornly tight labor markets and industrial indicators signaling oncoming recession (not to mention war), all rest vividly at the forefront of investor minds. Anecdotally, our own conversations with investors in all geographies and markets drum a strikingly repetitive beat: ranging from "I'm bearish now, but could get positive mid-year", to "I'm maximum bearish."

Sometimes the crowd gets it right. GORA's portfolio itself has a lower net market exposure (i.e., fewer longs, more shorts) than we ordinarily target. However, the real skill of an investor is not to identify risks, but to accurately assess the degree to which those risks are over or underrepresented within asset prices.

Among the fervor of negativity, consider three 2023 tailwinds to US households that may not be priced in:

1. **Energy:** $5.00/gal gas prices in mid-2022 are today $3.30/gal. Lower than 15 years ago. A typical family is on track to save almost $500 in 2023 here.
2. **Groceries:** Deflation in food commodities has arrived in earnest and will soon feature at the shelf price.
3. **Taxes:** – News stories covering war, inflation, and about one-thousand other topics received more attention than a Wharton Business School paper showing 2021's asset appreciation caused US households to suddenly owe the IRS $500bn in CGT in March 2022. That amount was more than twice the previous tax season record and represented a $2,000 per household handbrake that arrived in perfect synchronization with better known sources of tightening to immediately arrest spending power.

   Guess what 2022's asset returns will mean for tax season in the coming months?

These three points together suggest the simple conclusion that it's not all bad. Our own US household finances model forecasts steady relief in the costs of essentials as a % of income for US families. Our table below omits Housing and Health Care, which are expected to be benign in 2023.

% of HHold income	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Energy	1.7%	1.8%	2.0%	2.2%	2.5%	2.3%	2.1%	2.0%	1.9%	1.9%	1.9%
Groceries	5.7%	5.8%	5.9%	5.9%	5.8%	5.9%	5.9%	5.9%	5.8%	5.8%	5.7%
Taxes	12.6%	12.8%	13.3%	14.8%	14.8%	14.8%	14.7%	12.1%	12.1%	12.1%	12.1%
Total	**20.0%**	**20.4%**	**21.1%**	**22.8%**	**23.1%**	**22.9%**	**22.8%**	**20.0%**	**19.9%**	**19.8%**	**19.7%**

We present these numbers because the extrapolation into permanence of recent (currently negative) trends is a defining trait of the market. Look for us to get more positive in our portfolio tilt with further data indicating the sky may not be falling.

Buffet's quote about fear and greed is investing's most misconstrued. A certain Portfolio Manager at Fidelity captured his true sentiment more clearly.

> **Peter Lynch:** "The real key to making money in stocks is not to get scared out of them."

As always, we share below updates on key fund positions, so investors and followers know not just what GORA is invested in, but why.

PROG Holdings, Inc. (PRG) – New Position

PRG is a lease-to-own company that provides point-of-sale financing to customers at retail stores and e-commerce sites. PRG had a difficult 2022. Its shares declined 60% due to a confluence of forces we see as all being transitory. Underneath is a healthy business generating significant cash flow with a strong runway for growth. We believe PRG will outperform the market's expectations in 2023 on all the KPIs that caused its share price descent last year.

PRG's business works by partnering with retail brands to act as a financing provider to their customers. It finances transactions involving high-ticket durable goods, such as appliances, furniture, and jewelry, through lease-to-own agreements (LTO). PRG purchases the item from the merchant and initially leases it to the customer. Then, ownership transfers to the customer upon completion of their payments to PRG. Customers who use its service are gainfully employed, have FICO scores between 600-700, but who cannot, or do not want to, access traditional credit.

PRG's LTO product benefits retailers by allowing them to realize sales they could not otherwise by financing the transaction on behalf of the customer. It serves customers by enabling their possession of the good, avoiding a traditional credit check, providing the flexibility of staggered payments towards full product ownership, along with the option to return the product at any time. PRG earns a return by charging the customer a lease rate for financing the transaction which, over the course of the agreement, collects for PRG more than 100% of the product value.

We have followed PRG closely for many years. Its business is stable, generates strong cash flows, and has a large growth opportunity ahead. However, we believe now is a particularly opportune time to become invested. The nuances of LTO accounting, which are admittedly challenging to follow, have created an unusual opportunity. Put simply, the market is capitalizing into perpetuity what are transitory expenses related to lease losses (skipped customer payments) that not only won't persist but are likely to be reversed and become a large tailwind to earnings growth in 2023.

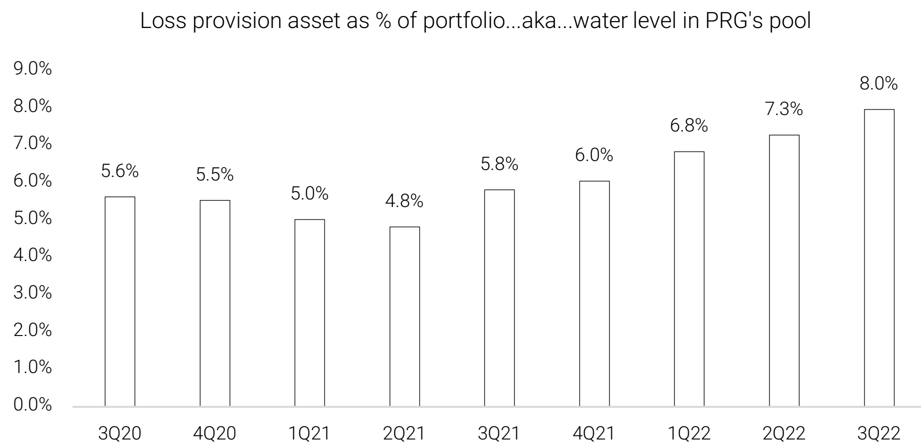
LTO providers are required to expense all expected lifetime losses on the leases they write immediately. This affects reported profits in two ways: first, as a reduction to revenue for the expected unpaid interest income implicit within the LTO agreement, and second, as an operating expense for the expected unpaid capital repayments on the leased good itself. However, because expected lifetime losses are required to be incurred in full immediately i.e. Before the customer has even left the store with their item, a loss provision asset is created to offset the loss recorded.

The loss provision asset sits on the company's balance sheet and acts like a buffer. When a customer misses their payment, the loss provision asset moves lower, but the company's profits are unaffected because it already booked the losses on day 1 of the lease agreement. In a period in which the company is recording more in expected losses than it is experiencing, short-term profits will be depressed, but the lease provision asset on the balance sheet grows, adding a larger buffer against future losses. The effect being a boost is coming to future profits.

If you're still reading this and finding it highly confusing, that's because it is! An analogy is helpful here:

> Think of a swimming pool whose primary expense is water to keep it full. Water splashes out, and we pay the water bill to fill it back up. The market is watching very closely how much water we are using to fill up the pool. The more water we use, the less profits. Then, one day we choose to fill the pool to a higher level than we've previously filled it. The market panics. All it can see is a ballooning water bill and assumes the very worst – profits are permanently impaired. The market here is wrong. It's overlooking that once we've filled the pool to its new higher level, we won't need to keep filling it. We may even *spend less on future water bills* as we let the level return to its prior normal. The outlook for profits is really quite good.

This is where PRG finds itself today. Its recent profits have been severely impacted by the expenses associated with building up its loss provision asset. The loss provision asset has now reached its highest levels on record and will act as a tailwind to profits going forward.



A fair question to ask is why has PRG built up its loss provision asset? The level is a function of the most recent portfolio performance i.e., realized loss rates on recent leases. In 2020 and early 2021, realized loss rates were unusually low because household bank accounts were flush with pandemic stimulus checks. Towards the end of 2021, realized loss rates returned to normal levels. However, beginning in 2022, inflationary spikes in groceries and gas caused realized loss rates to temporarily rise above normal levels. We say temporarily because PRG, like all LTO providers, can respond quickly to higher experienced losses by tightening its lease approval rates, effectively denying lease access to customers it assesses as high-risk. Realized losses quickly return to normal levels. Since July 2022, when PRG tightened its approvals, realized loss rates have done so. We've also confirmed the same is true with other LTO providers we've spoken with through last month. The return to normal realized loss rates will allow PRG to lower its loss provision asset, boosting profits. The water level in its pool can come down.

We do not believe a deteriorating economic outlook in 2023 risks preventing PRG working down its loss provision asset. As we shared in our market outlook above, gas prices, the scourge of 2022's inflationary specter, are lower today than 15 years ago. Inflation in total essentials may even be negative this year. Restrictive financial conditions actually aid PRG's business, with a lag, because credit providers targeting customers above PRG's FICO range begin tightening. They therefore funnel quality customers into PRG. Further, the job market for lower-income positions remains extremely tight. Low-income wage growth is well ahead of broader averages. Job cuts at Google are not a harbinger of pain to come for PRG's customer.

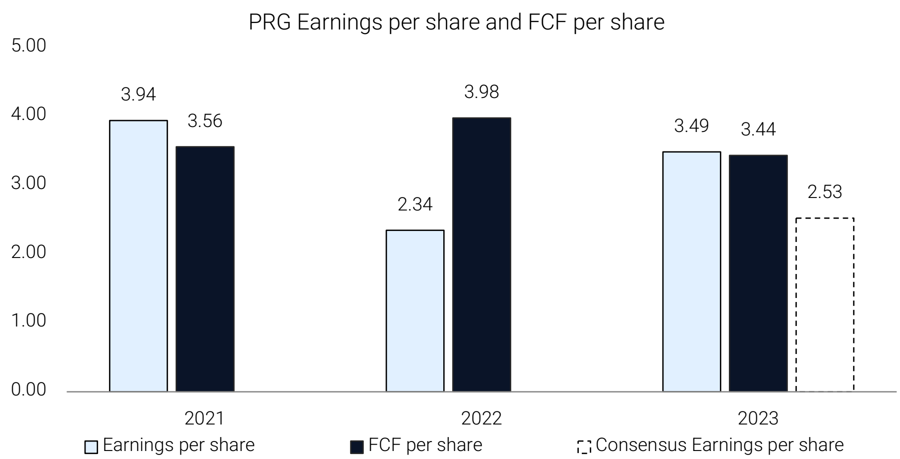
The second market misunderstanding on PRG is thankfully far easier to explain than its lease loss accounting. One of the most watched KPIs the company reports is Gross Merchandise Volume (GMV), which represents the value of leases added to its portfolio in a given period. However, as with any financial company, new leases/loans added are only half the equation. The other half is the value of leases/loans repaid. PRG doesn't report this value explicitly, so it doesn't receive the market's attention, but it can be derived from PRG's financial statements:

Leases repaid = Portfolio value t+0 – Portfolio value t+1 + GMV

Here, we observed that while GMV has been slowing, in part due to tighter approval rates, the rate of customers choosing early lease repayment has been slowing even more. The result is that the value of PRG's portfolio of leased assets, from which it derives its income, has actually been growing. This will further support 2023 earnings. In contrast, the market, which only looks at GMV (new leases added), is expecting a precipitous decline in revenues.

Our two points above come together in the chart below. It shows Earnings per share (EPS) and Free cash flow (FCF) per share for 2021 and 2022, along with GORA's forecasts for 2023 and the consensus forecast for 2023 EPS.

- First, notice the steep decline in 2022 EPS vs. 2021 not matched by a FCF decline. That is due to the higher loss provisioning PRG undertook in 2022, which lowers earnings, but is a non-cash expense.
- Second, notice consensus is carrying forward 2022's lower earnings level into 2023. The market is forecasting a repeat of 2022's water bill, with lower revenues to boot. We disagree on both.



Markets often punish asset prices for missteps twice. First, by capitalizing into perpetuity temporarily lower profits, and second, by applying a lower valuation multiple to the lower profits. So, it is with PRG. The market's misunderstandings have allowed us to acquire PRG shares below $20, representing 8x the consensus forecast for 2023 EPS of $2.53. That compares PRG's historical average multiple of 12-15x. We forecast earnings (and cash flow) will be much higher than consensus in 2023 and expect the stock's multiple to re-rate towards its historic range with proof of this. At 12x our $3.49 estimate for 2023 EPS, we have a $42 share price – potentially doubling our acquisition level in one year.

This is all a good start, but so far more of a trade than a long-term investment. We alluded to PRG's strong runway for growth earlier. PRG has made scant progress towards this potential in recent years, but there's good reason to expect the next few years will be different.

A business that partners with retail brands to finance customer transactions clearly needs retail brand partners. PRG currently has hundreds, if not thousands of brand partners utilizing its services. However, LTO's still nascent usage within retail means a number of extremely large, valuable partners still elude it.

We show below our estimate of the top-20 LTO-compatible retailers, ranked by sales. PRG's industry leadership is clear. It is partnered with all six top-20 retailers who have an LTO option and has exclusivity with five of them. More interesting is the significant white space for additional partnerships, especially towards the top of the list.

LTO absence among the largest retailers is critical to framing PRG's opportunity. The materiality of new partner opportunity gets disproportionately greater the higher up the list you look. Each of the top-5 retailers has greater sales volumes than retailer 11 through 20, combined.

Retailer	LTO provider	Retailer	LTO provider
1. Walmart	-	11. O'Reilly Auto	-
2. Amazon	-	12. Tractor Supply	-
3. Costco	-	13. Autozone	-
4. Home Depot	-	14. Dick's Sporting Goods	-
5. Target	-	15. Wayfair	with competitors
6. Lowe's	exclusive	16. Bass Pro	-
7. Apple	-	17. Big Lots	exclusive
8. Best Buy	exclusive	18. Ikea	-
9. TJX Companies	-	19. Signet Jewelers	exclusive
10. Ace Hardware	-	20. Samsung	exclusive

PRG has been targeting this list of potential partners since its inception in Utah in 1999. The sales cycle for brands of their scale takes years, the agreements are complicated, and integrations laborious. Momentum in high-profile wins that included Best Buy in 2018, then Lowe's in 2019, noticeably halted in 2020.

The pandemics effects were doubly prohibitive to PRG winning new brand partners. First, there was an abundance of consumer demand because stimulus checks were flowing and restrictions on services industries were funneling hot demand into durables. Second, supply-chains became gummed up, meaning production of inventories couldn't match demand. In this environment, retailer management teams became wholly focused on supply. Their interest in pursuing a demand-driving financing solution understandably dropped. PRG delivered no new major partner additions for three years.

Recently, the supply-demand imbalance defining pandemic period retailing has changed. Just as supply-chains recovered to full efficiency, demand dropped due to inflation in essentials, recovering access to services, and record-low consumer sentiment. Nearly every retailer on the list above is dealing with over-supply of inventories and seeking avenues to reignite demand. Unsurprisingly, PRG's momentum in new partner additions has picked back up. In June 2022, PRG was added as an LTO provider at Wayfair (alongside competitors). In July 2022, Samsung named PRG the exclusive provider of LTO options for its e-commerce offering.

Looking forward, we see the resumption of brands searching for new sales drivers sustaining. We can even point to specific brands where the use case for LTO financing is growing stronger:

- It will not be lost on Home Depot management that its major competitor, Lowe's, has recently delivered relative sales outperformance in the product categories conducive to LTO transactions, but that HD continues to lead in categories not suitable for LTO. Lowe's offers PRG's LTO financing to its customers.

- Target in 2022 twice lowered its formal sales guidance, setting off a major share price correction that rippled through the entire market. Its CEO, Brian Cornell, attributed the sales shortfall to softening demand for large durable goods, the very items PRG specializes in financing.

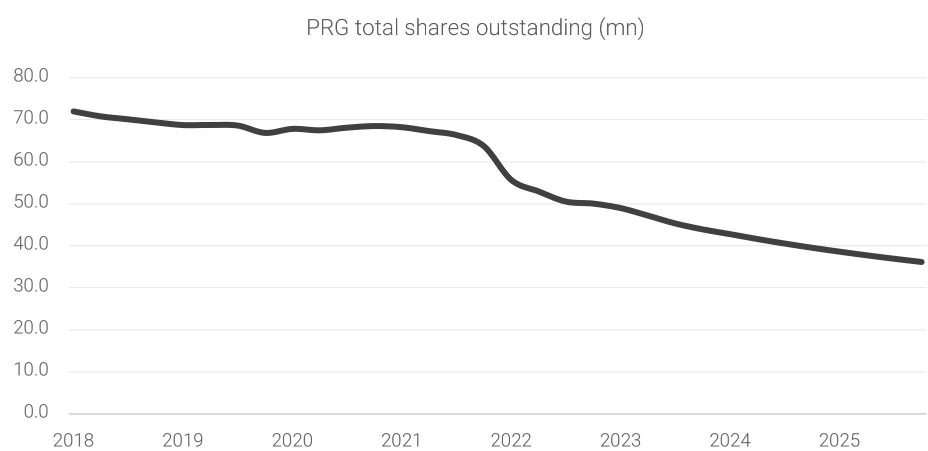
Our view is that both management teams, and many others, will be searching for sales drivers to navigate a resumption of a demand-driven sales environment. PRG represents a real, material solution for these brands. Big Lots, #17 on our list of largest LTO-compatible retailers, is the only one to disclose its share of transactions using the service. Roughly 5% of its sales are financed by PRG. Big Lots is admittedly uniquely ideal as an LTO retail partner due to its over-exposure to furniture and targeting lower-income households. Nonetheless, it is realistic to expect LTO could contribute a 1, 2, or 3 % sales uplift to the retailers in our list.

We focus on the potential for major new partner additions because the asymmetry embedded within PRG to these outcomes is incredible. Any of the top-10 retailers in our list would create a step-change effect on PRG's revenues. With limited need for additional SG&A spend, the benefit to profits would be magnified further. Large, new partner additions can also scale quickly. Best Buy is a relatively recent addition but already PRG's largest account. We would gladly acquire more PRG shares up 100% if a partnership with Amazon were announced. Such is the impact on PRG's future financial outcomes a partnership of that scale would bring.

Finally, investors tend to seek out charts that go 'up-and-to-the-right'. One of our favorite PRG data points, as with many of our portfolio investments, travels the opposite way. Its number of shares outstanding.

PRG has generates lots of FCF thanks to a healthy operating business with modest capex needs. Its management team is acutely aware of their responsibility as capital allocators. The company has been actively repurchasing its own shares for many years. Emphasizing their enthusiasm for repurchases, in 2021 the company held a Dutch auction for approximately 15% of its shares outstanding. Since then, PRG has continued buying back shares at levels far below what management (and we) believe to be intrinsic value.

Our expectation is that with time, the earnings and cash flow of this business will continue to grow, its valuation multiple will expand, and the number of shares outstanding continue to shrink, thereby increasing our proportional ownership of the enterprise.



European Wax Center, Inc. (EWCZ)

EWCZ is the country's largest out-of-home waxing provider. The company has become a top-5 position for the fund. We published an investment paper outlining our long-term thesis on EWCZ in November.

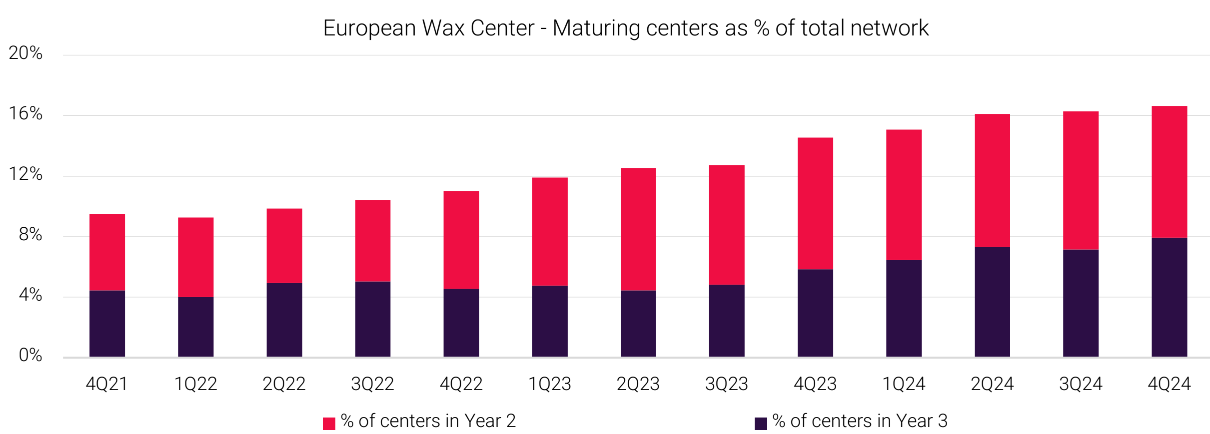
Our thesis is that EWCZ offers best-in-class franchisor features, while trading at a discounted valuation due to investors misunderstanding its quality and accounting practices. Its best-in-class features include: dominant market share, value for customers, strong unit economics for franchisees, 10%+ unit growth, and healthy cash flows for us, the franchisor.

Consensus thinking underappreciates how profitable EW centers are to franchisees and therefore, how much future center growth is to come. We've spoken with more than a dozen franchisees who each confirmed the strong financial profile of EW centers. A second consensus misunderstanding is due to EWCZ being required to amortize Area Development Agreements it repurchased from franchisees in 2019. This is a non-cash, non-economic charge to the income statement whose effect is reducing reported profits by approximately 50%. As proof of its non-materiality, EWCZ's FCF per share, the metric we most care about, is double its EPS. To the passing observer, EWCZ appears twice as expensive as its true valuation. The stock is cheap, but quant screens and most investors think it's rich.

During the December quarter, EWCZ's largest franchisee raised $25m in private market capital to accelerate its development. Given EW's modest center build costs, that's enough capital to open ~50 new centers by this one franchisee alone. As a reminder, these centers do not use the capital of the franchisor (where GORA is currently invested), but do contribute to our revenues and earnings through royalty payments once the centers are built and operating.

In the first week of January, EWCZ shared a 4Q trading update. New center development, system sales and same store sales were all ahead of previously communicated targets. The brand's pipeline of centers committed to be opened by franchisees reached a new all-time high of 400 locations – representing 4 years' worth of development under contract. Management also took advantage of the share price dislocation by repurchasing shares in the open market.

From here, we expect an upwards re-rating in valuation multiple driven by accelerating same store sales. EW is not like McDonald's or traditional franchised brands. 90% of its customers are regular, repeat customers. Therefore, a center's sales in its first year are unusually low because future customers haven't noticed the center and made it a part of their regular routine. In years 2 and 3, 'maturing' EW centers experience very high sales growth – anywhere from 25% to 60% as customer discovery plays out. Maturing centers contribute outsized growth to the total network's same store sales growth. EWCZ is entering a period of successively building mix of maturing centers in its same to sales base. These will disproportionately contribute to reported same store sales – the market's most important KPI.



Farfetch Limited (FTCH)

FTCH became a top-10, though still not top-5, position for the fund during the December quarter. We first wrote about FTCH in our December 2021 letter, and again in our September 2022 letter. We encourage readers interested in this investment to read both because they are as pertinent today as then.

FTCH was initially a 1% position, which we doubled to 2% in late 2022, and doubled again to a 4% position in December 2022. The effect is that our cost basis is well below $10 per share, despite being enthusiastic about the investment at prices closer to $20.

We continue to write about FTCH because it is exhibiting a trait we most seek out in portfolio investments. It's making meaningful strides increasing long-term intrinsic value, while the share price compressed due to transitory macro forces.

To understand our enthusiasm, consider 2022's share price headwinds and ask yourself their likely direction for 2023:

1. China locked down, creating a deeply negative impact on FTCH's second largest market.
2. Significant upfront expenses were incurred ahead of revenue for four large new FPS client e-commerce sites.
3. Russia's invasion caused FTCH to abruptly exit its third largest market. This market isn't coming back anytime soon, but will cease to be a growth headwind once lapped in March 2023.
4. The US dollar's rapid appreciation against major currencies created a large FX translation headwind for global businesses, FTCH included.

In contrast, consider 2022's accomplishments and ask yourself if they have added lasting value:

1. Its marketplace (www.farfetch.com) grew its global customer count despite exiting Russia and China lockdowns.
2. FPS signed long-term mandates to power the e-commerce of major brands including: Ferragamo, Neiman Marcus, Reebok, and Richemont (really 26 brands in one).
3. The Beauty category was launched on the marketplace.
4. In December, management outlined its expectation for, and path to doubling the business in two years and a 1,000bp profit margin improvement.

As we hope is clear from the above, we expect that for FTCH headwinds are becoming tailwinds. China has reopened and early anecdotal feedback is that 'revenge spend' is occurring in abundance. FPS will soon be layering in new revenue streams from 2022's client wins. The US dollar has softened. Meanwhile, the luxury industry continues to prove its resiliency against economic downturns.

Finally, we do not see how turning the page on a new year means 2022's steady stream of high-profile luxury brands choosing to hand the reins of their e-commerce business to FTCH will suddenly halt. Through its success running Harrod's and the four major mandate wins last year, FTCH has proven itself the clear industry leader in white-label e-commerce solutions for luxury. More announcements on mandates from global brands are likely to follow.

Our cost base for FTCH is under $7. That's less than one-third of the company's IPO price in 2019 and just under 10% of the stock's all-time high. Meanwhile, we believe 2022 was a year in which FTCH accomplished more to increase its intrinsic value than any in the company's history. We expect the near-term signals the market follows to turn positive in the coming months and look for strong returns on this investment in the year ahead.

Furniture Industry – Investment paper review

A little over one year ago, in December 2021, we published our first formal investment paper – on the Furniture Industry. The world has changed a lot since we published the paper. Nonetheless, we thought it valuable to briefly review this investment since sufficient time to assess its performance has passed.

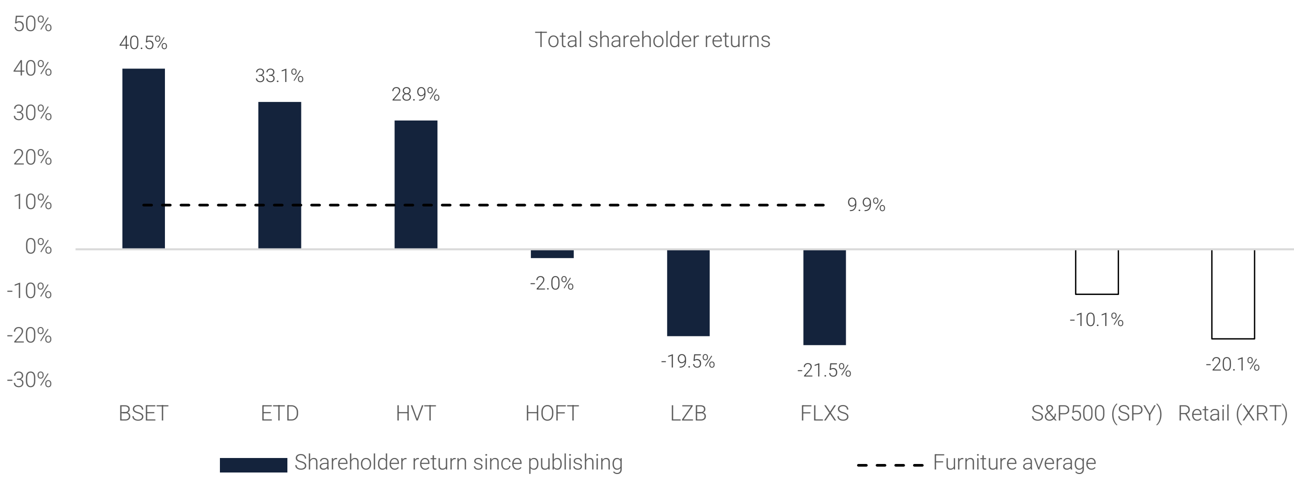
Our core thesis was that furniture industry profitability would be better than the market expected because demand in excess of supply was creating outsized order backlogs that would underwrite future revenue and profits. These companies traded at extremely discounted valuations because the market perceived their earnings as instead being temporarily inflated by pandemic-induced restrictions on movement, funneling demand into goods over services. The market expected the pendulum to swing the other way in 2022 as consumers satiated unmet services demand during the post-pandemic reopening.

For the most part, these furniture businesses were able to utilize their order backlogs to deliver earnings beats. Nonetheless, we were wrong in that we expected demand to hold up better than it did. Soon after publishing our paper, an overheating global economy ignited inflation in essentials. The effect was lower demand for all discretionary spend - goods and services.

Furniture companies featured in investment paper	**BSET** Bassett	**ETD** Ethan Allen	**FLXS** Flexsteel	**HOFT** Hooker	**HVT** Havertys	**LZB** La-Z-Boy	**SPY** S&P500	**XRT** Retail
Cons. 2022 EPS at Dec 2021	$2.35	$2.95	$1.82	$2.61	$4.29	$3.26	$226.1	$7.01
Actual 2022 EPS	$2.80	$4.15	$1.29	$2.34	$5.20	$3.50	$219.5	$6.15
Actual beat/(miss) to cons.	**+19%**	**+41%**	**-29%**	**-10%**	**+21%**	**+7%**	**-3%**	**-12%**

The best measuring stick for an investment is its returns. The furniture companies in our paper delivered dispersed return outcomes since we published, but generated modest positive returns as a group. Their returns look better relative to indices.

Our take here is that even if the world doesn't work out as you hoped, in investing it's better to be contrarian. Even better if you have a trick up your sleeve, such as the furniture order backlogs. Those faithful in the wisdom of crowds, who were emphasizing the certain pivot to services in late 2021, should consider the share price performance of businesses such as Carnival Corp (cruise ships), Live Nation (concerts), and Lyft (transport).



Outlook

2022 was a year in which macro dominated everything. We were admittedly too focused on the micro. Our error was to expect idiosyncratic company fundamentals to overcome the negative sentiment towards our sector created by a deteriorating economic backdrop. Instead, our sector experienced its worst year since 2008 and ultimately dragged down our returns. We were fortunate in that certain contrarian longs still generated positive returns, while shorts protected the fund from the full force of the market's downdraft.

The most fertile grounds for the form of research-driven, bottoms-up stock picking we undertake comes after widespread macro swings cause correlations to spike. The baby does get thrown out with the bathwater. We are grateful 2022 wasn't as bad for us as it could have been, and we remain in a position of strength investing in companies building intrinsic value at depressed market prices.

We continue to be most grateful to our 40 limited partners who have made GORA possible. None have exited the fund despite the market turmoil, and many have added further investments. We continue to work tirelessly to repay your loyalty.

Thank you for your trust and support. We are humbled that you have decided to invest a portion of your assets with Great Ocean Road Advisors.

Sincerely,

James O'Brien
Managing Partner & Portfolio Manager
Great Ocean Road Advisors