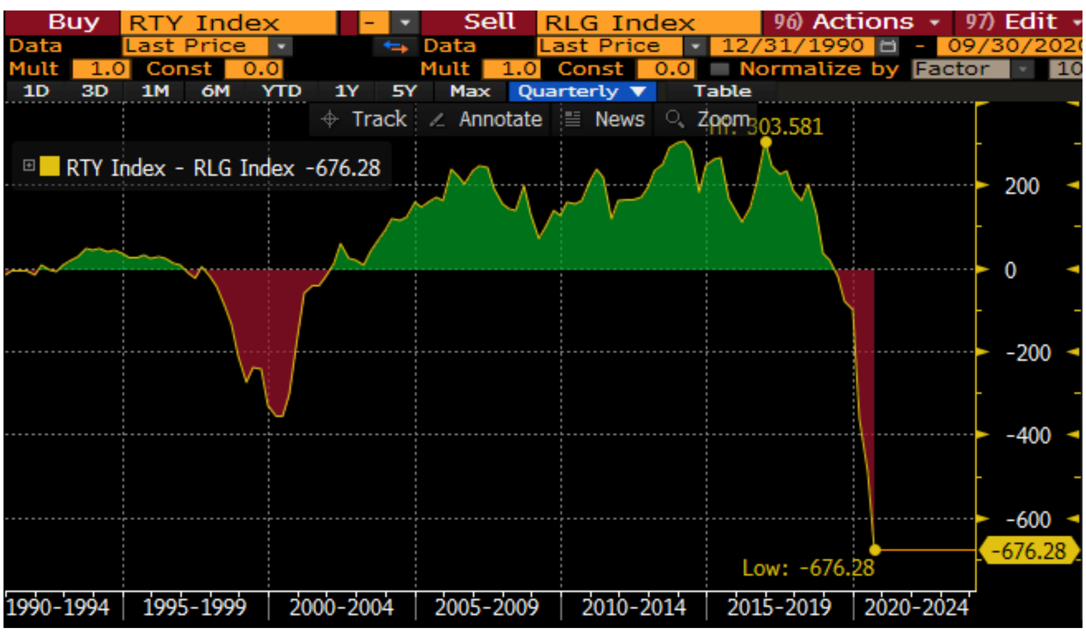
Fellow Shareholders,

For Q3 2020, we are pleased to show a gross total return for our public portfolio of +25.4%, and growth of our net asset value per share (NAV) of 7.4% versus a gross total return for the Russell Microcap Index of +3.7% and a gross total return for the Russell Microcap Value index of +3.0%. This has been a trying year. Attempting to navigate through the carnage of a global pandemic amidst a high-octane, overly emotional election cycle has been difficult enough. Doing it in the face of the biggest headwind for value fund managers I have experienced in my 32-year career has added a more complex set of obstacles. In past shareholder letters, I have written about how the pandemic and ensuing global economic meltdown exacerbated an already bifurcated stock market between the winners and the losers. Nobody admires Apple more than me, but during this past quarter, it’s $2 trillion-plus market capitalization was greater than the entire FTSE 100 Index. No company has benefited more from the pandemic than Zoom Video Communications. Zoom’s market capitalization reached $114 billion in October 2020. That valuation is a staggering multiple of close to 50x the consensus estimate of $2.4 billion in revenue in 2021. I love Tesla’s cars. I don’t own one, but I like looking at them and know a lot of people who swear by them. Elon Musk is a brilliant entrepreneur. He also oversees a company whose market cap exceeds that of Ford, General Motors, BMW, Daimler, and Volkswagen combined.

I took a look at two funds managed by one of the world’s largest global asset management companies. Through Q3 2020, the total return of its large cap growth mutual fund was +26.2% while the total return of its large cap value mutual fund was -14.8%. One last illustration of the market we reside in looks at two extreme polar opposite asset styles: through Q3 2020, the NASDAQ 100 Index was +31.6% while the Russell Microcap Value Index was -19.0%. The disparity between growth and value continued to accelerate in Q3 2020 as seen from the following chart.

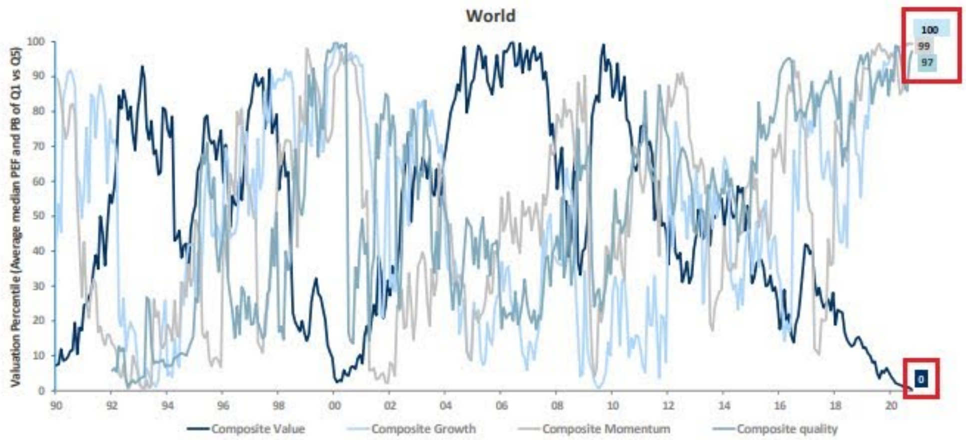


Many have offered their views of growth versus value investing over the years. Warren Buffet, in his 1992 shareholder letter offered the following:

"Most analysts feel they must choose between two approaches customarily thought to be in opposition: "value" and "growth." Indeed, many investment professionals see any mixing of the two terms as a form of intellectual cross- dressing. We view that as fuzzy thinking (in which, it must be confessed, I myself engaged some years ago). In our opinion, the two approaches are joined at the hip: Growth is always a component in the calculation of value, constituting a variable whose importance can range from negligible to enormous and whose impact can be negative as well as positive. In addition, we think the very term "value investing" is redundant. What is "investing" if it is not the act of seeking value at least sufficient to justify the amount paid? Consciously paying more for a stock than its calculated value - in the hope that it can soon be sold for a still-higher price - should be labeled speculation (which is neither illegal, immoral nor - in our view - financially fattening)."

We have graduated our own thinking over the years of what value investing looks like at 180. It is not simply buying a stock solely based on the fact that it looks absolutely and statistically cheap on PE, yield, book value, etc. To reiterate, at 180, we love growth in our investments. We want companies that can grow. We would rather pay 13x EPS for companies we think will grow 20% versus paying 4x EPS for a company that can't grow. We seek to find companies where the future growth in cash flows exceeds the current value the market is placing on that ability to grow its cash flow. Our best investments in the last 3.5 years (TST, HEAR, IOTS, QMCO) had higher growth characteristics than the typical value stock. At the end of the day, I could care less about what Zoom does. I don't own it. I'm not going to buy it, and I probably won't short it. What I care about are the stocks 180 owns. I care about the prices we are paying for the businesses we are buying and the activism that we can incorporate towards trying to achieve positive returns for 180's shareholders. The difficult part of 2020 has been that if a company is not Tesla, one of the FAANG Stocks, Peloton, Zoom and the rest of the hot megacap stocks, you cannot get the markets attention. The reason for this trend is that in unsettled times, investors remain solely comfortable and only committed to proven winners. The discrepancies in the multiples these companies trade at versus our world show the widest disparity we have seen in generations and, in my opinion, are not sustainable. Look at the following chart for what 2020 has meant to value stocks versus growth stocks:

Exhibit 7: Percentile Valuation of Factor in MSCI World since Dec-89



Source: FactSet, Morgan Stanley Research. Pctl % of average median P/FE & P/B of Q1/Q5. The factors are the top versus bottom quintile from MSCI World.

Do I understand it given the pandemic? Yes. Do I think this is forever? No. As I have said for the last 6 months, this pandemic has an expiration date, and that date is when a vaccine is developed and widely available. In our view it's not "if", it is "when." When the economic recovery takes hold, we believe the market will expand its appetite for more than just a handful of names.

Through all of this, yes, I am quite pleased we generated a +25.4% gross total return in Q3 2020 and a +7.5% gross total return for the first three quarters of 2020. Our strategy of combining our value approach with constructive activism has accrued to the benefit of our shareholders. Our 3-year performance number has yielded a +106.4% gross total return versus a -0.2% gross total return for the Russell Microcap Index. We have often said it is our job to seek to create value for our shareholders in all market environments and so far through Q3 2020, we have done that once again. But, I will say this; it will be nice one day to try and operate our strategy in a market where the wind is at our back. This year has been exhausting! I am looking forward to saying goodbye to 2020.

NET ASSET VALUE PER SHARE

Our net asset value per share ("NAV") increased this quarter from $2.70 to $2.90. Our Fund has three principal components to the variance in our NAV: our public portfolio, our private portfolio, and our expenses. For the quarter, our public portfolio companies increased our NAV by $0.36, while our private portfolio companies decreased our NAV by $0.14. Operating expenses decreased NAV by $0.02.

	Quarter	YTD	1 Year	3 Year	Inception to Date
	Q3 2020	Q4 2019-Q3 2020	Q3 2019-Q3 2020	Q3 2017-Q3 2020	Q4 2016-Q3 2020

Change in NAV	7.4%	(5.2%)	(4.9%)	8.2%	23.9%
Russell Microcap Index	3.7%	(8.0%)	4.4%	(0.2%)	10.9%
Russell Microcap Value Index	3.0%	(19.0%)	(10.6%)	(11.8%)	(3.6%)
Russell 2000	4.9%	(8.7%)	0.4%	5.3%	16.9%

Public Portfolio

In the chart below, you see our quarter to date, one-year, three-year, and inception to date performance numbers. As is self-evident in Q3 2020, our +25.4% gross total return of our portfolio of investments in public companies significantly outperformed the Russell Microcap Index (+3.7%) and the Russell Microcap Value Index (+3.0%).[1]

	Quarter	YTD	1 Year	3 Year	Inception to Date
	Q3 2020	Q4 2019-Q3 2020	Q3 2019-Q3 2020	Q3 2017-Q3 2020	Q4 2016-Q3 2020
TURN Public Portfolio Gross Total Return	25.4%	7.5%	16.0%	106.4%	233.8%
Russell Microcap Index	3.7%	(8.0%)	4.4%	(0.2%)	10.9%
Russell Microcap Value Index	3.0%	(19.0%)	(10.6%)	(11.8%)	(3.6%)
Russell 2000	4.9%	(8.7%)	0.4%	5.3%	16.9%

Let's dig into the significant sources of the changes in value in our public portfolio in Q3 2020.

Sources of material increases in value:

- Quantum Corporation (NASDAQ:QMCO) – QMCO's primary hyperscaler customer has returned to purchasing following a pause that began at the end of 2019, and there is increased visibility to additional hyperscaler wins. QMCO continued to execute on its product development strategy designed to help the company transition from primarily hardware revenues to software and software as a service (SaaS) revenues. We sold 40,593 shares during quarter at average price of $5.80. For the quarter, QMCO's stock increased by 19.2% and increased our NAV by $0.04 per share.

- Lantronix, Inc. (NASDAQ:LTRX) – LTRX saw increasing strength in the company's remote connectivity solutions and continued to add high quality former Microsemi

[1] Past performance shown in the tables above and throughout this letter is not an indication or guarantee of future performance. Amounts gross unrealized and realized total returns compounded on a quarterly basis. 180 is an internally managed registered closed end fund and does not have an external manager that is paid fees based on assets and/or returns. 180 also has a material portion of its investment portfolio in legacy privately held investments. Please see 180's filings with the SEC, including its 2019 Annual Report filed on Form N-CSR for information on its expenses and expense ratios.

employees to its senior leadership team. (Paul Pickle, LTRX's CEO, was the former COO at Microsemi until its eventual takeover by Microchip). We sold 494,637 shares at average price of $5.14. For the quarter, LTRX's stock was up 29.6% and increased our NAV by $0.05 per share.

- Potbelly Corporation (NASDAQ:PBPB) - In June 2020, we filed an amended Form 13D noting the poor performance of the company under its then CEO, while commending PBPB's Board for hiring a new CFO with restaurant experience. Subsequently, PBPB's Board hired Robert Wright, the former COO of Wendy's as its new CEO. Through the quarter, indoor capacity limits continued to increase in some of PBPB's key markets and comparable same store sales improved materially off the pandemic low in April and May. We sold 221,356 shares at average price of $4.24. For the quarter, PBPB's stock was up 66.2% and increased our NAV by $0.08 per share.

- TheMaven, Inc. (OTC:MVEN) - MVEN is a media coalition of professional content destinations, operating exclusively on a shared digital publishing, advertising, and distribution platform. MVEN provides a major media scale alternative to news and information on social platforms. The high-scale, unified platform offers operating leverage to all participants in MVEN's ecosystem by eliminating all non-content operating expenses. MVEN's distributed operating leverage enables its entire suite of services to be provided on a revenue share basis, which creates lower, non-fixed operating costs than if a media company was forced to run its own platform and digital ad sales team. MVEN provides distribution across 100+ million monthly users in a single platform, allowing advertisers to be more successful with return on investments in marketing. Among its many properties, MVEN operates a 100-year license agreement to run Sports Illustrated and owns TheStreet.com, after acquiring that asset in 2019. This quarter we worked with MVEN's Board in our capacity as observers to the board to affect a change in the CEO of the company. MVEN announced Ross Levinsohn would be the new CEO and the company raised capital from us and other existing investors around that positive announcement. Sports is beginning to return along with improving advertising spending on MVEN's platform. MVEN continues to work towards getting up to date with its financial filings with the SEC and it is positioning itself for a subsequent uplist of its shares to a national exchange. For the quarter, MVEN's stock advanced by 49.8%[2] and increased our NAV by $0.12 per share.

We did not have any material decreases in the value of our holdings of public companies during Q3 2020. The largest decline in value was in Sonim Technologies, Inc., (SONM), which decreased our NAV by less than $0.01 per share.

In other notes related to our public portfolio, we were appointed as an observer to the board of SONM and I was named Chairman of the Board of Synacor, Inc. (SYNC). In both cases, we are determined to work with the board and management of each company to help improve their businesses and to create shareholder value in whatever means we deem necessary. We also bought and sold Perceptron, Inc. (PRCP) in the quarter generating a realized gain of approximately $500,000, which increased our NAV by $0.02 per share.

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[2] The price per share used to value 180's holdings of MVEN is based on a volume-weighted average price per share less a discount for lack of marketability.

Private Portfolio

For the quarter, our private portfolio decreased in value by $4.3 million, or $0.14 per share. The largest decreases were in Essential Health Systems, Inc. (-$0.07/share), ORIG3N, Inc. (-$0.06/share) and Lodo Therapeutics Corporation (-$0.02/share). The declines in value were due to specific events at each private portfolio company. There were no material increases in value in the private portfolio during the quarter.

In almost every shareholder letter, we state that while we desire to shepherd our existing private portfolio to exits or explore opportunities to sell our positions in those companies, "we have the luxury of being able to sell our private holdings when we believe it makes sense for shareholders rather than being forced to do so to survive." The remaking of our business and the significant cash and securities of public portfolio companies that we have built means we don't have to sell anything unless we feel that it is the right thing to do for shareholders. Any decision to sell our private portfolio would be based on a variety of factors not limited to the sale price. Selling our private portfolio would allow us to focus all of our time and efforts on our public investment strategy. It would reduce certain operating expenses that are incurred solely because of the private portfolio. Since the start of 180, our private portfolio has reduced NAV by $0.27 while our public investing strategy has increased NAV by $1.30. It is important to note that future results may be materially different than prior results.

EXPENSES

As we have noted in previous letters, we have dramatically reduced our cost structure under our new strategy. In 2016, before our Fund's change in investment focus and management team, our operating expenses, excluding stock-based compensation and interest on outstanding debt, averaged approximately $1.3 million per quarter. For Q3 2020, our operating expenses equaled approximately $790,000.

TURN/NAV: SUM OF THE PARTS

As of the end of Q3 2020, TURN traded at 65% of NAV. Our securities of public securities, cash, and other assets net of liabilities were $1.74 per share. Our stock price was $1.89. If we received 100% credit for the value of these assets net of liabilities, the market is ascribing a value of approximately $0.15 per share, or $4.7 million, to our private portfolio. Given our private assets are valued at approximately $36.1 million, the market is discounting the value of our private portfolio assets by 87% as of the end of Q3 2020.

As we grow our cash and securities of publicly traded companies, the discount our stock trades to NAV should narrow. At the beginning of our strategy in 2017, we had 27% of our cash and total investments in cash and public securities, and we were trading at a 41% discount to NAV. At the end of Q2 2020, we had 52.4% of our cash and total investments in cash and securities of public companies, and we traded at a 36% discount to NAV. Today, we have 60.5% of our assets and cash and securities of public companies and our stock trades at a similar discount to the prior quarter. It is beyond aggravating to see a stock price for TURN that reflects receiving very little credit for the turnaround of our business. It is also noteworthy to comment on the lack of value attributed to our private portfolio based on our stock price. I will remind you that Petra Pharma Corporation was acquired in Q2 2020, and between our direct ownership in Petra and our indirect ownership through Accelerator IV-New York Corporation, we received approximately $4.7

million in cash. We have the ability to receive an additional $350,000 held in escrow for one year from the date of the closing, we retain ownership in a spinout company that will seek to monetize additional assets of the company, and we could receive future milestone payments of up to approximately $86.9 million. While the timing and likelihood of achieving these milestones is uncertain, and we could ultimately receive none of these milestone payments, the Petra acquisition was a material and positive event for 180 and its shareholders. AgBiome, in of itself, is fair valued at approximately $13.2 million on our balance sheet and represents $0.43 of our NAV. I believe the value of that position alone should allow our share price to be meaningfully above the value of our cash and investments in public companies. There are other private holdings that not only have real value today, but also have the potential to monetize into cash in the future.

As you know, I personally own over 900,000 shares and in total our Board and management own 5.7 percent of TURN. If we don't feel we are properly being rewarded in the market for the assets we have on our balance sheet, management will gladly head back to the open market and purchase TURN stock during open windows. We believe in what we have done and will hopefully continue to do into the future. I'll also note that as CEO and Chairman of our Board of TURN, at some point, if the gap doesn't narrow, it will incumbent upon us to look at other ideas for shareholder value creation.

CONCLUSION

We have completely remade our business. When I first joined the Board of Directors in mid-2016, we had just approximately $17 million in cash and securities of public companies net of outstanding debt. Today, we have nearly approximately $55 million. In the middle of a global meltdown brought on by the COVID-19 pandemic, we survived the downturn and have participated in the upside, resulting in a +25.4% gross total return in our public investing strategy for this past quarter. We received a mandate to manage a $25 million separate account for a pension fund in 2020. We have talked often about exploring ways to seek outside capital. This announcement marks our first big win, but it won't be our last. We will continue to build our asset base for those that want to invest in our strategy. Much of our investing results are episodic. There may be quarters where we don't participate on the upside or perhaps underperform on the downside. We take significant positions in microcap names and use activism as a mechanism to create value. Sometimes we get paid quickly (HEAR, PRCP) and other times it takes longer (TST), but from start to finish as Bill Parcells says, "You are what your record says you are." For us that means having generated, since inception, a +233.8% gross total return for public holdings and 23.9% growth in NAV versus +10.9% for the Russell Microcap Index.

Thank you for your continued support.

Kevin Rendino
Chairman and Chief Executive Officer