PLURAL INVESTING LLC

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	Partnership (Gross)	Partnership (Net of Fees)	MSCI World Index
2020 (Apr 1-Dec 31)	121.3%	97.1%	46.8%

January 18, 2021

To our Partners:

Plural Partners Fund L.P. delivered a gross return of 43.2% and net return of 37.2% in Q4. Our goal is to deliver returns over a five-year time horizon significantly above that of global markets.

We are value investors. We invest in businesses that we believe are worth substantially more than the price they are trading at. We think of risk primarily as the chance of a permanent capital loss over a five-year horizon and not the temporary drawdowns in stock prices that occur from time to time. We manage this risk by only investing in businesses trading at a substantial discount to a conservatively calculated intrinsic value and that we would be happy to own if the market was to shut for five years. We therefore welcome stock price volatility as it often presents opportunities to invest further at even better prices. When such opportunities cannot be found we hold cash instead.

The majority of our capital is typically allocated to our six to eight best investments. These are usually businesses which we estimate to have intrinsic values at least double their trading prices and where we think the risk of a permanent loss is minimal. We look for qualities such as attractive business economics, management teams with strong customer focus, capital allocation and integrity, and cultures which support long term value creation. Our businesses may be 'hidden gems' because they are small, receive little coverage, listed on under-researched exchanges, operating in unpopular industries, or offer terrific opportunities beyond short term concerns. We develop a research edge over other investors by doing extensive primary research and utilizing quantitative tools. This edge can be significant when we are competing mostly against retail investors or the small positions of larger institutions, which is why we deliberately fish in these waters.

A one-page appendix entitled "Principles of Our Partnership" is attached to this letter. This should give you an idea of what you can and cannot expect from our partnership.

We are finding a significant number of investment opportunities today. While global indices generally performed strongly in 2020, there continue to be a number of businesses we know well that we believe are substantially undervalued. The portfolio is fully invested as a result. As usual, we would reemphasize that being fully invested is not the result of an explicit forecast of macro events.

Portfolio Allocation	
% of Net Assets by Business Type:	
Consumer	56%
Travel	19%
Real Estate	15%
Special Situations	9%
Industrials	4%
Others	0%
Cash	-4%
	100%
Portfolio Statistics:	
Net Exposure	104%
Long Exposure	110%
Short Exposure	-6%

Asian Real Estate Business

Most of the portfolio is invested in small-cap businesses that are 'under the radar'. We refrain from explicitly naming these stocks because relatively small increases in investor interest may reduce our opportunities to invest further at even lower prices.

One example is a real estate business listed in Asia. We estimate that its stock is trading at just 40% of the business's NAV, estimated using comparable market prices for the properties it owns. This discount to intrinsic value probably exists because the stock has almost no sell-side coverage, limited liquidity, and is mostly owned by the founding family.

Such businesses in Asia are often 'value traps' that continue to trade at steep discounts to NAV as minority holders are often treated poorly and have limited means to realize their value.

In this case, the founding family have a good record of delivering shareholder value. Crucially, they announced in Q4 that they are spinning off around half the properties into a private fund. Just as crucially, a 75% stake in those properties will be sold off to investors at fair market value, while the company will retain 25% and be the sponsor of the fund.

Following the spin-off, for every $1 in share price the company will own $0.84/shr in net cash, $0.29/shr in the new fund, $0.94/shr in newer properties to be sold into the fund over time, a complimentary business and asset management business worth $0.52/shr and $0.07/shr at a conservative valuation, minus a liability of $0.17/shr if corporate costs are capitalized at 10x. This puts intrinsic value today around $2.49/shr while the company continues to earn $0.13/shr per year.

With the older properties sold at market value, there is now a clear mark for the newer ones and an obvious route to finding a ready and transparent buyer for future disposals. Management are likely to reinvest cash in additional properties while also issuing a special dividend – a sizable dividend was paid a few years ago after property sales. We believe these catalysts will enable the stock to move towards intrinsic value.

Jet2 (Jet2.L)

Jet2 (formerly "Dart Group") is a UK based package holiday business. The company is run by its Founder and Chairman Philip Meeson, who owns 30% of the business, CEO Steve Heapy, and CFO Gary Brown. All three have exceptional customer focus, high integrity, and concentrate on long term value creation when allocating capital. They have done an outstanding job, with Jet2 succeeding as a value-for-money entrant that is profitably taking share from legacy players. The company's tour operation has gone from being a startup a decade ago to having 14% market share today. Jet2's stock price multiplied nearly 30x in that time before falling 90% this year as the potential implications of the Covid-19 pandemic remained unclear. We invested in the business at around £5/shr, the stock trades at £14/shr today, and we think it is worth £25/shr or more.

Unlike its competitors, Jet2 has a resilient balance sheet that has so far enabled it to survive the challenging operating environment without having to resort to many actions that raise short term cash at the expense of long term intrinsic value.

The company has rated at the top of various surveys for customer refunds and treatment, while key competitors rank poorly. The company has continued to proactively help customers, such as by offering its own insurance or making it easy for customers to click *away* from Jet2's website and towards independent travel agents. Those travel agents offer customers a choice of tour operators, which highlights how confident Jet2 is in its value proposition. We believe these are the right things to do and have further strengthened Jet2's place in the customer's mind.

Similarly, the company continues to pay its hotel partners on time and in full. That has resulted in hotels that were previously in exclusive relationships with key competitors approaching Jet2 for a partnership.

While the Covid-19 pandemic has unfortunately hit the travel industry hard, we believe Jet2 will emerge at some point with a much stronger competitive position and earnings power. Not only are airlines pulling out of airports like Leeds-Bradford, Newcastle, and Stansted - all important for Jet2's airline to service its tour operation – the company actually announced in November that it was expanding to a tenth base, in Bristol.

We think that these factors will result in the company earning £1.5-£2.5/shr in three years' time. Given the positive announcements recently regarding a vaccine there is a chance that happens sooner.

We continue to see possible investment opportunities in our research pipeline and are working hard to take advantage of them.

Please do not hesitate to contact us at chris.waller@pluralinvesting.com.

Best Regards,

Chris Waller
Portfolio Manager

Principles of Our Partnership

I take the trust you place in me very seriously and view this as a partnership. These principles are inspired by a similar letter Warren Buffett wrote in 1962 to his partners at the beginning of their partnership. They are my attempt to be up-front about what I can and cannot promise you, and what I ask from you in return:

1. Success for the fund in five years' time is delivering a substantially higher return than global stock market indices, rather than how many clients or assets are under management. The investment approach and my time are allocated accordingly.
2. I cannot guarantee that the fund will achieve this success. However, I can promise that the vast majority of my liquid net worth will be invested alongside you.
3. The fund will only invest in businesses that I estimate are worth substantially more than the price they are trading at.
4. The fund will only invest in businesses that I would be comfortable owning if the stock market were to shut for the next five years and we had to hold on.
5. I will view the risk of each investment as the chance we lose money over that five year period and not the volatility or beta of the stock price in the meantime. Indeed, I can promise you that the price of our investments will decline 20% from time to time.
6. I will judge the returns of the fund over five year periods.
7. Nobody gets every investment decision right. I will be up-front about mistakes made.

What I ask from you:

1. You should only invest an amount where your sleep will be completely unaffected when the fund has a 20% drawdown. This may mean the right decision is not to invest at all.
2. While I would like you to also judge the performance of the fund over a five year period, three years is the absolute minimum required. I would strongly counsel against reading much into quarterly results as prices are often driven by emotions in the short run. Our patience is essential if we are to let the volatility of prices serve us rather than guide us.

Yours sincerely,

Chris Waller
Portfolio Manager

<u>**Performance Comparison**</u>

	Partnership (Gross)	Partnership (Net of Fees)	MSCI World	MSCI World Small Cap Value	S&P 500	HFRX Global Hedge Fund
2020[1]	121.3%	97.1%	46.8%	58.0%	46.7%	15.9%

[1]Results for 2020 represent the total return of the Fund and Comparative Indexes from April 1, 2020 to December 31, 2020. The performance of the HFRX Global Hedge Fund Index (Flagship Funds) represents performance from April 1, 2020 to November 30, 2020.

Important Disclosures

This material does not constitute an offer or solicitation to purchase an interest in Plural Partners Fund LP (the Fund"), or any related vehicle. Any such offer will only be made via a confidential private placement memorandum. An investment in the Fund is speculative and is subject to a risk of loss, including a risk of loss of principal. There is no secondary market for interests in the Fund and none is expected to develop. No assurance can be given that the Fund will achieve its objective or that an investor will receive a return of all or part of its investment. This material is confidential and may not be distributed or reproduced in whole or in part without the express written consent of Plural Investing LLC (the "Adviser").

The performance results shown and discussed herein represents the performance of the Fund, a vehicle managed by the principal of the Adviser (the "Principal"). The Fund began trading on April 1, 2020. "Gross" results shown reflect the deduction of transaction costs actually incurred but are before management fees or performance allocation were incurred. "Net" results shown reflect the deduction of a 1.0% per annum management fee and 20.0% performance allocation.

Results are compared to the performance of the MSCI World Net Return Index, or similar indexes (collectively, the "Comparative Indexes") for informational purposes only. Returns data for the HFRX Global Hedge Fund Index are from source: Hedge Fund Research, Inc. www.hedgefundresearch.com, © 2020 Hedge Fund Research, Inc. All rights reserved. Past performance is not necessarily indicative of future trading results. The Fund's investment program does not mirror the Comparative Indexes, and the volatility of the Fund's investment program may be materially different from the volatility of the Comparative Indexes. The securities or other instruments included in the Comparative Indexes are not necessarily included in the Fund's investment program and criteria for inclusion in the Comparative Indexes are different from those for investment by the Fund.

The positions presented and discussed herein represent investments in the Fund as of the date listed. These positions are presented for informational purposes only to demonstrate a portfolio allocation of the Principal as of a recent date. Results of large "contributors" to the Fund's returns are also included for informational purposes only. No representation is being made that the Fund will or is likely to hold the same or equivalent positions or allocations in the future.

Certain information contained in this presentation is derived from sources believed to be reliable. However, the Adviser does not guarantee the accuracy, completeness, or timeliness of such information and assumes no liability for any resulting damages. Due to the ever-changing nature of markets, the deductions, interrelationships, and conclusions drawn from historical data may not hold true in the future.

This material contains certain forward-looking statements and projections regarding market trends, Fund allocation, and investment strategy. These projections are included for illustrative purposes only, are inherently speculative as they relate to future events, and may not be realized as described.

These forward-looking statements will not necessarily be updated in the future.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.