



PLURAL INVESTING LLC

99 Wall St, Suite 1101, New York, NY, 10005

	Partnership (Gross)	Partnership (Net of Fees)	MSCI World Index
2020 (Apr 1-Dec 31)	121.3%	97.1%	46.8%
2021 (Jan 1 – Sep 30)	37.9%	30.3%	13.0%
Annualized	110.4%	87.5%	40.2%

October 19, 2021

To our Partners:

Plural Partners Fund L.P. delivered a gross return of 6.2% and net return of 5.2% in Q3. Our goal is to deliver returns over a five-year period 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. We look for qualities such as attractive business economics and management teams who possess and foster a culture of high integrity, customer focus, and prudent capital allocation. 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 those 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 fewer new investment opportunities today than in previous quarters, but our existing investments are priced more attractively than at any time since April 2020 in our opinion. The portfolio is fully invested, and we continue to be in the pleasant position of having

to find ‘room’ to increase our investments. As usual, being fully invested is not the result of an explicit forecast of macro events.

Portfolio Allocation	
% of Net Assets by Business Type:	
Consumer	64%
Payments	19%
Travel	13%
Special Situations	4%
Others	0%
Cash	<u>0%</u>
	100%
Portfolio Statistics:	
Net Exposure	100%
Long Exposure	107%
Short Exposure	-7%

Jet2 (Jet2.L)

Jet2 is a UK based package holiday business that also operates its own airline. The company is run by its Founder and Chairman Philip Meeson, who owns 22% of the business, CEO Steve Heapy, and CFO Gary Brown. All three have high integrity, exceptional customer focus, 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. We invested in the business at around £5/shr, the stock trades at £13/shr today, and we think it is worth £25/shr or more.

Pleasingly, the UK’s travel restrictions were eased in early summer and will be eased again at the end of October. These changes mean that for fully vaccinated people travel to most countries will only require a lateral flow test on their return to the UK.

Jet2 has seen a significant pick-up in demand after each easing in restrictions and was likely close to break-even profitability this summer despite flying around half the number of customers as they did before Covid. We expect that the number of customers in Q4 will be around 75% of the same quarter in 2019.

Despite the improving conditions, Jet2’s key competitors have continued to struggle. TUI announced an equity raise in early October at a 35% discount to its stock price that will increase the share count by nearly 50%. EasyJet similarly rejected a takeover from Wizz Air in September, then issued shares at a 35% discount.

In contrast, having a strong balance sheet and treating its customers and suppliers well has put Jet2 in a position to grow and take significant market share. That is now starting to play out.

The company has already opened a new base at Bristol airport and added hotel partners, and this quarter announced two aircraft orders. These are for a total of 51 A321neos, with the option to increase it to 75. For context, the company currently has 85 aircraft in service. Some of those will likely be retired, but the new planes can carry more passengers and so these orders suggest management are confident in their cash position and prospects for gaining market share. Nearer term data suggests Jet2 has already taken share versus smaller competitors.

Our thesis is based on a calculation of Jet2's long-term intrinsic value as it emerges from Covid as the UK's leading package holiday company, rather than views on the short-term outlook for travel. It is therefore encouraging to see Jet2's progress. We continue to think the company will be earning £1.5-£2.5/shr in three years' time as it emerges from this crisis with a significantly strengthened market share, reputation, customer loyalty, list of hotel partners, and airports to fly from. With people enthusiastic for travel, the company is likely to earn very substantial profits next summer rather than build progressively back to normalized earnings.

The dial-in details for our quarterly call are attached on the next page.

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

Best Regards,

A handwritten signature in black ink that reads "Chris Waller". The signature is written in a cursive, flowing style.

Chris Waller
Portfolio Manager

Dial-In Details for Quarterly Zoom Call

Time: October 26, 2021. 10am Eastern time / 3pm UK time.

Join Zoom Meeting:

<https://us06web.zoom.us/j/88920377132?pwd=UoJaeTMyZG5XMTgzZk1hcFFCTkJZZzo9>

Meeting ID: 889 2037 7132

Passcode: 102943

Find your local number: <https://us06web.zoom.us/j/88920377132?pwd=UoJaeTMyZG5XMTgzZk1hcFFCTkJZZzo9>

Dial by your location

+1 929 436 2866 US (New York)

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

+1 346 248 7799 US (Houston)

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

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,

A handwritten signature in black ink that reads "Chris Waller". The signature is written in a cursive, flowing style.

Chris Waller
Portfolio Manager

Performance Comparison

	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%	14.7%
2021 ²	37.9%	30.3%	13.0%	16.7%	16.9%	3.6%
Annualized	110.4%	87.5%	40.2%	50.4%	43.3%	12.2%

¹Results for 2020 represent the total return of the Fund and Comparative Indexes from April 1, 2020 to December 31, 2020.

²Results for 2021 represent the total return of the Fund and Comparative Indexes from January 1, 2021 to September 30, 2021.

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, © 2021 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.