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)	122.9%	97.1%	46.8%
2021	38.7%	29.9%	21.8%
2022	-32.0%	-32.7%	-18.1%
2023	7.2%	6.9%	7.7%
Annualized	31.1%	22.6%	16.4%

April 20, 2023

To our Partners:

Plural Partners Fund L.P. delivered a gross return of 7.2% and net return of 6.9% in Q1. 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 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 shut for five years. We 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 estimate that our businesses trade for 6x their net profits in three years’ time and will still be growing by double digit rates at that point. These businesses have strong balance sheets with little or no debt, earn an average post-tax return on tangible capital of 20% that is improving, and are run by well-aligned management teams with an average ownership of 24%. While our portfolio will experience drawdowns from time to time, we are confident that the value of this group of businesses will be recognized over our investment horizon of 3-5 years.

This quarter marked three years since the inception of the fund. While we are satisfied with the fund's annualized return of 31% before fees, we look forward to the results of our businesses over the coming years. In our view, our investments have strong prospects, aided by additions to stocks that declined last year while the underlying businesses performed well, and positions in new companies. Our research process has also been refined over the last few years, with improvements particularly to expanding our primary research network and systemized collection and analysis of unstructured data that helps with idea sourcing and our ability to understand customers. For these reasons, we are excited by what the next three years may bring.

Portfolio Allocation	
% of Net Assets by Business Type:	
Consumer	47%
Payments	30%
Travel	11%
IT	5%
Special Situations	-6%
Others	0%
Cash	12%
	100%
Portfolio Statistics:	
Net Exposure	88%
Long Exposure	103%
Short Exposure	-15%

Currency Exchange International (CXI.TO / CURN)

CXI is one of only three major suppliers of foreign currency banknotes in the United States and of US dollar banknotes internationally. Banknotes are typically used for travel and the Covid induced downturn masked major market share gains made by the company after its key competitor Travelex exited. CXI is run by its Founder Randolph Pinna, who owns 21% of the company and has high integrity, delights customers, and a 35 year track record of building two banknotes businesses that have delivered strong shareholder returns. The company trades on 10x net profits today and we expect earnings to double over the next three years as travel recovers and new businesses bear fruit. That puts the stock on just 4x our estimate of profits in three years' time when cash generated in the interim is included. We started buying shares at US$14/shr in mid-2022, it trades at US$18.5/shr today, and we believe intrinsic value will be US$60/shr in three years time.

Since our last letter, CXI reported two quarters of results and held its AGM in Toronto, Canada, which we attended. Two things stood out to us from these events: (i) The size of the company's opportunity to sell US dollars internationally, and (ii) the investments it is currently making to purse that.

In late 2021, CXI's Canadian banking subsidiary Exchange Bank became one of only three companies licensed to export US dollars directly from the Federal Reserve of New York across the world. This was a huge moment for the company and one that we think is greatly underappreciated by investors due to the opaqueness of the international banknotes market.

We estimate that this market is worth around $380mm in annual revenues, split roughly $300mm to Bank of America, $50mm to newcomer Moneycorp, and the rest shared between CXI and small companies that do not have a license to sell dollars directly from the Fed. That compares with CXI's total revenues of $70mm over the last twelve months.

Even more interesting is that Bank of America's heightened compliance costs has resulted in it retrenching from smaller geographies for some years, and this has accelerated since the onset of the Covid pandemic. In addition, Travelex, formerly the second largest competitor in the market, has mostly exited after fraud was discovered at its parent company in 2020.

The retrenchment of these leading players has left a large and open path for CXI to expand into. And even in markets where Bank of America still operates, customers are gradually looking for a second banknotes vendor to diversify their supply. CXI has become increasingly successful at entering new markets as a result, with the company winning customers in Brazil, Canada, the Caribbean, Europe, and Singapore. We think the company's international business could generate revenues of $40mm in three years' time and continue growing substantially for many years.

$40mm in three years would be a significantly slower expansion that private equity owned Moneycorp has managed, but we think reflects a sensible approach by CXI's Founder & CEO Randolph Pinna. We believe Pinna's shareholding represents most of his net worth and so he is investing significantly in compliance staff and processes to ensure that CXI captures the benefits of expanding into new geographies while taking minimal risk in the long run.

Those investments are likely to result in lower margins for the company this year than in FY22, but we expect to see operating leverage return subsequently. CXI is in the middle of upgrading its ERP and compliance software and has added to and reorganized its senior management in anticipation of supporting a far higher revenue base. We expect further hires to come at more junior levels as the company expands its ability to serve clients across the world.

As the growth of CXI's international business accelerates and cross-border travel continues to recover, we believe its revenue and earnings growth will result in investors appreciating the far stronger competitive position and opportunities the company finds itself in post the Covid downturn.

Jet2 (Jet2.L)

Jet2 is a UK based package holiday business that operates its own airline. The company is run by Founder and Chairman Philip Meeson, who owns 21% 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 profitably taking share from incumbent players. We invested in the business at around £5/shr, the stock trades at £13/shr today, and we think will be worth £25/shr in three years.

Jet2 reached a significant milestone this quarter, with the latest release of ATOL registrations showing that the company is now the UK's largest package holiday operator with 20% market share. That is up from 14% pre-Covid and the result of the company's relentless focus on delighting its customers, behaving with integrity, and taking a long-term view of its partnerships.

In our previous letters we have highlighted how Jet2 consistently ranks highest in the industry for customer satisfaction, but the way the company treats its hotel partners has also been important in growing market share. According to the UK government's payment practice reports, in the six months to September 2022 Jet2holidays paid 95% of its invoices to suppliers within agreed terms, vs 64% for the competitor that previously occupied the highest market share. This gap was even greater during the difficult months of Covid lockdowns - in the six months to September 2020, Jet2 paid 76% of invoices within agreed terms vs 36% for its largest competitor. Hotels increasingly know that Jet2 is likely to be a good partner even during tough times, and that has resulted in more desirable hotels partnering with the company to delight customers.

This increased market share and a strong summer resulted in Jet2 issuing a trading statement in January stating that profits would be significantly above market expectations. We estimate the company generated around £300mm in NOPAT (before FX) in FY23, putting the company on under 10x EV/NOPAT on a trailing basis for a business that should grow earnings at a double-digit rate in an average year.

Margins are likely to be lower over the next twelve months due to cost inflation, but travel demand and pricing remain strong. Yet whether profits in one summer are stronger or weaker than we expect is largely noise in determining the value of Jet2.

Our thesis continues to be based on Jet'2 long-term intrinsic value as it emerges as the UK's leading package holiday provider. We estimate the company will be earning £1.5-£2.5/shr in three years' time as it recovers from the Covid crisis with a significantly strengthened market share, reputation, customer loyalty, list of hotel partners, and airports to fly from.

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,

Chris Waller
Portfolio Manager

Dial-In Details for Quarterly Call

Time: Wednesday May 3, 2023 at 10am Eastern Time / 3pm UK time.

Join Zoom Meeting

https://us06web.zoom.us/j/88587497039?pwd=dWF2R0tXTUlPTGtSOXF4YmpSS284Zz09

Meeting ID: 885 8749 7039

Passcode: 702720

One tap mobile

+19294362866,,88587497039#,,,,*702720# US (New York)

+16469313860,,88587497039#,,,,*702720# US

Dial by your location

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+1 646 931 3860 US

+1 305 224 1968 US

+1 309 205 3325 US

+1 312 626 6799 US (Chicago)

+1 301 715 8592 US (Washington DC)

Find your local number: https://us06web.zoom.us/u/kbUBhR6w36

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

Performance Comparison

	Partnership (Gross)	Partnership (Net of Fees)	MSCI World	MSCI World Small Cap Value	S&P 500	HFRX Global Hedge Fund
2020[1]	122.9%	97.1%	46.8%	58.0%	46.7%	14.7%
2021	38.7%	29.9%	21.8%	21.1%	28.7%	3.7%
2022	-32.0%	-32.7%	-18.1%	-11.8%	-18.5%	-4.4%
2023	7.2%	6.9%	7.7%	1.8%	7.4%	0.0%
Annualized	31.1%	22.6%	16.4%	19.8%	18.2%	4.4%

[1]Results for 2020 represent the total return of the Fund and Comparative Indexes from April 1, 2020 to December 31, 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, © 2023 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.