



## PLURAL INVESTING LLC

	Fund (Gross)	Fund (Net)	MSCI World	Russell 2000	MSCI EAFE Small Cap	FTSE AIM All-Share
2020 <sup>1</sup>	122.9%	98.0%	46.8%	72.9%	55.0%	87.8%
2021	38.7%	30.4%	21.8%	14.8%	10.1%	5.0%
2022	-32.0%	-32.4%	-18.1%	-20.4%	-21.4%	-38.0%
2023	-5.5%	-6.3%	23.8%	16.1%	13.2%	-1.5%
2024	9.2%	8.0%	18.7%	11.5%	1.8%	-5.5%
2025	0.8%	-0.2%	21.1%	12.8%	31.8%	16.8%
Annualized	14.6%	10.3%	18.1%	15.6%	13.2%	5.1%

Note: All indices are total return and measured in US dollars.

<sup>1</sup>Results for 2020 represent the total return of the Fund and Comparative Indexes from the inception date of the Fund on April 1, 2020 to December 31, 2020.

January 20, 2026

To our Partners:

The Fund<sup>1</sup> delivered a net return of 5.7% in Q4. Please refer to your individual statements for exact performance as returns will vary by fund, class, and timing of investment. 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.

Most of our capital is allocated to our six to eight best investments. We look for businesses with attractive 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 by doing extensive primary research. This edge can be significant when we are competing mostly against individual 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.

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<sup>1</sup> Plural Partners Fund, LP and Plural Partners Fund Offshore are referred to collectively herein as the “Fund”.

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We estimate that our portfolio on a look-through basis trades for 7.7x FCF in three years' time and will still be growing at low double-digit rates then. Our businesses have strong balance sheets with typically little or no net debt, earn an average post-tax return on capital of 22%, and are run by well-aligned management teams with an average insider ownership of 10%.

We estimate that our companies on average trade for just 44% of their intrinsic value in three years' time, which is a discount not far off what we saw in April 2020. Most of our companies continued to execute and grow in value as we had expected in 2025.

The biggest detractors to the portfolio last year were investments in Seaport Entertainment, Judges Scientific, and Watches of Switzerland. Judges and Watches were impacted by tariffs and uncertainty over US scientific funding, which we believe are largely temporary headwinds. We profile Watches of Switzerland below, which benefitted from US tariffs on Swiss imports reducing from 39% to 15% in the quarter and continued to gain market share.

The biggest contributors to the portfolio in 2025 were investments in ContextLogic and XPEL. We profile ContextLogic below.

Portfolio Allocation	
<b>% of Net Assets by Business Type:</b>	
Consumer	27%
Telecom	21%
Travel	20%
Real Estate	14%
Industrials	12%
Others	3%
Cash	3%
	<b>100%</b>
<b>Portfolio Statistics:</b>	
Net Exposure	97%
Long Exposure	103%
Short Exposure	-6%

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### **Watches of Switzerland (WOSG.LN)**

Watches of Switzerland is a retailer and partner to Rolex and other luxury watch brands. Rolex only sells through authorized retailers like WOSG, which gives WOSG far superior economics to a typical retailer because of lengthy customer waiting lists, no online competition, and no inventory risk. WOSG has around 50% share of all Rolex sales in the UK and 10% share in the US where it is the leader consolidating the industry. Management are competent, experienced, and well incentivized, with CEO Brian Duffy owning around £40mm worth of stock. We first bought shares around £3.5 in 2024 and it now trades for £4.9 and on 11x FCF. We think intrinsic value in three years will be more than double today's price.

US tariffs on the import of Swiss watches reduced from 39% to 15% in the quarter, which was better than our valuation assumed. Yet even with the headwind of tariffs, WOSG reported strong results and reiterated guidance for 6-10% organic growth on November 6 and December 4, which we view as another example of the resilience and pricing power of the company's key brands, Rolex and Patek Philippe.

Despite the company's continued growth, WOSG shares declined by 15% in 2025.

We believe that investors underappreciate the quality of WOSG's business and that its economics more closely resemble a subsidiary of Rolex than a typical retailer. A key reason for the company's economics is the lengthy waiting lists for most Rolex watches, which results in almost guaranteed sales and significant pricing power. While waiting lists have reduced since their peak in 2022, our data suggests they remain very healthy and stopped declining in the US roughly 18 months ago.

Our investment thesis in WOSG is not based on tariffs or short-term macro fluctuations, but instead that the US offers a large market for the company to deploy capital at 20% returns. That thesis continued to play out last year. We estimate that WOSG's share of Rolex stores in the US increased from 7% to 9%, while its share of sales is higher because it owns several flagship stores that are much larger than the average store.

Another opportunity for WOSG to gain share is to buy stores run by mom & pops who are unable or unwilling to invest the million(s) of dollars required to refurbish stores up to Rolex's standards. WOSG management gave various hints throughout the year that they are close to making a Rolex acquisition, with the latest on their earnings call in December where they stated they had *"big plans"* for Rolex acquisitions and *"look forward to updating the market on when the time is right"*.

We think investors underappreciate how WOSG's earnings power could grow through accretive acquisitions. The company has a ND/EBITDA of just 0.5x, and we estimate that taking this up to even 1.0x would fund over £250mm of acquisitions over the next three years when excess cash generation is included too. At 10x FCF that buys £25mm of FCF, an over 20% boost to FCF today.

Organic growth will also be boosted by the opening of Rolex's new manufacturing facilities in 2029, with additional temporary facilities opening beforehand. We do not know how much production will increase by, but the Swiss press has reported that 2,000 new jobs will be created. Rolex currently has 9,000 staff in Switzerland, which suggests an over 20% expansion in production and more supply for WOSG.

We continue to believe that WOSG is a structural winner with a long runway of high single-digit organic growth and ability to deploy capital at 20% returns, and that 11x FCF is a very attractive price for the stock.

### **ContextLogic (LOGC)**

ContextLogic was a company with no operating business, \$300mm in cash, \$2.9bn in net operating losses ('NOLs'), and an activist CEO looking to monetize the NOLs through an acquisition. We first invested in the company in October 2024 at \$5.8/shr around its cash value and recently sold out around \$8.0/shr after the company made an acquisition.

ContextLogic was previously Wish.com, a massively loss-making e-commerce marketplace that peaked at a \$21bn valuation in 2020 and was sold in February 2024 for \$173mm. Activist hedge fund manager Rishi Bajaj joined the company to ensure that while the operations were sold, the entity itself was not liquidated. That preserved \$2.9bn of NOLs that had been created through Wish's losses.

NOLs can be used to offset future profits, and at a 21% corporate tax rate the \$2.9bn in NOLs could theoretically shield \$609mm in taxes, or \$13.4/shr. Realizing that value in full is not realistic because it would require ContextLogic to acquire a very large business whose tax bill is \$609mm in one year, but our thesis was that the cash and NOLs together were worth around

\$12/shr and that the risk we were taking at \$5.8/shr was minimal because that was what the company's cash alone was worth.

In December 2025, ContextLogic announced it was acquiring US Salt for \$908mm. The acquisition will be partly funded through partnerships with the credit division of BC Partners and the value firm Abrams Capital, which is rolling over its existing equity in US Salt, potentially adding to it, and joining the ContextLogic board.

While we were impressed with the size of the acquisition, high quality nature of US Salt's business, and caliber of the Abrams and BC Partners investors who will be working with ContextLogic going forwards, the acquisition was done at a 19x project EBIT of around \$50mm. That means ContextLogic's \$2.9bn in NOLs will be used very gradually. We had expected the company to acquire a lower quality business at say 10x EBIT, which would have resulted in the NOLs being used twice as quickly, thereby making them twice as valuable.

Post-acquisition, we think that ContextLogic should be viewed as Abrams Capital's permanent capital vehicle. Abrams has laid out a vision for ContextLogic to transform into a serial acquirer of great businesses with management teams that are heavily incentive to do well for shareholders – Abrams itself is taking no compensation and will be paid entirely through the stock's performance.

Given Abrams' strong track record and reputation we think they may deliver impressive returns for shareholders going forwards. However, our thesis in ContextLogic was centered around the monetization of its tax assets and Abrams themselves said that they view the NOLs as more the 'cherry on top of the cake'.

We have therefore exited the position but continue to follow the company closely given our interest in serial acquirers. While ContextLogic never reached our base case valuation, we still made around 40% in 14 months and believe the investment carried very little risk given we bought the stock around its cash value.

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Thank you for placing your trust in me. I feel extremely fortunate to have a loyal set of partners and your patience allows us to take advantage of the drawdowns that occur in our markets from time to time.

Many of our partners came to us through recommendations. If you know someone who might share our long-term value approach and benefit from our insights and investing in the fund, please feel free to connect us. You can reach me at [chris.waller@pluralinvesting.com](mailto:chris.waller@pluralinvesting.com).

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

Best Regards,

A handwritten signature in black ink, reading "Chris Waller". The signature is fluid and cursive, with the first name "Chris" and last name "Waller" clearly distinguishable.

Chris Waller  
Portfolio Manager

### **Dial-In Details for Quarterly Call**

Time: Tuesday January 27 at 10am Eastern Time / 3pm UK Time

Join Zoom Meeting

<https://us06web.zoom.us/j/83853439236?pwd=4AL6fEBzCuj5z32jgayujgce7Uxfaz.1>

Meeting ID: 838 5343 9236

Passcode: 781303

Join instructions

[https://us06web.zoom.us/join/83853439236?signature=cxo\\_6ThdmYaokIGAWEn6SYwPo9PWYy5ZsutPG7lQfCc](https://us06web.zoom.us/join/83853439236?signature=cxo_6ThdmYaokIGAWEn6SYwPo9PWYy5ZsutPG7lQfCc)

## **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, appearing to read "Chris Waller". The signature is fluid and cursive, with the first name "Chris" and last name "Waller" clearly distinguishable.

Chris Waller  
Portfolio Manager

## **Important Disclosures**

This material does not constitute an offer or solicitation to purchase an interest in Plural Partners Fund LP, Plural Partners Fund Offshore (collectively herein as 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 represent the performance of the U.S. limited partnership Plural Partners Fund LP, a vehicle managed by the principal of the Adviser (the “Principal”). Plural Partners Fund LP (the “Master Fund”) began trading on April 1, 2020 and Plural Partners Fund Offshore (the “Feeder Fund”) began trading on June 1, 2025. The Feeder Fund invests substantially all of its assets in the Master Fund. Results for the Feeder Fund may differ modestly due to its expense profile and launch date.

“Gross” results shown reflect the deduction of transaction costs actually incurred but are before management fees or incentive allocation were incurred. “Net” results (i) are representative of a “Day 1” investor in Plural Partners Fund LP, (ii) assumes a management fee of 1.0%, (iii) assumes a 20% annual Incentive Allocation subject to a loss carry forward, high water mark, and 6% annual and compounding hurdle, and (iv) is presented net of all expenses.

Effective as of June 1, 2025 the Fund adopted a 6% per-annum, compounded hurdle rate (the “Hurdle Rate”) for purposes of determining the Incentive Allocation. Net performance figures for periods prior to that date have been recalculated on a look-back basis to give effect to the Hurdle Rate. Each Limited Partner whose Capital Account was in existence before June 1, 2025 now carries a Loss Carry-Forward equal to any shortfall between such Partner’s historical net returns and the cumulative Hurdle Rate, and no Incentive Allocation will be assessed with respect to that Partner until the shortfall has been fully recovered, thereby placing the Partner in the same economic position as if the Hurdle Rate had applied from the inception of its investment. Performance information contained in investor reports distributed contemporaneously with earlier periods may therefore differ from the net returns presented herein.

Results are compared to the performance of the MSCI World Net Return Index, the Russell 2000 Net Return Index, MSCI EAFE Small Cap Net Return Index, FTSE AIM All-Share Index, or similar indexes (collectively, the “Comparative Indexes”) for informational purposes only. All Comparative Indexes are denominated in US dollars. 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” and “detractors” 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.