VOSS CAPITAL

832.519.9427

INVESTORS@VOSSCAP.COM

3773 Richmond Avenue, Suite 850 Houston, Texas 77046

June 4, 2025

Dear Partners,

In Q1 2025, the Voss Value Fund, LP and the Voss Value Offshore Fund, Ltd. both returned -7.3% to investors net of fees and expenses, compared to -9.5% total return for the Russell 2000, -7.7% total return for the Russell 2000 Value, and -4.3% total return for the S&P 500.

As of March 31st, 2025, the Voss Value Master Fund's total gross exposure stood at 162.1% and the net long exposure was 70.4%. The top 10 longs had a weight of 65.9%, and our top 10 shorts had a weight of -36.9%.

Voss Value Master Fund assets under management stood at approximately $310.5 million and Firm assets under management stood at approximately $1.39 billion as of March 31st, 2025.

Voss Value Master Fund Complex

NET MONTHLY PERFORMANCE | 2025

PERIOD	Voss Value Fund	Voss Value Offshore Fund	Russell 2000 TR	Russell 2000 Value Index	S&P 500 TR
JANUARY	1.1%	1.1%	2.6%	2.1%	2.8%
FEBRUARY	-2.0%	-2.1%	-5.4%	-3.8%	-1.3%
MARCH	-6.4%	-6.4%	-6.8%	-6.0%	-5.6%
1st QUARTER	**-7.3%**	**-7.3%**	**-9.5%**	**-7.7%**	**-4.3%**
APRIL					
MAY					
JUNE					
2nd QUARTER					
JULY					
AUGUST					
SEPTEMBER					
3rd QUARTER					
OCTOBER					
NOVEMBER					
DECEMBER					
4th QUARTER					
YEAR TO DATE	**-7.3%**	**-7.3%**	**-9.5%**	**-7.7%**	**-4.3%**

The table below shows the Voss Value feeder fund returns compared to some of the relevant indices:

Net Return Comparison as of March 31st, 2025

					Compound Annual Growth Rate			
	1 Month	3 Month	YTD	1-Year	3-Year	5-Year	10-Year	ITD(1)
Voss Value Fund, LP	**-6.4%**	**-7.3%**	**-7.3%**	**1.8%**	**12.3%**	**22.2%**	**15.7%**	**17.0%**
Voss Value Offshore Fund, Ltd.	**-6.4%**	**-7.3%**	**-7.3%**	**1.3%**	**11.1%**	**21.8%**	**-**	**16.2%**
S&P 500	-5.6%	-4.3%	-4.3%	8.2%	9.1%	18.6%	12.5%	14.7%
Russell 2000	-6.8%	-9.5%	-9.5%	-4.0%	0.5%	13.3%	6.3%	10.3%
Russell 2000 Value	-6.0%	-7.7%	-7.7%	-3.1%	0.0%	12.5%	4.8%	8.8%
Russell 2000 Growth	-7.6%	-11.2%	-11.2%	-4.9%	1.2%	7.8%	4.7%	9.4%
HFRX Equity Hedge Index	-1.3%	0.2%	0.2%	1.8%	3.0%	8.3%	3.1%	3.7%

(1) Inception to Date measures the time period from Voss Value Fund, LP's inception date of October 1st, 2011, and from Voss Value Offshore Fund, Ltd's inception date of January 1st, 2020.

Our sizeable alpha in early 2025 was etched in the sand and then regrettably washed away without a trace in a sea of sentimental selling. In the market, positioning affects perception, objectivity is limited, and reflexivity is real. The economy, narratives, rates, and social mood are entangled—to isolate and speak on but a few variables give an illusion of narrative cohesion, which we won't attempt now. At the root of Voss's investment philosophy is the belief that consistent alpha requires constantly searching for areas of market surprises, and amid the cloud of chaos that began gathering in late January, it can be difficult to determine what kinds of surprises will matter. When we reevaluate what stocks are correlating to, we are reminded to refocus on FY2 earnings estimates. Even as current year's estimates may be falling, next year's may be rising or vice versa, explaining a stock's rise and fall.

In the current environment, retail money is beta chasing, driving indexes up in the near term. However, around mid-May, 2-year forward optimism shifted lower and has remained downtrend since for small and mid-cap companies (2-year forward optimism is derived from FY2 estimates across earnings, sales, leverage… and their rates of change). This has elevated downside risk for SMiD caps over the next few months and is likely why institutional money, guided by more cautious hands, is holding back from Russell 2500 constituents. These negative revisions have materialized slowly and were not a rapid reaction to April 2nd, implying the process was a slow digestion of current policy and uncertainty slowly ratcheting higher. Institutional money moving into small and mid-cap companies is a potential tailwind later this year but will need a positive catalyst and revisions to take action. Consumer spending has remained resilient through the worst of the tariff headlines, underpinned by solid growth in earned compensation. The back half of this year will likely see the administration implementing more growth positive and business friendly policies, after frontloading the start of the term with the growth-negative policies.

In a world increasingly dominated by ETF flows and meme-ification, the market has oftentimes stopped punishing delusions and instead often celebrates them. Tesla, in our view, epitomizes this reality-disconnect, as it has soared despite an imploding auto business: falling deliveries, margin compression, mounting competition, and a valuation that implies not just global dominance across autos and multiple segments that don't even exist yet, but total infallibility. To borrow from the late Charlie Munger, raisins mixed with turds are still turds. Perennially promising high-tech dreams don't change the economic reality of arguably the worst execution of any auto OEM as of late.

Beneath this froth from several mega caps like WMT at ~40x earnings and TSLA at ~200x earnings, capital has continued to be siphoned out from small cap stocks mercilessly. YTD fund flows out of small caps have smashed all previous records, while *consistency* of retail buying/inflows overall has also broken previous records by a wide margin.[i]

This dichotomy causes one cohort of stocks to be priced for recession (small caps) and the other for perpetual safety and global dominance (mega caps, memes, select safe havens). Both are reacting to the same macro forces of interest rates, liquidity and flows, and investor psychology—but expressing opposite survival strategies: Small caps reflect fear, illiquidity, and economic fragility. Large caps reflect a steady gush of ETF inflows, unshakable faith in earnings stability, indefinite global monopolies, and continued AI-driven growth.

This general direction of this dispersion has made sense in the context of relative revisions, but in markets, euphoria feeds collapse, just as despair births opportunity. These phases—marked by the market's duality and eternal dance of opposites are not mistakes, but necessities of a cycle that has cracked open a uniquely fertile opportunity set for L/S equity.

New long: FlyWire – FLYW

We recently initiated a ~5% long position in Flywire and own ~5.6% of the company.[ii]

FLYW is a capital-light cross-border payments and software platform trading closer to a secular decliner than a structurally advantaged niche leader in education, travel, and healthcare. The company's original niche was to allow seamless cross-border payments options for students studying abroad. This cross-borders niche soon developed into a more holistic payments platform that could process all financial transactions at universities, expanded from US schools to Canada, Australia, the UK, and other European countries while simultaneously adding more pure software revenue streams to upsell. Flywire then took its cloud payments/software platform to a few other "big ticket" payment niches such as exotic travel, B2B, and healthcare to create what is becoming a more diverse business that is still united by a common payments and software infrastructure.

Our core thesis is three-fold:

1. Despite short term disruptions, study abroad programs are not in secular decline and will normalize, likely in 2026
2. Flywire has significantly better technology and execution than peers and will rebound decisively when the macro steadies
3. The company has quickly broadened their revenue base beyond cross-border tuition payments and will be more insulated from any future disruptions going forward

Flywire IPOed out of the gate at over 20x NTM sales in 2021 and is now under 2x NTM sales despite (up until recently) consistently growing at over 20% with rising margins. So, what happened? Although the ongoing derating has been a brutal grind downwards, their Q4 2024 report resulted in a real implosion in the stock as the company guided materially below consensus (12% growth versus consensus closer to 20%) while simultaneously making an expensive, significantly dilutive acquisition (Sertifi) that blew half their cash balance, a real double whammy.

Focus (both sell side and buy side) has been laser focused on macro headlines—student visa caps in Australia and Canada (with some recent headlines in the US)—and extrapolated these into an unduly pessimistic narrative. To be fair, these headlines have materialized into temporary real business downside in those two regions, with Canada and Australia expected to be down nearly 30% this year. Our view, though, is that this is more than priced in, and has become a myopic focus. For instance, a recent sell side report spent almost its whole time on a "worst case scenario" analysis while also noting that the stock had "decoupled" from fundamentals. Another recent initiation was almost apologetic in putting a Buy rating on the stock, noting that "we understand why investors may be cautious on Flywire given the shifting geopolitical climate" while giving no caveats to any of their other Buy rated stocks.

Despite massive hits to Australia and Canada and some embedded conservatism in the US, Flywire still delivered a quarter that should be viewed as a sigh of relief, with double digit organic revenue growth, rising margins, and guidance implying reacceleration of growth after Q2. Looked at another way, outside of some severe macro shocks in a few markets, the rest of the company is a 20%+ organic grower with rapidly expanding EBITDA and FCF margins. Perhaps even more importantly, Flywire is successfully diversifying beyond its historical reliance on international student payments.

The UK segment has now surpassed the US as Flywire's largest geography, and with good reason. The company has launched its Student Financial Services (SFS) package--a comprehensive, vertically integrated software solution that goes beyond simple payment processing. These contracts are 3-5x larger than Flywire's legacy education agreements, carry higher recurring software revenue, and are less susceptible to macro-driven shocks like student visa quotas (since the contract is based on the entire student population, not just students studying abroad). In short, these contracts improve both revenue quality and predictability. The company highlighted four major wins like this in the UK that as of Q1 still had not rolled out. Based on our diligence, the UK and other markets (outside the US) have fragmented and archaic competitors. While Flywire has been somewhat successful in selling their full payments and software platform in the United States (for instance, a large contract with Texas A&M), the competitive environment there is admittedly stiffer and was harder to underwrite true confidence in market penetration. We view Q1 commentary as a potential breakout that can ultimately change the narrative on the stock.

While the Sertifi acquisition was rightfully greeted with extreme skepticism given its timing and relatively poor explanation, it is beginning to show promise. The business is already EBITDA-positive, with margins above Flywire's company average in Q1. Sertifi offers both Docusign-like functionality tailored to hotel bookings/excursions, with early traction with "hunting licenses"—the right to sell into the franchise base--at major chains like Hilton and Marriott. Management has identified four synergy levers: (1) accelerating Sertifi Pay adoption (e.g. moving beyond digital signature to process payments) (2) expanding internationally (Sertifi is 90%+ US revenue) (3) cross-selling Flywire's receivables software, and (4) leveraging Flywire's travel vertical expertise. We're still cautious about the price paid and have some questions about direct synergies and how the business fits into the rest of their exotic travel segment, but the deal looks materially better than initial impressions and continues the theme of diversifying away from its more regulatory prone cross-borders business.

FLYW's Healthcare segment (~6-8% of the revenues), previously another laggard piece of the business, is also quietly and somewhat suddenly performing well, landing some large contracts with hospitals on Epic Systems software, a nut they had not been able to crack previously. We believe the healthcare business reaccelerating gives added credibility to management's guidance implying reacceleration in the back half of 2025. Combined with the emerging dominance in the UK and diversified software platform revenues, we believe Flywire is on the cusp of narrative and financial re-acceleration.

The stock's valuation (<2x sales, <3x gross profit, and <10x 2026 FCF) is compelling with limited downside. Flywire boasts >60% gross margins, low capex, consistent cash conversion, and a large net cash balance. Transaction comps like AvidXchange and public trading comps like Payoneer trade at similar/higher multiples despite slower growth and inferior economics.

This is a business with durable competitive advantages and relatively weak competition trading at a temporary narrative-driven discount. If Flywire merely executes on current guidance and macro doesn't materially worsen (admittedly a key risk in the short term), the stock could re-rate meaningfully. In a scenario where macro headwinds abate, 20%+ organic growth becomes feasible again—a setup the market isn't remotely pricing in and could give the stock multi-bagger potential.

We believe FLYW would also be a very attractive acquisition candidate. Flywire's global financial network and unique relationship with universities around the globe would be attractive to numerous other FinTech players and frankly to banks as well, who always are looking for new ways to build relationships with the younger generation. Alternatively, its strong balance sheet and cash generation could make it attractive to private equity.

New long: SharkNinja – SN

During the “liquidation day” tariff malaise, we significantly upsized our position in SharkNinja (SN). We view SN as a secularly growing category leader with a unique blend of innovation and agility, brand equity, and global expansion potential. While some competitors dismiss SN as a mere imitator—quick to reverse-engineer their products and undercut them on price—they misunderstand the company’s MO and customer value proposition entirely.

SharkNinja is not chasing cheap fads that will fizzle—it’s an innovation powerhouse that routinely generates consumer phenomena and creates and expands new categories. From the wildly successful CREAMi and Ninja Swirl appliances, to the virality of the TurboBlade fan and CryoGlow beauty devices, the company orchestrates consumer product launches that begin with deep consumer insight and a better mousetrap, followed by organically viral social media buzz, and ends with dominant shelf space at major global retailers.

We think SN is poised for margin expansion. Gross margins hover around 50%, with a narrow range across categories. The company is investing heavily in R&D (7.2% of sales vs a peer average of ~3.5%) and sales & marketing (23%), but this spend is front-loaded to support market entry and new category expansion. In mature markets like the US, marketing spend can fall to as low as 7% of revenue, while new markets begin at 25%+ as the company builds brand awareness and shelf presence. Over time, this dynamic creates meaningful operating leverage. Additionally, as the company continues to build a direct line to customers, their sales mix is shifting more to higher gross and contribution margin direct-to-consumer (“DTC”) revenue. The company has been building out its DTC team and will revamp its website and CRM later this year. We estimate DTC sales in the U.S. are only around 10% today, providing a long runway for growth.

The international growth story of SN is also still in the early innings. France and Germany—together forecasted to be a $2B business—are just reaching full-year profitability in 2025. France and Germany alone could underpin an 8-9% company-wide revenue CAGR over the next five years. Mexico and Brazil, while also currently margin-dilutive, represent future growth accelerants.

Tariffs have dominated headlines, but SN has been preparing for this for years. By the end of Q2 2025, 90% of US-bound production will be manufactured outside of China, and 100% by year-end. Their playbook includes diversified sourcing, value engineering, strategic pricing, and promotional optimization. For example, they raised the price of their LuxeCafe espresso machine from $499 to $549 with no drop in demand; it subsequently became the #1 espresso machine in the US and keeps the Voss team happily and sufficiently caffeinated, at home and at the Alpha Factory.

In addition to pricing power to guard against tariff margin erosion, SN is seeing accelerated sell-through from revamped product launches and social media savviness. This enables products like the Ninja Swirl to have an astounding 75 million social media impressions before it even launches at zero marketing cost to the company.[iii] The Swirl was released at 9 am on a Tuesday morning and was immediately selling one unit every eight seconds. We believe that was not a fluke, but rather the result of the refined SharkNinja system and playbook.

The company raised its 2025 guidance on May 8th to 11% - 13% revenue growth (from 10% - 12%) and 15% - 17% EBITDA growth (from 13% - 15%), which assumed 145% China tariffs and 10% for rest of world. Despite the on-again, off-again tariff tweets, as of the May 12th China tariff reduction announcement to a 30% baseline rate, this guide already looks conservative. SN has 25 new products set to launch in 2025, and multiple new category entries are planned. With strong consumer spending/balance sheets and historically positive growth even in the face of recessions and category declines, we see upside surprise optionality across top-line growth, margin expansion, and valuation reversion.

While SN is still a relatively new public company, it is led by a long-tenured management team with a 20%+ revenue CAGR track record over 15 years. Their nimbleness, culture of relentless innovation, and supply chain resilience are solidified into formidable competitive advantages.

Additionally, we believe the company is set to fail the foreign issuer test on June 30th, 2025. Failure in this case is a good thing. It means the majority of SN shares will be owned by U.S. based investors for the first time. If this happens, SN will become a domestic issuer starting on January 1st, 2026, filing regular 10-Ks and 10-Qs, thus opening the door for index inclusion which could serve as a potential demand catalyst for the company's shares.

In a world where investors fret over choppy consumer spending, 2% GDP prints and inflation noise, we prefer consumer businesses that are running laps around their industry peers, outgrowing them by 20% annually, launching viral product after product, and rapidly building international infrastructure and scale. Our base case price target is $151 (65% upside), which assumes a 15% revenue CAGR the next two years and values the business at 14x forward EBITDA.

Both noise and silence are vital mediums for consistent long-term alpha—but one is interior, and one is on the outside world. As always, human nature won't change, and an investment edge can still come from judgment, valuation discipline, and filtering signal from an endless cacophony of noise. While the crowd looks down from lofty multiples, we're quietly accumulating compounders like FLYW and SN while they're on sale, but we understand we must sometimes endure short term pain as we scale in before a narrative shift, which could be violent when it eventually occurs.

Since LLMs exploded onto the mainstream just two and a half short years ago, the market seems to be breaking records with increasing intensity with more unanimous crowding from one side of the boat to the other with greater frequency. Just this year the market broke a record for 9-month price momentum performance, followed by a top three fastest crash in history, followed by the sharpest recovery since 1982. In the new age of rapid change with AI, the government still injects and engenders economic uncertainty, and information alone is not an edge as the plenitude of data we are drowning in must still pass through the filter of fallible human nature and only reaches us highly refracted and obscured by framing errors and crowd psychology.

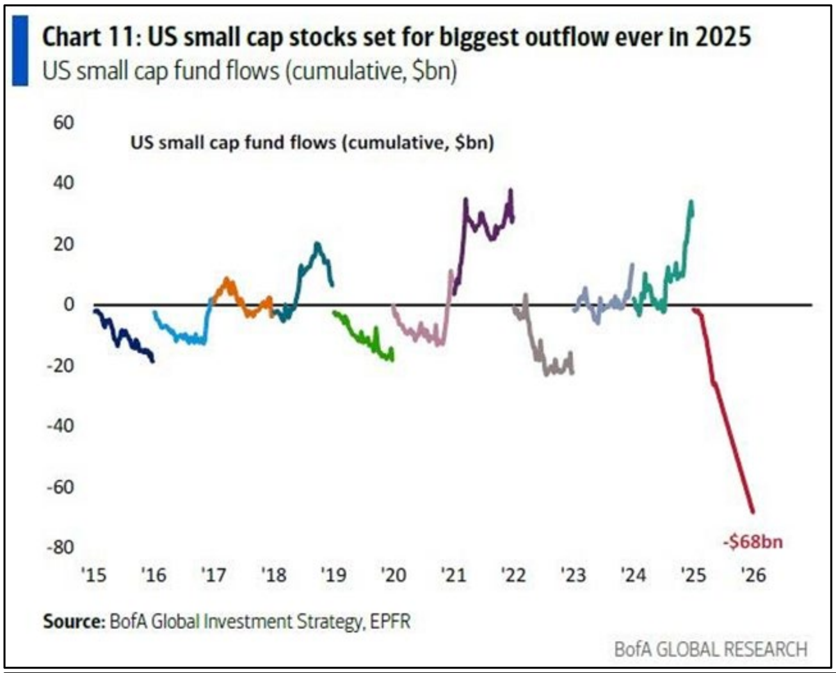
The market reflects this non-stop lollapalooza of behavior biases, rapid policy shifts, innovation shocks, and randomness all at once—seemingly chaotic, but often part of a coherent whole. Contradictions are not mutually exclusive but reveal a deeper unity—they are not obstacles to market truths but are their driving force. Just as we have for the last two decades, we remain clear-eyed, perpetual front-row students of Mr. Market with our pencils sharpened, eager to ask the right questions and gain his favor once again.

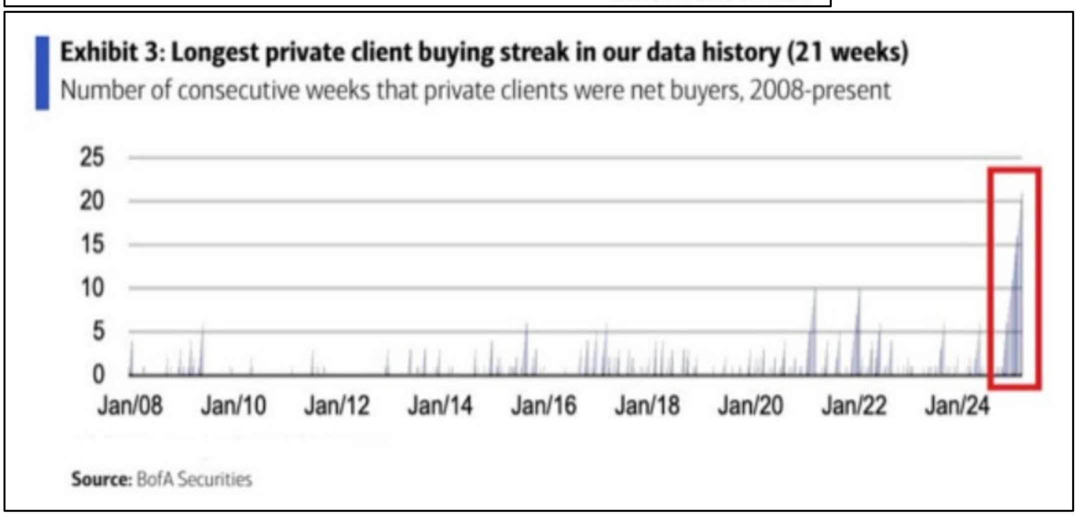
Sincerely,

Voss Capital, LP

Appendix:

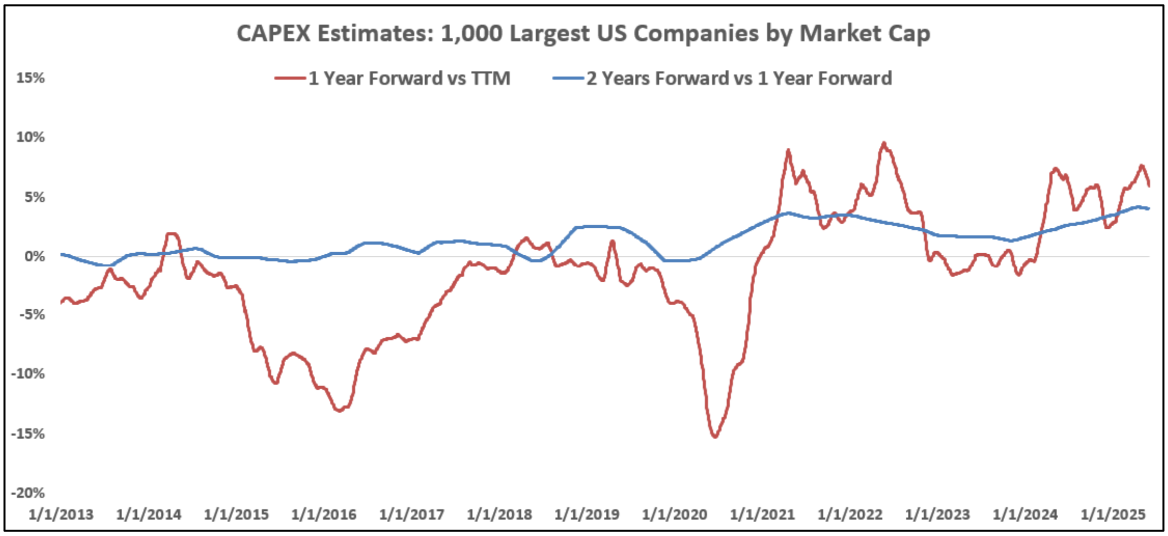
[i] BofA Global Research

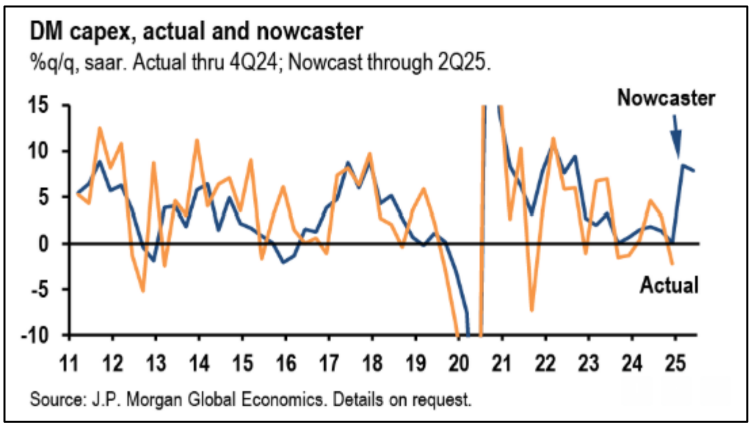




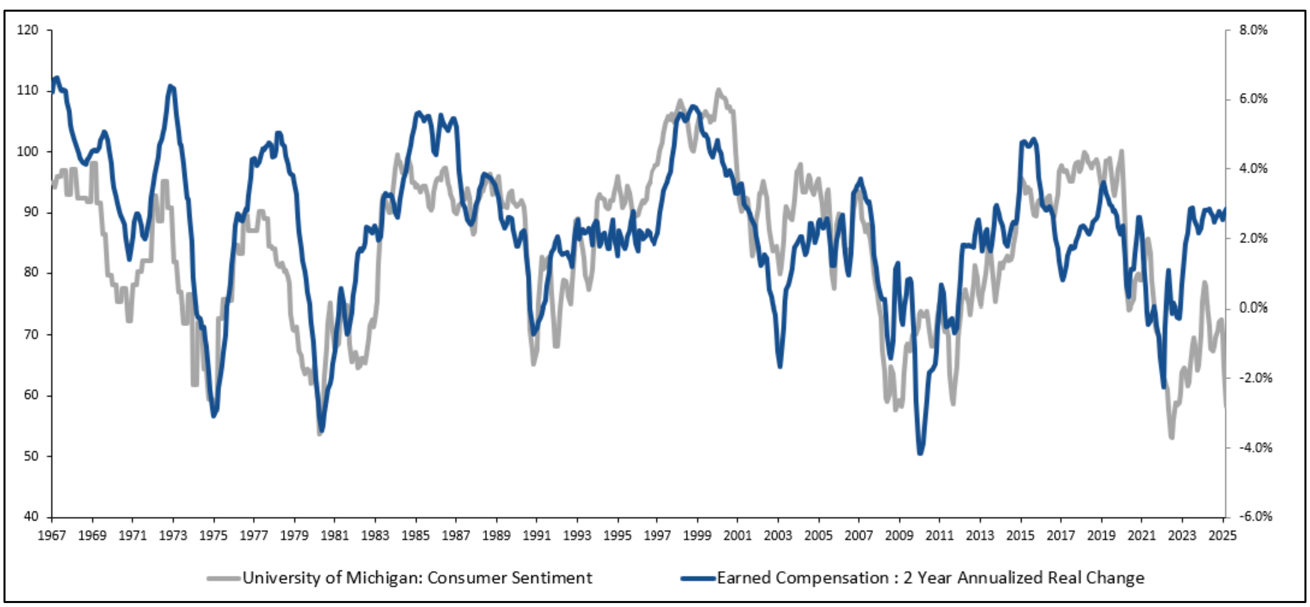
[ii] https://www.sec.gov/Archives/edgar/data/1580560/000092189525001674/xslSCHEDULE_13G_X01/primary_doc.xml

[iii] CEO, BofA Securities Consumer and Retail Conference 2025, Mar-11-2025





The hard data of earned compensation has held through April and is the preferred gauge of how the consumer is feeling.



Common Terms:

Acronym	*Descriptor*
CAGR	*Compound Annual Growth Rate*
CAPEX	*Capital Expenditures*
COGS	*Cost of Goods Sold*
DCF	*Discounted Cash Flow*
EBIT	*Earnings Before Interest and Taxes*
EBITDA	*Earnings Before Interest, Taxes, Depreciation & Amortization*
EPS	*Earnings per Share*
EV	*Enterprise Value*
FCF	*Free Cash Flow*
GDP	*Gross Domestic Product*
IRR	*Internal Rate of Return*
LTM	*Last Twelve Months*
M&A	*Mergers and Acquisitions*
NTM	*Next Twelve Months*
OPEX	*Operating Expenses*
P/E	*Price-to-Earnings*
P&L	*Profit and Loss Statement*
P&S	*Parts and Service*
SG&A	*Selling, General and Administrative Expenses*
YTD	*Year-to-Date*

Disclosures and Notices:

Beginning January 1, 2020, all investment activity is conducted by the Voss Value Master Fund, LP (the "Master Fund"), which has two feeder funds, and therefore performance figures from January 1, 2020 onward are calculated based on the Master Fund. All limited partners invest in the Fund through one or more of the following feeder funds: Voss Value Offshore Fund, Ltd. (the "Offshore Fund") and Voss Value Fund, LP (the "Predecessor Fund"), each a "Feeder Fund". Performance figures for the Predecessor Fund are contributable to Travis Cocke as sole portfolio manager. Mr. Cocke maintains the same position with the Fund and the Fund will employ a similar strategy as the Predecessor Fund. Actual returns are specific to each investor investing through a Feeder Fund. Each Feeder Fund was established at different times and has varying subsets of investors who may have had different fee structures than those currently being offered. As a result of differing fee structures, differing tax impact on onshore and offshore investors, the timing of subscriptions and redemptions, and other factors, the actual performance experienced by an investor may differ materially from the performance reported above. Portfolio statistics shown are inclusive of the Predecessor Fund and the Offshore Fund. Net results are presented after deduction of all operational expenses (including brokerage commissions), 1% per annum management fee, and 20% performance allocation.

This letter is provided by Voss Capital, LP ("Voss", "the Firm", "the Voss Team", "us", "we", and "our team") for informational purposes only and does not constitute an offer or a solicitation to buy, hold, or sell an interest in the Voss Value Fund, LP (the "Fund") or any other security. An investment in the Fund is speculative and involves substantial risks. Additional information regarding the Fund, including fees, expenses and risks of investment, is contained in the offering memorandum and related documents, and should be carefully reviewed. An offer or solicitation of an investment in the Fund will only be made pursuant to an offering memorandum. This communication is confidential and may not be reproduced or distributed without prior written permission from Voss. This confidential report is only intended for the recipient and may not be redistributed without the prior written consent of Voss. The information contained herein reflects the opinions and projections of Voss as of the date of publication, which are subject to change without notice at any time subsequent to the date of issue. All information provided is for informational purposes only and should not be deemed as investment advice or a recommendation to purchase or sell any specific security. Data included in this letter comes from company filings and presentations, analyst reports and Voss' estimates. While the information presented herein is believed to be reliable, no representation or warranty is made concerning the accuracy of any data presented. Certain information contained in this letter constitutes "forward-looking statements" which can be identified by the use of forward-looking terminology such as "may," will," "should," "expect," "attempt," "anticipate," "project," "estimate, or "seek" or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results in the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements. There can be no guarantee that the Fund will achieve its investment objectives and Voss does not represent that any opinion or projection will be realized. The securities contained within the benchmark indices highlighted herein do not necessarily correspond to investments and exposures that will be held by the Fund and are therefore of limited use in predicting future performance of the fund. Indexes are unmanaged and have no fees or expenses. An investment cannot be made directly in an index. The Fund consists of securities which vary significantly from those in the benchmark indexes listed below. Accordingly, comparing results shown to those of such indexes may be of limited use. The S&P 500 Total Return Index is a market cap weighted index of 500 widely held stocks often used as a proxy for the overall U.S. equity market. The Russell 2000 index is an index measuring the performance approximately 2,000 small-cap companies in the Russell 3000 Index. The Russell 2000 serves as a benchmark for small-cap stocks in the United States. The Russell 2000 Growth Index measures the performance of those Russell 2000 companies with higher price/book ratios and higher predicted and historical growth rates. The Russell 2000 Value Index measures the performance of the small-cap value segment of the U.S. equity universe. It includes those Russell 2000 companies with lower price-to-book ratios and lower expected and historical growth values. HFRX Equity Hedge Index consist of Equity Hedge strategies which maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios. The strategy utilized by Voss has a high tolerance for uncertainty. Different types of investments involve varying degrees of risk. Therefore, it should not be assumed that future performance of any specific investment or investment strategy will be profitable. Asset allocation may be used in an effort to manage risk and enhance returns. It does not, however, guarantee a profit or protect against loss. **Past performance does not guarantee future results.**