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October 20, 2023

Dear Partner:

Liberty Park Fund, LP's value decreased 2.29%, net of fees, in the second quarter of 2023 vs. a 5.10% decline in the Russell 2000. The 6.70% decrease in our long positions detracted 6.22% on a weight-adjusted basis, while the 7.27% decrease in our shorts contributed 3.67% on a weight-adjusted basis. Gross exposure averaged 152.91%. Net exposure averaged 29.01%. Gross Pure Alpha¹— our proprietary measure of returns generated from stock selection— was 0.22% for the quarter.

Liberty Park Select Opportunities, LP's value decreased by 11.57% net of fees, in the first quarter. Gross exposure averaged 97.99%.

	Liberty Park Fund ¹		Liberty Park Select Opportunities ²	Benchmark Returns
	Average Net Long Exposure	Net Return	Net Return	Russell 2000
3Q23	29.01%	-2.29%	-11.57%	-5.10%
YTD	27.65%	20.31%	6.24%	2.54%
Trailing 12 Months	29.81%	26.59%	18.14%	8.93%
Annualized Trailing 5 Years	25.93%	7.74%	-1.20%	2.49%
Annualized Since Inception	17.83%	5.94%	7.61%	

1.) Inception February 2011

2.) Inception February 2016

Please see final page for disclaimers

3Q23 Performance Analysis

After gaining ~5% in July, the Russell 2000 gave back over 10% in August and September. The sell-off in small-caps accelerated after the September Fed meeting where officials moved their forecast for interest rate cuts further out into next year. Drawdown severity was inversely correlated with size, with small caps disproportionately impacted over their large cap peers.

Our cautious outlook exiting 2Q helped us maneuver Liberty Park Fund through the third quarter relatively unscathed. However, Liberty Park Select underperformed due to its exposure to smaller companies.

Long Performance

Best Performing Longs				
Name	Ticker	Return	LPF Contribution	Select Contribution
Newpark Resources Inc	NR	32.12%	1.51%	2.99%
Karat Packaging Inc	KRT	29.10%	1.33%	N/A
Liberty Energy Inc	LBRT	38.89%	1.30%	2.43%

- NR announced strategic alternatives for its Fluids business at the end of the second quarter. The company's second quarter earnings increased nearly 50% year-over-year driven by margin expansion in the company's Industrial Solutions segment.
- KRT reported better-than-expected results. Cost reductions are driving record margins at the packaging company.
- LBRT rallied with oil prices after several large crude and petroleum product inventory draws. Despite resilient demand, energy company valuations remain near all-time lows.

Worst Performing Longs				
Name	Ticker	Return	LPF Contribution	Select Contribution
Luna Innovations Inc	LUNA	-35.75%	-2.01%	-3.41%
inTEST Corporation	INTT	-42.23%	-1.67%	-2.97%
Hirequest Inc	HQI	-40.72%	-1.66%	N/A

- LUNA shares fell after reporting lower-than-expected guidance caused by a slowdown in its communications test segment. The company's sensing business continues to grow >20% year-over-year. The communications test segment accounts for roughly 25% of LUNA's sales. We expect the slowdown in communications test to be temporary and for the sensing business to grow as a percentage of sales over time.
- INTT reported better-than-expected quarterly results, but its stock fell as some of the enthusiasm around the silicon carbide industry waned.
- HQI reported weaker-than-expected results caused by a slowdown in the short-term staffing market. Our losses in HQI were offset by several short positions in staffing companies that we expect to lose share to HQI over time.

Short Performance

Best Performing Shorts			
Name	Ticker	Return	LPF Contribution
Coherent Corp	COHR	-35.97%	1.07%
Commercial Vehicle Group, Inc	CVGI	-30.09%	0.64%
Clear Secure Inc	YOU	-17.52%	0.57%

- After its stock nearly doubled on enthusiasm surrounding artificial intelligence, COHR fell nearly 40% in one day after announcing weaker-than-expected 3Q guidance. We viewed the stock move as an over reaction and closed our short position.
- CVGI is a classic example of the low-quality, deeply cyclical businesses we seek as short positions. Despite reporting an in-line quarter, the company's share price fell as recession fear were revived.
- YOU reported better-than-expected revenue and earnings, but customers continue to churn at higher rates and travel demand is expected to slow.

Worst Performing Shorts			
Name	Ticker	Return	LPF Contribution
Powell Industries, Inc	POWL	36.82%	-1.47%
Warrior Met Coal Inc	HCC	31.14%	-0.71%
Hub Group Inc	HUBG	11.84%	-0.33%

- POWL reported another quarter of better-than-expected earnings and bookings. The company is benefiting from record demand for large industrial projects. Investors are assigning a record multiple for POWL shares despite management communicating that orders have likely peaked.
- HCC benefitted from higher energy prices.
- Despite several consecutive earnings misses and guidance cuts, HUBG shares have continued to grind higher. We closed the position intra-quarter.

Portfolio Outlook

For most of the past 80 or so years, small-cap equities outperformed large-cap equities due to what academics call the liquidity risk premium (i.e., investors demand a better return for less liquidity). Over the past 10 years, however, a small handful of mega-cap companies (first FAANG, now the "Magnificent Seven") have gained ever greater economies of scale and dominated U.S. equity returns. Meanwhile, private company valuations have risen

sharply relative to public ones due to the rising popularity of the private equity industry and its lack of mark-to-market accounting.

It's safe to say that small-cap public equities are as out of favor as they have ever been, and it shows in the statistics: the Russell 2000's 5-year annualized return currently stands at only 2%, and the index is ~30% below its 2021 highs.

In our view, every business, industry and market experiences periods of adulation and expansion and of contraction and hatred. No trend lasts forever. Overbought today results in underperformance tomorrow, and vice versa. As Warren Buffett says, we try to be “fearful when others are greedy, and greedy when others are fearful.” Right now, we think it makes sense to be greedy on U.S. small-cap public equities, both because they are out of favor and relatively undervalued, and because in periods of sustained higher inflation (a la 1970s), small caps tend to outperform.

While we are positive on small caps relatively speaking, there are many reasons to be cautious on the equity markets as a whole: high inflation, high interest rates, slowing economies, and severe geopolitical instability to name a few. **To that end, we are pleased to announce that Liberty Park Fund, LP has begun using a new risk-management system/software made by PortX.** Our hope is to eliminate unwanted and unintended “factor” tilts in our portfolio and to materially reduce portfolio volatility without affecting our returns. We will update you on our progress with this initiative over the next few months; so far, we are very pleased with the results.

Core Long Positions

Tecnoglass Inc (TGLS)

Tecnoglass is a vertically integrated manufacturer, supplier, and installer of architectural glass, framing systems, windows, and doors. The company's automated manufacturing base in Colombia allows it to manufacture products at a much lower cost than domestic companies. Shipping expenses are a low-single digit percentage of revenues because Tecnoglass transports products to the United States in containers that would otherwise return empty (there is a significant trade imbalance between the US and Colombia).

The company has a reputation for quality. Its entry-level windows are made of tempered glass (compared to more fragile annealed glass of competitors) and its framing systems are coated with a resin-based coating that performs better (resistance to fade/scratches) than the powder coat coating of peers. The company initially took market share by pricing below competitors, but as its reputation for quality and dealer network has grown the company has been able to increase prices and currently prices at or near market rates.

Before 2017, the company strictly supplied glass for commercial buildings. In 2017, the company entered the residential market. During the COVID19 pandemic, the company was able to maintain its output and took market share from domestic competitors who suffered from supply chain kinks and mandated factory shutdowns. Dealers who made the jump from

competitors have mostly stuck with Tecnoglass. The rapid increase in market share has led to a >30% sales CAGR for Tecnoglass's residential business since 2020.

Today, the bulk of the company's sales are made in Florida. Florida, specifically Miami-Dade County, has the strictest standards for impact resistant windows in the country. This is relevant as manufacturers of impact resistant glass are leading innovations in thermally efficient glass that is increasingly relevant as consumers and developers build and remodel homes today. Thermally efficient windows and doors were made eligible for federal tax credits as part of the Inflation Reduction Act through 2032. We expect the tax credits will provide a tailwind to Tecnoglass as the company enters new markets in Texas and along the East Coast.

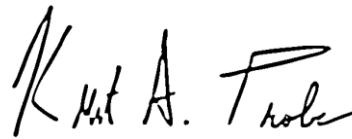
As of this write-up, Tecnoglass's closest peer, PGT Innovations, trades for 8.0x EBITDA and is in talks to be acquired. If we apply a similar multiple to TGLS shares we would get a share price roughly 60% higher than today's price. You can penalize the company for being controlled by the founders, but we think a premium multiple is warranted given the company's competitive advantages, its higher margins, healthier balance sheet, track record of taking market share, and its long runway for growth.

In August, the company relocated its headquarters to Miami from Barranquilla, Colombia. This move should open the door for inclusion in index funds and make the stock more attractive to domestic managers.



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Liberty Park Fund, LP Top 20 Long Positions as of September 30, 2023

Long exposure	96.27%	Wght avg mkt cap	7,315 million	Top 5 names	<u>% of AUM</u> 26.15%	<u>% of invested capital</u> 16.88%
Short exposure	58.60%	Longs	1,073 million	Top 10 name	47.63%	30.75%
Gross exposure	154.88%	Shorts	13,557 million	Top 15 name	66.26%	42.78%
Net exposure	37.67%					
		Wght avg analysts	6.1			

Long

Name	Ticker	Cost per sh.	% of port	Current price	% of port	Mkt cap	# of analysts
Newpark Resources Inc	NR	\$ 4.11	3.43%	\$ 6.91	5.76%	523	1
Coherent Corp	COHR	\$ 31.28	5.16%	\$ 32.64	5.39%	4,874	16
InTEST Corp	INTT	\$ 14.60	5.00%	\$ 15.17	5.19%	181	2
Target Hospitality Corp	TH	\$ 15.16	4.87%	\$ 15.88	5.10%	1,417	2
Bel Fuse Inc	BELFB	\$ 29.18	2.88%	\$ 47.72	4.71%	615	3
HireQuest Inc	HQI	\$ 20.83	6.04%	\$ 15.43	4.48%	234	1
Iteris Inc	ITI	\$ 4.13	4.41%	\$ 4.14	4.42%	191	6
Kornit Digital	KRNT	\$ 22.69	5.16%	\$ 18.91	4.30%	1,025	6
NV5 Global Inc	NVEE	\$ 100.45	4.36%	\$ 96.23	4.18%	1,569	5
Luna Innovations Inc	LUNA	\$ 7.95	5.56%	\$ 5.86	4.10%	213	4
Thryv Holdings Inc	THRY	\$ 22.23	4.71%	\$ 18.77	3.97%	681	5
Liberty Oilfield Services -A	LBRT	\$ 12.50	2.62%	\$ 18.52	3.88%	2,254	15
Blackline Safety Corp	BLN	\$ 3.54	4.05%	\$ 3.17	3.63%	225	3
Latham Group Inc	SWIM	\$ 3.77	4.85%	\$ 2.80	3.60%	310	3
Core Molding Technologies Inc	CMT	\$ 23.31	2.90%	\$ 28.49	3.54%	221	5
Tecnoglass Inc	TGLS	\$ 36.95	3.78%	\$ 32.96	3.37%	1,674	5
Standex International Corp	SXI	\$ 116.96	2.69%	\$ 145.69	3.35%	1,713	5
Karat Packaging Inc	KRT	\$ 16.59	2.34%	\$ 23.06	3.26%	433	6
VSE Corporation	VSEC	\$ 34.83	2.07%	\$ 50.44	2.99%	914	5
Franklin Covey Co	FC	\$ 48.62	3.31%	\$ 42.92	2.92%	561	4
Value of Top 20 Longs			80.20%		82.15%		

Liberty Park Select Opportunities, LP portfolio as of September 30, 2023

Gross exposure	98.49%	Wght avg mkt cap	520 million	Top 5 names	<u>% of AUM</u>	<u>% of invested capital</u>
		Wght avg analysts	5.5		44.91%	45.59%

Long

Name	Ticker	Cost per sh.	% of port	Current price	% of port	Mkt cap	# of analysts
Luna Innovations Inc	NR	\$ 4.30	7.66%	\$ 6.91	12.33%	442	3
Iteris Inc	ITI	\$ 4.49	9.66%	\$ 4.14	8.91%	578	4
Thryv Holdings Inc	THRY	\$ 23.33	10.05%	\$ 18.77	8.09%	179	3
Liberty Energy Inc	LBRT	\$ 14.34	6.04%	\$ 18.52	7.80%	641	18
NV5 Global Inc	NVEE	\$ 98.55	7.98%	\$ 96.23	7.79%	1,544	6
inTEST Corp	INTT	\$ 17.62	8.48%	\$ 15.17	7.30%	176	3
Luna Innovations Inc	LUNA	\$ 7.54	9.06%	\$ 5.86	7.04%	202	3
Kornit Digital Ltd	KRNT	\$ 24.03	8.64%	\$ 18.91	6.80%	916	6
VSE Corp	VSEC	\$ 36.02	4.49%	\$ 50.44	6.29%	784	3
Tecnoglass Inc	TGLS	\$ 36.64	6.88%	\$ 32.96	6.19%	1,543	6
Latham Group Inc	SWIM	\$ 3.48	7.16%	\$ 2.80	5.76%	295	9
Nlight Inc	LASR	\$ 11.38	4.96%	\$ 10.40	4.54%	476	7
Bel Fuse Inc	BELFB	\$ 50.09	4.56%	\$ 47.72	4.35%	598	1
Blackline Safety Corp	BLN	\$ 3.87	3.99%	\$ 3.17	3.27%	237	7
Weave Communications Inc	WEAV	\$ 5.17	1.30%	\$ 8.15	2.05%	537	6

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References in this presentation are made to the Russell 2000 Index for comparative purposes only. Liberty Park Fund, LP and Liberty Park Select Opportunities, LP may be less diversified than the Russell 2000 Index. The Russell 2000 Index may reflect positions that are not within Liberty Park Fund, LP's investment strategy.