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Dear Investors and Friends,

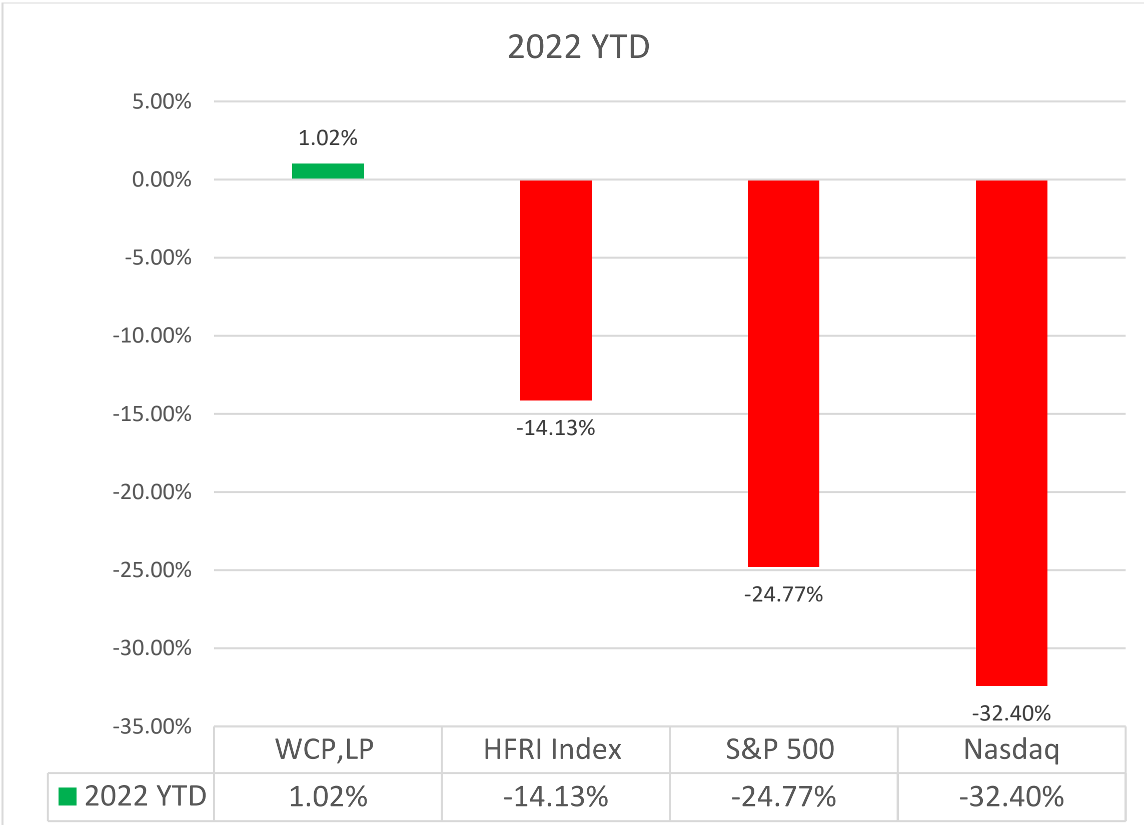
2022 3rd Quarter Performance

Worch Capital Partners, LP (WCP) finished the third quarter of 2022 with a net loss of -1.41% for a year-to-date gain of +1.02%. This was compared to our benchmark, HFRI Equity Hedge Index, net loss of -2.71% in the third quarter for a year-to-date loss of -14.13%**.** We remain committed to being excellent stewards of your capital and are grateful for the opportunity to serve our partners.

Since our inception almost 15 years ago, Worch Capital Partners has compounded its partners' capital at over 12% annually. Most importantly, this return was achieved with low risk since our maximum drawdown was only 15%.

The current bear market ended September with steep losses and ended the quarter with another decline. During the first three quarters of 2022, the Dow, Nasdaq, S&P 500, and Russell 2000, have declined -20.95%, -32.40%, -24.77%, and -25.86%, respectively year-to-date. This makes our fund's positive year-to-date performance that much more impressive considering the steep losses across the board in the indices.

We have been able to sidestep and avoid this bear market decline and every major dislocation in the general markets in our 15 years of managing partners' capital. If you are most concerned with capital preservation during uncertain times, I have found no better investment for my family's money than in WCP, LP. We won't always outperform and will have some tough periods as all successful money managers do, but we are confident in our strategy to avoid large drawdowns during periods of stress. Below is a comparison of WCP to our benchmark (HFRI Equity Hedge), S&P 500, and Nasdaq for 2022. This is a great representation of how WCP offers an uncorrelated asset that acts as a diversifier during challenging market periods.



You may be wondering: how did WCP make profits as the indices corrected into bear market territory? We avoided most of the carnage during this bear market by staying nimble, keeping risk under control, and remaining disciplined. We were very early to reduce risk exposure when our market indicator flashed a sell signal during the beginning of this bear market and have stayed very light on capital allocations as opportunities have been limited on the long side. We'll continue to stick to a sound plan to take advantage of opportunities as the market eventually strengthens.

With price action, breadth, sentiment, and volatility all flashing extreme readings the current situation makes everything look terrible with no light at the end of the tunnel. During similar market environments, such as the 2008 Financial Crisis, all asset class correlations go to one. Which means they all go down together and there is nowhere to hide. Yet, this is what bear markets do, as they wear investors out, and sniff out the last holders to capitulation. With volatility, news, and emotions running as high as they are, anything is possible. It wouldn't shock us to see negative news headlines over the next month about systemic risks, deleveraging, and potential defaults. This is exactly what recently happened as the Bank of England was forced to intervene to stem a pension meltdown and avoid a Lehman-like crash. The economy is staring down a major slowdown as the Federal Reserve is determined on fighting inflation at all costs. If we take them for their word, I expect more pain before they are forced to pivot and start lowering rates to stimulate the economy out of recession. The news cycle is darkest at the depths, but we expect the market to rally well before more positive announcements, as the market looks ahead to better times.

At this point, capital preservation is the best course of action while playing defense and monitoring conditions for a trend change. Once markets exhaust all the selling, it will set up a massive generational buying opportunity. How and when the bottom develops remains to be seen and is extremely difficult to time. The famous economist John Maynard Keyes said, “the markets can remain irrational longer than you can remain solvent.” Bear markets erode confidence by testing areas that create serious pain and stress points. Our game plan is to remain cautious and flexible as market conditions evolve. While bear markets are painful to endure, they are healthy and give the market a chance to reset; ultimately providing life-changing opportunities going forward. As we weather the storm and preserve capital, we are optimistic about the next bull market as the technological revolution marches on.

As active managers, our smaller size allows us the flexibility to change our exposure levels with ease, which is critical for extracting alpha for our partners. We believe our methodology protects our partners’ capital through various cycles. WCP has more capacity and we are accepting new contributions the first day of every month.

Please do not hesitate to call us with any questions or comments.

Kind Regards,

Ryan Worch
WCP, LP Principal and Fund Manager

THIS IS NOT AN OFFERING OR THE SOLICITATION OF AN OFFER TO PURCHASE AN INTEREST IN WORCH CAPITAL PARTNERS, LP (“WCP”). ANY SUCH OFFER OR SOLICITATION WILL ONLY BE MADE TO QUALIFIED INVESTORS BY MEANS OF A CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM AND ONLY IN THOSE JURISDICTIONS WHERE PERMITTED BY LAW.

AN INVESTMENT IN THE FUND IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. OPPORTUNITIES FOR WITHDRAWAL, REDEMPTION AND TRANSFERABILITY OF INTERESTS ARE RESTRICTED, SO INVESTORS MAY NOT HAVE ACCESS TO CAPITAL WHEN IT IS NEEDED. THERE IS NO SECONDARY MARKET FOR THE INTERESTS AND NONE IS EXPECTED TO DEVELOP.

THE FEES AND EXPENSES CHARGED IN CONNECTION WITH THIS INVESTMENT MAY BE HIGHER THAN THE FEES AND EXPENSES OF OTHER INVESTMENT ALTERNATIVES AND MAY OFFSET PROFITS. NO ASSURANCE CAN BE GIVEN THAT THE INVESTMENT OBJECTIVE WILL BE ACHIEVED OR THAT AN INVESTOR WILL RECEIVE A RETURN OF ALL OR PART OF HIS OR HER INVESTMENT. INVESTMENT RESULTS MAY VARY SUBSTANTIALLY OVER ANY GIVEN TIME PERIOD.

The performance data represents the performance of Worch Capital Partners, LP (“WCP”). The results reflect the deduction of: (i) an annual asset management fee of 1.0%, charged quarterly; (ii) a performance allocation of 20%, taken annually, subject to a high water mark; and (iii) transaction fees and other expenses incurred by WCP. During the time period shown, WCP used only those investment strategies disclosed in its Private Placement Memorandum. Results are compared to the performance of the S&P 500 Index (excluding dividends) for informational purposes only. WCP’s investment program does not mirror the S&P 500 Index and the volatility of WCP’s investment program may be materially different. The performance figures include the reinvestment of any dividends and other earnings, as appropriate. All investments involve risk, including the loss of principal.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.