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January 17th, 2023

Dear Investors and Friends,

### **2022 Performance**

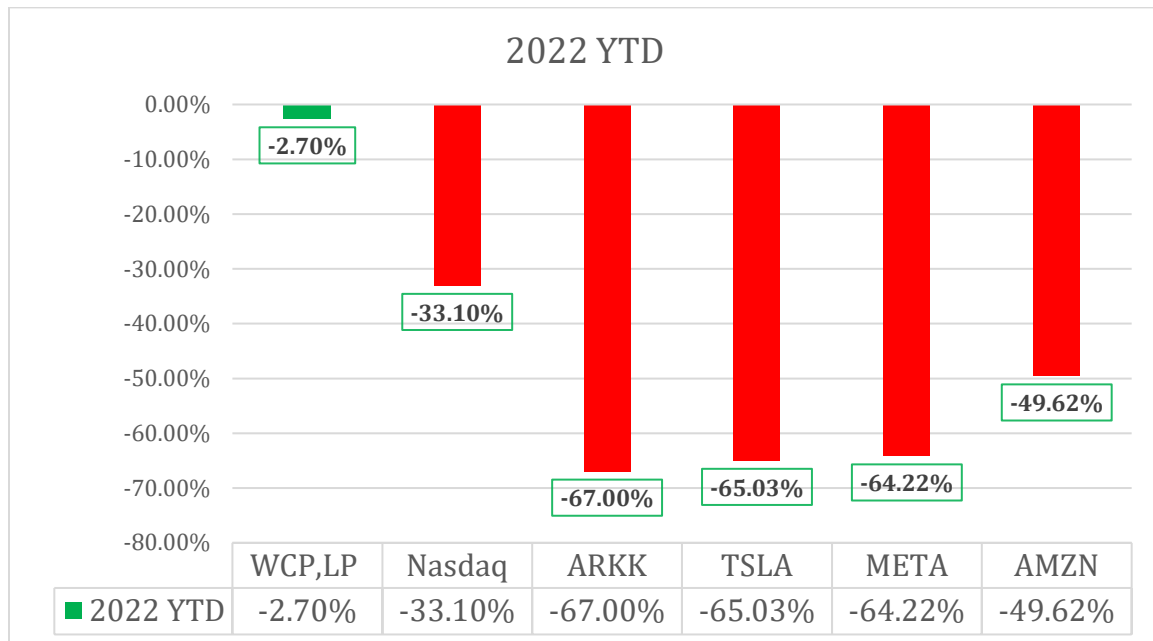
**Worch Capital Partners, LP (WCP) finished the year with a net loss of -2.70%**, This was compared to our benchmark, HFRI Equity Hedge Index, net loss of -10.37% for 2022. We remain committed to being excellent stewards of your capital and are grateful for the opportunity to serve our partners.

*Since our inception almost 15 years ago, Worch Capital Partners has compounded its partners' capital at 11.6% annually. Most importantly, this return was achieved with low risk since our maximum drawdown was only 15%.*

While WCP was down slightly in 2022, we protected most of our gains from the previous bull market and stand ready to deploy capital when conditions become favorable for our investment style. Investing capital is not about knowing things or predicting the future. Clearly Wall Street analysts are not good at making predictions. Every single brokerage house predicted the S&P 500 would be higher in 2022. To be honest, more information is always better than less. However, to be successful you don't need to know everything about monetary and fiscal policy, economic indicators, earnings estimates, statistical analysis, etc. Rather, a good trader needs to accept the unknowns and embrace our fallibility while exploiting the edge that tilts the odds in our favor. The foundation of our edge relies on our ability to reduce exposure during bear markets through our relentless pursuit of risk management above all else. We don't weld ourselves to a specific opinion or prediction. Instead, we sift through all the data to produce a thesis and use price action to confirm our bias. And when the facts change or the tape isn't confirming our direction we are quick to cut our losses and reassess our positioning. We remain humble and know it's not always the most intellectual that survives a bear market but rather the portfolio manager that is best able to adapt and adjust to changing market environments.

2022 was a trying year for investors as almost every asset class lost ground. In a rare occurrence both stocks and bonds fell in unison as the Fed turned from investors' best friend to the largest headwind. A 60/40 portfolio mix consisting of S&P 500 and US Aggregate Bond Index returned -16%. That was the second worst year on record since 1976. It was a year about survival and keeping losses to a minimum. We never like drawing down some profits from previous years but what made our small loss last year more impressive was the returns of risk assets that comprise our investable universe. It was an extremely difficult year in the growth sector which typically makes up our long exposure. On top of that, every speculative asset class got hit hard from growth stocks to cryptocurrencies to IPOs. For example, Tesla, which had been the source of alpha over the

last few years fell over 65% for the year. To put in perspective how challenging the environment was for growth investors, look at the returns below for select growth assets.



Our key to success was attributed to our flexibility as we were very early to reduce risk exposure when our market indicator flashed a sell signal during the beginning of this bear market. We stayed very light on capital allocations as opportunities have been limited on the long side. A continuation of our edge is knowing when our strategy is not performing versus when to press the accelerator and go for big wins. As the environment changed from easy money to a more difficult tape, we avoided most of the carnage during the bear market by staying nimble, keeping risk under control with low exposure, and remaining disciplined. During challenging times, it is best to avoid landmines, keep powder dry, and live to fight another day. As we weather the storm, we don't plan on rushing things but once the narrative changes and opportunities present themselves, we're in a great position to exploit the upside.

These are not easy times for investors as there are plenty of headwinds to deal with that could make 2023 another tough year. While bear markets are painful to endure, they are healthy and give the market a chance to reset. However, I try not to get sidetracked by splashy headlines, macro news, and noise in general. We are very excited about the path forward due to the technological revolution. In 2023 and beyond, we anticipate the largest technological breakthroughs with regards to some of the major obstacles we face as a country. Themes that are currently emerging to solve our most pressing issues are: artificial intelligence, clean energy, automation, obesity, cure for various types of cancer, and rare disease therapies. We remain optimistic, as it is an exciting time to be a part of the investor class. Our game plan is to remain cautious and flexible as market conditions evolve. We are like a big wave surfer in that it's never clear just when and where the next big one is going to surface. When we identify the next monster wave, we'll be prepared to pounce on the break, ultimately providing life-changing opportunities going forward.

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. If you would like to add to your account or know someone who may be a good fit for Worch Capital Partners unique approach, please call or email anytime.

Thank you, as always, for the trust you've placed in us to manage your hard-earned money. Please do not hesitate to call with any questions or comments.

Kind Regards,

Ryan Worch  
WCP, LP Principal and Fund Manager

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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.