FOURTH WARD
CAPITAL PARTNERS, LP

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December 31, 2024

Dear Investors and Interested Parties

Fourth Ward began operations January 1, 2024 and opened to new investors on October 1, 2024. This is our first letter to investors.

Fourth Ward is managed with a portfolio of concentrated longs and diversified shorts. We perform Fundamental Analysis with a Value perspective, focusing on those companies with a competitive edge generating rapidly growing free cash flow. In addition, we utilize detailed Discounted Cash Flow (DCF) analysis to determine intrinsic values for our positions.

During 2024 we generated an 11.7%* return with an average gross exposure of 56% long. Our Sharpe ratio was 1.04 and the Standard Deviation of returns 1.88%. Our investment strategy is designed to protect capital during down months and we were successful during the 3 negative months of S&P 500 returns in 2024: April: -2.22% vs S&P 500 -4.10%, Oct: -0.10% vs S&P 500 -0.91%, and Dec.: -1.3% vs S&P 500 -2.4%.*

We have $23.7mn under management. As we enter a new year and the 10-year yield approaches 4.8% we are conservatively positioned at 45% net long. Continued strength in the economy, most recently evidenced in a strong 256,000 payrolls number and 4.1% unemployment rate for December, may result in fewer than the two Federal Reserve interest rate cuts markets predicted back in December. For now, good news on the economy is bad news for the markets. We have done minimal shorting of stocks to date, but we may initiate more shorting as over-valued stocks may be pressured by elevated rates and disappointing earnings.

We are happy with our results to date as we ramp up and coordinate our research and investing styles. Our plan is to be quite transparent about our operations and investing with outside investors. Please reach out to us with your questions and interest.

Best,

Michael Messner
Beth Reynolds

Portfolio Analysis (12-31-24)	% Long	% Short	% Net
Equities & ETF's	52.4	-2.8	49.6
Cash	50.4		50.4
Total	**102.8**	-2.8	100.0

	Portfolio %
Smallcap (<$2B)	1.4
Midcap ($2B to $10B)	0.0
Largecap (>$10B)	48.1
ETF	4.8
Total	**52.4**

Market Cap (wtd. avg.)	$615B
No. of Longs	21
No. of Shorts	7
Forward P/E (wtd.avg.)	13.2
Div Yield (wtd. avg.)	1.9
Repurchase Yield (wtd. avg.)	3.4

Industry Weighting	% Long
Banks & Payments	13.2
Comm Services (inc. Alphabet)	10.9
Airlines	8.6
Energy	6.1
Info Tech	4.9
Insurance	1.9
Electronics	1.1
Consumer Discretionary	1.0

Top Ten Positions	% Long
Alphabet Inc.	6.9
Wells Fargo & Co.	4.8
American Airlines Group	4.0
Citicorp Inc	3.1
Chevron Corp	2.7
Bank of America Corp	2.7
Microsoft Corp	2.7
PayPal Holdings Inc.	2.5
United Airlines Holdings Inc.	2.3
Hewlett Packard Enterprise	2.2
TOTAL	34.1

*Performance for Fourth Ward Capital Partners, L.P. (the "Fund") is presented on a total return basis (without provision for federal or state income taxes) including all interest, accrued income, realized and unrealized gains or losses, and is net of all execution costs. Performance is net of all applicable advisory fees and expenses. Performance figures include the reinvestment of dividends and income. Monthly and 2024 performance is estimated. Past performance does not guarantee future results. Individual results may vary based on the timing of contributions and withdrawals.