MIDWAY PARTNERS
CAPITAL MANAGEMENT

July 8, 2022

Re: Quarter Ending June 30, 2022

Dear Partners:

June 30, 2022, marks roughly one year of operations for Midway Partners Capital Management ("Midway Partners"). We want to start this quarter's letter by thanking our Partners for the trust and confidence you have shown over the past year. We know there are limitless investment options for your capital. We do not take the responsibility of managing your hard-earned savings lightly and want to reassure you that we have our savings invested alongside yours.

Regarding strategy, you should take comfort that we would be using the same investment strategy, analytical approach, and company valuations whether managing the Partnership or not. We believe that our investment program (focusing on conservative estimates of intrinsic value) provides the best path to long-term investing success. With that said, Midway Partners is constantly working to improve our investment process by finding ways to identify and analyze potential investments more quickly and accurately. We have made significant progress over the year in this regard, specifically by crystalizing our "quality criteria" (see Q4 2021 Partner Letter if you would like a refresher) and industry mapping process which organizes information on the relative fundamental strength of companies within a specific industry.

A Presentation on Philosophy

During the quarter, Midway Partners created a presentation designed to corroborate the basis of our investment philosophy. More specifically, the presentation illustrates the differences between intrinsic valuation and relative pricing methodologies and provides our thoughts on why we believe that intrinsic value is a superior tool when making investment decisions. The presentation can be found here, presentation link.

The information may be nothing new to you, but if you feel inclined to review it, we would greatly appreciate any comments or feedback you may have.

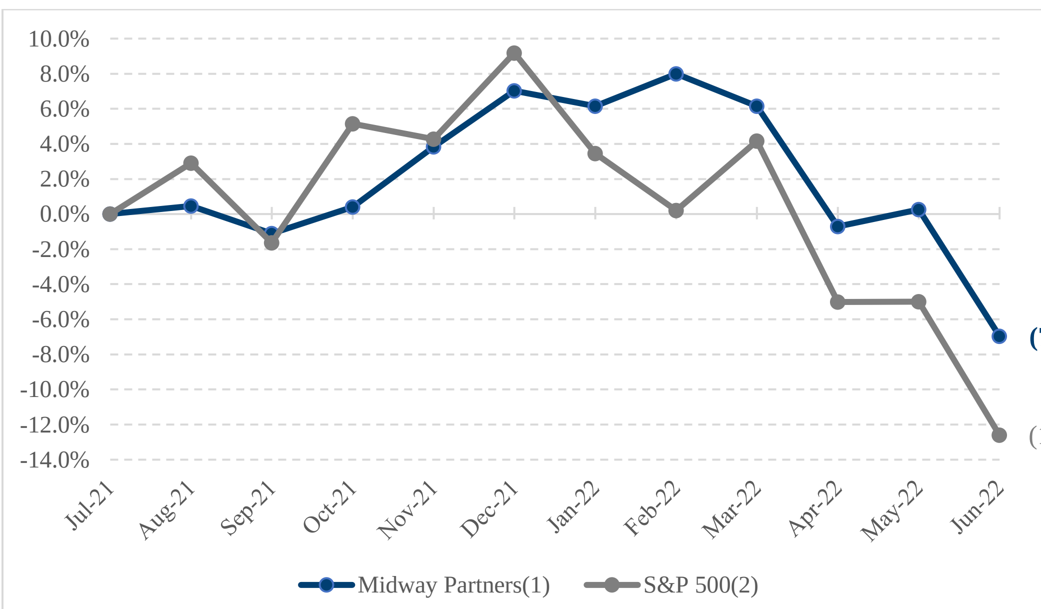
Partnership Performance

In hindsight, launching a fund in the second half of 2021 shows that we are definitely not trying to time the market, as the S&P 500 made its all-time closing high of 4,797 on January 3, 2022. The period from July 2021 through December 2021 was obviously not the ripest for finding quality investments with prices below conservative estimates of intrinsic value. As such, we waded into the market slowly deploying capital cautiously.

Since hitting the all-time high in January, the S&P 500 index has since gone on to suffer its worst performance for the first six months of a year since 1970. As such, we are beginning to see more compelling investment opportunities. We ended the quarter in June with a 17.7% cash position and take comfort in the fact that we have plenty of reserve capital to invest should security prices continue to fall and even more compelling opportunities present themselves.

In Q2 2022, the Partnership's net return was negative (12.4%) bringing the YTD return to negative (13.1%) and negative (7.0%) since inception. While not a stellar result, the Partnership has outperformed the S&P 500 on a net basis by 6.9% through the YTD period ending June 2022 and by 5.6% since inception, as shown below. Please see your monthly statements for individual results (to be distributed shortly). We believe this is evidence that the investment program is working, since we aim to avoid overpriced securities that may be the most susceptible to the largest price drops.

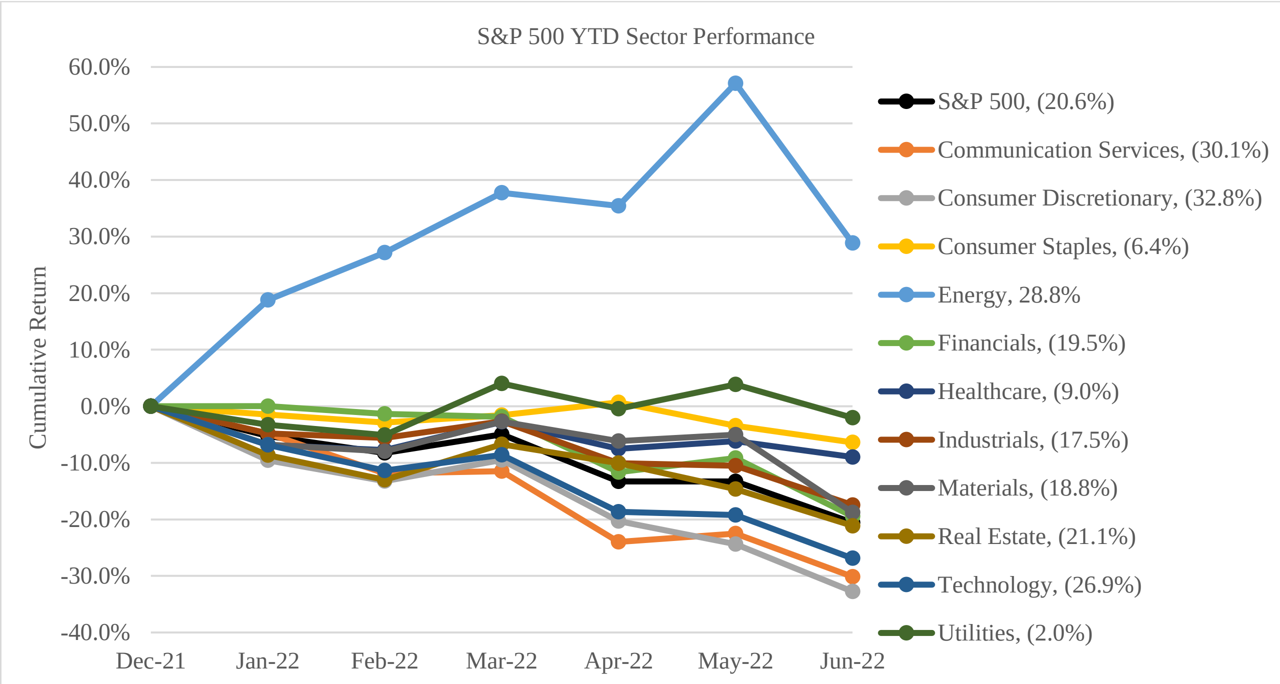
Total Return	YTD 2022	Since Inception
Midway Partners(1)	**(13.1%)**	**(7.0%)**
S&P 500(2)	(20.0%)	(12.6%)



(1) Eleven-month net return since inception beginning August 1, 2021, inclusive of all fees and expenses incurred by limited partners. Returns may vary based on the starting month a partner investment is made and the negotiated fee structure.
(2) Estimated S&P 500 index return assuming dividend reinvestment.
(3) Based on GICS Sectors and Midway Partners.

Most of our negative performance was related to three consumer discretionary stocks and our investment in Intel Corporation (INTC). The consumer discretionary sector has been the worst performing sector in the S&P 500 since the start of 2022, likely due to fears of a current or impending recession and inflation related profitability pressure.

The chart below shows the YTD performance of the S&P 500 and its 11 defined sectors.



(1) S&P 500 and sector returns excluding dividends.

While companies in our portfolio may undoubtably experience weaker financial performance in a recession, in our opinion, they all possess exceptional long-term prospects. They have strong balance sheets with little to no debt or maintain positive cash positions. Over the long-term, we expect each to generate consistently attractive average returns on equity and invested capital given their industry positions and competitive advantages. They all exhibit reasonable, organic growth rates and have a history of returning capital to shareholders. Most importantly, we valued each company at the time of investment using conservative future projections that we believe have a high probability of being achieved or exceeded. With a long investment horizon and conservative valuations, we view any downward movement in stock prices as only an increase in long-term stock returns (similar to a bond purchased at a lower price increases the yield to maturity).

When we make investments, we do not consider macroeconomic prognostications. Since we are long-term investors, we do not let near-term macroeconomic factors dictate our decision-making process. If an opportunity fits our quality criteria and is priced at a reasonable discount to our conservatively estimated intrinsic value, we will invest. We do, however, consider the cyclical nature of the specific business when assessing risk and estimating intrinsic value.

Portfolio Update

We thought it would make sense to review the investments that we have highlighted in past letters and provide an update on their performance. The table below provides the total return from these investments as well as our comments. Following, we will provide an update on changes to the portfolio and our strategy going forward related to new investments and our cash position.

Investment	**Letter Mentioned**	**Total Return(1)**	**Comments**
Check Point Software Technologies Ltd. (CHKP)	September 2021	0.8%	• Continues to produce large amounts of cash and repurchase shares • Risks: Competitive pricing pressure and potential market share loss
Intel Corporation (INTC)	August 2021	-25.2%	• Strategically important to U.S. national security • Announced several large capital investment projects that reduce free cash flow – we favor companies with opportunities to internally invest capital at attractive rates of return • Risks: Continued margin contraction and future semiconductor oversupply in the market given total industry capital investment projects planned
Investors Title Co. (ITIC)	December 2021	-2.9%	• Collected $19.84 per share in regular and special dividends • Estimated intrinsic value based on normalized real estate transaction volumes, excluding 2020 and 2021 levels • Should benefit from higher fixed income portfolio returns as interest rates rise • Risks: Protracted decline in housing transaction volume below historical normalized levels
Sleep Number Corporation (SNBR)	March 2022	-47.1%	• Highly differentiated product and unique vertically integrated business model within the mattress industry • Repurchased 56% of outstanding shares since 2011 – no invested capital remaining in the business • Risks: Prolonged supply chain disruptions continuing to pressure gross margins

(1) Total return since investment including dividends received as of June 30, 2022.

The good news is that the companies profiled above do not constitute the entire portfolio. We have several positions that have performed well, offsetting some of the larger declines. Also, each company does not have an equal weight in the portfolio. While the companies above currently may have unsatisfactory total returns, we believe that over the long-term these companies will fundamentally perform well, and that their performance will be reflected in stock price appreciation well in excess of our cost basis.

The strategy going forward remains the same – find quality investments selling for less than their conservatively estimated intrinsic value. Given the overall decrease in equity prices, more of these opportunities may present themselves in the coming months. We continue to look across sectors and industries for opportunities that fit our quality and valuation criteria. We are always hunting.

Although our goal is to hold investments for the long-term, certain events require more immediate action. As such, this quarter we made a few changes to the portfolio. We sold one entire position in a small capitalization company that has been unable to file its 2021 annual report due to accounting issues. We can no longer rely on its financials in our investment analysis, and we sold the investment for a small immaterial gain. Conversely, we added two new positions to the portfolio in the quarter. These positions are currently just over 1% of the portfolio, respectively. We expect to add to them over time.

We have added another dimension to our potential investment universe. In Q2 2022, we began to evaluate several private companies as possible investment opportunities. While the pipeline of private investment opportunities is currently small, we expect it to grow over time. An investment in a private company would likely entail the Partnership taking a control position in the company (although minority positions may be considered). We are extremely selective when it comes to private investments, requiring the right combination of management, company characteristics, and of course, price.

Our financial evaluation of private investments remains largely the same as with public investments. We are looking for businesses that produce consistent cash flows with attractive returns on invested capital that are operated by honest and capable management. If purchased at reasonable prices, private investments could become a significant contributor to future Partnership returns. Given the menu of investment opportunities available, we believe that selecting a few private investments can optimize returns. Allocating capital where we perceive the highest rate of return, whether public or private, is the best situation for optimal returns.

We do not have any expectations as to when a private deal might be struck, but we remain optimistic that the right opportunity will present itself if we create a consistent pipeline of deal flow. Stay tuned for developments on this front.

Regarding our cash position, we see cash as an important part of portfolio hedging. While some investors may take short positions or use other hedging techniques, we believe that the simplest and most conservative hedging mechanism is cash. As security prices fall and attractive investment opportunities present themselves, our cash balance will fall in response.

Behavior is Key

We recently saw an article that briefly discussed why golfers who possess perfect golf swings do not always produce the best tournament results. A link to the article is provided here, article link.

The article highlights two lesser-known golfers who have what are considered to be perfect swings. The article goes on to state that having a so-called perfect swing does not necessarily translate to great success in professional tournaments. The article alludes to the fact that many successful professional golfers don’t have perfect swings but possess the attitude and temperament to propel them to victory – specifically the article states that an “even-keeled” attitude is critical to success.

We immediately thought that this overall idea was analogous to investing. Being proficient at analyzing investments is important to success, but remaining consistent with one’s philosophy, strategy, and investment conclusions when prices are volatile is equally important. If one questions their investment analysis or, worse, changes their strategy only because stock prices are moving against them in the short term, they are likely to make untimely buy or sell decisions at the expense of long-term returns.

We don’t believe that short-term stock price movements prove we are “right” or “wrong”, just as the player with the most perfect swing on the practice range is not automatically awarded the tournament trophy. Because hindsight is always 20/20, we work on consistently improving our investment decision-making process regardless of the overall direction in stock prices. Similar to winning professional golfers, a critical component of long-term success in the investment game is keeping an even-keel, especially in downward trending markets.

Conclusion

The Partnership is actively taking new subscriptions from qualified clients. We welcome any referrals from current partners. Please contact info@midwaypartnersllc.com for more information.

We are honored that you have chosen to be a part of our Partnership.

Sincerely,

Jordan Lampos

Disclaimer

This letter is being provided solely for information and may not be reproduced, in whole or in part, in any form without the prior written consent of Midway Partners Capital Management, LLC (the "Investment Manager"). This letter is for informational purposes only. It does not constitute investment advice or an offer or solicitation to buy or sell an interest in a private fund or any other security. Midway Partners Intrinsic Fund, LP, Midway Partners Intrinsic Pecan, LP, the Investment Manager, nor any director, officer, employee, agent, or consultant will be liable if this information is used for any unintended purpose.

This information may also contain or refer to certain market, industry, and peer group data which are based upon information from independent industry publications, market research, analyst reports and surveys, and other sources. Although we believe such sources to be generally reliable, such information is subject to interpretation and cannot be verified with certainty. We have not independently verified any data from third-party sources referred to herein and accordingly, the accuracy and completeness of such data is not guaranteed.

Any reference to gross returns, net returns, or fund performance are estimated by the Investment Manager and are subject to the year-end audit. Midway Partners Intrinsic Fund, LP, Midway Partners Intrinsic Pecan, LP, the Investment Manager, nor any director, officer, employee, agent, or consultant makes any representation or warranty as to the accuracy of the estimated performance information provided. Actual returns may differ from the returns presented herein. Net return figures are reported net of all fees and expenses including management fees and performance fees. Net returns may vary by investor. Each partner will receive individual monthly and year-end statements showing the value of their participation in the partnership from the fund administrator. Past performance is not indicative of future results.

The Investment Manager is in the business of buying and selling securities and other financial instruments. Any statements of opinion constitute only the current opinions of the Investment Manager which are subject to change. Midway Partners Intrinsic Fund, LP, Midway Partners Intrinsic Pecan, LP, the Investment Manager, nor any director, officer, employee, agent, or consultant (i) makes any representation or warranty as to the accuracy or completeness of the information contained herein; (ii) undertakes any obligation to update any information contained herein, except to the extent required by applicable law; or (iii) takes any responsibility under any circumstance for any loss or damage suffered as a result of any omission, inadequacy, or inaccuracy in this letter, except to the extent required by applicable law. You should not rely upon this information in evaluating any investment decisions. The Investment Manager may buy, sell, or otherwise change the form or substance of any of its investments and may change its views about or its investment positions in any of the securities mentioned in this document at any time, for any reason or no reason and disclaims any obligation to notify the market of any such changes.

This information is not a solicitation and does not contain sufficient information to make any investment decisions. An offer or solicitation of an investment in a private fund will only be made to accredited investors and qualified clients pursuant to a private placement memorandum and associated documents. This information is not directed toward and may not be suitable for general retail clients.

There are substantial risks in investing in securities of the partnership and each investor must have the financial ability, sophistication, experience, and willingness to bear such risks. Parties should independently investigate any investment strategy or manager, and should consult with qualified investment, legal, and tax professionals before making any investment decisions. An investor should not make an investment unless the investor is prepared to lose all or a substantial portion of its investment. There is no secondary market for the interests nor is any expected to develop.

Interests in the partnership have not been registered under the Securities Act of 1933, as amended, in reliance on registration exemptions thereunder. The partnership is not registered as an investment company under the Investment Company Act of 1940, as amended, in reliance on exemptions thereunder. The Investment Manager is exempt from both state and federal registration as an investment adviser and accordingly is not registered as an investment adviser in any state or with the Securities and Exchange Commission.