	Long	Short	Gross Return	Net Return[1]	S&P 500
H2 2018	-23%	+26%	-2.7%	-3%	-6.8%
FY 2019	+58%	+21%	+90.9%	+75.6%	+31.2%
FY 2020	+65%	+64%	+171%	+132%	+18.3%
FY 2021[2]	+80%	-17%	+49.4%	+43.8%	+28.7%
FY 2022	-11%	+123%	+98.5%	+73.4%	-18.2%
YTD 2023	+16%	-9.4%	+5.1%	+5%	+7.5%
Total	+273%	+319%	+1,464%	+923%	+63%

Past performance does not guarantee future results.

[1] Net of .5%/year management fee and 25% performance fee above positive S&P 500 returns.
[2] The fund launched in February 2021. Prior to this I was investing from my personal account. Full year 2021 gross returns were 49.4% in my personal account and 87.4% in the fund. The accounts were combined at year end.

April 1, 2023

I use rough numbers to save time and they don't include the fees. See the administrator's statement for precise numbers.

1. Results from Jan 1st - March 31th 2023

S&P 500 +7.5%
Militia Capital +5.1%

We made 16% on longs and lost 9.4% on shorts.

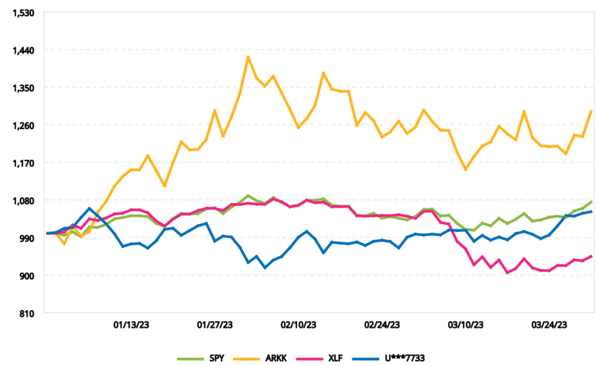
We're currently 220% long and 120% short.

Most short options profit was from selling deep in the money calls, which is very similar to a direct short. I want to make it clear that we're not selling lots of deep out of the money call options, which would be very risky.

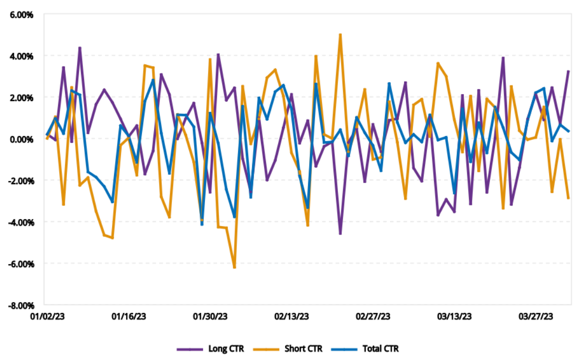
Risk Analysis

	SPY	ARKK	XLF	U***7733
Ending VAMI	1,074.63	1,291.29	944.66	1,051.79
Max Drawdown	7.54%	18.89%	16.27%	13.34%
Peak-To-Valley	02/02/23 - 03/13/23	02/02/23 - 03/10/23	02/07/23 - 03/17/23	01/06/23 - 02/06/23
Recovery	Ongoing	Ongoing	Ongoing	Ongoing
Sharpe Ratio	1.57	2.25	-1.11	0.74
Sortino Ratio	2.37	3.64	-1.36	0.99
Standard Deviation	1.03%	3.04%	1.36%	1.66%
Downside Deviation	0.68%	1.88%	1.11%	1.23%
Correlation	-0.12	-0.55	0.13	-
β:	-0.20	-0.30	0.15	-
α:	0.25	0.53	0.23	-
Mean Return	0.12%	0.44%	-0.08%	0.09%
Positive Periods	37 (56.92%)	36 (55.38%)	36 (55.38%)	38 (58.46%)
Negative Periods	28 (43.08%)	29 (44.62%)	29 (44.62%)	27 (41.54%)

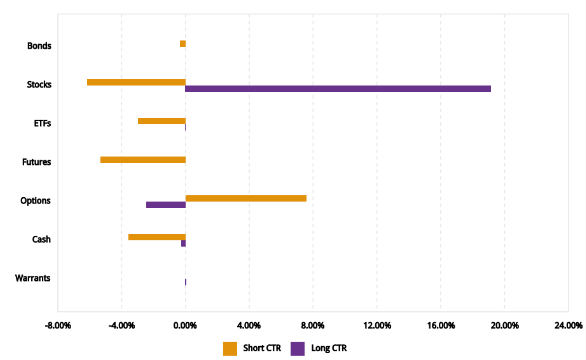
Value Added Monthly Index (VAMI)



L & S Performance Comparison



L & S Performance by Financial Instrument Comparison



This report is generated by Interactive Brokers. It uses gross returns. See net of fee returns above.
Militia uses the S&P 500 as a benchmark because it shows the fund's correlation and volatility relative to risk assets, not because you should gauge our performance to the S&P 500 quarter to quarter - we are not positively correlated, after all.

2. March 25th Email to Investors

1. We shorted all 4 of the failed banks - SI, SIVB, SBNY and CS - and caught nice drops in another couple FRC and PACW. Even with those victories we're lagging the index because speculative stocks are up so much (which we're short), while non-mega cap technology companies are down slightly (which we're long). When this reverses, I expect our result will be great.

2. I don't think there will be a widespread financial crisis. The failing banks were bad in unique ways. They largely failed at the same time because people woke up to the risks involved with banks so depositors left. The bank runs seem totally rational - depositors are just leaving banks with real problems.

The Fed established an emergency program which allows banks to borrow against held to maturity assets, which can replace deposits leaving their bank. There are $20 trillion of deposits in US banks and only $400 billion has been borrowed under this program so far - just 2% of deposits. In the first week it was $300 billion which decelerated to $100 billion more in the second week. The next update will be here on the 29th - look for the week on week jump [It was a slight drop, implying the immediate bank run ended]. On top of that, much of that 2% is concentrated in the failing banks. My take: this is not a crisis whatsoever at most banks, although a large spike next week could change my mind.

Synchrony Financial (SYF) is my top long candidate. They specialize in credit card lending. Partner brands include Amazon and Lowes. SYF currently trades for 6 times earnings, and I believe they're a growing company, so the forward return could be over 20%/year.

It sold off 20% through this crisis. However, 85% of their deposits are FDIC insured (compared to ~5% for SIVB), they already pay 3.5% interest on deposits (compared to nil for banks with deposit flight), they own no long duration debt and there's no reason to think that their loans are worth less than claimed. During the '08 financial crisis actual credit card losses were 7%, while today SYF has a 10% loan loss reserve - it sure seems like they're sandbagging to me.

The risk of getting long today versus waiting is that more banks could fail in the short term. If so, financial companies will sell off more, including SYF. My plan is to own a lot now and buy even more if that happens.

3. Ingles Markets - New Top Long Idea

Ingles Markets (IMKTA) is a southeastern supermarket chain trading for 6 times earnings. Debt is low and they own nearly all of their properties including some empty lots for expansion. Peers trade for more than double the valuation. There's no catalyst for near term multiple expansion but the history of gradual buybacks makes me indifferent to that outcome.

This is a family controlled business. James Lanning is the current CEO and took the helm in 2016. He began his career as a store clerk at Ingles in 1975. I take it as a good sign that the family promoted from within rather than picking some random MBA. Results have been strong since he took over.

The bear case is that the company is over-earning due to covid. Bears have claimed this for over a year and have been wrong thus far. Here are a few reasons they might be wrong:

- Earnings grew in 2019 before covid was a factor. They already had natural growth.

- Work from home trends have held steady for many months, which might be the new normal, helping grocery sales.

- People migrated away from city centers which makes cooking at home a better option. Also, people migrated away from lock-down states, which helps a supermarket chain in the southeast.

Even if Ingles is over-earning by 30% I still think shares are worth $120. If they're wrong, IMKTA is worth $200 today - a defensive, growing company trading for low teens earnings. The midpoint suggests that today's fair value is $160.

Becoming Trader Joe is a great book about the grocery business generally.

We're risking 12% in Militia, a bit of an oversized long position. I will gradually buy more if the share price drops more, so long as financial results stay strong.

4. Fund AUM and Deposit Cap

Militia has reached $50 million AUM. This is the correct time to stop growing via contributions in order to maintain our high edge for at least another few years. Thus, this is the final call to join or contribute more. A couple people made plans to contribute more later this year already, and of course that's still fine.

If you've been reluctant to join because you aren't comfortable with the risk or don't understand my strategy, then you've made the correct decision. You shouldn't join now. I only want LPs who embrace the risks of such a leveraged strategy and uncertainty of investing with a new fund manager.

5. Tax Update

K-1s will either be completed in May or in September. It's not entirely clear yet. The issue, same as last year, is that we're invested in partnerships such as Energy Transfer (ET) who first have to send us tax documents in order for us to prepare ours properly. There are further issues with K-3s for international taxes, which I honestly don't understand. Either way, you will have to file for an extension this year - and probably every year that you're invested with Militia.

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Thanks for your continued investment,

David Orr

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Performance returns – gross and net – are computed by Mr. Orr. Net returns are net of performance fees and management expenses, if any. Upon request, Mr. Orr can provide additional information regarding how gross and net returns are computed.

The figures provided in this letter are unaudited.

Past performance is not indicative of future results.

Each investor / Limited Partner will receive individual statements from the funds' administrator showing actual returns.

Reference to the S&P 500 does not imply that Militia Capital will achieve returns, volatility, or other results similar to that index. Indeed, while the S&P 500 is a long-only index primary of large capitalization companies, Militia Capital takes long and short positions in many securities. As such, Militia Capital's portfolio may often differ materially from the S&P 500, hence the manager's consistent reference in this letter to a lack of correlation.

The specific investments identified and described in this letter are not a representation of all potential positions or strategies used by the Fund and, to the contrary, may represent a small percentage of activity. This information is presented to provide insight into explaining the Fund's performance, Sharpe ratio, or commenting on investment principles such as valuation.