

Disruption Fund is a **multi-cap fund** investing in global equities focusing on **high growth disruptive** businesses in technology, healthcare and consumer sectors.

Our **unique VC-derived** approach identifies disruption themes early, with a focus on tipping points in adoption and growth acceleration.

Disruption Fund is actively managed with a priority for speed and nimbleness, and mindful of volatility. The fund targets a **20% compound return**, long-only, unlevered, with a **five-year horizon**.

## COMMENTS FROM THE PORTFOLIO MANAGER

What about China? The casual question of the everyday investor was brought to the fore with brutal market impact this month. While global investors are still fretting about inflation, with the Fed probably tapering into a slowdown, China's narrative steals the show again. China's impact is not just cyclical—it has been the leading economy of the post-Covid recovery and is already easing monetary policy—but this time it's political, as the government tightens the reins on all strategic and socially impactful industries.

Billionaires in reform school, Bitcoin miners shut down, Gig worker protections, video games pilloried, offshore VIEs and IPOs suspended. China's demographic decline propels it into the prosperity paradox: how to address income inequality and improve living standards for the middle class. A capitalist dilemma with a Chinese solution. A palpable social agenda has been rippling across the globe since the start of the pandemic, and we think this distinctly Chinese nationalist jargon is more of the same, accelerating the ESG agenda for all investors.

This development interrupted a brilliant earnings season and equity rebound across technology sectors, but we see through it an opportunity to revisit Clean Tech, right on the back of the US Senate approval for the Biden Infrastructure package. We also think Semis and Cloud infrastructure are the new oil, requiring geostrategic planning and cyber protection. This reinforces our conviction holdings in Semis (ASML, Nvidia, AMD and SOITEC), cybersecurity (Zscaler, Okta, Palo Alto Networks), and cloud providers (AWS, Azure, Google and Fastly). We think the Clean Tech theme merits renewed attention despite the profitability issues (Ceres, Carbios, Nio).

July reported Q2 earnings were strong for our sectors. Still, the China scare caused us to correct -2.94%. Top performers were Moderna and BioNtech, followed by Adyen, AMD and ASML. Fintech was mixed with PayPal hurt by softer ecommerce, while Square POS business rebounded strongly; its watershed acquisition of Afterpay highlights how Fintech is challenging the entire banking system. Worst performers were Fastly, suffering from the China selloff due to its TikTok exposure; Zillow is penalized for the slowdown in US home sales, Evelo suffered from association with a clinical failure at Seres Therapeutics; Graphite saw profit taking. Still in Biotech, we took advantage of the poor performance of the Caribou Bioscience IPO to build a position.

Data as of July 30th, 2021.

Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results. Performance target is based on market assumptions taken by the fund management company and under no circumstances constitute a promise of return or performance. The risks, fees and recommended investment period for Disruption Fund are detailed in the KIID (key investor information documents) and prospectus available on this website. The KIID must be made available to the investor prior to subscription.

## PERFORMANCE

	Since Inception	YTD	Month July
Disruption Fund (A)	+101.1%	+4.82%	(2.94%)
MSCI World TR EUR	+52.9%	+18.7%	+1.80%

Disruption Fund performance since January 31<sup>st</sup>, 2019 (starting date of new investment strategy)  
Data as of July 30th, 2021



## TOP 20 HOLDINGS\*

Adyen NV	4.16%	Zscaler Inc	3.09%
PayPal Holdings Inc	3.97%	Snap Inc	3.07%
Hellofresh SE	3.87%	Lightspeed POS Inc	3.00%
Advanced Micro Devices Inc	3.44%	NVIDIA Corp	2.92%
Twilio Inc	3.44%	Intellia Therapeutics Inc	2.76%
BioNtech SE	3.29%	Uber Technologies Inc	2.56%
Palo Alto Networks Inc	3.27%	Okta Inc	2.16%
Alphabet Inc	3.18%	Wise PLC	2.01%
ASML Holding NV	3.17%	Adobe Inc	1.94%
Square Inc	3.12%	Airbnb Inc	1.89%

\*As % of NAV.

## FUND CHARACTERISTICS

### About the fund

Headquarters	Paris
Fund manager	Quadrille Capital SAS
Legal structure	FCP UCITS

### Practical Information

Currency	EUR
ISIN code - B share	FR0012770162
Ref. index	MSCI World Total Return EUR
Valuation frequency*	Weekly and Monthly
Cut off time*	5pm (D-1 valuation day)

\*Starting September 1st, 2021: Daily valuation frequency / Cut off time 10am

### Investor Information

Recommended investment period	5 years
Minimum investment	€100,000
Investor type	Institutional

## PORTFOLIO MANAGER



Jean-Edwin Rhea

- 20-year experience of equity capital markets in tech and healthcare
- MBA from HEC Paris and Columbia University and BA in Anthropology from Princeton University

## FEES AND EXPENSES - B SHARE

Max. subscription/redemption fees	3.2%
Management fees	1.5%
Performance fees	15%*

\*above reference index

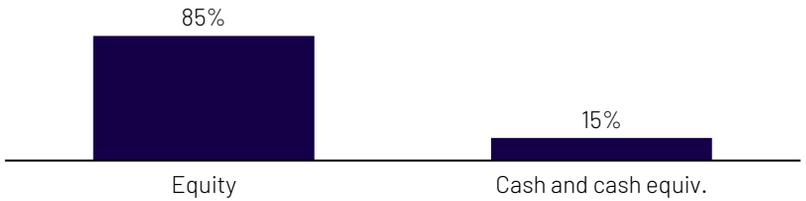
## RISK AND REWARD PROFILE

Lower risk Higher risk  
Typically lower rewards Typically higher rewards

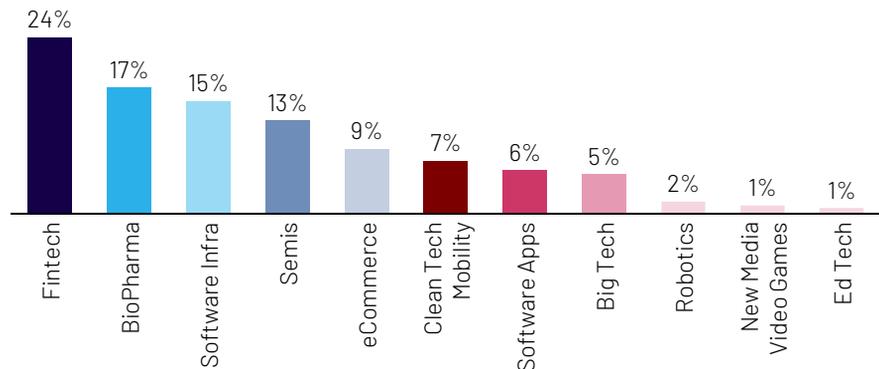


The Fund is ranked 6 on the synthetic risk and reward indicator scale, which is based on the Fund's allocation to equity markets. The risk category shown is not guaranteed and may shift over time.

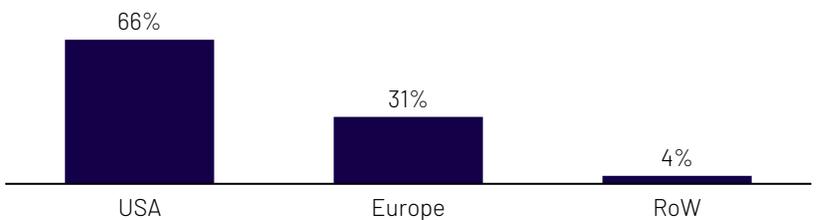
## ASSET ALLOCATION



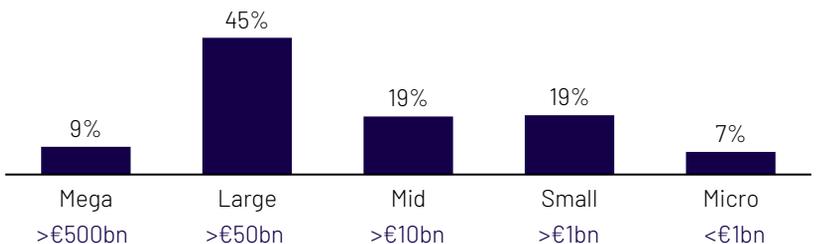
## SECTOR ALLOCATION\*



## GEOGRAPHIC ALLOCATION\*



## CAPITALISATION ALLOCATION\*



## RISK MEASURES\*\*

Period: 31/01/2019 - 30/07/2021

Sharpe Ratio	1.57
Max Drawdown	(23.5%)
Annualized Volatility	+22.8%

\*As % of equity holdings.

\*\*Risk measures based on weekly performance, monthly performances are excluded.

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