



Disruption Fund

Capturing the full innovation cycle

January
2022

Disruption Fund is a **multi-cap fund** investing in global equities focusing on **high growth disruptive** businesses in technology, healthcare, renewable energy 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

Regime change can take you by surprise, even when you see it coming. January delivered a crash of sorts. Rising rates, the “real rates” kind, is the ongoing calculus. The growth stock correction of December turned into a general correction this month, hitting the favorite equity hiding places with a massive volatility spike. Growth or Value, there wasn’t much distinction. Even for trench soldiers like us the market front line tells a story of many casualties. Habitually sleepwalking economists are suddenly awake with fear, calling the Fed, BoE and BCE timid and behind the curve. Where is the Fed preemptive strike? It hasn’t happened, but markets are seriously bipolar. Jan US Payrolls were strong, but replete with large seasonal adjustments. While seemingly unaffected by Omicron, the economic growth picture lacks clarity. Adding to the puzzle, January’s Tech and CleanTech earnings season is solid, with only semiconductor shortages to blame. Wage pressure, continues to rise, annualizing at 7.4%, higher than the 1979 record for the ninth month in a row. How many fund managers have any experience of inflation?

Looking at performance, January delivered a painful -13.2% drop for us. Positive contributions came from Nasdaq 100 Puts; Ubisoft, the French AAA video game studio which is now a value play in the ongoing metaverse-building consolidation; Splunk, another value play in data center monitoring software; Schlumberger, the energy services leader with their new hydrogen practice; Sentinel One the fastest growing cybersecurity disruptor; and Netflix, bought following their subscriber growth disappointment. The most difficult names were Block (ex-Square), SOITEC, ASM Intl., Nio and AMD; the semi fab equipment group which resisted the Dec selloff so well finally suffered a pullback, pressured by a scarcity of—what else?—semis for their own semi making machines. Clean Tech also suffered as a group, hurt by the interest rate sensitivity of its infrastructure client base.

All in, Disruption Fund remains focused on the 5 majors investment themes identified for 2022: the Semiconductor arms race; Clean Tech and energy decarbonization; Metaverse and the avatar consumer; Fintech and the crypto paradigm shift; Cybersecurity; Biotech and personalized medicine. These themes are at their tipping points in both public awareness and policy priority. They remain with us in February.

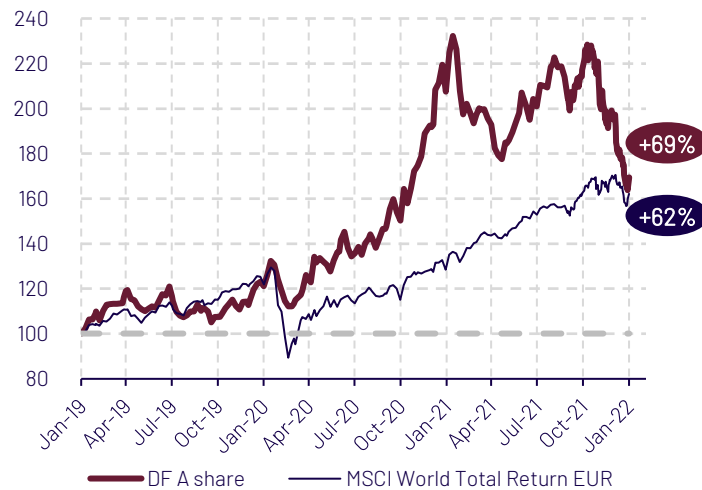
Data as of January 31st, 2022.

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*	2020	2021	YTD	Month January
Disruption Fund (A)	+69.5%	+70.3%	+1.77%	(13.2%)	(13.2%)
MSCI World TR EUR	+62.1%	+6.33%	+31.07%	(3.92%)	(3.92%)

Disruption Fund performance since January 31st, 2019*



TOP 20 HOLDINGS**

Tesla Inc	4.05%	HelloFresh SE	3.05%
ASML Holding NV	3.84%	ASM International NV	2.93%
Palo Alto Networks Inc	3.73%	CRISPR Therapeutics AG	2.76%
Schlumberger Ltd	3.38%	Wise plc	2.68%
Airbnb Inc	3.33%	Lam Research Corp	2.55%
Advanced Micro Devices	3.30%	Alphabet Inc	2.54%
Ubisoft Entertainment	3.28%	KLA Corp	2.53%
Albemarle Corp	3.18%	Meta Platforms Inc	2.48%
Intel Corp	3.17%	Netflix Inc	2.46%
Splunk Inc	3.13%	SOITEC	2.46%

*Disruption Fund performance since January 31st, 2019 (starting date of new investment strategy).

**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	Daily
Cut off time	10am (D-1 valuation day)

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

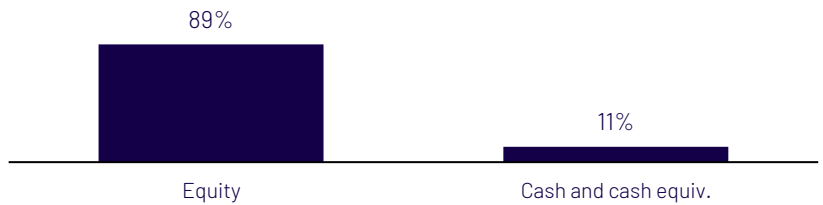
RISK AND REWARD PROFILE

Lower risk Higher risk
Typically lower rewards Typically higher rewards

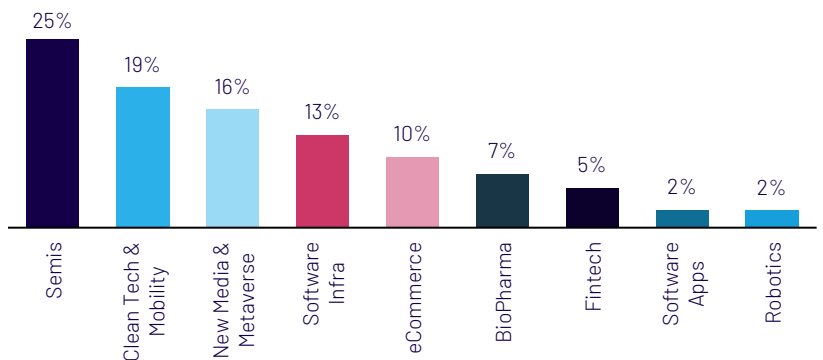


The Fund is ranked 6 on the synthetic risk and reward indicator scale, which is based on the Fund's allocation to equity markets. The risk category shown is not guaranteed and may shift over time.

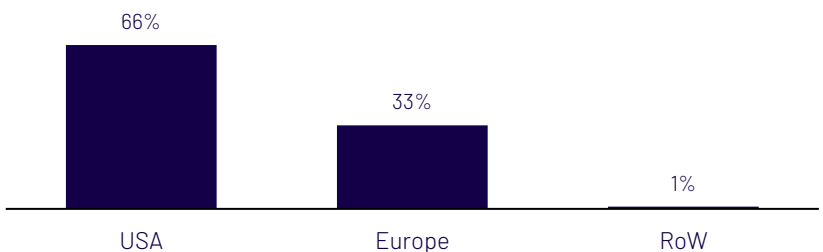
ASSET ALLOCATION



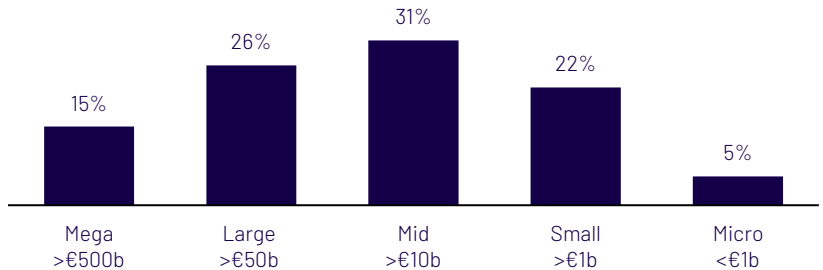
SECTOR ALLOCATION*



GEOGRAPHIC ALLOCATION*



CAPITALISATION ALLOCATION*



RISK MEASURES

Period: 31/01/2019 - 31/01/2022

Sharpe Ratio	0.83
Max Drawdown	(29.5%)
Annualized Volatility	23.1%

*As % of equity holdings.

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