

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 a difference a month makes. The early signs of deceleration we saw in May were confirmed in June. China's economy which led the Covid recovery, is now slowing, with some chance of monetary easing before year end. In the US, employment and wages are also slowing from the Feb-April overdrive. In Europe, reopening is buoyant, but already German factory orders are softening. The inflation scare is still at the center of every macro presentation, but yield curves globally have flattened. The Fed has widely telegraphed its goals for an ultra-slow taper. Additionally, the Delta variant, while apparently less lethal thanks to vaccines, is slowing down summer travel. Any hint of deflation is prime macro for us.

Disruptive innovation stocks, with very high ambitions for future growth, can be volatile. Our equity models are on constant alert, looking for inflexion points, for accelerations and decelerations. Throughout Q2, despite what were at times quite brutal sell-offs, none of our models detected any negative revenue momentum; none of our portfolio companies slowed down. We noticed some margin pressure due to semiconductor shortages in automobile and solar supply chains; Uber and UPS had to give some margin back to drivers; fuel and cargo costs have been rising; but none of our companies experienced a demand slowdown. What we had was a correction in valuations.

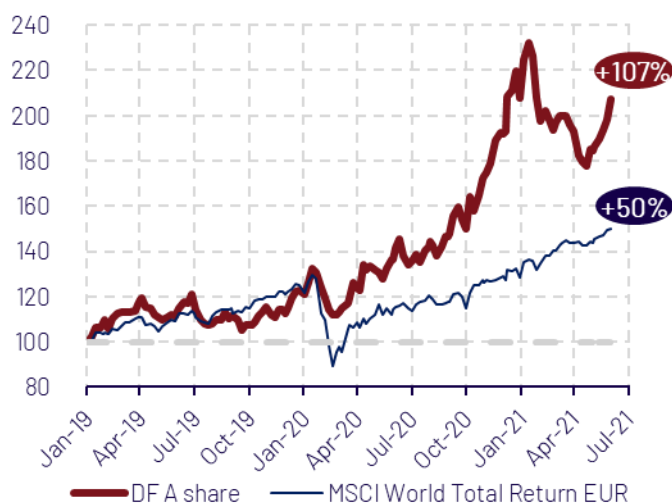
Growth, the disruptive non-cyclical kind that we focus on, is back on investors' minds again. Our bullish positioning paid off in June (+12.3%) and our optimism for our themes this summer is high. We particularly favor Cloud Software, Fintech, Semis and Biotech.

Our top contributors for the month were Intellia (released a game changing first-in-human clinical outcome in gene editing), Trade Desk, Nio, Nvidia and AMD; the least helpful were Nanobiotix, Ethereum ETF, Believe, Volkswagen and Bioxccl. Our most recent changes were to tilt slightly back towards the 2020 Covid themes of WFH, food delivery, ed tech and vaccines; we have kept only semiconductors for cyclicals. We continue to own Ethereum as the key enabler in the blockchain computing revolution.

## PERFORMANCE

	Since Inception	YTD	Month June
Disruption Fund (A)	+107.2%	+8.00%	+12.3%
MSCI World TR EUR	+50.2%	+16.6%	+4.64%

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



## TOP 20 HOLDINGS\*

Advanced Micro Devices Inc	3.85%	Airbnb Inc	2.83%
Nvidia Corp	3.78%	Lightspeed POS Inc	2.77%
Intellia Therapeutics Inc	3.73%	Zillow Group	2.54%
ASML Holding N.V.	3.41%	Uber Technologies Inc	2.43%
Nio Inc	3.19%	Palo Alto Networks Inc	2.42%
Adyen BV	3.02%	Crispr Therapeutics Ltd	2.41%
Square Inc	3.01%	Volkswagen AG	2.25%
Snap Inc	2.99%	Paypal Holdings Inc	2.25%
Twilio Inc	2.96%	Strataysys Ltd	2.24%
Baidu Ads	2.89%	Fiverr International Ltd	2.15%

\*As % of NAV.

Data as of June 30<sup>th</sup>, 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.

## 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)

### 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

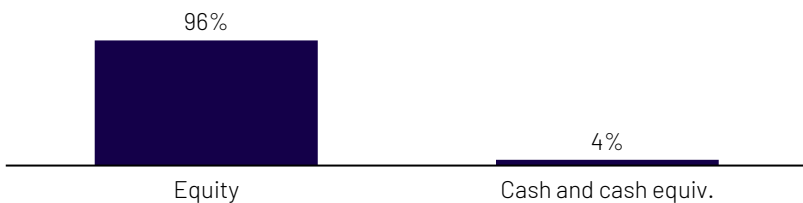
## RISK AND REWARD PROFILE

Lower risk Higher risk  
Typically lower rewards Typically higher rewards

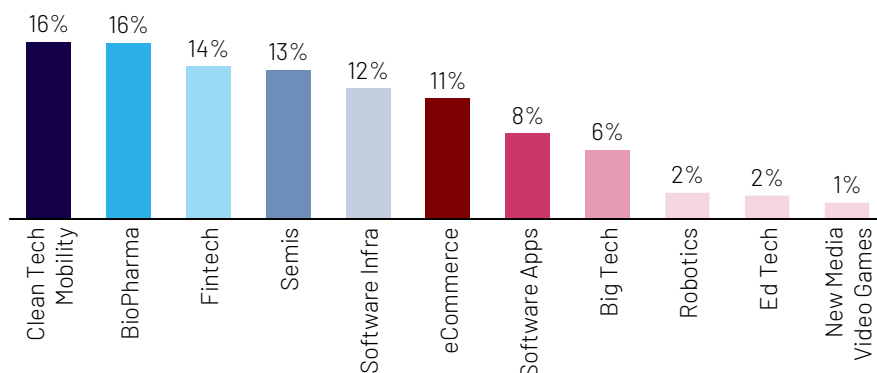


The Fund is ranked 6 on the synthetic risk and reward indicator scale, which is based on the Fund's allocation to equity markets. The risk category shown is not guaranteed and may shift over time.

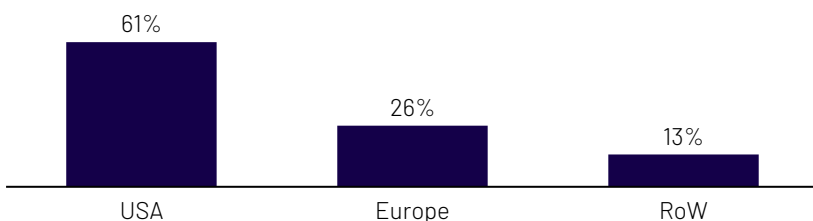
## ASSET ALLOCATION



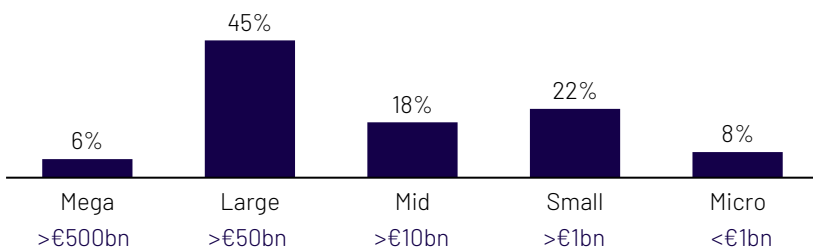
## SECTOR ALLOCATION\*



## GEOGRAPHIC ALLOCATION\*



## CAPITALISATION ALLOCATION\*



## RISK MEASURES\*\*

Period: 31/01/2019 - 30/06/2021

Sharpe Ratio	1.70
Max Drawdown	(23.5%)
Annualized Volatility	+22.9%

\*As % of equity holdings.

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

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