D|F

Disruption | Fund

30 June 2021

"Not all who wander are lost."

—Alice in Wonderland, 1865

The mismeasure of man

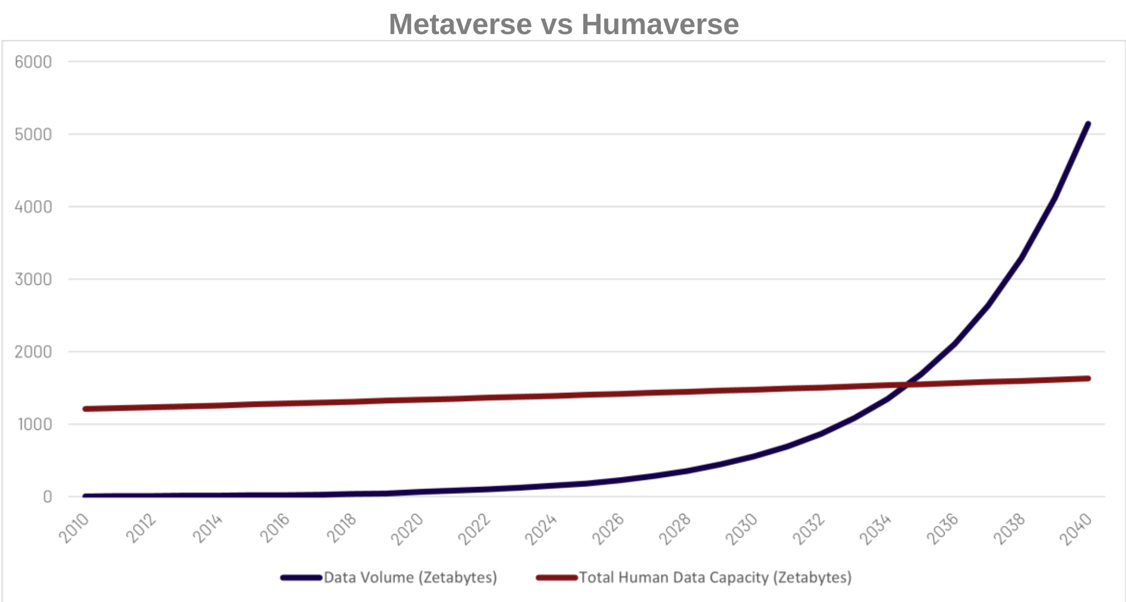
The more you count, the more you find. The number of zeroes in a Googolplex—the longest number in the universe—is determined by the time it takes to write them down before you get too tired. The number can be as big as you can find time to stretch it. Measurement, of sorts, is time * energy.

We don't need space travel to notice how long distances can blur our sense of time, or how large numbers confuse our sense of measure. There are an estimated 10 sextillion (10^21) stars in the universe. There are also some 10 nonillion (10^30) viruses on Earth—the most populous living thing on the globe—that's 100 million more viruses than stars. Keep counting.

The metaverse—the digital realm—too is heading for infinity. In 2020, digital data reached 64 zettabytes, growing 57% (*IDC*). Serendipitously, 1 zettabyte is 8 sextillion bits: bits and stars in equal numbers. The average virus is 20 nanometers "long", the same amount of physical space it takes to store one bit on a hard disk drive. Bits and viruses in equal sizes. Keep measuring.

Humanity could well be left behind. There are 7.9 billion of us, growing at 1%, each worth 175 terabytes of brain data (*Scientific American*). That's a collective 2,172 zettabytes of human brain in 2020. Assuming our digital realm compounds at 25% vs humanity growing at 1%, the metaverse could well outsize the humaverse—the human realm—sometime in 2035. Feeling closer.

Luckily, or by design, the universe has a constant mass, expanding faster than the speed of light. We at the Disruption Fund, take comfort in the prospect that while the metaverse subsumes the humaverse, its expansion creates ever more space to fill it with digital companies.



Volume of data created, stored, and consumed worldwide from 2010 to 2040 (in zettabytes), actual and projected, vs human brain capacity assuming 275 terabytes per human. (*Source Statista, Quadrille Research*)

The mismeasure of stocks

Equity multiples too sometimes appear to expand faster than the universe. They are in fact in constant flux. When prices fall, you'd assume they are cheaper. They are not; they are just lower. Unlike commodities such as gold and oil, equities have no constant qualities. They are just titles to assets and income streams who are, by luck or by design, constantly in flux.

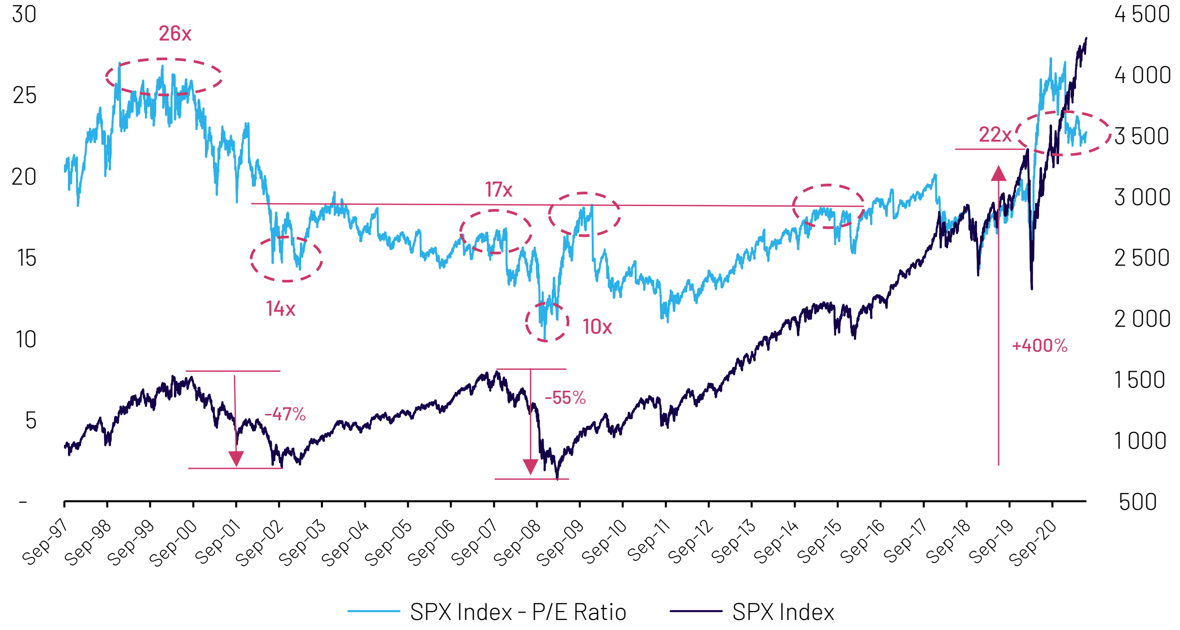
Our disruptive innovation stocks in particular, with very high ambitions for future growth, are painfully difficult to value. So when a correction sets in, like the one from March to May this year, we test our models carefully.

Our equity models are on constant alert, looking for inflexion points, for accelerations and decelerations. **Throughout Q2, none of our models detected any negative earnings momentum; none of our portfolio companies slowed down.** We noticed some margin pressure from semiconductor shortages in autos and solar supply chains; Uber and UPS have had to give some margin back to drivers; but no one experienced a demand slowdown. What we had was a **correction in valuations**.

Valuation is *always* up for debate. Prices change every day. It is the heart of the investment profession. Yet in growth investing, our unkept secret is that valuation rarely matters. It is interesting on paper, pretty in slide decks, yet it is mostly an ex-post calculation, backward looking. Assets can remain "overvalued" for a very long time, in the same way they get stuck in value traps. While rational and reassuring, **valuation models have very little predictive value for future returns.**

Looking at the SP500 multiple over 25 years, the market high of March 2000 is postmarked at a 26x p/e, while the subsequent 2-year sell-off of approx. -47% bottomed in March 2003 at 14x. Over the next 5 years the index rose approx. +95%, only to peak again at the modest p/e of 17x in Oct 2007. The following 2008-09 correction of -55%, bottomed again, this time at p/e of 10x, far below the level seen in 2003. While the index rallied +400% from March 2009 to the pre-Covid top of Feb 2020, the p/e remained in the 17x range for most of that time. At this juncture we feel there is little predictive value in today's 22x p/e level when, driven by policy, earnings growth is at record highs and real interest rates are at all-time lows.

S&P 500 and P/E Ratio
(1997-2021)

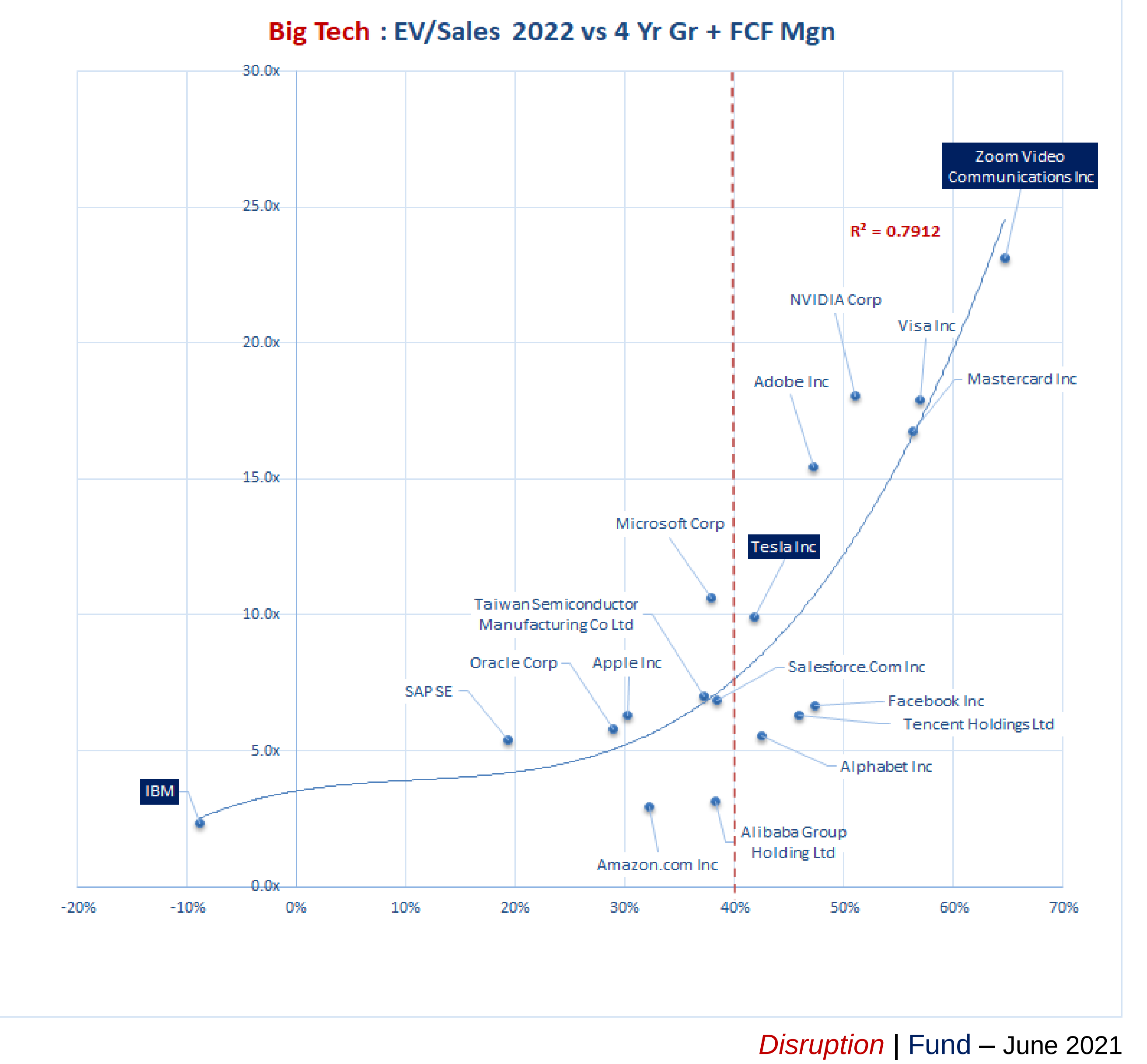


Adjusted Rule of 40

How do you reliably value fast growing tech companies?
We asked our Quadrille Capital VC and Growth Equity colleagues down the hall.

Taking a page from their VC play book, our preferred valuation paradigm for growth stocks has morphed into our "Adjusted Rule of 40". Long after the IPO our companies tend to be managed like start-ups; secondly because in a world of growth at all cost it is critical to identify *profitable growth*. Our expectation, therefore, is that any increase in spending will generate more than its commensurate increase in growth. Hence, **while we want the 4 year forward revenue growth rate to be above 15%, we also want that 4 year CAGR sum of revenue growth + FCF margins to add up to 40 or higher.** In some instances, we will tilt the model to rank revenue growth over margins; other times we will keep them balanced. Most companies will increase spend (marketing and capex) with a dilutive impact to margins. **Our ideal companies will increase growth spend with a *positive* impact to FCF margins.**

Companies with a high Rule of 40 score can get expensive. In the 60s and higher they get rare and command an important scarcity premium. As a result, the valuation chart slopes dramatically upward as we shift further up the growth/margin curve. The below example highlights some of the biggest tech companies ranked by the Adjusted Rule of 40. **IBM, Tesla, Zoom, each trading at 2x, 10x and 23x EV/Revs'22 respectively, are, in this analysis, equally fairly valued.**

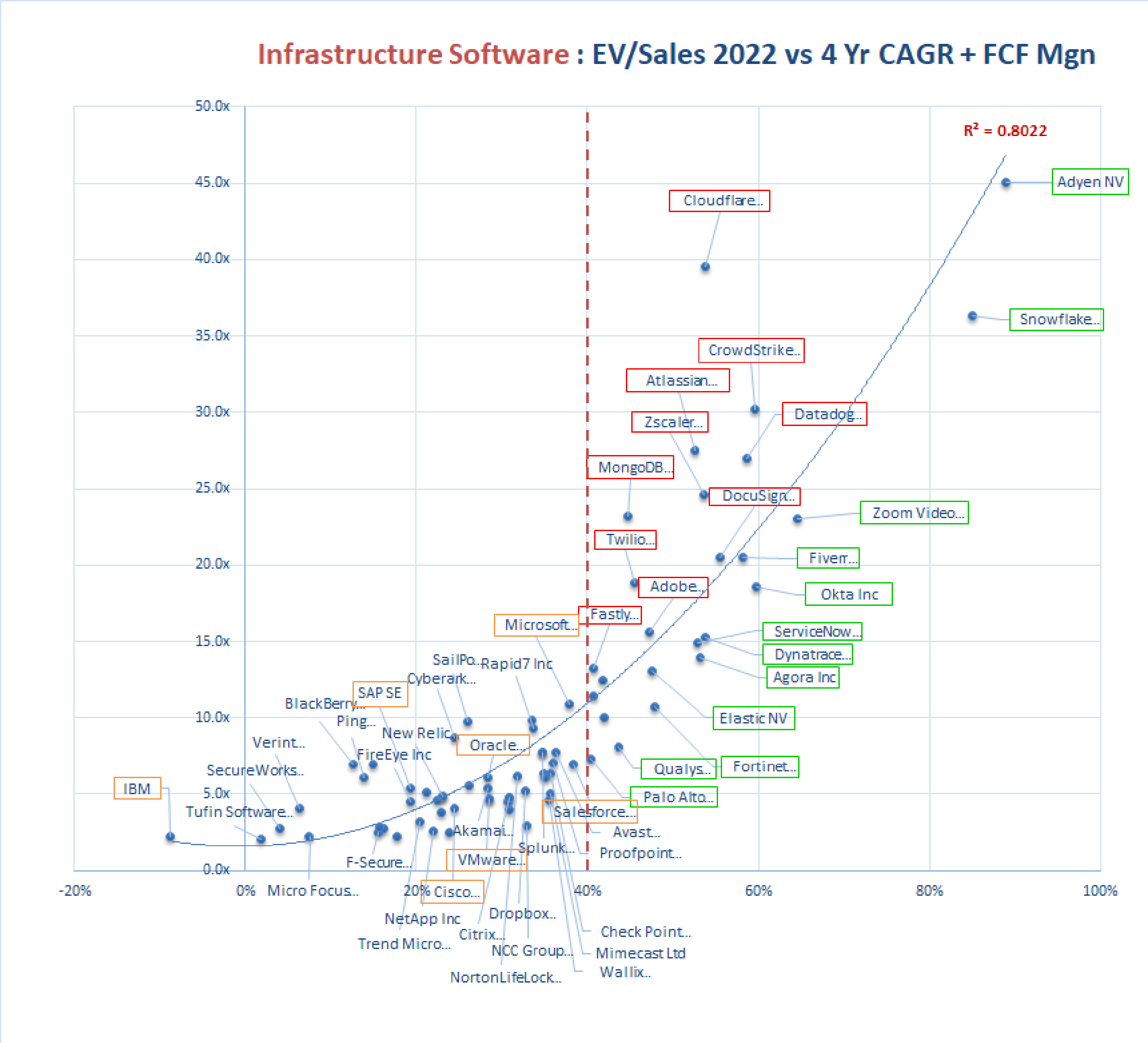


To the right of 40

Burrowing deeper into the exercise, we explore the **high growth infrastructure software** space.

Our objective is to buy companies the furthest to right side of 40. In this exercise, we find that payment platform *Adyen trading at 45x EV/sales, one of the most expensive equities in the world by traditional measure, is just as fairly valued as IBM at 2x or Microsoft at 11x.* Again evidenced by this matrix, most companies sit on the left side of 40, in the 20-40 range, with scarcity value ramping fast as you move further to the right of 40, 60, and even 80. In this chart, Adyen and Snowflake are in fact attractively priced.

This methodology captures an important part of our Buy and Sell signals (green vs red; orange for visual help with large caps).



The uninvited guests

Bitcoin, Ether and the crypto boom of 2021 crashed the Covid tech party and that was fun. With the recent sell-off many traders are tempted to close their books and move on. We think differently. The uninvited guests are moving in.

As we highlighted in your February letter, beyond its role as a digital commodity diversifying inflation risk, we think **Bitcoin's biggest role was to usher in the age of programmable money, decentralized finance (DeFi) and NFTs. And at the center of DeFi and NFTs sits Ether and the Ethereum network.**

Ether is a currency that powers a massive transaction network. Functionally, it resembles the cloud computing platforms of AWS and Azure. Structurally however, it is a currency with an underlying economy, a currency with a GDP. As transactions grow, the currency circulates, gets earned, spent, lent and borrowed. The Ethereum network is probably by now already a self-sustaining economy. It is still an emerging market of sorts, financed in part by capital imports from the "fiat" economy, but it is also growing organically, funded by its own realm of savings, deposits, loans, interest payments, powering the exchange of digital assets (other coins, contracts, NFTs for digital assets, NFTs attached to physical goods, etc). There are other large transaction networks, also funded by DeFi; below are the comparable interest rates for 1 to 3 months maturities, across networks:

Largest Proof of Stake Tokens by Value Staked

Coin	Market Cap	Total Staked	Staked Value	Yield
USDC	$25.5	97.9%	$25.0	3.6%
Cardano	$35.3	51.2%	$18.1	5.8%
Ethereum 2.0	$258.0	5.0%	$12.9	6.8%
Polkadot	$15.9	62.7%	$9.9	14.0%
Solana	$8.8	67.4%	$5.9	11.5%
Cosmos	$6.5	70.7%	$4.6	9.9%
Tezos	$2.0	77.5%	$1.6	6.1%
Algorand	$2.5	63.8%	$1.6	4.9%
Polygon	$4.4	32.8%	$1.4	15.9%
Terra	$2.1	31.7%	$0.7	4.6%
Dash	$1.3	49.8%	$0.7	6.2%

Source : Staked; JPM Research ; Data as of 29/06/2021. Ethereum 2.0 includes ETH 1.0 assets.

DeFi vs banks

JPMorgan recently estimated a $40b in staking revenues for the crypto industry by 2025 (research note June 2021). For comparison, the net interest income for the top 4 US banks (JPM, Citi, BoA, Wells) added up to $41b in 1Q21. (*http://www.bankregdata.com/allIEmet.asp?met=NIM&den=aa*)

Bretton Woods

Proof-of-Work networks are like the pre-Bretton Woods financial system. They rely on "miners" to fund the monetary base. Managing the pre-modern economy required accumulating precious metals, mostly by war and conquest; today's central banks buy each other's promissory notes to hold as reserves. Building today's crypto monetary base requires huge amounts of energy, regardless of the environmental or social impact. This phase is set to end with the introduction of Proof-of-Stake. **Staking—holding fiat, stablecoins and other crypto-currencies as reserves—is set to "modernize" crypto-currencies, from the mining phase to the banking phase.** There is resistance from the libertarian purists, as there is in modern finance against the fiat reserve system, but there is also pressure from environmentalists, and from users themselves who want more speed, more reliability, and lower transaction (gas) fees.

Just as inflation is necessary to the modern financial system—it is the incentive to spend—so it is with crypto start-ups—they cannot grow if users become hoarders. A crypto start-up needs to build trust in its currency by attracting buyers, but over time it succeeds as an “economy” only if it creates incentives to transact, exchange, spend. Those incentives come in the form of rewards for all stakeholders, notably developers, users and investors. Developers build the apps, transact, bring users, who transact; the classic technology flywheel spins, attracting investors to build out more functionalities, more services, more capacity.

Sim City, Sim Money

This new capital structure for start-ups is effectively that of a mini economy, of a virtual reality game. Built like Sim City, we are witnessing the birth of new economies, fully digital, virtual, writing their own laws, assigning their own property rights, creating their own wealth. Ethereum is an important experiment because if/when it reaches true escape velocity, when it generates more organic transactions than it does external speculation, it will grow to rival the tech giants that have come to dominate the “centralized internet”.

We think crypto-currencies are the “emerging market” of the new decade.

What doesn’t kill you makes you stronger

China’s decision to ban crypto mining and trading in June is the first real resiliency test for all things crypto. Bitcoin mining activity across China is essentially all offline today, and while bruised, the coin and its cousins are still alive. Quite plausibly in fact, **Bitcoin and Ether could come out strengthened by their China ban.** The libertarian values of decentralized crypto-currencies are a direct challenge to China’s deep centralization of everything; the tighter the grip, the greater the appeal; survival so far says a lot about the silent power of the crypto model. We can foresee how Western leaders might tilt towards restraint in their own regulatory reflexes and embrace crypto’s libertarian qualities for political advantage.

This is all conjecture of course, but it serves to highlight that crypto-currencies carry powerful and destabilizing potential for major services that are built on trust, notably banks, custodial institutions, exchanges, media, and of course government.

Valuation 2.0

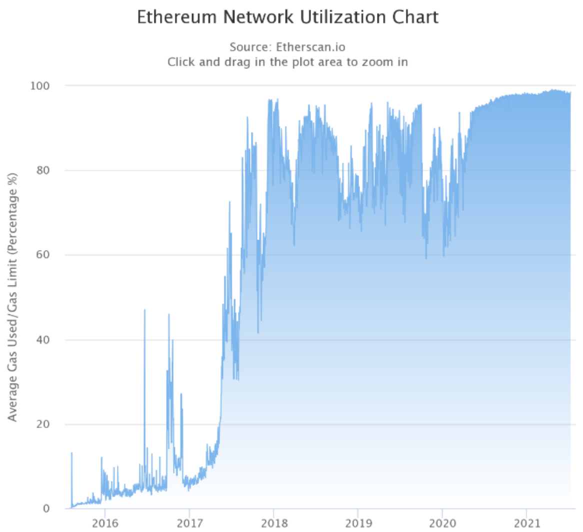
If measurement is in the eye of the beholder, measuring crypto requires major eye surgery. Already, valuing fiat currencies is highly arbitrary and unreliable. Valuing and picking crypto-currencies is like herding cats. We’re really on our own. Exactly as we like it.

Indeed, how do you value a service structured like a currency? Taking a page from the Economics and Fintech universes, we look at some of the metrics that matter to them and assign a crypto equivalent:

Economics	Fintech	Crypto .
GDP	GMV	Transaction volume/daily active contracts
Money supply	Equity	Circulating supply
Employment	R&D spend	Active developers
Population	DAUs/MAUs	Active network addresses

Daily active network addresses, with their obvious network effect role, have a 71% correlation with the Ether price (JPM Research May 2021). With China coming offline, total network addresses dropped 45% and are now off 37%; transactions however, dropped 41% May 8 to June 19, but have recovered to a more palatable 12% dip as of July 5 (rounded numbers drawn from Etherscan.io); meanwhile Ether is down 45% from its May 11 all time high. The Ether price therefore is priced for the June low in addresses and transactions, while network utilisation has been at maximum capacity for the last 12 months, regardless of the price. With a network nearly always running at maximum capacity utilization, we can expect that once the gap left by China going offline is filled, network addresses and daily transactions will recover.

Ether today is priced for China going unplugged, probably offering a historic opportunity to buy and stake this currency.



DF owns some indirect exposure to Ether and Crypto markets:

- ***Purpose Ether ETF ; Square*** (50% of 3Q20 revs from crypto trading); ***PayPal*** (recently launched crypto trading and processing; not yet meaningful); ***Amazon/AWS*** and ***Microsoft/Azure*** are also, paradoxically, sellers of crypto blockchain runtime capacity
- Watch list : ***Coinbase, Diginex, Silvergate Capital, Signature Bank***
- Private company watch list : ***Kraken, Binance***

Invisible Tech : Cloud, Infrastructure Software & Semis

Core, heart and centre of the Metaverse is our group of "invisible tech" companies. Across data centres, offices and now the Work-From-Home trend, **this space is the new Utility sector**. Despite gradually reopening of offices, a good 20% of aggregate office time has moved home, with a number of large corporations (UBS, Facebook, Microsoft) making permanent arrangements for workers who request it. The need for secure remote communications is akin to water and electricity.

On May 25th, portfolio company **Zscaler**, leader in SaaS based secure networks, reported 71% in billings, crushing consensus of 39%, and with operating margins of 13% vs 7% expected they saw their Rule of 40 ranking jump ten percentage points to the right. Cybersecurity has long been the top priority in CIO/CTO surveys, yet with few reliable investment opportunities. The emergence of Zscaler, alongside Okta, Crowdstrike, Sentinel One, Palo Alto, Fortinet, Cloudflare, Fastly and Akamai suggests the opportunity is finally uncoupling from IT Service VARs and consultants, creating valuable brands and direct sales reach. We own **Okta** and **PaloAlto Networks** and believe the latter will surprise and rerate to a leadership multiple. Our investments in the "invisible" Cloud continue unabated.

DF owns Cloud Infrastructure Software, Services and Semis, grouped here across all verticals:

- Cloud : ***Twilio, Zscaler, Okta, Palo Alto Networks, Microsoft, Fastly***
- Semis: ***Nvidia, ASML, AMD, SOITEC***
- Watch list: ***Agora, Bill.com, BigCommerce, Salesforce, Splunk, Elastic, MongoDB, Palantir, CyberArk, Wallix, Tenable, Rapid7, DataDog, New Relic, Dynatrace, SentinelOne***
- Private company watch: ***Databricks***

Visible Tech: eCommerce, Apps & Fintech

Digital wallets are like social networks. Every new user bring an exponential increase in possible P2P transactions, and better still, they are instantly monetizable from day one with trading. Since last quarter, it's been more of the same. Certainly not a good time to be a bank!

The ultimate "social bank" is Square. After a year of spectacular acceleration driven by pandemic support checks, Square's Cash App passed 80m users (used the app at least once) and now matches PayPal's Venmo for P2P payment volume. As discussed previously, we think the ARPU upside for financial services apps is even greater than traditional social media. Meanwhile reopening of physical retail is rocking, with GPV last Q +20% y/y (43% in mid sized retail) and +14% q/q vs Visa/MC US volume +17% and +10% respectively. Square is outgrowing the payment space in both wallets and retail. Meanwhile, along with PayPal, they are thought leaders in converging consumer wallets, retail POSs and crypto currencies.

DF attempts to own digital app companies that have the ambition, the product and the ability to become super apps, possibly new mega-tech companies. Among them we list Square, Paypal, Uber, Airbnb, Zillow—all in the portfolio.

DF owns a combination of eCommerce, TaaS, eLogistics and eProperty plays as well as several integrated marketplace/fintech enablers, to capture some of the largest TAMs. Subscription and advertising based New Media also features here.

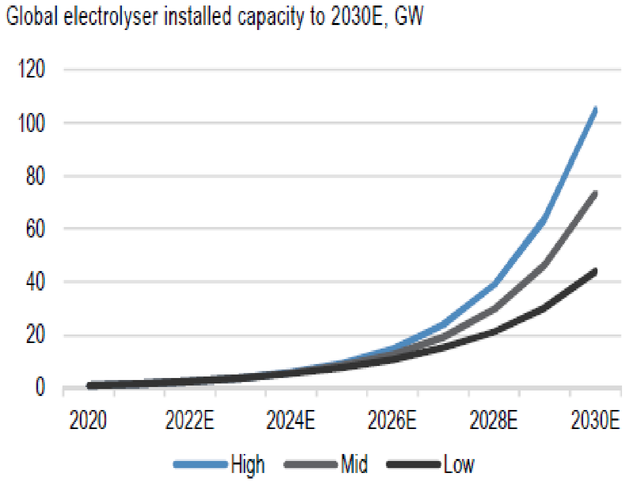
- ***PayPal, Square, Snap, Amazon, Uber, Adyen, Adobe, Zillow, Lightspeed POS, HelloFresh, Kahoot!***
- Watch list : ***Shopify, Zalando, Teladoc, Veeva, Mercadolibre, Sea Ltd, Ocado, Alibaba/Ant, StoneCo, Opendoor, Redfin, Delivery Hero, Just Eat Takeaway, Zur Rose Group, Jumia, Netflix, Alphabet, Trade Desk, Ubisoft, CD Projekt, Paradox, Roku, Stillfront, nCino, Lemonade, Sprout Social, Amwell, Zoom Video, Chegg, Anaplan, Paycom, Asana, Pinterest***
- Private company watch: ***Hinge Health, Prose, NA-KD, Ollie, JobandTalent, Rex Homes***

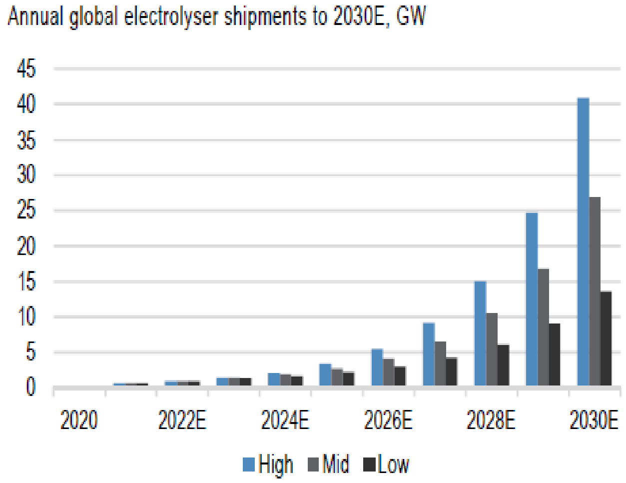
Clean Tech & Mobility

Hydrogen is the clean fuel of the future. We've discussed before how we see battery technology as a "transition tech" especially for heavy duty transport like trucking and shipping which is on its way to being powered by hydrogen. We also see utilities adopting hydrogen derived ammonia in certain coal power plants. Japanese shipping company Nippon Yusen Kabushiki Kaisha is building boats to run on both hydrogen and ammonia. Strategically vulnerable to energy market gyrations, Japan could be the first major adopter of hydrogen fuels for heavy transport and industry.

Numerous capital raises across the sector in 2021 should allow fuel cell manufacturers to build out giga factories and bring their cost curves down some 60% over the next 3 years (JPM Research). **Ceres Power plc** has developed a solid oxide electrolysis that recycles the excess heat generated at heavy industry, nuclear power and metallurgical plants to extract hydrogen from water at an efficiency ratio of 75% to 95% vs 68% average for both alkaline electrolysis and proton exchange membranes. This highly differentiate technology is sold as high margin intellectual property licenses and technical assistance, reducing spend to R&D only and offering shareholders an opportunity to own royalty streams on an electrolysis market estimated by McKinsey at $2.5T in 2050.

Installed capacity could reach 70-100GW by 2030… with annual shipments reaching 25-40GW





Source : ITM Power plc; JPMorgan Research

Environmental sustainability is fast becoming the dominant narrative for consumer products, and brands are taking notice. One of the fastest ways to impact this transition is sustainable packaging. French chemical engineers at **Carbios** have developed an enzymatic biodegration of several plastic polymer chains, notably PLA and PET. Carbios and L'Oréal's Biotherm brand recently announced the launch of the « bottle of the future ». The two brands have created a bottle (« Waterlover ») made of from 100% bio-recycled plastic produced through Carbios' unique enzymatic bio-recycling process. This is a major step in the evolution of the use of PET plastic derived from Carbios technology and a world first in the beauty sector. Biotherm anticipates mass production of bottles in 2025. DF participated in an equity raise for Carbios in May.

DF owns EV, Hydrogen and Clean Tech companies:

- ***NIO Inc., Volkswagen, Carbios, Ceres Power, Enphase Energy, Joby Aviation***
- Watch list: ***Tesla, Plug Power, XL Fleet, Solar Edge, Fisker, Nikola, Workhorse, Ballard Power, Fuel Cell Energy, Bloom Energy, Electrovaya, Contemporary Amperex Tech, Doosan Fuel Cell, Blink Charging, xPheng, Li Auto, STMicro, Valeo.***

Life Sciences and Gene Medicine

For several years now we have been investors and supporters of the **CRISPR Cas9 revolution in gene editing**. On June 26, portfolio company **Intellia hit a clinical home run**, announcing that their first ever CRISPR in vivo gene editing candidate with systemic delivery, NTLA-2001 showed impressive first-in-human data, with rapid, deep, and consistent TTR knockdown in ATTR-polyneuropathy, an inherited genetic disorder in the liver. We think these results point to an important validation for an in-vivo gene editing platform. We now hold four gene editing companies: CRISPR Therapeutics, Intellia, Editas and Graphite Bio.

We are also investors in the emerging field of microbiome based therapies. The microbiome is to microbial life what the genome is to DNA: a map. Focused entirely on microbial life, this field is exploring the complex role of microbes in the digestive system in modulating immune responses in general and inflammation in particular. In published Phase 1b, **Evelo Biosciences** showed efficacy and zero toxicity using synthetic monoclonal microbes to stimulate intestinal pathways in the reduction of atopic dermatitis inflammation. Ongoing Phase 2 studies point to improved efficacy and zero toxicity at higher doses. New trials are planned to expand the patient group and case severity across multiple indications (psoriasis and atopic dermatitis); target is 85% of patient population (20m people with no treatment other than steroids) with mild to moderate symptoms. Anti-inflammation drugs are among the biggest pharma sellers in the world. Any breakthrough from such simple microbial technology could bring extraordinary benefits at significantly lower prices.

How to conclude this letter without discussing **the most impacting event of the past year: Covid 19 and vaccines**. At this point the question is no longer if it is here to stay, but how to live with it. The 80% rate for herd immunity is still far, plenty of Covid jabs to come; Delta variant will be a global subject for the coming months, at least until the next dominant Greek letter, and a declining covid antibody level for the first two-shot vaccinated people is a rising issue. We are therefore confident, booster shot (on the influenza model) under the Christmas tree is a rising debate. In that regard, **we continue to hold two mRNA vaccines companies : BioNTech, Moderna.**

DF owns CRISPR and AI driven molecular research companies:

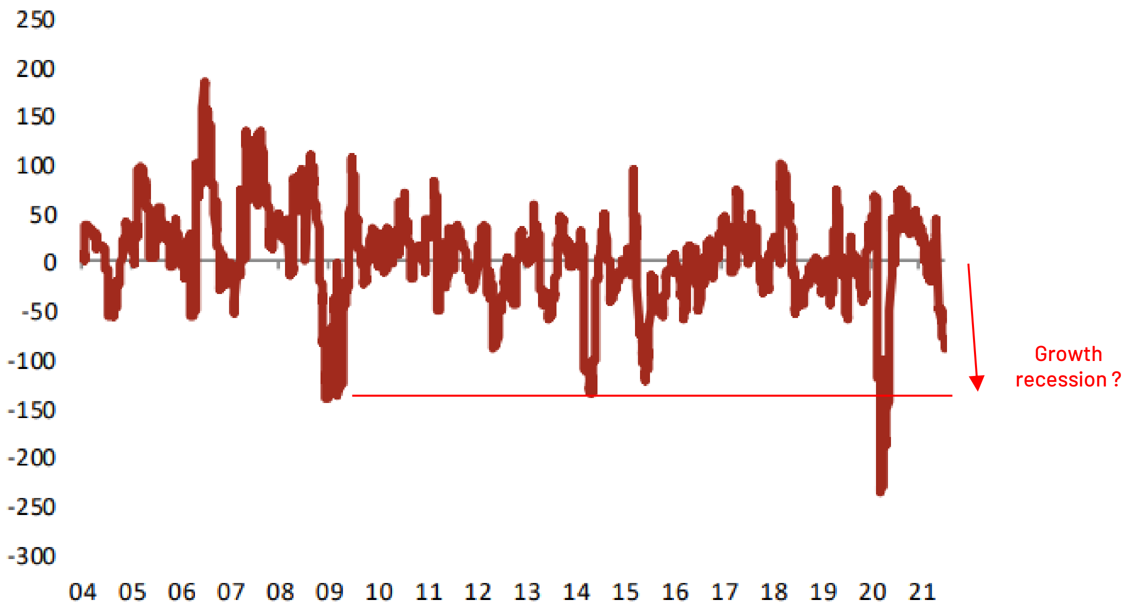
- ***CRISPR Therapeutics, Intellia, Editas, Evelo Bio***
- Watch list: ***Iovance, Illumina, Pacific Bio, 10X Genomics, ToolGen, Cellectis, Thermo Fisher, Personalis, Exact Sciences, Cerus, Adaptive Bio, Natera, Accelerate Diagnostics, T2 Bio, Exagen, Beam, BiomX, Kaleido, Synlogix, Seres, C4 Therapeutics, Invitae***
- Private company watch: ***Caribou Bioscience, Casebia Therapeutics***

Performance Update & Portfolio Outlook

In the first two months of 2Q21, we assumed that global interest rates would continue to rise. Our portfolio was as pro-cyclical as possible within the confines of disruptive innovation. In late May we noticed some marginal slowing in consumer spending, including home purchases across the US and Europe. Mortgage rates had been gradually inching higher. The summer was headed for a mix of post-war enthusiasm and stimulus hangover.

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 central bank speech, but yield curves globally have flattened dramatically, driven by a near crash in US 10 year yields. **The Fed has widely telegraphed its goals for an ultra-slow taper and we wonder whether they might not be behind the curve again, this time by being too hawkish.** 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. What a difference a month makes.

Citi China Economic Surprise Index (July 1, 2021)



(*Source : Bloomberg; Jefferies*)

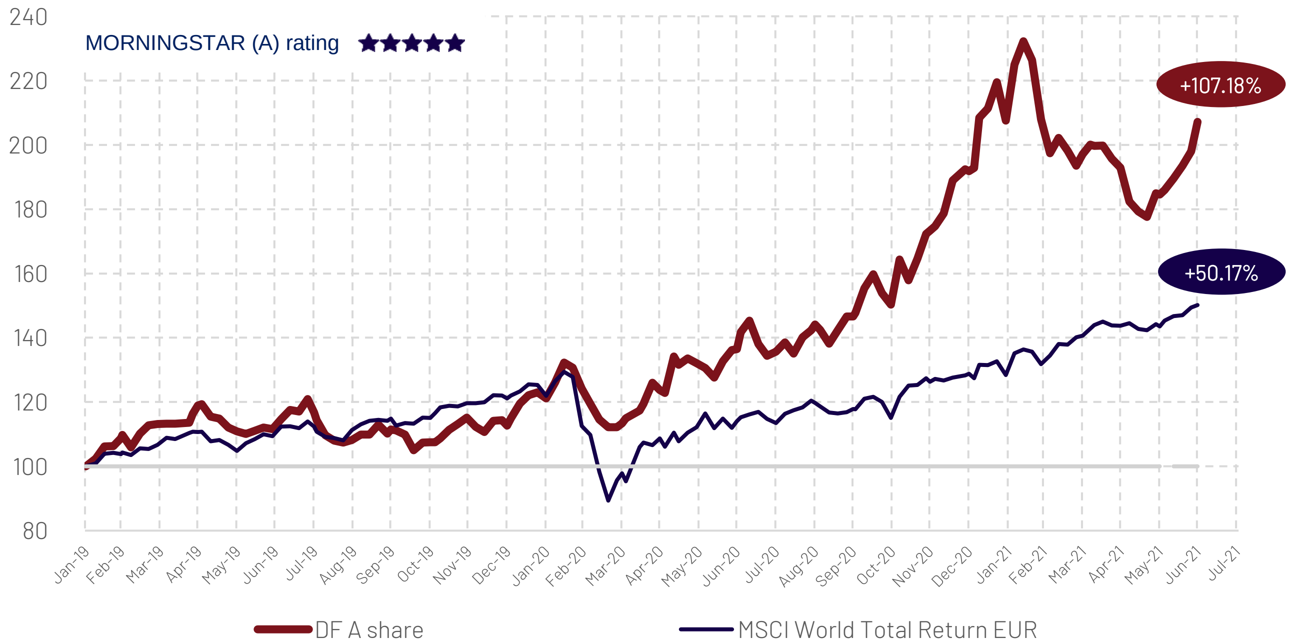
As we mentioned earlier, throughout Q2, **despite what were at times quite brutal sell-offs, none of our models detected any negative revenue momentum; none of our portfolio companies slowed down.** We noticed some margin pressure due to semiconductor shortages in automobile and solar supply chains; 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. The correction in valuations was driven by interest rates not fundamentals, and we feel the interest rate risk is off the table for now.

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 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. Our top contributors for the quarter were Intellia, Nvidia, Moderna, Nio and Twilio; the least helpful were Bioxcel, Uber, Greyscale Bitcoin, Plug Power and Coinbase.

Disruption Fund Performance

	YTD 30/06/21	Since 31/01/19
Disruption Fund (A share)	**+8.00%**	**+107.18%**
MSCI World Total Return EUR	**+16.64%**	**+50.17%**



Note: Data range = 31/01/2019 → 30/06/2021. Jan 31, 2019 marks the start of the new fund management team, including name change and new prospectus. Past performance is not indicative of future returns. Please consult your investment advisor for suitability. NAV performance shown here is for A-shares, net of fees.

As of June 30, 2021, the top equity positions of the Disruption Fund were as follows:

- *Advanced Micro Devices* *3.85%*
- *Nvidia Corp* *3.78%*
- *Intellia Therapeutics Inc* *3.73%*
- *ASML Holding NV* *3.41%*
- *NIO Inc* *3.19%*
- *Adyen BV* *3.02%*
- *Square Inc* *3.01%*
- *Snap Inc* *2.99%*
- *Twilio Inc* *2.96%*
- *Baidu ADS* *2.89%*
- *Airbnb Inc* *2.83%*
- *Lightspeed POS Inc* *2.77%*
- *Zillow Group Inc* *2.54%*
- *Uber Technologies Inc* *2.43%*
- *Palo Alto Networks Inc* *2.42%*
- *CRISPR Therapeutics Ltd* *2.41%*
- *Volkswagen AG* *2.25%*
- *Paypal Holdings Inc* *2.25%*
- *Stratasys Ltd* *2.24%*
- *Fiverr International Ltd* *2.15%*
- *Enphase Energy* *2.12%*
- *Okta Inc* *2.12%*
- *Adobe Inc* *2.09%*
- *Zscaler Inc* *2.04%*
- *Carbios SA* *2.03%*
- *Moderna Inc* *2.01%*
- *Microsoft Corp* *2.00%*
- *Kahoot ASA* *1.98%*
- *Hellofresh SE* *1.96%*
- *Amazon.com Inc* *1.92%*
- *Apple Inc* *1.90%*
- *Purpose Ether ETF* *1.89%*
- *BioNtech SE* *1.68%*
- *SOITEC SA* *1.60%*
- *Fastly Inc* *1.55%*
- *Ceres Power Holdings Plc* *1.52%*
- *Editas Medicine Inc* *1.47%*
- *Believe SA* *1.40%*
- *Evelo Biosciences Inc* *1.35%*
- *Nanobiotix SA* *1.24%*
- *Graphite Bio Inc* *1.06%*
- *Joby Aviation* *0.75%*
- *Archer Aviation* *0.75%*

We hope you find our letter useful and look forward to continuing this discussion.

Jean-Edwin Rhea – 30 June 2021

Legal Information:

Disruption Fund is a French UCITS, (A share: FR0012770154 / B share: FR0012770162) invested primarily in global equities, with a recommended holding period of 5 years. Broadly speaking, the Fund seeks to invest in innovative technology businesses. More specifically, the fund seeks out sectors and companies undergoing structural or technological disruption. The fund manager seeks leading disruptive companies, growing fast, with visionary management teams. All historical data provided is for A-shares, currently closed to new investors.

This information letter is not contractually binding, and the formulated assessments reflect our opinion on the publication date and consequently are likely to be revised later. Reference to certain securities and financial instruments is for illustrative purposes to highlight stocks that are or have been included in the portfolios of Disruption Fund. This is not intended to promote direct investment in those instruments and does not constitute investment advice nor an offer to invest or subscribe in any asset or funds. The portfolio of Disruption Fund may change without prior notice. Past performance is not a reliable indicator of future performance. Performances are net of fees where applicable. Investors may lose some or all of their capital, as the capital in Disruption Fund is not guaranteed.

The MSCI World Net Total Return Euro Index (Bloomberg : MSDEWIN) is calculated net dividends reinvested and is published by MSCI.