

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

Hope springs eternal, and now is the time to buy. A new shirt, a new laptop, or a new sofa, for a start, it's fire sale time in retail. Despite the inflation rhetoric, general merchandisers like Walmart, Target, Best Buy, Zalando, Shopify merchants, are bursting with bloated inventories. People are paying up for energy and food inflation, and with what's left, they've been travelling, dining out and socializing. Skip the mall stroll, there's no money left for stuff. Services and experiences are dominating the economy again, thus completing the reversal of the two-year pandemic durable goods economy. And as the July 2022 earnings season draws to a close, this reversal matters. Retailers and e-Commerce vendors are reeling and slashing prices, and we think this is the first sign of disinflation. Meanwhile, tech leaders, cost cutters and share gainers continue to outperform. Amazon alone saw both a retail rebound and advertising strength; Apple saw resilient sales in iPhones, the most expensive smartphones on the market; Tesla reached its production volume targets without margin compression; semiconductor margins reached new highs, and energy capex is rising sharply.

Growth stocks too are on the rise again, and our fund is up 16.47% in July. There is still a long way back, and we don't expect many fireworks in August, but CEO guidance and investor expectations have been duly tamed, as have new job openings (JOLTS) and consumer confidence. The slowdown, we think, is already here, which is structurally bullish for Tech. US long term yields dropping from 3.50% in mid-June to 2.56% in late July adds to the pandemic economy reversal and renews with the growth challenge. Our rally is a classic growth rerating.

We see the current inflationary environment as a reset after 30 years of globalization, with commodity and energy prices catching up to the reality of a geopolitically multipolar world. We see prices setting a higher new floor, and we might see some collateral compounding effects through wages, but the surge in final demand is ending. We are not in an inflationary spiral. Looking out to 2023 and beyond, most economies are mature and ageing. We remain in the *slowflation* camp for 2H22 and 2023 (1-2% growth with 4-5% inflation), with some virtuous effects on the debt burden and the acceleration of the energy transition. The recent degrossing of the listed tech sector will seep into the private markets in Q3 and Q4, but we anticipate a rapid and efficient triage of winners and losers, with strong underlying trends. Tech is far more prevalent than in the crashes of 2000-02 and 2008-09. Software is still eating the world. The energy transition is here to stay. There is no turning back.

We enter August with a boost from US Senator Manchin's vote for the Inflation Reduction Act (revamped version of Build Back Better stimulating energy capex, both fossil and renewable), our 39% allocation to Clean Tech remains unchanged, and the sector delivered the biggest contribution to our month, led by Enphase Energy and Solar Edge. The US Senate also passed a \$52b Semiconductor onshoring package, boosting our holdings in ASML, KLA Corp and STM. In Autos, the EV transition continues unabated; we added Li Auto and Rivian. Software, Fintech and Biotech accentuated their rebound from late June and remain core holdings. Also helping us in August will be the reopening of the buy-back window, with \$40b of new authorizations announced in Q2 for Tech alone, to begin post-earnings.

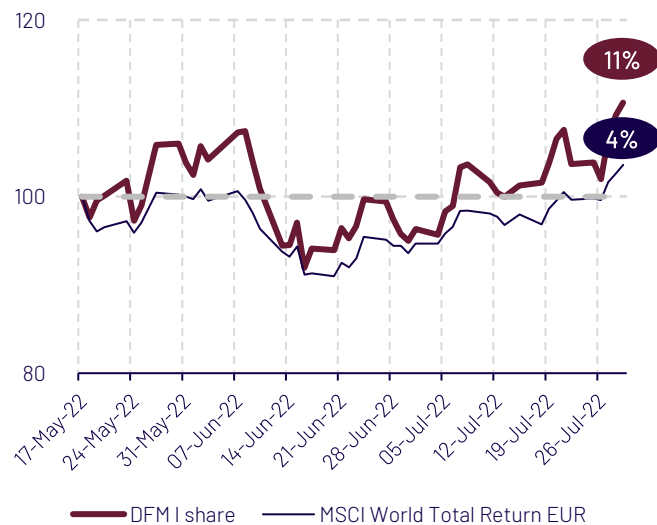
Data as of July 29th, 2022.

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 Master are detailed in the KIIDs (key investor information documents) and prospectus available on [www.quadrillecapital.com](http://www.quadrillecapital.com). The KIID must be made available to the investor prior to subscription.

## PERFORMANCE

	Since Inception*	YTD	Month July
Disruption Fund Master (I)	+10.7%	+10.7%	+16.5%
MSCI World TR EUR	+3.60%	+3.60%	+10.7%

### Disruption Fund Master performance since May 17th, 2022\*



## TOP 20 HOLDINGS\*\*

Enphase Energy Inc	5.15%	Schlumberger Ltd	3.42%
SolarEdge Technologies Inc.	4.57%	Cameco Corp.	3.28%
KLA Corp	4.18%	ASML Holding NV	3.17%
CrowdStrike Holdings Inc	4.15%	BioNTech SE ADR	2.99%
Aifon Beheer BV	3.78%	Intellia Therapeutics Inc	2.95%
CRISPR Therapeutics AG	3.65%	Splunk Inc	2.94%
Adyen NV	3.64%	Alphabet Inc	2.87%
Airbnb Inc	3.54%	Datadog Inc	2.78%
Quimica y Minera de Chile SA	3.51%	Orsted AS	2.74%
Snowflake Inc	3.46%	Palo Alto Networks Inc	2.72%

\*Disruption Fund Master performance since May 17th, 2022.

\*\*As % of NAV.

## FUND CHARACTERISTICS

### About the fund

Headquarters	Paris
Fund manager	Quadrille Capital SAS
Legal structure	FCP UCITS - Master

### Practical Information

Currency	EUR
ISIN code - I share	FR0014007W31
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	€1,000,000

## 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 - I SHARE

Max. subscription/redemption fees	0%
Management fees	1.5%
Performance fees	0%

## RISK AND REWARD PROFILE

Lower risk Higher risk  
Typically lower rewards Typically higher rewards

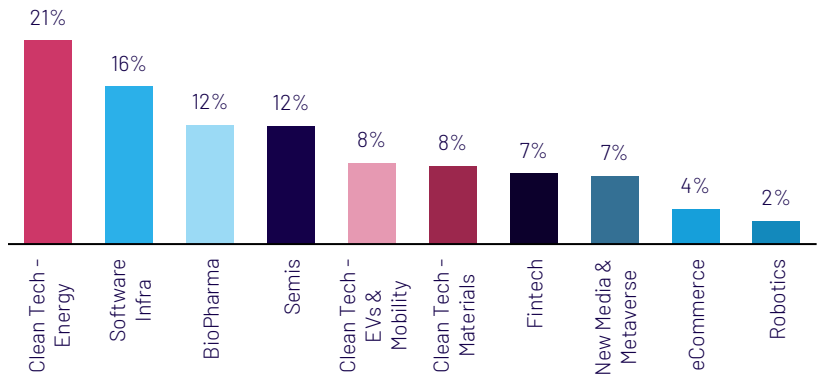


The Fund is ranked 6 on the synthetic risk and reward indicator scale, which is based on the Fund's allocation to equity markets. The risk category shown is not guaranteed and may shift over time.

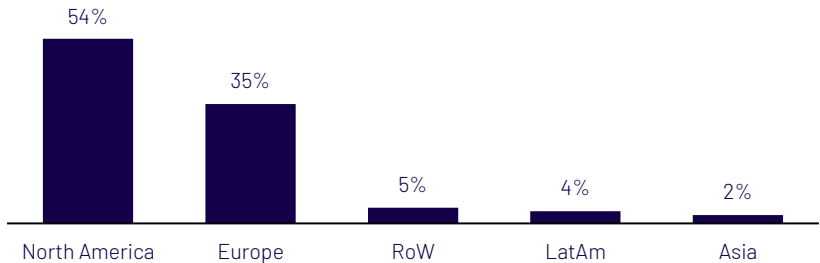
## ASSET ALLOCATION



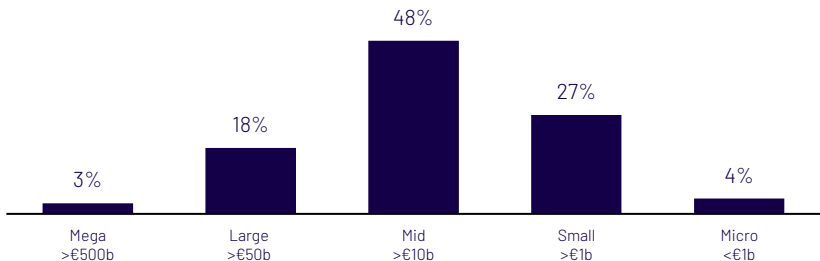
## SECTOR ALLOCATION\*



## GEOGRAPHIC ALLOCATION\*



## CAPITALISATION ALLOCATION\*



## RISK MEASURES

Period: 17/05/2022 - 29/07/2022

Sharpe Ratio	1.40
Max Drawdown	(14.4%)
Annualized Volatility	40.0%

\*As % of equity holdings.

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