



Disruption Fund Master

Capturing the full innovation cycle

February
2025

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. The fund promotes ESG characteristics as defined by the SFDR Article 8.

Its **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

Cancel a data center and start a panic. That in essence is how Microsoft's reallocation of a data center lease provoked a fresh bout of GenAI ROI panic. In a rerun of the August 2024 hysteria on AI scaling laws, and this January's DeepSeek panic, February took a 7 days beating across tech stocks. It didn't help either that the Trump administration's "shoot first and ask questions later" communication strategy is adding to the cacophony of policy headlines, leaving investors to pick up the pieces. Yet, behind the blinking headlights, the outlook is strong, and the numbers are big. In trillions, so buckle up.

The world is changing extremely fast, faster than we have ever witnessed in 25 years of investing. AI spending, AI productivity gains, DOGE savings, US tariffs and tax cuts, military spending (yes, that too) are counted in trillions. Market caps that matter and tech equity waiting for an IPO or M&A, also in trillions. Market cap lost and gained in the last 3 drawdowns, including this month, and the impact of Nvidia's results, in trillions as well.

2025 started with a bang, and February showered a cold reality check on the rally. We're back to square one: the S&P500 and Nasdaq Indexes have flattened out year-to-date. Investors continue to scratch their heads on the ROI of AI, valuations, the impact of DeepSeek, US AI dominance, and of Trump 2.0 on the orthodoxy of US leadership. So, sticking to our knitting, here's a reality check of our own: with AI capex of \$350b in 2025, up \$100b from 2024, Jensen Huang's "SIT by 2030" estimate made in 2023 is looking quite prescient. But even more impressive, and certainly critical to keeping the bubble discourse at bay, is the rising GenAI monetization trend. New estimates suggest it could exceed SIT within 3 years (Morgan Stanley). Meta recently attributed half of their 22% revenue growth to AI-infused advertising algorithms; Applovin and Netflix are making similar claims. Microsoft announced \$13b in AI-related revenues in the last Q; Palantir delivered 64% growth in non-Government revenues, all of it attributed to their AI Platform suite that claims unique data privacy and decision automation. Others fared less well, with ServiceNow rewriting their AI pricing, and Datadog suffering from OpenAI's own repricing. But these estimates suggest GenAI infused consumer apps and B2B software can achieve combined revenues of \$153 billion in 2025, accelerating to a cool \$1 trillion by 2028, or the equivalent of the entire software market in 2024 (Gartner). A staggering forecast. It took 10 years for the Cloud to reach 25% of software spending, and it took only 4 years for SaaS to cross the 50% mark. How long will it take for GenAI to reach 25%, or 50% of software sales? Consumer GenAI monetization is accelerating the fastest, and likely to represent 60% of the opportunity through ecommerce and advertising first, followed by wearables and gadgets, and eventually robots and autonomous vehicles. Enterprise AI is expected to represent the other 40%, mostly with AI agents and office automation. This AI monetization curve has begun and is expected to grow at a 90% CAGR into 2028. Buckle up.

China has awakened too, and the world is taking notice. Since the DeepSeek launch, Hong Kong-listed tech firms capped February with their best rally since 2020, fueled by earnings surprises and AI optimism. Alibaba has accelerated the deployment of Qwen and launched a \$53b AI capex program; Baidu and Tencent have added DeepSeek to their cloud APIs, alongside their existing models Ernie and Hunyan. Jiping Xi met with China's tech leaders, giving even Jack Ma some impressive airtime, evidently soliciting an "all hands on deck" urgency in the AI arms race. So, while we aren't expecting a Xi 2.0, and overall economic growth remains structurally challenged, and the Trump 2.0 playbook is extremely volatile, we have added Tencent, Baidu and Alibaba, having reduced slightly some software and electricity positions.

For the month, our top performers were Adyen, Cloudflare and Intuitive Surgical, all reporting very strong quarters; D-Wave Quantum also outperformed thanks to a new system sale to a German research lab; Tencent helped with the overall rerating of Chinese tech. Our underperformers were down due only to the 7-day sell-off, notably Coinbase, GE Vernova, Datadog, Alphabet and Gitlab.

Data as of February 28, 2025

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 KIDs (key information documents) and prospectus available on www.quadrilcapital.com. The KID must be made available to the investor prior to subscription.

PERFORMANCE

	Since Inception*	YTD	Month February
Disruption Fund Master (I)	+38.8%	(2.66%)	(7.90%)
MSCI World TREUR	+46.3%	+2.34%	(0.76%)

Disruption Fund Master performance since May 17th, 2022



TOP 20 HOLDINGS**

Intuitive Surgical Inc	5.16%	International Business Machines Corp	3.79%
Baidu Inc	4.54%	Snowflake Inc	3.72%
Schneider Electric SE	4.38%	Tencent Holdings Ltd	3.70%
Shopify Inc	4.37%	Apple Inc	3.63%
Broadcom Inc	4.19%	ASM International NV	3.20%
Adyen NV	4.07%	Honeywell International Inc.	2.87%
Meta Platforms Inc	4.01%	Elastic NV	2.79%
Siemens Energy AG	3.86%	Gitlab Inc	2.71%
Alphabet Inc	3.83%	Structure Therapeutics Inc.	2.49%
CyberArk Software Ltd	3.82%	Datadog Inc	2.45%

*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
SFDR Classification	Art. 8

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

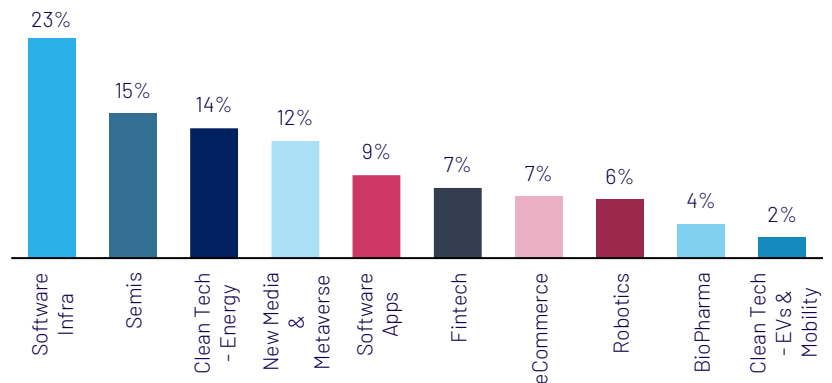


The Fund is ranked 5 on the synthetic risk indicator scale, which is based on the Fund's allocation to equity markets. The risk category shown is not guaranteed and may shift over time.

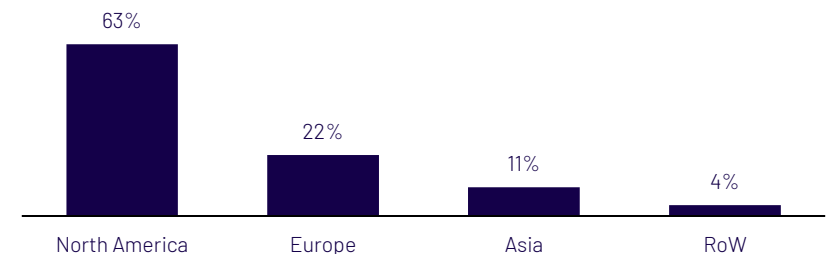
ASSET ALLOCATION



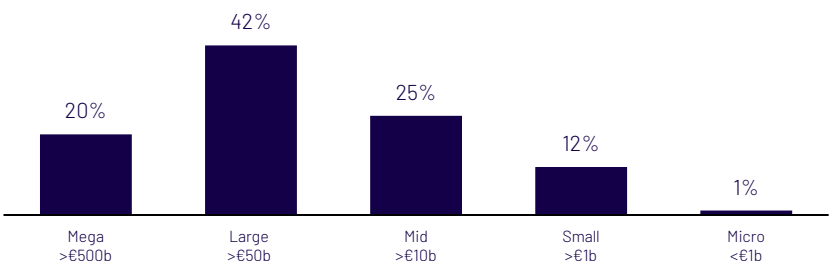
SECTOR ALLOCATION*



GEOGRAPHIC ALLOCATION*



CAPITALISATION ALLOCATION*



RISK MEASURES

Period: 17/05/2022 - 28/02/2025

Sharpe Ratio	0.48
Max Drawdown	(27.3%)
Annualized Volatility	25.9%

*As % of equity holdings.

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ESG CHARACTERISTICS

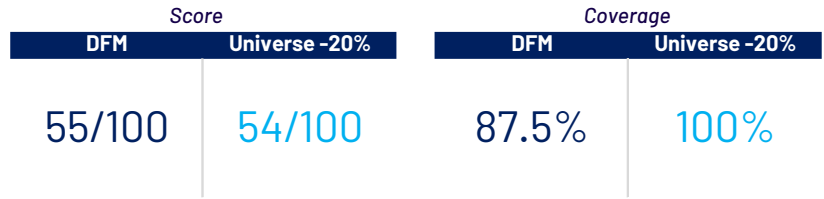
About the fund

SFDR Classification	Art. 8
ISR Label	No
Impact strategy	No
Principle Adverse Impact Indicators (PAI)	No
Taxonomy Alignment	0%
Exclusion policy	Yes
Vote policy	Yes
Constrained universe	Yes

Fund's ESG Strategy

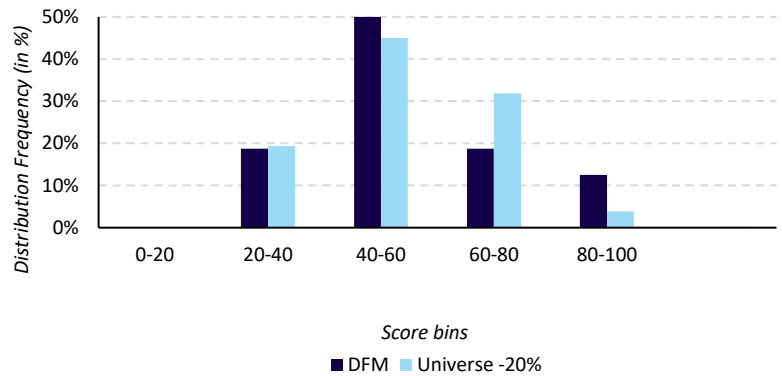
The fund seeks to select issuers that combines growth potential, profitability and ESG characteristics. A methodology has been developed to capture ESG opportunities and manage related risks: it systematically integrates sustainability criterias in its investment approach through a proprietary ESG analysis matrix to ensure the fund only invests in companies whose solutions are addressing sustainability standards and goals. Finally, the fund exercises active ownership through sustainability-based voting and engagement.

ESG SCORE AND COVERAGE*



Note: DFM's score is calculated using a weighted average. Coverage of DFM only includes issuers with a score as a % of NAV. The fund's objective is to consistently keep it's score above the universe score.

ESG SCORE FREQUENCY DISTRIBUTION*



Note: The score frequency distribution calculated above compares frequency of score ranges (bins). The fund aims to keep (best effort basis) a negatively skewed distribution relative to the constrained universe.

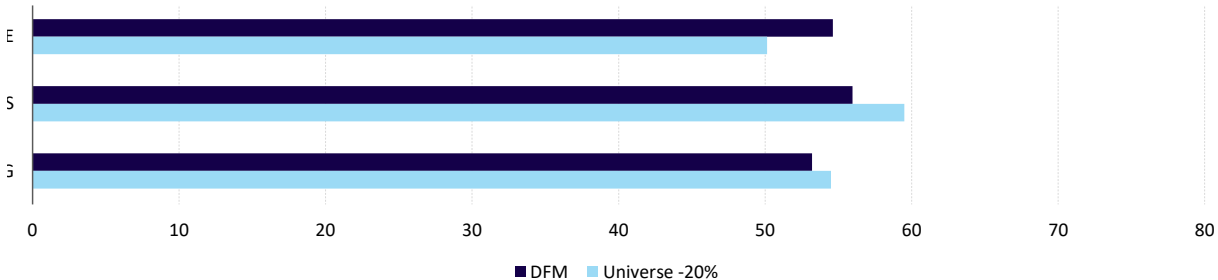
TOP 5 ESG SCORES*

Company Name	Score	% of NAV
Siemens Energy AG	93	3.86%
Schneider Electric SE	85	4.38%
Joby Aviation Inc	81	2.10%
ASM International NV	73	3.20%
Duolingo	70	0.94%

BOTTOM 5 ESG SCORES*

Company Name	Score	% of NAV
Interactive Brokers Group Inc.	25	1.23%
Coinbase Global Inc	26	1.94%
Crowdstrike Holdings Inc	29	1.17%
CyberArk Software Ltd	33	3.82%
Datadog Inc	39	2.45%

ESG AVERAGE SCORE PER PILLAR*



*The Quadrille Capital's rating scale ranks issuers from 0 to 100, with 0 being the worst issuers and 100 the best. "Universe -20%" corresponds to a constrained universe excluding 20% of the worst ESG scores. The ESG methodology is detailed in the fund's prospectus and on Quadrille Capital's website (<https://www.quadrillecapital.com/our-impact>).

Source: Sustainalytics.

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