



## INVESTMENT OBJECTIVE

To provide investors with capital growth over the long-term through exposure to companies that will benefit from disruptive innovation.

## PORTFOLIO UPDATE

The Orca Global Disruption Fund (Fund) returned -1.5% in AUD terms (+1.5% in USD), marginally behind of the broader MSCI AC World Index (-1.2%). Since inception the Fund has returned +15.9% p.a. compared to the market +12.2%.

The market focus remained on the outlook for US rates and ongoing geopolitical uncertainty surrounding Russia's invasion of Ukraine. The Fed raised rates by 25 basis points, in-line with expectations, but also signalled the potential for faster removal of accommodative policy and larger rate hikes if necessary to combat high inflation.

The Fund's strongest contributors for the month were Tesla (+19.6%), Nvidia (+8.3%) and Block (+18.7%). Weaker contributors were TSMC (-5.9%), Sea (-20.5%) and Tencent (-14.4%).

**Tesla** officially opened its new Gigafactory in Berlin where it plans to produce up to 500k vehicles per year for the European market. Later in the month, the company also announced an AGM shareholder vote for an additional stock split to be undertaken.

**Nvidia** held its 2022 GTC conference and investor day where CEO Jensen Huang unveiled a series of new products and outlined computing opportunities to serve a US\$100 trillion market.

**TSMC** underperformed during the month with Chairman Mark Liu commenting that demand for consumer electronics including smartphones, PCs and television was slowing, particularly in China. However, demand in key areas including high performance computing, IoT and automotive remains strong with TSMC unable to meet customer demand at current capacity.

Reporting season for the Fund concluded in March with remaining holdings reporting results that reflected continued strong trends in core thematics such as software and cyber security.

**Salesforce** reported a strong quarterly result with revenues +26% and operating margins of 15%, both ahead of market expectations. Guidance for FY23 revenue growth was raised to +21% (from +20%) while operating margins guidance of 20% was maintained.

**CrowdStrike** reported a strong quarterly result with annual recurring revenue accelerating, driven by strong customer growth and net revenue retention as customer adopt more cybersecurity products. Revenues grew +63%, ahead of expectations, with operating margins expanding to 18.7%. Management guided FY23 revenue growth of +47% to +49% which was ahead of market expectations.

## PORTFOLIO MANAGER



**Raymond Tong**  
Portfolio Manager

This fund is appropriate for investors with "High" and "Very High" risk and return profiles. A suitable investor for this fund is prepared to accept high risk in the pursuit of capital growth with a medium to long investment timeframe. Investors should refer to the TMD for further information.

Unit price (Exit)	Fund size	Historical (12-month) distribution yield <sup>2</sup>	Performance since inception (25 July 2017) <sup>1</sup>
<b>\$1.7579</b>	<b>\$128.2 million</b>	<b>5.70%</b>	<b>5.9%</b>

## FUND PERFORMANCE<sup>1</sup>

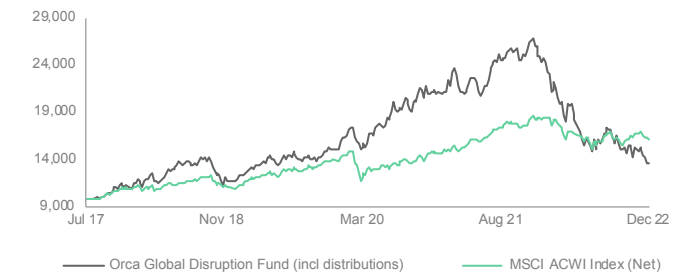
	1 Month	3 Months	6 Months	1 Year	2 Years (p.a.)	3 Years (p.a.)	5 Years (p.a.)	Since Inception (p.a.)
Orca Global Disruption Fund	-12.0%	-9.9%	-10.6%	-44.3%	-19.6%	-3.7%	4.4%	5.9%
MSCI AC World Index (Net, AUD)	-5.5%	3.5%	3.7%	-12.9%	4.5%	5.0%	8.1%	9.4%
Excess Return	-6.6%	-13.4%	-14.2%	-31.4%	-24.1%	-8.7%	-3.7%	-3.4%

Note: Numbers may not sum due to rounding. Past performance is not a reliable indicator of future performance.

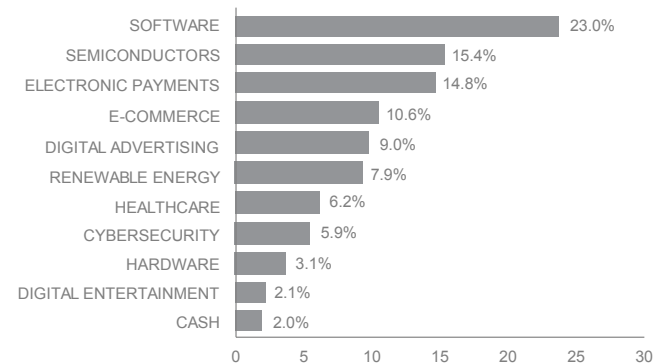
## TOP 10 PORTFOLIO HOLDINGS

Adyen	Microsoft Corp
Alphabet Inc	Palo Alto Networks
Amazon.com Inc	ServiceNow
ASML Holding	Tesla
Mastercard Inc	TSMC

## PERFORMANCE CHART<sup>1</sup>

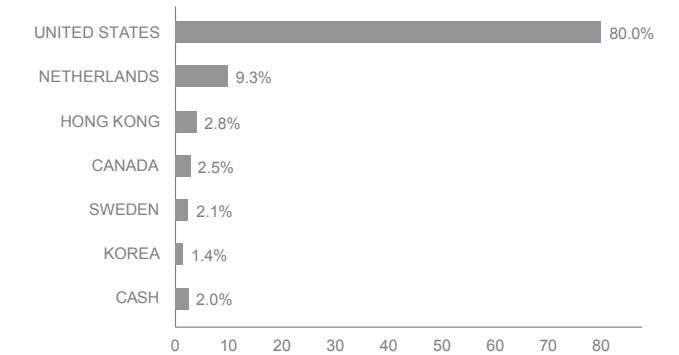


## SECTOR EXPOSURE



Source: Investment Manager, Bloomberg

## COUNTRY EXPOSURE



Source: Bloomberg, Country of Domicile

Notes: Data as at 31 December 2022 unless stated. Numbers may not sum due to rounding.

1. All returns are total returns, inclusive of reinvested distributions and net of fees and costs using net asset value per unit from inception to, and including, 31 January 2021 and exit unit price from this date. Past performance is not a reliable indicator of future performance. Inception 25 July 2017. Chart data range: 25 July 2017 to 31 December 2022. 2. Distribution yield is a historical measure. There is no guarantee the Fund will meet its investment objective. The payment of a distribution is a goal of the Fund only and neither the Manager or the Responsible Entity provide any representations or warranty in relation to the payment of any semi-annual cash income. The Fund reserves the discretion to amend its distribution policy. Initial index value 10,000. Index Source: Bloomberg.

# ABOUT ORCA FUNDS MANAGEMENT

Orca Funds Management is the investment manager for the Orca Global Disruption Fund, Orca Asia Fund and the Orca Global Fund. The Orca Funds Management Investment Team has more than two decades of experience in managing global equities and fixed income funds. Orca Funds Management has an investment team of seven investment professionals who, as at 30 June 2022, collectively manage over \$450 million of funds.

## TELEPHONE

1300 732 541

## EMAIL

info@orcafunds.com

## ADDRESS

Level 32, 1 O'Connell Street  
Sydney NSW 2000

Signatory of:



## IMPORTANT INFORMATION

This report has been prepared and issued by Orca Funds Management Pty Limited (**Investment Manager**) (ACN 619 080 045, CAR No. 1255264), as investment manager for the Orca Global Disruption Fund (**Fund**) (ARSN 619 350 042). The Trust Company (RE Services) Limited (ABN 45 003 278 831, AFSL 235150) is the Responsible Entity of the Fund. For further information on the Fund please refer to the PDS and Target Market Determination which is available at [orcafunds.com.au](http://orcafunds.com.au).

This report may contain general advice. Any general advice provided has been prepared without taking into account your objectives, financial situation or needs. Before acting on the advice, you should consider the appropriateness of the advice with regard to your objectives, financial situation and needs.

Past performance is not a reliable indicator of future performance. Future performance and return of capital is not guaranteed. The information may be confidential and is intended solely for the addressee. If you are not the intended recipient, any use, disclosure or copying of this information is unauthorised and prohibited. If you receive this e-mail in error please notify the sender and delete the e-mail (and attachments).

This report may contain statements, opinions, projections, forecasts and other material (forward-looking statements), based on various assumptions. Those assumptions may or may not prove to be correct. The Investment Manager and its advisers (including all of their respective directors, consultants and/or employees, related bodies corporate and the directors, shareholders, managers, employees or agents of them) (**Parties**) do not make any representation as to the accuracy or likelihood of fulfilment of the forward-looking statements or any of the assumptions upon which they are based. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Readers are cautioned not to place undue reliance on forward-looking statements and the Parties assume no obligation to update that information.

The Parties give no warranty, representation or guarantee as to the accuracy, completeness or reliability of the information contained in this report. The Parties do not accept, except to the extent permitted by law, responsibility for any loss, claim, damages, costs or expenses arising out of, or in connection with, the information contained in this report. Any recipient of this report should independently satisfy themselves as to the accuracy of all information contained in this report.

MSCI indices source: MSCI. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representation with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Orca Funds Management Pty Ltd is a wholly owned subsidiary of E&P Financial Group Limited (ABN 54 609 913 457), a signatory to the United Nations Principles for Responsible Investment (**UNPRI**).