

Orca Global Disruption Fund

June 2023 Monthly



FUND PERFORMANCE¹

Fund performance	1 Month	3 Months	6 Months	1 Year	3 Years (p.a.)	5 Years (p.a.)	Since Inception(p.a)
Orca Global Disruption Fund	2.9%	15.9%	44.7%	29.5%	1.9%	8.0%	12.2%
MSCI ACWI Index (Net, AUD)	2.6%	6.7%	16.5%	20.8%	12.2%	10.4%	11.4%
Excess Return	0.3%	9.2%	28.2%	8.7%	-10.3%	-2.4%	0.8%

Notes: Data as at 30 June 2023 unless stated. Unit price (exit) at 30 June 2023: \$2.5444. Fund size: \$160.6 million. Numbers may not sum due to rounding. Past performance is not indicative of future performance. Benchmark is for comparison purposes only, see Disclaimer for further information.

FUND UPDATE

The Orca Global Disruption Fund (Fund) rose +2.9%¹ in AUD terms (+5.9% in USD), compared to the broader MSCI AC World Index (Index) +2.6% (+5.8% in USD), with US dollar weakness impacting AUD based returns. Since inception the Fund has returned +12.2%¹ p.a. compared to the Index +11.4%.

Market performance was generally strong with the US market (S&P 500 Index) rising +3.3% (+6.6% in USD), while the Nasdaq gained +3.4% - despite bond yields rising - on moderating inflation and greater optimism around a soft-landing, while AI remained a tailwind for technology stocks. The US Federal Reserve kept rates on hold during June, in line with expectations, with member votes suggesting two further hikes this year.

The Fund's best contributors for the month were **Tesla (+24.8%)**, **Palo Alto (+16.4%)** and **Nvidia (+8.7%)**. Weaker contributors, that detracted from Fund returns, were **Salesforce (-8.1%)**, **CrowdStrike (-10.8%)** and **Alphabet (-5.3%)**.

Tesla (+24.8%) continued its strong run, with a share price gain of +57% since its AGM on May 16. In our view, the stock has benefited from news of Elon Musk appointing a full time CEO for Twitter, stabilising price discounting, expectations of strong June quarter sales (see below), and deals with multiple OEMs (Ford, GM, Rivian and Volvo/Polestar) to adopt Tesla's North American Charging Standard (NACS) plug and access Tesla's Supercharger network. On July 2, Tesla announced 2Q production volumes grew +86% to 479.7 thousand vehicles with deliveries up +83% to 466.1 thousand, both ahead of market expectations. EV adoption is accelerating with the Tesla Model Y, the world's bestselling car in 1Q23 and price cuts combined with Government EV incentives lowering the cost of ownership. For example, in California, Tesla's

Model 3 is now cheaper (after tax rebates) than the Toyota Camry, the best-selling passenger car in the US in 2022.

Palo Alto Networks (+16.4%) benefitted from tailwinds following its inclusion in the S&P 500 Index and strong results, released in late May.

Nvidia (+8.7%) rose on expectations that demand for its GPUs continue to be strong, driven by Generative AI. Early in the month Microsoft announced a multi-year agreement with Nvidia backed startup CoreWeave to access GPUs to secure computing capacity for OpenAI. Towards month end, news emerged that the US Commerce Department could impose further licensing restrictions on chip sales to Chinese customers for the A800 and H800 models. Management believes that if the restrictions are adopted, the near-term financial impact will be immaterial given the strength of the demand for its products worldwide. However, over the long term, restrictions that result in a permanent loss of opportunities in China will have a negative impact on its future business.

Alphabet (-5.3%) shares moderated following a strong May (+14.5%) and news of additional antitrust scrutiny, with the European Commission lodging a formal complaint against Google's ad business.

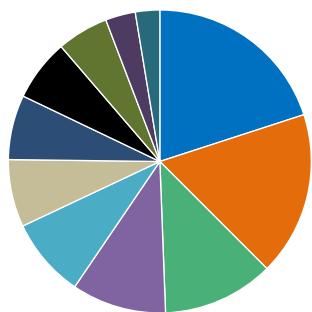
During the month, **Snowflake (+3.5%)**, the Fund's Portfolio's cloud based data software company, held its annual Summit Conference and Investor Day. It announced new partnerships and products while reiterating its \$10bn revenue target by FY29 (+31% FY23 to FY29 CAGR) and raising long term expectations for profitability (FCF margins of 30%, up from 25%). Snowflake is partnering with Nvidia to enable customers to build generative AI applications, leveraging

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.

FUND UPDATE (continued)

enterprise data and Nvidia's GPUs within the security perimeter of Snowflake. Snowflake's partnership with Microsoft was also expanded, with increasing alignment of sales incentives, while doubling committed spending on Microsoft's cloud business Azure.

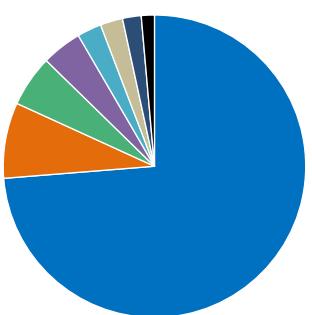
THEMATIC EXPOSURE



- Software
- Semiconductors
- Electronic payments
- eCommerce
- Healthcare
- Cybersecurity
- Renewable energy
- Digital advertising
- CASH
- Hardware
- Digital entertainment

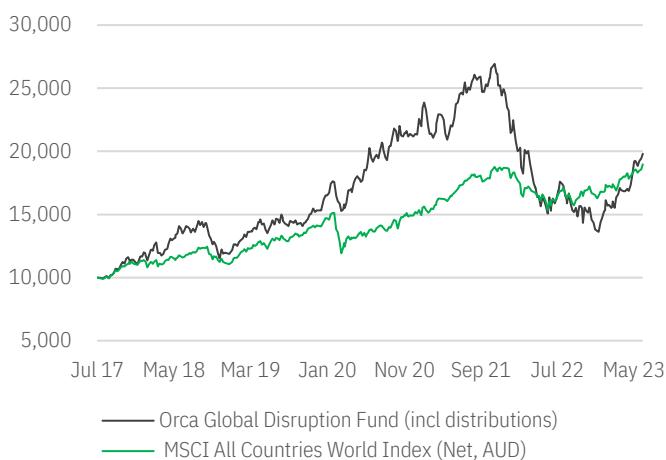
Source: Investment Manager, Bloomberg

GEOGRAPHIC EXPOSURE



Source: Bloomberg, Country of Domicile

FUND PERFORMANCE¹



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TOP 10 FUND HOLDINGS AS AT 30 JUNE 2023

NAME	SECTOR
Adyen	Electronic payments
Alphabet Inc	Digital advertising
Amazon.com Inc	eCommerce
ASML Holding	Semiconductors
Mastercard Inc	Electronic payments
Microsoft Corp	Software
NVIDIA Corp	Semiconductors
Palo Alto Networks	Cybersecurity
ServiceNow	Software
TSMC	Semiconductors

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

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TOP 10 HOLDINGS AS AT 30 JUNE 2023



Adyen – is a payments platform business. Adyen's products include online payments, point of sale, marketplaces, and unified commerce. The company was founded by Pieter van der Does and Arnout Schuijff in 2006 and is headquartered in Amsterdam, Netherlands.



Alphabet – key products include Google, Android, Maps, Chrome, YouTube and Google Play which all have over 1 billion active users. The core product is Search where the company is the clear market leader with an estimated desktop search market share of 80% – more than 10x its closest peer. The company is owner-managed and controlled through its founders Larry Page and Sergey Brin and currently operates in more than 40 countries worldwide.



Amazon – is the global leader in internet retail and cloud based computing. From its listing in 1997 as primarily an online book retailer, Amazon has now expanded its offering to most areas of consumer merchandise, whilst also developing market leading cloud computing services. It has a relentless focus on low cost operations, constant reinvestment and customer service. The company is owner-managed and controlled by its founder Jeff Bezos.



ASML – is a leading global specialist semiconductor company focused on the development and production of advanced semiconductor manufacturing equipment and lithography related systems. The equipment produced by ASML is used by global foundries and semiconductor companies that produce memory and logic chips. Major customers include: Taiwan Semiconductor (TSMC), Samsung and Intel. ASML is dominant in market share and is the sole provider of next generation semiconductor manufacturing equipment known as EUV. The company was founded in 1984 and is based in the Netherlands.



Mastercard, Inc – Mastercard is a global technology company in the payments industry. The company's mission is to connect and power an inclusive, digital economy that benefits everyone, everywhere by making transactions safe, simple, smart, and accessible. The firm connects consumers, financial institutions, merchants, governments and business across more than 210 countries and territories. The company was founded in November 1966 and is headquartered in Purchase, NY.



Microsoft Corporation – is a multinational technology company that manufactures, licenses, supports and sells computer software, personal computers, consumer electronics and services. The Company's main segments include Intelligent Cloud, More Personal Computing, Productivity and Business Process. Its products include cross device productivity applications, server applications, business solution applications, desktop and server management tools, software development-tools, video games, and training and certification of computer system integrators and developers. The Company also designs, manufactures and sells devices including personal computers, tablets, gaming and entertainment consoles, and other intelligent devices that integrate with its cloud-based offerings.



NVIDIA – is the pioneer of GPU (Graphics Processing Unit) accelerated computing. The company specialises in products and platforms for the large, growing markets of gaming, professional visualization, data centres, and automotive. The company's pioneering work in accelerated computing and AI is reshaping trillion-dollar industries, such as transportation, healthcare and manufacturing, and fuelling the growth of many others. Nvidia was founded in 1993 by Jensen Huang (the current CEO), Chris Malachosky and Curtis Priem.



Palo Alto Networks, Inc. – is a leading cybersecurity company providing both hardware and software solutions to customers. Palo Alto has transitioned from a cyclical product focused business to a recurring revenue model with next generation cybersecurity subscription offerings spanning network security, cloud security and security operations, complementing its core firewall business. The company was founded by Nir Zuk in March 2005 and is currently led by CEO Nikesh Arora with headquarters in Santa Clara, California.



ServiceNow – provides cloud-based software solutions enabling enterprises to define, structure, manage and automate services. ServiceNow's core products provide workflow tools for IT departments enabling the delivery of service management applications. The company also offers software solutions catering to other enterprise functions including customer service, human resources and security operations. All products are built on a single platform providing flexibility for user customisation, and are delivered over the internet, enabling simple configuration and rapid deployment. The company was founded in 2004 and has headquarters in Santa Clara, California.



Taiwan Semiconductor Manufacturing Co (TSMC) – is the largest dedicated global foundry for the manufacture of semiconductor chips. TSMC produces chips for a wide range of uses including data centres, networking equipment, smartphones, tablets, PCs and gaming consoles. TSMC has a broad customer base of major hardware and fabless semiconductor companies including Apple, Qualcomm, Nvidia, AMD, MediaTek and HiSilicon (Huawei). The company is leveraged to chip demand from emerging themes such as 5G, IoT and artificial intelligence. TSMC was founded in 1987 and is based in Hsinchu, Taiwan.

Signatory of:



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Benchmark selection

The Orca Global Disruption Fund is designed in a benchmark unaware manner. The Investment Manager believes the MSCI ACWI index is appropriate for comparison purposes given the Fund invests in companies across a range of industries including technology, renewable energy, consumer, communication services and healthcare. The risk/return profiles of the Fund and benchmark differ due to differences in the constituents of each. The Fund's objective is to provide investors with capital growth over the long-term through exposure to companies that benefit from disruptive innovation – in or from any industry/sector, including emerging market listed investments.