



## 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 +3.8% in AUD terms, well ahead of the broader market.

The strongest performing positions in January were TSMC (+12.6%), Tencent (+21.5%) and Teladoc (+32.7%). Weaker performers included Facebook (-4.9%), Adobe (-7.7%), and Mastercard (-10.7%).

TSMC reported strong December quarter results (sales +14%, EPS +23%) driven by demand for 5G and high-performance computing products. The company is investing heavily (FY21 capex US\$25-28 billion vs FY20 \$US\$17 billion) while raising long term revenue guidance to +10-15% (p.a. 2020-2025) as it expects demand to accelerate.

Tencent held its WeChat Open Class Pro conference where it provided an update on WeChat's operating metrics, live streaming and content creation initiatives and new product features. The event reinforced the growing strength of WeChat's ecosystem and likely monetisation upside.

Teladoc raised FY20 guidance for revenue and visitation, also reiterating expectations for revenues to grow 30-40% p.a. to 2023.

Facebook reported a strong result (sales +33%, EPS +52%) above market expectations. Growth is expected to remain strong in 1Q/2Q but decelerate in 2H21 due to on stronger comparable period and ad targeting headwinds. While Mastercard's 4Q results beat expectations, lockdowns remain a headwind for volume growth in the near term.

## PORTFOLIO MANAGER



**Raymond Tong**  
Portfolio Manager

NTA per unit	Gross assets	12-month distribution yield	Annualised performance since inception (25 July 2017) <sup>1</sup>
<b>\$3.17</b>	<b>\$302.3 million</b>	<b>4.7%</b>	<b>25.1%</b>

Units on issue: 95,327,553

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

	1 Month	3 Months	6 Months	1 Year	2 Years (p.a.)	3 Years (p.a.)	Since Inception (p.a.)
NTA	3.8%	5.4%	12.6%	31.5%	32.5%	22.6%	25.1%
MSCI ACWI Index (Net, AUD)	0.2%	7.5%	9.6%	2.5%	13.7%	9.8%	12.1%
Excess Return	3.6%	-2.0%	3.0%	29.0%	18.8%	12.8%	13.0%

Note: Numbers may not sum due to rounding.

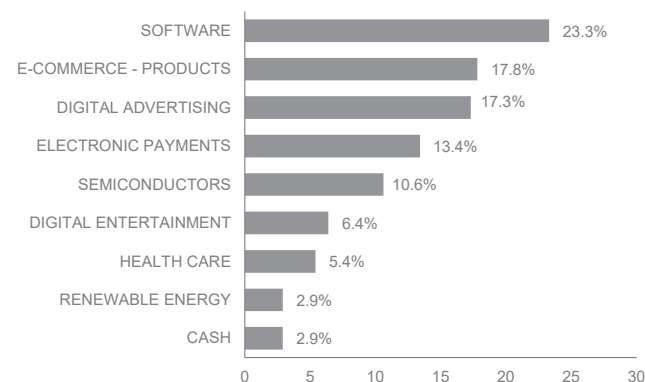
## TOP 10 PORTFOLIO HOLDINGS

Alibaba	PayPal Holdings Inc
Alphabet Inc	Salesforce.com Inc
Amazon.com Inc	ServiceNow
Mastercard Inc	Tencent Holdings Ltd
Microsoft Corp	TSMC

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

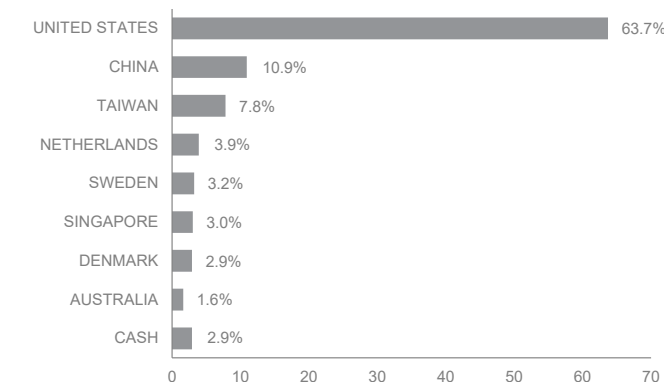


## SECTOR EXPOSURE



Source: Investment Manager, Bloomberg

## COUNTRY EXPOSURE



Source: Bloomberg, Country of Domicile

Notes: Data at 31 January 2021 unless stated. Numbers may not sum due to rounding.

1. All returns are total returns, inclusive of reinvested distributions. NTA returns are net of fees and costs. Past performance is not a reliable indicator of future performance. Inception 25 July 2017. Due to the change in the composition of the Fund and of the MSCI ACWI Information Technology Index over the prior 12 months, it is no longer shown as a comparable index. Chart data range: 25 July 2017 to 31 January 2021. Initial index value 1,000. 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 31 December 2020, collectively manage over \$790 million of funds.

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## IMPORTANT INFORMATION

This report has been prepared 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).

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