

BlueBox Funds- BlueBox Global Technology Fund

Direct Connection



Fund Objective

The Fund's principle objective is to seek long term capital growth by investing mainly in shares of companies having their principle business in the technology sector or profiting from it. The Fund invests globally and is not benchmark constrained.

Investment Theme—Direct Connection

The Direct Connection of computers to the real world has enabled the technology revolution of the past 15 years, driving an acceleration in tech adoption simultaneously across all industry verticals. With every other industry investing its excess returns in technology, we expect the IT sector to continue to outperform the broader market as it steals the growth from the rest of the economy. The Fund focuses on the companies enabling Direct Connection, giving it exposure to the most exciting developments in the sector without needing to chase over-hyped themes or invest in over-valued stocks.

Investment Team

Lead Portfolio Manager

William de Gale, FCA, CFA



Portfolio Manager

Rupert de Borchgrave, CFA



BlueBox Global Technology Fund Performance



| % | | | | | | | | | | | | | | S&P BMI IT INDEX | | |
|------|--------|-------|--------|--------|-------|--------|-------|-------|-------|--------|-------|-------|--------|------------------|--------|--------------|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD | Since Launch | YTD | Since Launch |
| 2022 | -13.09 | -6.45 | 1.53 | -13.19 | 2.32 | -12.62 | 15.91 | | | | | | -25.75 | 100.39 | -21.89 | 88.98 |
| 2021 | 0.89 | 3.61 | 1.57 | 3.60 | 0.42 | 6.50 | 2.01 | 5.00 | -6.52 | 6.03 | 2.85 | 2.45 | 31.58 | 169.88 | 25.83 | 141.95 |
| 2020 | 1.15 | -3.90 | -10.06 | 13.90 | 8.12 | 8.95 | 8.49 | 5.50 | -1.70 | 0.01 | 15.12 | 7.78 | 63.77 | 105.10 | 44.95 | 92.28 |
| 2019 | 10.44 | 5.12 | 2.95 | 7.55 | -9.42 | 8.44 | 1.62 | -3.82 | 2.47 | 2.29 | 5.34 | 4.03 | 41.74 | 25.23 | 46.00 | 32.66 |
| 2018 | | | | -0.10 | 4.55 | -0.89 | 1.32 | 2.70 | -2.49 | -10.90 | 1.93 | -7.36 | -11.65 | -11.65 | -9.14 | -9.14 |

¹ Performance based on Share Class S since launch on 29 March 2018 (ISIN LU1793347128)

² S&P Global BMI IT INDEX is Net Total Return, calculated since launch of BBGT on 29 March 2018

Top 10 Holdings

| | |
|----------------------|--------|
| Microsoft | 6.4 % |
| Adobe | 5.8 % |
| EPAM Systems | 4.7 % |
| Taiwan Semiconductor | 4.6 % |
| Cadence Designs | 4.4 % |
| Synopsys | 4.3 % |
| MercadoLibre | 4.1 % |
| ASML Holding | 4.1 % |
| Alphabet | 4.0 % |
| Lam Research | 4.0 % |
| Total | 46.4 % |

Top Countries

| | |
|--------------------|--------|
| United States | 71.8 % |
| Netherlands | 6.0 % |
| Taiwan | 4.6 % |
| Japan | 4.3 % |
| Argentina | 4.1 % |
| South Korea | 2.8 % |
| Ireland | 2.0 % |
| Sweden | 1.9 % |
| Cash & equivalents | 2.5 % |

Market Capitalisation

| | |
|---------------------------------------|--------|
| Mega cap (>\$350bn) | 17.1 % |
| Large cap – upper (\$200bn - \$350bn) | 8.9 % |
| Large cap – mid (\$100bn - \$200bn) | 15.8 % |
| Large cap – lower (\$10bn - \$100bn) | 55.7 % |
| Mid cap (\$1bn - \$10bn) | 0.0 % |
| Small cap (<\$1bn) | 0.0 % |
| Cash & equivalents | 2.5 % |

Sector Allocation

| | |
|---------------------------------|--------|
| Software & services | 40.6 % |
| Semiconductors & semi equipment | 32.5 % |
| Hardware & components | 18.2 % |
| Consumer discretionary | 6.2 % |
| Cash & equivalents | 2.5 % |

Top 10 Holdings, Top Countries, Market Capitalisation & Sector Allocation as of 31.07.2022

William de Gale's Monthly Comment

The volatility of recent months continued into July with a huge bounce in the Technology sector. Investors focused on indications of decelerating inflation and a mild US recession, while employment remained high and June quarter results began to come in comfortably ahead of modest expectations. In essence the market started to price in a "Goldilocks" outcome, where central bank rate rises slow demand sufficiently to match constrained supply, without causing serious economic distress. This will remain a key question for months to come: can this optimal course be maintained, or will we hit a real recession around year-end?

The BlueBox fund was boosted by a number of favourable quarterly reports, notably from semiconductor-related stocks: analog, capital equipment and chip design software names all issued strong forward guidance, even as consumer-focused chip names (where we have little direct exposure) suffered from the slowdown in handset and PC sales. Etsy also guided comfortably ahead of depressed expectations. As a result, the fund had its best-ever month, up 15.9%.

Etsy (+42%), MercadoLibre (+28%), Arista Networks (+24%), NXP Semiconductors (+24%), Cadence Design Systems (+24%) and Advanced Micro Devices (+24%) were the leading contributors; and while there were no decliners during the month, our two Japanese names, Tokyo Electron and Murata Manufacturing, were both up just 6%.

The fund has only previously seen two months comparable to this July's performance: November 2020 (+15.1%) and April 2020 (+13.9%). As the former preceded nine consecutive monthly gains, while the latter was the first of the post-Covid recovery, it is tempting to see July's huge move as marking the bottom for the fund. That may well prove correct, but alternately we could see a broad economic deceleration or geopolitical shock later in the year, sending the fund back to its recent lows.

Trying to time these short-term moves is essentially futile, as we remain confident in the long-term earnings growth of our holdings, meaning that we expect the upside, when it comes, to be greater than the preceding downside. We know that much of that downside is now behind us (possibly all of it), while the recovery remains ahead, and that recovery can come very suddenly indeed, as shown last month. We therefore remain fully invested in what we believe are the best-positioned profitable enablers, which remain the main engine of profit growth globally. This gives our investors exposure to the strongest technology trends, without the absurd valuations and poor business models of many of the high-profile, but profitless, disrupters.

| Portfolio Construction | | Key Facts | | Share Classes | | | |
|------------------------------|-------------------------------------|---------------------------|-----------------------------------|--------------------------|---------------|---------------|---------------|
| Asset Class | Equity | Fund Base Currency | USD | | A Acc. | C Acc. | I Acc. |
| Number of Securities | 30-40 | Liquidity | Daily | Min. Initial Investment: | \$ 10,000.- | \$ 1,000.- | \$ 150,000.- |
| Weight | 10% maximum | Fund Type | UCITS | Annual Management Fee: | 1.5% | 2.2% | 1.0% |
| Turnover | Low | Legal Status | SICAV | Launch Date: | Feb 10th 2020 | Nov 27th 2020 | Oct 5th 2020 |
| Market Cap | Mainly Targeting \$10 bn - \$100 bn | Domicile | Luxembourg | USD | | | |
| Geographic Allocation | Global | Auditor | PwC | ISIN: | LU1793345262 | LU2092176275 | LU1793346666 |
| Cash | Minimal cash, always below 10% | Custodian | Northern Trust Global Services SE | Bloomberg Ticker: | BLBGTA LX | BLBGTC LX | BLBGTI LX |
| Benchmark | Flexible, not benchmark oriented | Launch Date* | March 29th 2018 | EUR | | | |
| AuM | \$706 million | | | ISIN: | LU1793345429 | LU2092176515 | LU1793346823 |
| | | | | Bloomberg Ticker: | BLBGTA LX | BLBGTC LX | BLBGTI LX |
| | | | | GBP | | | |
| | | | | ISIN: | LU1793345346 | LU2092176358 | LU1793346740 |
| | | | | Bloomberg Ticker: | BLBGTA LX | BLBGTC LX | BLBGTI LX |

Important Information

This report has been prepared for information only and must not be distributed, published, reproduced or disclosed by recipients to any other person. All information provided here are subject to change without notice. All investors must obtain and carefully read the prospectus which contains additional information needed to evaluate the potential investment and provides important disclosures regarding risks, fees and expenses. Past performance is not an indication of current or future performance. Performance shown does not take account of any fees and costs charged when subscribing or redeeming shares. Data and graphical information herein are for information only. No separate verification has been made as to the accuracy or completeness of these data which may have been derived from third party sources. As a result, no representation or warranty, express or implied, is or will be made by BLUEBOX FUNDS as regards the information contained herein. Source of data: BlueBox Asset Management SA.

In the United Kingdom, this communication is issued by BlueBox Asset Management UK Ltd. and approved by Laven Advisors LLP, which is authorized and regulated by the UK Financial Conduct Authority ("FCA"). BlueBox Asset Management UK Ltd. is an Appointed Representative of Laven Advisors LLP. This material constitutes a financial promotion for the purposes of the Financial Services and Markets Act 2000 (the "Act") and the handbook of rules and guidance issued from time to time by the FCA (the "FCA Rules"). This material is for information purposes only and does not constitute an offer to subscribe for or purchase any financial instrument. All information provided is not warranted as to completeness or accuracy and is subject to change without notice. This communication and any investment or service to which this material may relate is exclusively intended for persons who are Professional Clients or Eligible Counterparties for the purposes of the FCA Rules or fall into a relevant category under COBS 4.12 in the FCA Rules and other persons should not act or rely on it. This communication is not intended for use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation.

The prospectus, the by-laws as well as the latest annual and semi-annual reports can be obtained free of charge at the office of Fuchs Asset Management S.A. 49, boulevard Prince Henri, Luxembourg and from all distributors. The documents could also be obtained on www.blueboxfunds.com. Past data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The information contained in this document is not intended for retail investors. It is only available for well informed investors, qualified investors or professional investors. This is an advertising document.

The Prospectus for Switzerland, the Key Investor Information Documents respectively the key information document, the Articles, the annual and semi-annual reports as well as further information are available free of charge from the Swiss Representative of the Fund: Carnegie Fund Services S.A., 11, rue du Général Dufour, CH-1204 Geneva, Switzerland, phone: +41 22 705 11 78, internet: www.carnegie-fund-services.ch. The Swiss Paying Agent of the Fund is Banque Cantonale de Genève, 17, quai de l'Île, CH 1204 Geneva, Switzerland.