

28th February, 2023

Pulse Webinar

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Stephen Yiu, Lead Manager
Blue Whale Growth Fund

novia
global



Regulatory information & risk warnings



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The LF Blue Whale Growth Fund (“the UK UCITS”) is not registered for sale in nor promoted in the EEA. The Blue Whale Investment Funds ICAV – Blue Whale Growth Fund (the “Irish ICAV Fund”) is an Irish authorised UCITS open-ended investment company. It is a recognised scheme under Section 264 of the UK Financial Services & Markets Act 2000 (“FSMA”). The Irish ICAV Fund is operated by Link Fund Manager Solutions (Ireland) Ltd (“LFMSI”) and Blue Whale is the Investment Manager and Distributor. LFMSI as UCITS Management Company has the right to terminate the agreements made for marketing of funds in accordance with the UCITS Directive. Please refer to the Irish ICAV Fund Prospectus, Supplement and KIID before making any investment decisions: www.bluewhale.co.uk/global/eu.

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First 5 years 2017-2022

Blue Whale's approach

a concentrated portfolio of high quality businesses at attractive valuation
with *significant resources* invested in fundamental research & financial modelling

▪ Bottom up research on ideas

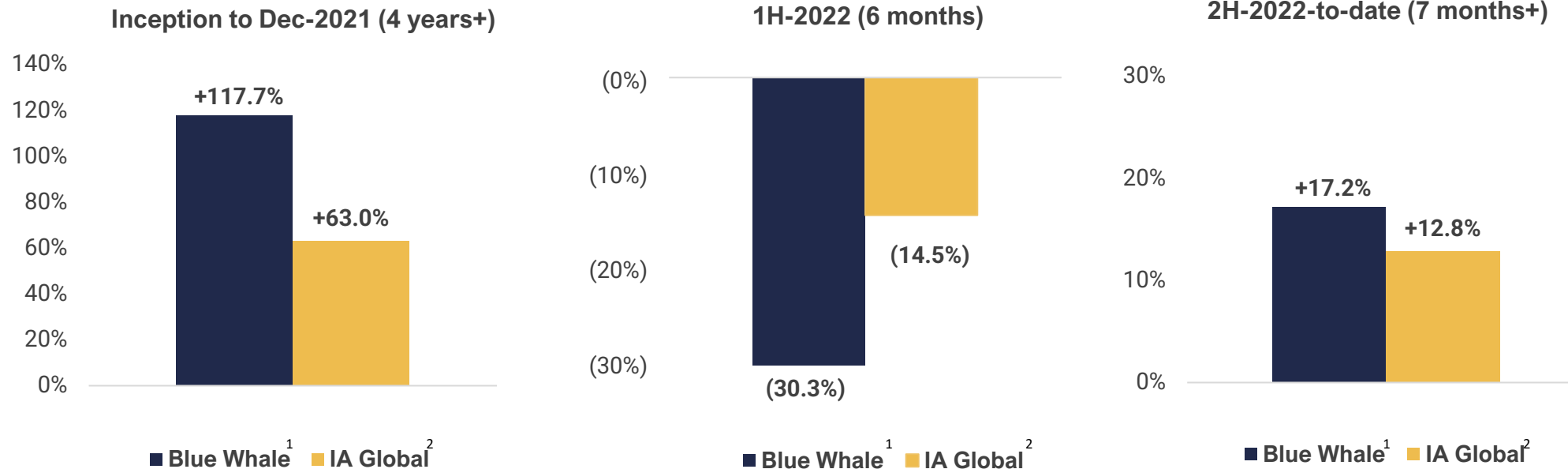
- Investable universe – about half were related to ‘digital transformation’
- NOT because we are a ‘tech fund’ – because this is where we found the best investments

▪ Inflection point

- Inflation/interest rate cycle is ‘manageable’ – cyclical not structural
- A big fundamental shift in the real world
 - i.e. geopolitics, deglobalisation, recession, cost of living crisis, de-global growth, strong dollar
 - reshoring of industrial activity (vs. consumer spending)

The journey since inception in Sep-17

- Strong outperformance in first 4 years+
- A bad patch during 6 months period in 1H-2022, followed by an upturn in outperformance trajectory to-date



Past performance is not a guide to future performance.

¹LF Blue Whale Growth I class Acc shares, net of fees priced at midday UK time, source: Bloomberg. ²IA Global Sector average, source: Blue Whale Capital. Data as at 11/09/17 to 16/02/23
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Next 5 years 2022-2027

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- **Selective 'digital transformation' continues (vs. low quality tech/growth traps)**
 - i.e. Microsoft, Nvidia, Intuit, Veeva

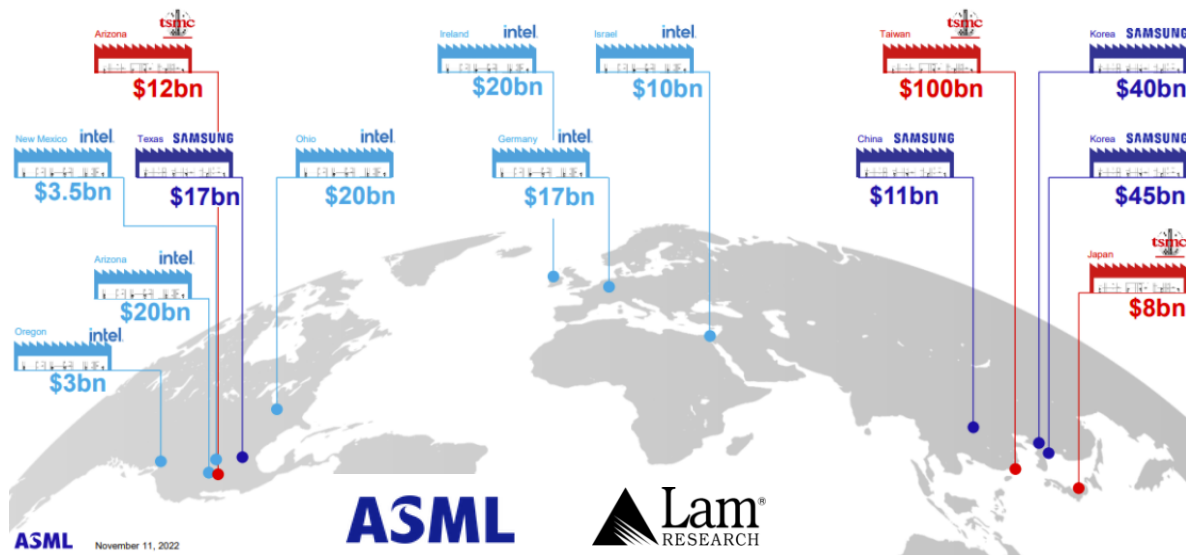
- **New pockets of investment opportunity arise in the new world order**
 - i.e. Charles Schwab, US Railroads, Energy

- **A high conviction portfolio designed to deliver sustainable high ROIC in the next 5 years**
 - Every stock will need to meet our high quality criteria
 - Attractive valuation with significant outperformance profile

Reshoring opportunities – Semiconductors

- Strong competitive position
- Semiconductors: silicon sovereignty (geopolitical risk in Asia Pacific)

Top three semiconductor manufacturers announced plans to invest >\$300 billion in global capacity



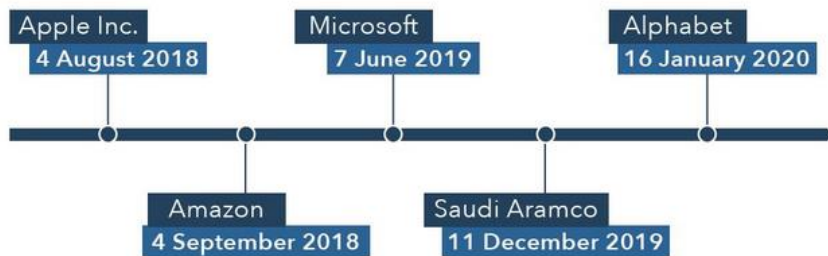
Medical technology – Sartorius

- Strong competitive position
- Structural growth drivers in the healthcare sector
- Sartorius – transformation of medicine production from chemical processes to organic biologics (~30% of drugs sold)



Artificial Intelligence – Nvidia

- Strong competitive position
- Entrenched business model that cannot easily be disrupted (CUDA)
- Structural growth opportunities in AI, 5G, Robotics, AR/VR
- Exceptional founder-led management team
- Financials: strong balance sheet, high ROIC
- The next trillion-dollar company?



Contact Center AI
500M Calls / Day



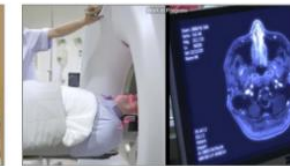
Meeting Transcription
3B Meeting Minutes / Day



Public Safety
>1B Smart City Cameras Deployed



Retail Asset Protection
\$94.5B Inventory Loss / Year



Medical Imaging
10M Diagnostic Scans / Day



Industrial Inspection
32M Vision Sensors Installed by 2025



Transportation
10T Miles / Year



Credit Card Fraud
1.28B Credit Transactions / Day



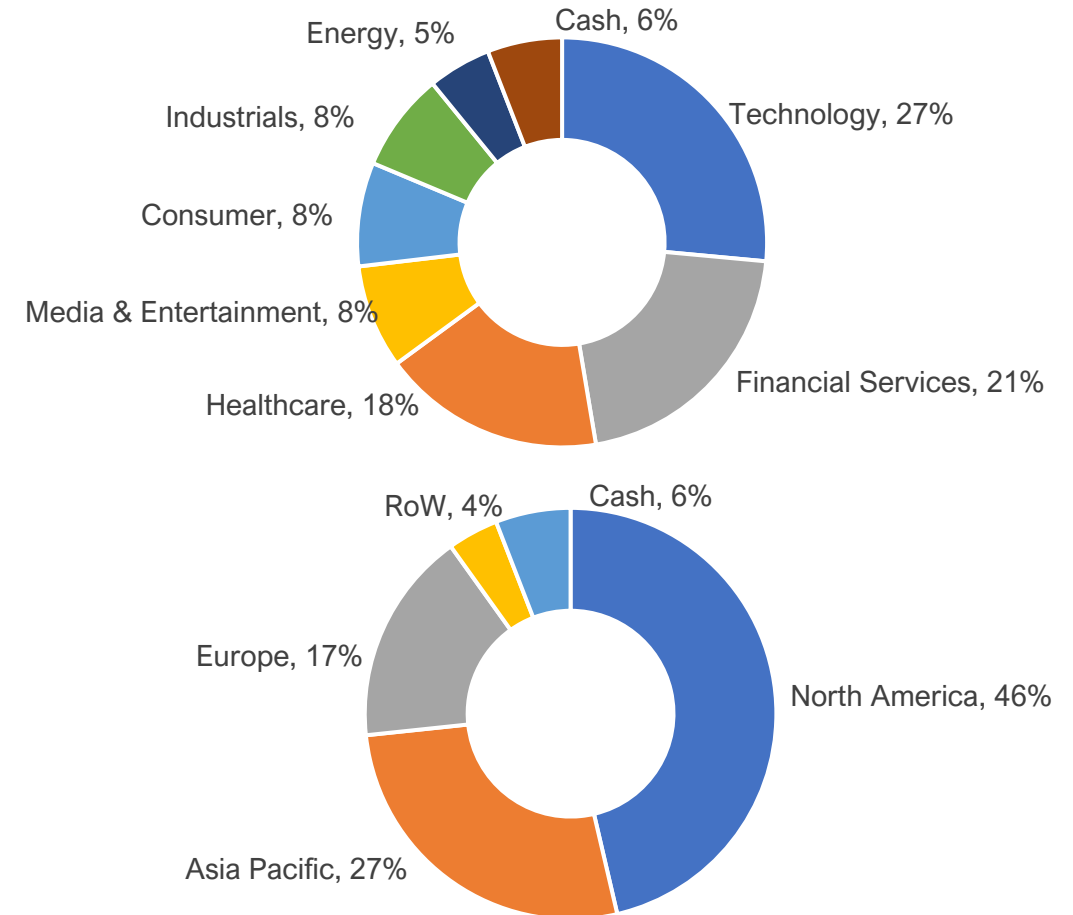
Product Recommendations
1B E-Commerce Visitors / Day

Source: Nilson Report, IHS Markit, Similar Web, NRF, WHO, ABI and NVIDIA internal analysis

Portfolio positioning – LF Blue Whale Growth

- Top 10 positions account for ~50% of NAV

Top-10	End Market	First Invested
ASML	Technology	May-21
Charles Schwab	Financial Services	Sep-21
Intuit	<u>Financial Services</u>	Feb-18
Lam Research	Technology	Aug-21
Mastercard	<u>Financial Services</u>	Oct-17
Microsoft	Technology	Sep-17
Nvidia	Technology	Jun-21
Sartorius	Healthcare	Jun-21
Veeva	Healthcare	Jun-18
Visa	<u>Financial Services</u>	Mar-18



Source: Blue Whale Capital LLP, data as at 31/01/23

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