



INFUSE

A S S E T M A N A G E M E N T

Investing in future-shaping companies.

Ryan Reeves

CHIEF INVESTMENT OFFICER

Worked at The Motley Fool under David Gardner

Both recommendations entered Rule Breakers service in 2017 (HUBS at \$74 and TDOC at \$33)

Associate at DX2 Capital

Successfully got three companies into the book in 2018 (TTD at \$4.3 split-adjusted, SQ at \$22, and MELI at \$540)

Founder and CEO of Investing City Inc.

Grew Investing City to over 200 members and six-figure ARR

6-year 35% CAGR track record



It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list.

Vision

PURPOSE

To increase freedom for our partners.

MISSION

Deliver world-class returns.

ALIGNMENT

Most of my net worth is invested in this fund.



Core Values

Integrity

Comes from “integer” meaning whole – no character cracks allowed.

Nexus

Good investing is about making connections.

Fellowship

A fiduciary relationship is far too low of a bar.

Uffgeva

Renunciation of one’s rights in service of others.

Soli Deo Gloria

All Glory to God.

Excelsior

Ever higher – the pursuit of constant improvement.



Philosophy

We invest in the fastest-growing, highest-quality companies in the world at the best valuations we can find.



Finding fast-growing companies helps us fish where the fish are. **High growth usually indicates strong demand for a product or service.**



But growth without quality can be dangerous. **Strong operating leverage on top of growth signals strong execution or some advantage.**



The combination of growth and operating leverage leads to intrinsic value hypergrowth. **This leads to supernormal rates of compounding when valuation assumptions are reasonable.**



Why Us?

The infinite game

Obsessed with learning about high-growth industries.

Passion

Investing feels like play.

Alignment

Fully-aligned structure.

Fluency in software

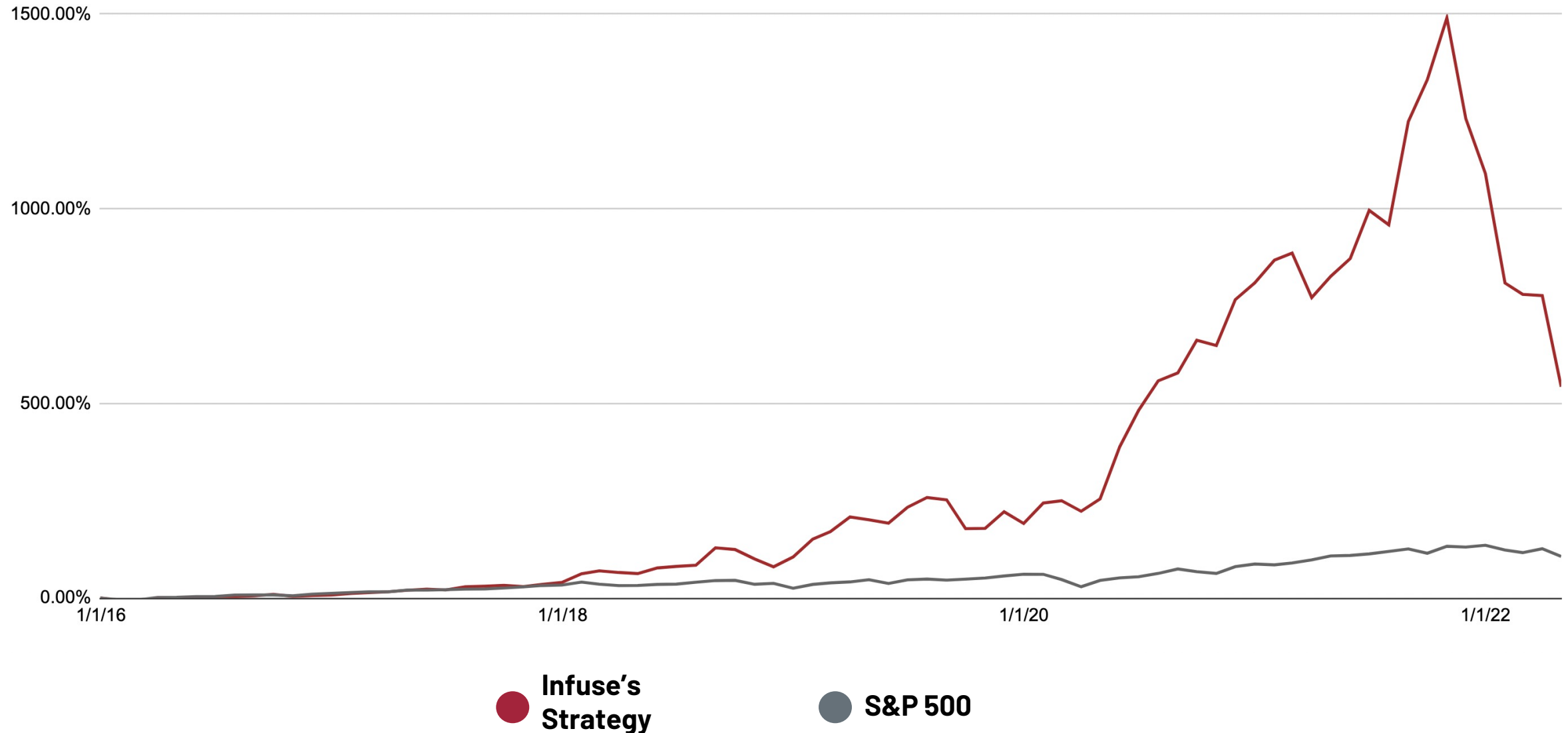
Deeply studied SaaS companies over the past decade.

Focus

Between 6-12 stocks.



6-Year Performance vs S&P 500



Past performance is no guarantee of future results. Note that returns are gross, after-tax, exclusive of dividends.

CONFIDENTIAL 7

Case Study #1 - Wins

Bought in 2019 at \$40.16

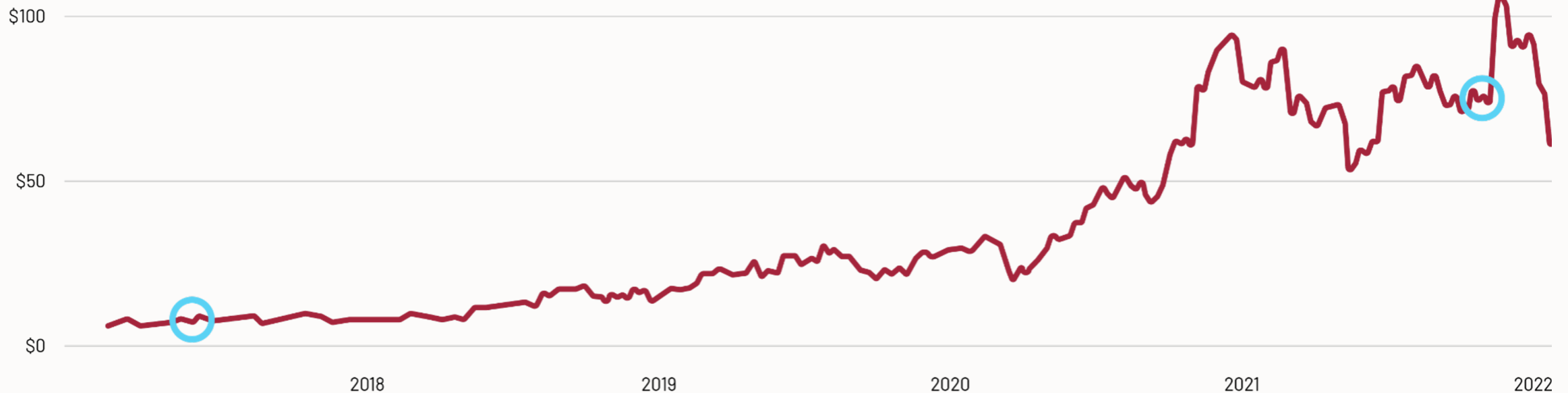
Recent IPO that was growing nearly 90%, cash flow positive, had a leading market position with a huge tailwind, and a founder-led management team.



Case Study #2 - Wins

Bought in 2017 at \$4.96 (split-adjusted)

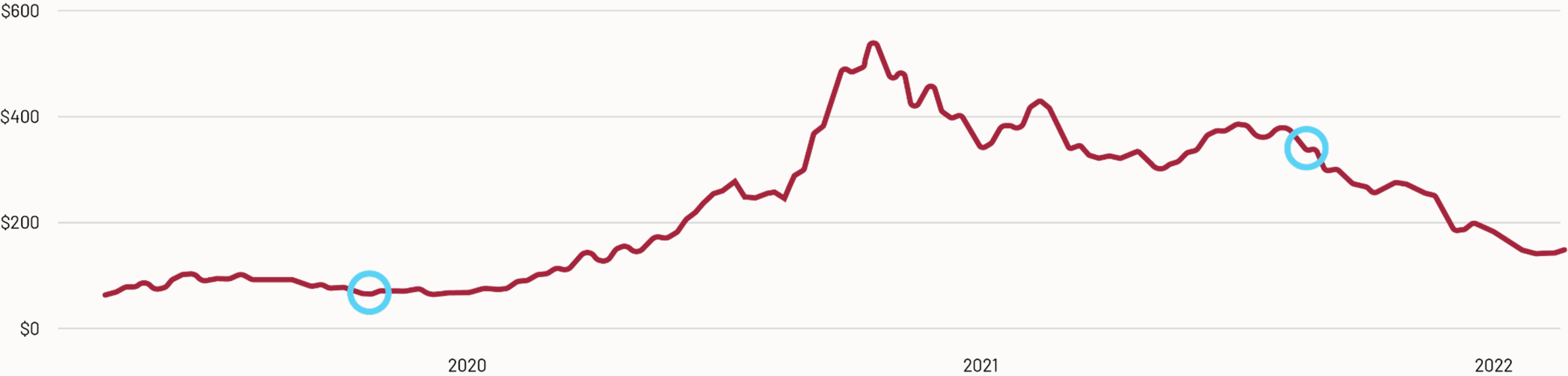
Buy-side ad-tech firm with a winner of a founder-CEO. Company was growing 60%+ with 40% EBITDA margins and unbelievable returns of capital. All for less than 30x earnings because the ad-tech space has been littered with losers.



Case Study #3 - Wins

Bought in 2019 at \$62.10

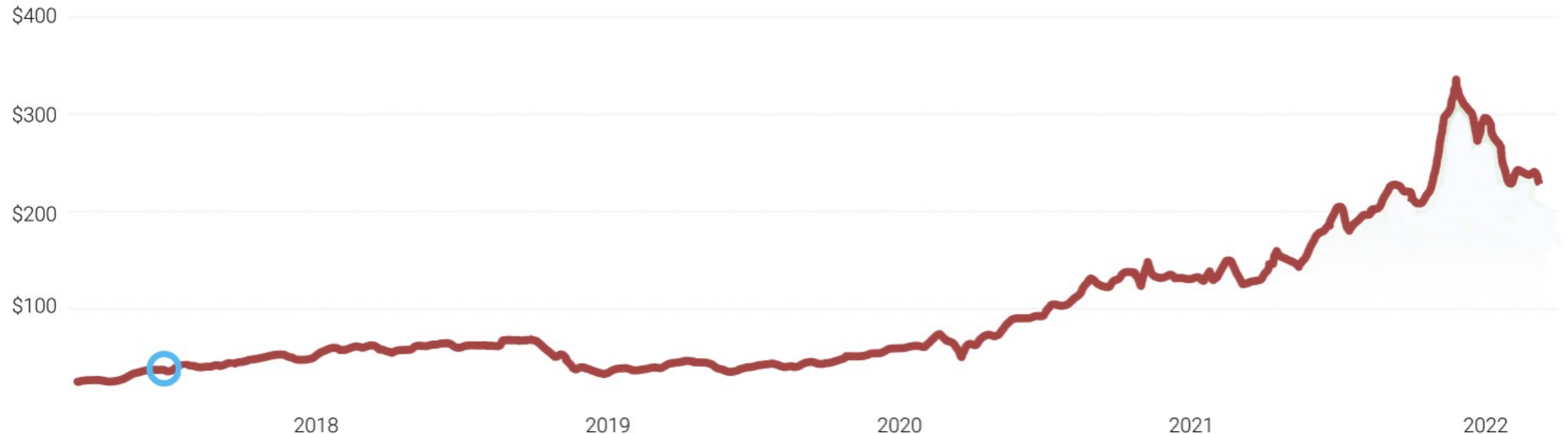
Huge beneficiary from the pandemic but quickly ate up their SMB TAM. We are not afraid to sell when the future growth doesn't look as good as other opportunities.



Case Study #4 – Losses

Sold in 2018 at \$41.02 (split-adjusted)

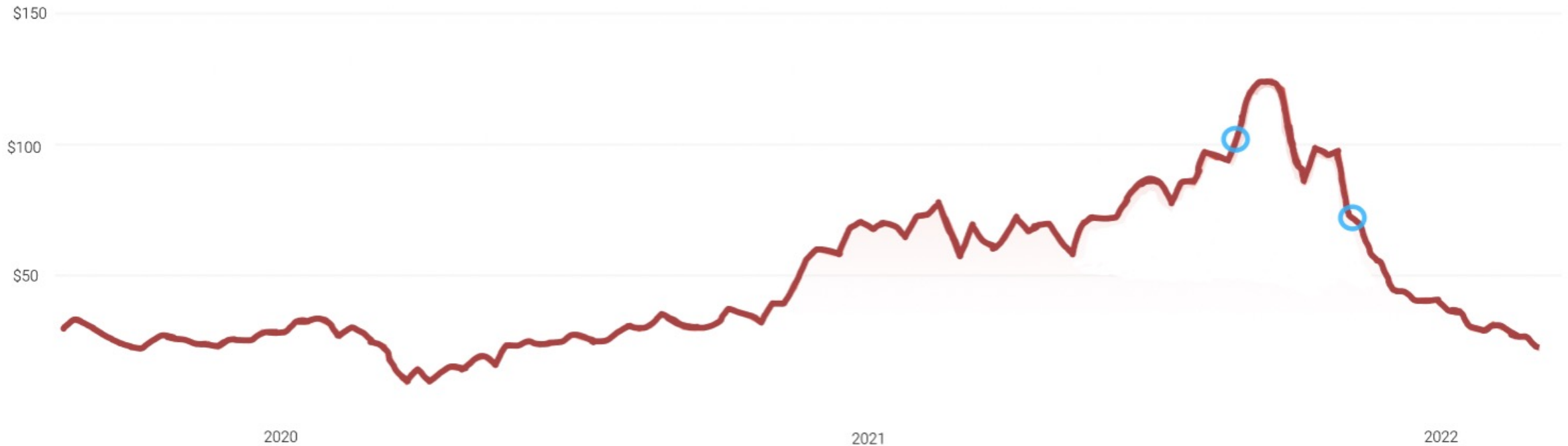
Sold a leading graphics card company to “lock-in gains” but refused to pay a higher price because of anchoring.



Case Study #5 – Losses

Sold in 2021 at \$77.20

Bought restaurant POS software but growth was inflated by acquisitions. Organic growth was much slower than expected.



Incentive Structure

2 & 20 is outdated: **If “uffgeva” and “fellowship” are core values, would I want my own family to pay this price?**

1. Founder's Class (\$0 – \$10 million total contributions, not individual):

1% AUM + 10% performance fee over 7% hurdle rate with high-water mark

2. Standard Class (+\$10 million total contributions, not individual):

1% AUM + 20% performance fee over 7% hurdle rate with high-water mark

- Management fee taken quarterly; performance taken annually
- Expense ratio capped at 20 bps
- Fees will decrease with scale: **At \$100 million** -> AUM fee goes down to 0.8%



This strategy might not be right for you if...



Volatility keeps you up at night: **the prices of fast-growing companies can and will swing violently. There is a good chance we'll be down more than 50% at some point. Mentally prepare now!**



You worry about the latest macro data: **we mostly ignore the macro and focus on leading companies that are loved by customers.**



You need to know the performance numbers on a monthly basis: **oftentimes, price movements in the short-term are random. We focus on the long-term business results.**



You need the money over the next five years: **while we don't believe in lock-ups, staying the course will be crucial to outperform.**



Disclaimer: This investment is not suitable for investors unable to bear the loss of their entire investment. The Fund is only open to "accredited investors" and "qualified clients" and is not suitable for all investors.

Pre-Mortem

What could go wrong and **how we're addressing the risks**



We rent a fancy office and hire too quickly, running out of money: **we've kept costs as low as possible to lengthen the runway.**



The fund blows up because we use leverage: **we are a long-biased fund and will rarely, if ever, use leverage and our ability to short.**



We invest in over-leveraged companies at the portfolio level: **we are very wary of leverage because when things inevitably go wrong, you don't have full control over your destination.**



We over-invest in cash flow negative companies because they are "cheap" or growing fast: **investing in dominant, cash-generative businesses at reasonable valuations puts the odds in our favor.**



We pay prices with unreasonable payback periods: **we seek to find companies that pay us back in cash flow over the next 10 years.**



Principal Information

Redemption: **One quarter notice**

Fees: **See Incentive Structure (page 13)**

Minimum Commitment: **\$200K**

Commitment Period: **No lock-up**

Communication Cadence: **Quarterly letters**

Structure: **US 3c1 fund ("accredited investors" as defined in SEC Reg. D and "qualified clients" under the IAA.)**

Custodian: **Interactive Brokers**

Admin: **NAV Consulting**

Bank: **First Republic**



Thank you for your interest in Infuse!

If you have any questions or want to hear about next steps, email:

ryan@infuse-am.com

You can also find more info at: infuse-am.com or call [310-793-6794](tel:310-793-6794)





Important Information

This summary is not an offer of, or solicitation for, the purchase or sale of any securities, including those of the fund. The content of this presentation is for informational purposes only. Interests in the fund are offered only by means of a private placement memorandum, a limited partnership agreement and related subscription documents (collectively, “fund documents”), which contain more complete information, including fees and risk factors. Prospective investors should read the fund documents carefully and discuss with their own advisers. Any decision to invest in the fund must be based solely upon the information set forth in the fund documents.

