

Alex C. Derbes

GILDER GAGNON HOWE & CO

GGHC

My objective is to grow money significantly over many years for clients who are willing to take risk. My approach is aggressive and returns are volatile—I once lost 22% in 36 days—but so far the performance has justified the volatility.

I look for big ideas that I can develop the confidence to stand behind, while also maintaining the courage to admit when I am wrong and exit from poor bets before they become too costly.

I like diving into the weeds and getting away from the crowd. Among my more unconventional research, I created a virtual internship program to hire students enrolled in an online school I invested in, set up a machine-vision camera to count how many patients walked into a for-profit ER I didn't trust, and wrote a computer script to verify the claims of a car dealership by analyzing the price of a third of the used cars in the country.

Thanks to my distinctive skill set, quirky methods, and optimistic attitude, I've been fortunate to recognize how technological innovations and societal changes would translate to a handful of big wins.

This approach is certainly not for everyone. But if you're interested in learning more, I'm happy to meet in person.

ACD

BACKGROUND	Portfolio Manager at GGHC since 2011; employed at GGHC as an Analyst and Software Engineer for eight years prior; ex-professional hacker; ex-software architect; ex-roboticist; B.S. Computer Science, Case Western Reserve University
INTERESTS	Media, Internet, Technology, Healthcare, and Renewable Energy
DETAILS	Individual discretionary accounts, 5k minimum investment. We manage margin, cash, and retirement accounts including tax deferred accounts such as 401k. Because each account is separate, the performance varies substantially from the aggregate performance below. For example, while in aggregate, my accounts were up in 72% in 2019, my worst performing account in 2019 was only up 37%.
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	2011 ^A	2012	2013	2014	2015	2016	2017	2018	2019
AGGREGATE/WORST ACCOUNT ^B	4%/1%	4%/4%	80%/72%	1%/-2%	28%/7%	6%/-5%	45%/2%	16%/-9%	72%/37%
NASDAQ ^C	-8%	16%	38%	13%	6%	8%	29%	-3%	37%
S&P 500 ^C	-6%	13%	30%	11%	-1%	10%	22%	-4%	31%

^A From July 6th 2011; Index returns prior to 2017 exclude the re-investment of dividends.

^B Aggregate and worst returns are net of commissions, fees, interest and include the reinvestment of dividends. all non-retirement accounts pay a commission rate of 1.5% per trade. Retirement accounts are charged an annualized wrap fee with a maximum of 3% based on assets under management, with a decrease in the fee when the asset value reaches \$1,000,000.01. See GGHC ADV for details; Past results are not indicators of future performance; This is not an investment recommendation or a solicitation to make an investment; We derive aggregate performance by totaling the equities in all of the accounts under management and calculating performance (net of commissions or wrap fees) as if we managed one account. This methodology weights large accounts more heavily and is not representative of any particular accounts. Accounts with deposits and withdrawals, and accounts opened or closed during the period, are included in the calculation of aggregate performance; When determining the worst performing account, we include closed accounts, but exclude accounts that were opened within the relevant period, accounts with an equity of less than \$1,000 and uninvested accounts. There is no representation that any account will or is likely to achieve the profits or losses similar to those shown; This document does not contain a personal recommendation and should not be relied upon as investment advice.

^C We don't invest with any particular benchmark in mind and you should not expect our results to track one.

THIS INFORMATION INTENDED TO BE READ WITH ATTACHED DISCLOSURES

YE 2019

We have always reported a single performance statistic, summarizing a range of results. Many factors affect where your account landed in that range. Accounts that missed one or more top performing stocks, or had a larger position in a poorly performing stock, can land at the bottom of the range. The performance of new accounts, smaller accounts, and accounts that had significant deposits or withdrawals during the period is particularly variable. Also, in 2019, smaller accounts paid a higher rate of commissions compared to larger accounts, which had an adverse impact on the performance of those smaller accounts. Starting in 2020, all non-retirement accounts pay the same commission rate of 1.5% per trade. Even among the remaining accounts, there is a wide range from the aggregate performance we report.

Please remember our goal is to build your wealth by aggressively investing your capital over the long term. This approach carries considerable risk and is not for everyone. It requires tremendous patience and commitment in the face of large swings, and has the possibility of failure. At the same time, success can only be measured on an absolute basis. We don't invest with any particular benchmark in mind. While we provide comparative performance of various widely-reported indices to give you a sense of the overall market environment, you should not expect our results to track any one of them. There are material differences between GGHC accounts and the indices shown, as volatility, investment objectives and types of securities differ.

The S&P 500 Index is a market-capitalization weighted index containing the 500 most widely held companies, and covers approximately 80% of available market capitalization. The NASDAQ Composite Index is unmanaged and measures all NASDAQ domestic and non-U.S. based common stocks listed on the NASDAQ Stock Market. The index is market-weighted. The index results shown are calculated on a total return basis with dividends reinvested. Index results do not reflect the deduction of any fees or expenses.