

DD ALTERNATIVE FUND

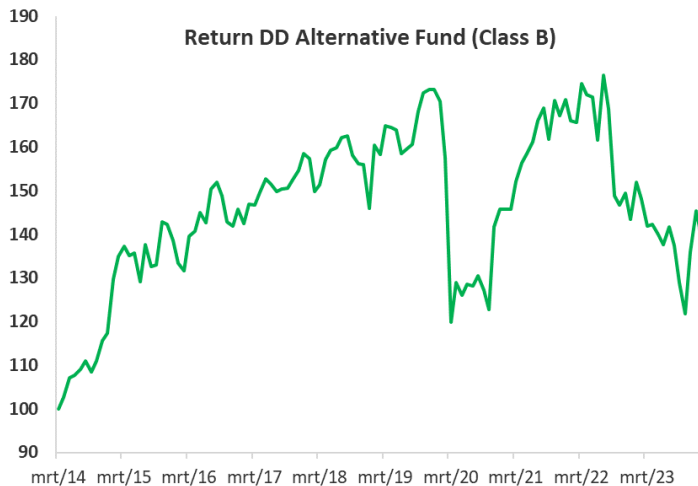
Monthly report January 2024

Profile

DD Alternative Fund N.V. (DDAF or DD Alternative Fund) is an actively managed global equity fund that invests in alternative investment categories, including in particular companies that invest in real estate and infrastructure. DDAF invests in at least twenty companies that meet our quality investment criteria. At DDAF, the analysis on sustainability and financial aspects is fully integrated. The fund aims for a net return of 7%* per year in the long term and has no benchmark. The fund is traded daily.

Return class B*

DD Alternative Fund achieved a return of -3.85% (Class B) for the month of January 2024. As a result, the net asset value per share declined to € 27.03. This brings the return for 2024 to -3.85%.

**Fund information****Key facts**

Fund size	€ 28.7 mln
# shares A	246,533
# shares B	595,848
# shares C	230,647
Net asset value A*	€ 25.72
Net asset value B*	€ 27.03
Net asset value C*	€ 27.25
# positions	46

Costs

Management fee A	1.20%
Management fee B	0.70%
Management fee C	0.50%
Overige kosten**	0.45%
Op- en afslag	0.25%

Other

Start date	Class A: May 2005 Class B: January 2015 Class C: January 2020
Manager	DoubleDividend Management B.V.
Status	Open-end, dagelijks
ISIN (A)	NL0009445915
ISIN (B)	NL0010949350
ISIN (C)	NL0014095119
Benchmark	None
Currency	Euro

Risk monitor

* per share

** estimated



This is a publicity notice. This information does not provide sufficient basis for an investment decision. Therefore, please read the DD Alternative Fund N.V. Fund's Key Information Document and prospectus for more information on, investment policy, risks and the impact of costs on the amount of your investment and expected return before making an investment decision. These are available on DoubleDividend Management B.V.'s website (www.doubledividend.nl). DoubleDividend Management B.V. is manager of DD Alternative Fund N.V. and is licensed as manager and supervised by the Netherlands Authority for the Financial Markets. The net asset value has not been audited by an external auditor.

Table: monthly total return in % (after costs, dividend included) *

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2012	1.53	2.02	4.59	-3.24	-2.34	1.51	3.09	-0.18	1.49	2.56	0.48	-0.02	11.81
2013	0.83	0.72	-1.41	4.38	1.39	-7.59	2.56	-1.31	3.14	2.61	-0.81	-0.67	3.35
2014	-0.47	5.76	-1.86	2.69	4.37	0.54	1.24	1.66	-2.20	2.36	4.13	1.48	21.18
2015	10.58	3.96	1.72	-1.51	0.52	-4.86	6.54	-3.70	0.32	7.37	-0.40	-2.56	18.13
2016	-3.76	-1.28	6.08	0.71	3.13	-1.62	5.37	1.01	-1.97	-4.02	-0.70	2.66	5.13
2017	-2.14	3.02	-0.13	2.01	2.08	-0.83	-1.11	0.45	0.11	1.32	1.34	2.44	8.74
2018	-0.74	-4.78	1.03	3.91	1.37	0.32	1.40	0.29	-2.75	-1.15	-0.21	-6.35	-7.82
2019	9.85	-1.37	4.20	-0.25	-0.27	-3.32	0.67	0.65	4.62	2.61	0.42	0.02	18.63
2020	-1.55	-7.63	-23.87	7.51	-2.27	2.09	-0.42	1.90	-2.56	-3.42	15.36	2.84	-15.88
2021	0.03	-0.08	4.41	2.80	1.41	1.66	2.96	1.82	-4.23	5.47	-2.10	2.28	17.27
2022	-2.82	-0.22	5.37	-1.50	-0.32	-5.77	9.24	-4.36	-11.79	-1.43	1.80	-4.04	-16.12
2023	6.02	-2.63	-4.17	0.34	-1.64	-1.61	2.95	-2.99	-6.18	-5.63	11.63	7.02	1.47
2024	-3.85												-3.85

* The fund was repositioned in 2020 and has since invested in both real estate and (sustainable) infrastructure. From 2015 Class B shares returns are used. The value of your investment may fluctuate. Results achieved in the past do not provide any guarantees for the future. As a result, you may lose all or part of your investment. You can read more about the risks in the Fund's Key Information Document and prospectus.

Developments in the market and portfolio

After substantial gains in November and December, both real estate and renewable infrastructure took a step back as a result of slightly higher interest rates and uncertainty about central bank policy. It seems that neither the ECB nor the Fed will come up with an interest rate cut in the very short term. Both central banks think inflation is still too high and therefore kept policy rates unchanged in January at 4% (ECB) and 5.25% to 5.5% (FED), respectively. In December, investors were still convinced that policy rates would go down as early as March, but that does not seem to be the base scenario. Nor is that entirely a surprise. Although inflation is declining, the economy continues to perform relatively well which poses a risk of renewed inflationary pressures. Some caution is therefore warranted. Still, it is very plausible that interest rates will eventually come down this year as inflation continues to ease and/or the economy begins to sputter. In our baseline scenario for 2024, we assume a further decline in inflation, a cooling economy (but not a sharp recession) and interest rate cuts during 2024.

The global EPRA Index (real estate) ended the month 2.5% lower and the Renewable Energy Producers Index (renewable infrastructure) lost as much as 7.7% (measured in euros). The DD Alternative Fund ended the month of January with a loss of 3.9%.

Prologis, Scatec and SL Green announced their quarterly and annual figures, but they were not very spectacular. Recently added Equity Residential (EQR) did come up with slightly better figures. The investor in apartment complexes in the US managed to increase earnings per share by just over 6% in 2023 and for the next few years EQR also expects an increase in earnings of around 4% per year. EQR sold three older buildings in San Francisco, Seattle and LA last quarter and management will continue to optimize the portfolio in the coming years as well, focusing on further sustainability. Management further indicated that larger acquisitions are not ruled out. EQR can easily do so because of its rock-solid balance sheet and A-rating from S&P. EQR has also started its first share buyback since 2008, a positive sign.

Largest positive and negative contribution

Cellnex made the largest positive contribution to the result with a gain of nearly 5%. The largest investor in telecom towers in Europe has indicated its intention to sell a number of smaller positions and minority interests in order to strengthen its balance sheet. For example, it plans to dispose of the portfolio in Austria and Dublin. Cellnex is the largest position in the DD Alternative Fund. Despite the sales, we expect Cellnex to achieve substantial revenue and earnings growth in the coming years. While the stock rose a bit last year, it is still quite off from its 2021 peak. The company will soon hold an investor day where more insight will be given on expectations through 2027.

Gore Street made the largest negative contribution to the result. The stock was among the biggest gainers in December, but gave back all of those gains. Gore Street develops batteries to absorb the variations in energy production from wind and solar farms. Especially with solar power, the variations are usually large. Gore Street's batteries temporarily store energy production and are also used to keep the energy network stable.

Table: top 5 contribution to result (in €)

Top 5 highest contribution			Top 5 lowest contribution		
Cellnex (Spa)	4.8%	0.2%	Gore Street (UK)	-20.1%	-0.5%
I-RES (Ire)	4.3%	0.2%	China Longyuan (Chi)	-19.5%	-0.4%
Northland Power (Can)	3.6%	0.1%	Volitalia (Fra)	-23.6%	-0.4%
Aquila (UK)	4.5%	0.1%	Greencoat Renewable (Ire)	-9.5%	-0.4%
China Tower (Chi)	7.8%	0.1%	Acciona (Spa)	-14.2%	-0.3%

Source: DoubleDividend/Bloomberg

Portfolio changes

Last month we used part of the cash position to slightly increase the weightings of Acciona, American Tower, ERG, Equity Residential, Land Securities, LEG, Supermarket Income, and XIOR. The position in SL Green was further reduced. EDP Renovaveis stock was added back to the portfolio.

EDP Renovavais (EDPR) is one of the biggest players in onshore wind energy. The company is part of energy company Energias de Portugal (EDP), which is a major shareholder with a stake of over 71%. EDPR plans to invest heavily in wind and solar farms in the US, Europe and South America in the coming years. These investments will be financed from current cash flow and the disposal of non-sustainable projects and the sale of older wind farms. The uncertainty about whether the planned projects can go ahead due to economic uncertainty and increased interest rates combined with the recent drop in energy prices has put considerable pressure on the share price recently, creating a good entry point. We completely sold the position in EDPR in August 2022 at a price of € 25.32 and have now started to build up the position at a price of € 15.14. Incidentally, just last year GIC, Singapore's sovereign wealth fund, invested more than € 800 million in EDPR at a price of € 19.50.

Table: top 10 positions in portfolio per end month

Company and weights			
Cellnex (Spa)	4.2%	Greenergy (Spa)	3.2%
I-RES (Ire)	3.6%	Eurocommercial Prop (Neth)	3.1%
Greencoat Renewables (Ire)	3.5%	Borex (Can)	3.0%
Northland Power (Can)	3.3%	Inwit (Ita)	2.9%
Brookfield Renewables (US)	3.2%	Care Property Invest (Bel)	2.7%

Source: DoubleDividend

Team DoubleDividend

Annex: portfolio characteristics

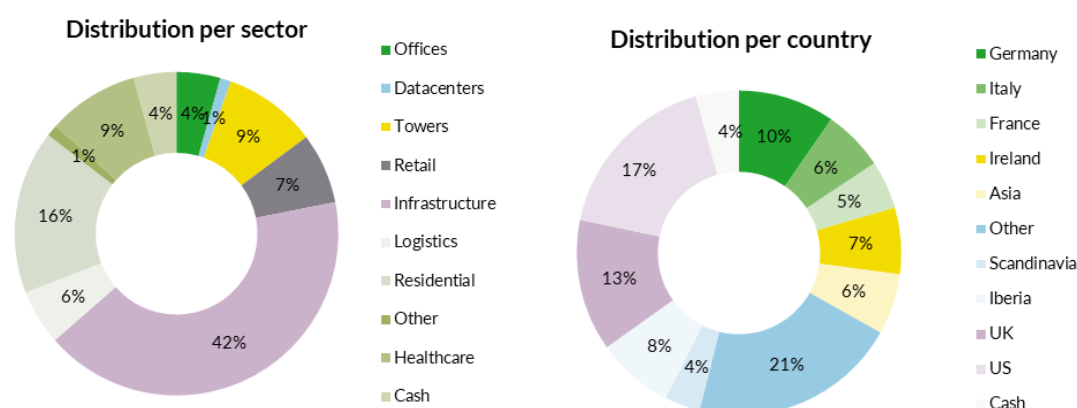
The table below shows the main characteristics of the portfolio. The cash flow yield indicates how much cash a company generates per share, expressed as a percentage. The dividend yield is the dividend yield of the current year divided by the current price (closing price of the month).

The VAR (Value At Risk) shows the maximum loss of the portfolio on an annual basis with 95% certainty based on Monte Carlo simulation. The standard deviation is a statistical measure for the distribution of the returns around the mean.

Table: Characteristics DDAF per month end

Valuation		Risk	
Cashflow yield, current	11.6%	VAR (Monte Carlo, 95%, 1-year)	29.1%
Dividend yield, current	5.1%	Standard deviation	17.2%

Source: DoubleDividend/Bloomberg



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