DD EQUITY FUND

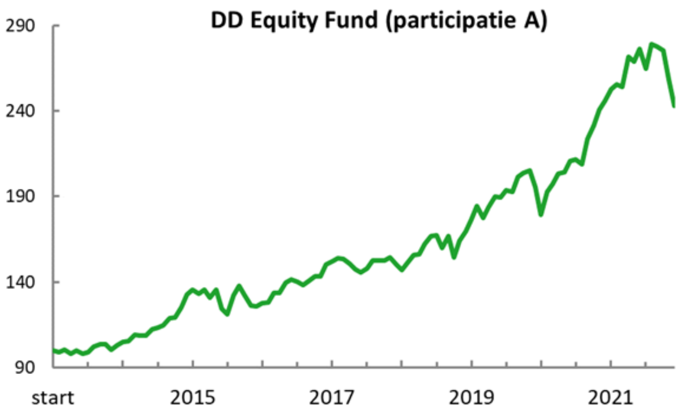
Monthly report February 2022

Profile

DD Equity Fund (DDEF) invests in a globally diversified portfolio of high-quality companies that are at the forefront of sustainability. At DDEF, the analysis on sustainability and financial aspects is fully integrated. The fund aims for a net return of 8%* per year in the long term and has no benchmark. DDEF is managed by an independent partnership with the conviction that sustainability makes a positive contribution to the return and risk profile of an investment portfolio. The partners of DoubleDividend also invest in the fund themselves. The fund is listed on Euronext Amsterdam and can be traded on a daily basis.

Return participation A*

DD Equity Fund achieved a return of -5,97% in February 2022, as a result of which the net asset value per unit A declined to € 243.15.



* The value of your investment may fluctuate. Results achieved in the past do not provide any guarantees for the future.

Fund information

Key facts

Fund size	€ 212 mln
# shares outstanding A	541,908
# shares outstanding B	219,244
# shares outstanding C	109,000
Net Asset Value A*	€ 243.15
Net Asset Value B*	€ 244.60
Net Asset Value C*	€ 245.30
# of positions	80
Beta	0.99

Costs

Management fee A	0.80%
Management fee B	0.50%
Management fee C	0.25%
Other costs**	0.20%
Up/down Swing factor	0.25%

Other

Start date	Part. A: April 2013
	Part. B: January 2020
	Part. C: January 2021
Manager	DoubleDividend Management B.V.
Status	Open-end, daily
Exchange	Euronext Amsterdam
ISIN (A)	NL0010511002
ISIN (B)	NL0014095127
ISIN (C)	NL0015614603
Benchmark	None
Currency	Euro

Risk monitor

* per participation
** expect

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FINANCIAL & SOCIAL RETURNS

Table: monthly returns in %, participation A (net of costs and fees) *

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2013				-0.84	1.37	-2.53	1.95	-2.01	1.31	3.02	1.26	0.35	**3.79**
2014	-3.29	2.58	2.17	0.43	3.26	-0.58	0.09	3.37	1.00	1.09	3.60	0.70	**15.17**
2015	5.01	5.81	2.05	-1.59	1.47	-3.44	3.71	-8.30	-2.70	9.50	4.12	-4.06	**10.66**
2016	-4.52	-0.31	1.46	0.44	4.09	-0.07	4.79	1.18	-0.95	-1.25	1.58	2.03	**8.44**
2017	-0.06	4.86	1.16	1.13	-0.17	-1.75	-2.16	-1.42	1.83	3.12	-0.13	0.10	**6.49**
2018	1.10	-2.62	-2.16	2.92	2.79	0.41	3.97	2.78	0.10	-4.42	4.50	-7.59	**1.01**
2019	6.37	3.36	4.19	4.25	-3.62	3.53	3.45	-0.28	2.10	-0.56	4.63	1.16	**32.08**
2020	0.73	-4.77	-8.16	7.40	2.32	3.02	0.56	3.19	0.39	-1.40	7.20	3.56	**13.73**
2021	3.83	2.21	2.87	1.10	-0.64	6.97	-1.07	2.71	-4.20	5.57	-0.56	-0.76	**18.94**
2022	-6.20	-5.97											**-11.80**

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Market developments

The escalation of the conflict in Ukraine over the last month caused considerable turmoil in the financial markets. Sentiment has been fragile lately due to uncertainties about inflation and changing policies of the central bank. The markets are currently confronted with an accumulation of risks due to the addition of situation in Ukraine. Geopolitical risks are difficult to quantify and therefore difficult for the market to price in, which creates volatility. The situation in Eastern Europe comes on top of previous tensions with the US during the Trump presidency and tensions between the West and China.

The Russian invasion causes great human suffering and is of great historical and geopolitical significance, but the conflict in Ukraine does not, in itself, pose a very great long-term risk to the financial markets. However, since the start of the invasion, the risk to the financial markets has increased. The EU, the US and a large number of other countries, after initial misgivings from a number of countries including Italy and Germany, eventually reacted strongly and unitedly to the Russian invasion. In particular, the removal of the Russian banking system from the international payment system Swift and the freezing of the assets of the central bank of Russia have far-reaching consequences for the Russian economy. The consequences of the measures are immediately visible. The Ruble (Russian currency) has gone into free fall and the Russian central bank has raised interest rates to 20%.

From an economic point of view, Russia's importance to the West is much less than, for example, China. Many Western companies depend on China for their growth, but this applies to Russia to a much lesser extent. The economic and financial importance of Russia for the rest of the world is mainly related to the commodity markets. Russia is a major supplier of oil, gas and other raw materials. The direct impact for the financial markets therefore runs along this line. The fact that inflation is currently at a high level complicates the situation. The price of oil and gas and other commodities such as grain and aluminum has risen sharply in the past month. The increase of commodity prices reduces the chance that inflation will fall in the near future. Also, the trade restrictions imposed on Russia by various countries are adding more frictions in the supply chains.

Oil and gas companies are the big winners of the turmoil in the short-term. After all, they benefit from the increased oil and gas prices. In the longer run, companies active in sustainable energy will benefit. The world wants to be less dependent on fossil fuels from authoritarian regimes. Companies active in the defense industry are also benefiting from the rising tensions and the increase in defense budgets.

The DD Equity Fund has no direct interests in Russia. Indirect exposure to Russia and Eastern Europe is also limited. We are also not active in sectors that are directly affected by recent developments, such as oil and gas companies, defence, aviation or the (Eastern) European financial institutions. Many companies in the portfolio do have some activities in Russia and the Ukraine, but in general this is a very modest part of the business. From an ethical perspective, having activities in Russia is not in itself a reason for us to sell the position in company. Crucial to the consideration is whether the company has a direct link with the Putin clan. An oil or gas company that collaborates with Gazprom or Rosneft and thus indirectly finances the war requires a different consideration than Adidas that sells sportswear to Russian consumers. Some companies decide to stop all or part of their activities in Russia. Often the sanctions imposed on Russia play a role (think Visa or Mastercard, for example) but some companies hope to influence support for the Putin regime by cutting off the population from products and services or wanting to prevent the regime from using the company's services (Google has banned Russian state media on YouTube).

The current situation does not currently lead to changes in the fund's strategy. We mainly invest in companies with strong business models, supported by high margins, strong balance sheets and supported by long term growth trends. The long-term prospects for these companies therefore remain good. Neither higher interest rates nor political unrest will stop important trends such as decarbonization, medical technological developments or digitization.

Largest positive and negative contribution

The biggest positive contribution last month came from SolarEdge. The company Solaredge sells inverters for solar panels. The renewable energy sector is benefiting from the Russian attack on Ukraine. An acceleration of the energy transition is likely now as the world wants to reduce dependence on gas from Russia. Another sector that managed to benefit from recent events was cybersecurity. Stocks like Crowdstrike and Okta have appreciated since the war in Ukraine started amid fears of increasing activity by Russian hackers.

PayPal was the largest decliner in the portfolio and made a significant negative contribution to the result. The Fintech company reported disappointing fourth quarter results and a weak outlook. PayPal's growth trajectory has been disrupted by the switch from major customer eBay to Adyen and the corona crisis. However, the long-term outlook remains good and we have used the current fall in prices to increase the position in the portfolio.

Table: top 10 positive and negative contribution to the monthly result (in €)

Top 5 Positive			Top 5 Negative		
	Return	Contri.		Return	Contri.
Solaredge (US)	33.9%	0.3%	PayPal (US)	-35.0%	-1.1%
Lufax (China)	30.0%	0.1%	FIS (US)	-20.7%	-0.4%
Amazon (US)	2.5%	0.1%	TSM (Taiwan)	-12.9%	-0.3%
Umicore (BE)	9.8%	0.1%	Adobe (NL)	-12.6%	-0.3%
Crowdstrike (US)	7.9%	0.1%	Ringcentral (US)	-26.0%	-0.2%

Source: DoubleDividend/Bloomberg

Portfolio changes

No new positions were added to the portfolio in the past month. Positions in Nestle and Mastercard have been partially sold. Positions in PayPal, ASML, Adyen, AMD, Air Products, eBay, Adobe and Zoom have expanded.

Table: top 10 holdings in portfolio of the month end.

Companies & weight in portfolio			
Alphabet (US)	3.7%	Applied Materials (US)	2.6%
Microsoft (US)	3.7%	Visa (US)	2.4%
Thermo Fisher (US)	2.9%	Adobe(US)	2.4%
Amazon (US)	2.9%	Johnson & Johnson (US)	2.4%
Paypal (US)	2.7%	ASML (NL)	2.3%

Source: DoubleDividend

Team DoubleDividend

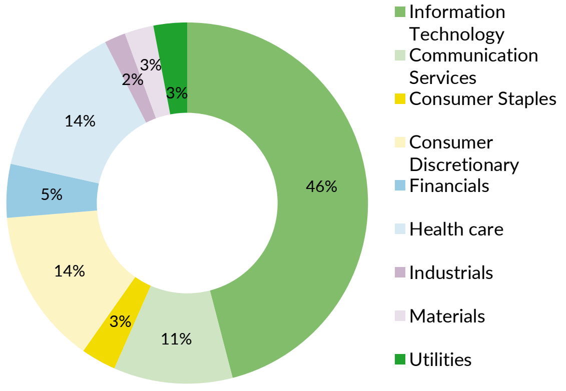
Appendix: portfolio characteristics

Table: Characteristics portfolio DDEF per month end

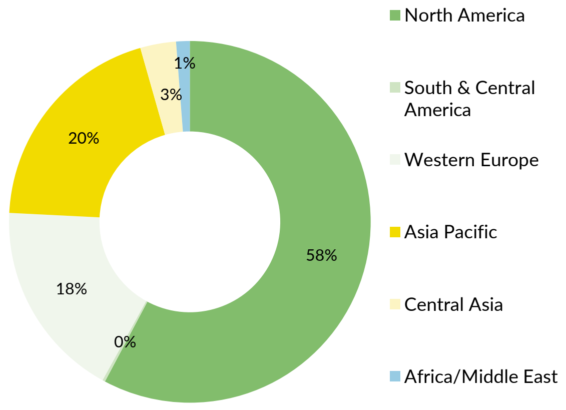
Valuation		Risk	
P/E ratio	32,6	Bèta (raw)	0.99
P/E ratio expected	23,1	Debt/EBITDA	2.3
EV/EBITDA expected	17,9	VAR (Monte Carlo, 95%, 1 yr)	27.7%
Dividend yield	1.3%	Standard deviation	17.6%
Price/cashflow expected	17.7	Tracking error (vs BBG World)	5.9%

Source: DoubleDividend/Bloomberg

Distribution per sector (GICS)



Distribution per region



DoubleDividend Management B.V.
Herengracht 320
1016 CE Amsterdam

Tel. +31 (0)20 520 76 60
contact@doubledividend.nl
www.doubledividend.nl