

DD EQUITY FUND

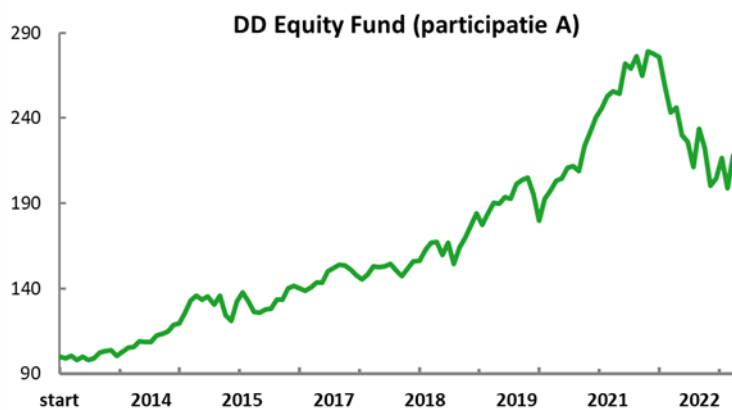
Monthly report February 2023

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 -1.68% in February 2023, as a result of which the net asset value per unit A declined to € 214.41.



* 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	€190.50 mln
# shares outstanding A	584,818
# shares outstanding B	192,379
# shares outstanding C	108,000
Net Asset Value A*	€ 214.41
Net Asset Value B*	€ 216.33
Net Asset Value C*	€ 217.50
# of positions	86
Beta	1.2

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



This information does not provide a sufficient basis for an investment decision. Therefore, read the key investor information and prospectus. These are available on the website of DoubleDividend Management B.V. (www.doubledividend.nl). DoubleDividend Management B.V. is manager of DD Equity Fund and has a license as manager and is supervised by the Netherlands Authority for the Financial Markets. The net asset value has not been audited by an external auditor.

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	1.35	-6.62	-1.81	-6.55	10.69	-4.92	-9.89	2.23	5.86	-8.19	-27.82
2023	9.60	-1.68											7.75

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Market developments

After a positive start, equity markets lost some ground during the month. US equities in particular came under some pressure last month. The central theme remains inflation, which, although falling, is still at a high level. Inflation in the US was 6.4% last month. At the same time, the economy continues to perform quite well. Unemployment remains low and consumer spending remains reasonably stable. This reduces the need for the FED to lower interest rates in the short term. On the contrary, "higher for longer" interest rates is an increasingly likely scenario.

Many companies published annual figures. The earnings season so far shows a mixed picture with pluses and minuses. On balance, the results are reasonably in line with expectations, although the outlook is surrounded by more uncertainty as a result of the uncertain economic conditions. Now that sales growth is more uncertain, many companies are shifting their focus to improving profit margins. But that does not apply to all companies.

A notable exception is the Dutch payment company Adyen. The company is growing fast (the payment volume that Adyen processed in the second half of 2022 increased by 41%) and therefore needs to expand considerably. The workforce in particular is growing fast, faster than turnover, which puts pressure on profit margins. With this, the company is preparing for the expected growth for the coming years. In 2023, Adyen also expects to grow significantly in the workforce, but growth is expected to be significantly lower in subsequent years. The company clearly takes a long-term view with this strategy. It prepares the organization for growth for the coming years and is not guided by pressure from some investors and analysts to maximize profit margins in the short term. An additional advantage for Adyen is that the availability of good technical personnel in a number of countries, including the US, has improved as a result of budget cuts at a large number of companies. As a result of disappointing profit margins, the Adyen share was under considerable pressure. We took the opportunity to expand our position in the company this month.

The annual figures of Nvidia and Palo Alto Network, among others, were well received by the market. NVIDIA is taking full advantage of the developments around AI (artificial intelligence). The company is the market leader in advanced (graphics) chips. Although Nvidia had to record a decline in turnover and profit over the past year, it came up with optimistic prospects for the coming year. The falling demand for PCs is offset by growth in data center activities and advanced chips for the automotive sector. Nvidia's AI activities in particular are growing rapidly, partly thanks to a collaboration with Microsoft and Google, among others. Nvidia manages to maintain its strong market position thanks to very high expenditure on R&D. In the past quarter alone, almost 2 billion was spent on R&D on a turnover of 6 billion.

Palo Alto Network, the specialist in the field of cyber security, is not affected by the weaker economic conditions and continues to grow steadily. Over the past quarter, turnover increased by 26% compared to a year earlier and profit margins are also moving in the right direction. The protection of the digital infrastructure is one of

the most important agenda items for companies. When a company like Nvidia spends billions on R&D, the company wants its IP to be properly protected. A company like ASML also sees the protection of technological knowledge and IP (intellectual property) as one of the biggest challenges. In a conversation with ASML last month, it emerged that the company had to deal with two thousand incidents related to the protection of data and technological knowledge in the past year. As a result of further digitization, moving many activities to the cloud and working from different locations, digital protection has become a complex task. The geopolitical tensions and increased professionalization among cyber criminals have also increased the need to improve the protection of the digital infrastructure. Portfolio companies such as Palo Alto Networks, CrowdStrike and zScaler benefit from this and, in our view, make an important contribution to society

Largest positive and negative contribution

Tabel: top 5 positive and negative contribution to the monthly result (in €)

Top 5 Positive			Top 5 Negative		
	Return	Contri.		Return	Contri.
Nvidia (US)	21.7%	0.4%	Adobe (US)	-10.4%	-0.2%
Palo Alto (US)	21.6%	0.2%	Paypal(US)	-7.5%	-0.2%
Applied Material (US)	6.9%	0.2%	FIS (US)	-13.5%	-0.2%
Mircrosoft (US)	3.3%	0.2%	Alibaba (Chi)	-18.1%	-0.2%
Crowdstrike (US)	16.7%	0.2%	Amazon (US)	-6.4%	-0.1%

Source: DoubleDividend/Bloomberg

Portfolio changes

The Danish biotech company Novozymes has recently been added to the portfolio. Novozymes is the world market leader in the development and production of industrial enzymes. An enzyme is a protein that enables or speeds up a chemical reaction. Enzymes are made from natural materials such as fungi, bacteria, plants and animals. Novozymes' enzymes are mainly used in cleaning products, the food industry, agriculture and as an ingredient for bio-fuels. For example, enzymes are added to detergents or dishwasher tablets, which creates better results at lower temperatures and reduces the use of chemicals. In the food chain, enzymes are used, among other things, for the production of bread and cheese, to promote digestion and to extend the shelf life of products. Novozymes' business model is strongly based on product innovation and a long-term focus. Through research and the introduction of new products, the company is able to continue to grow and Novozymes realizes attractive profit margins. As a market leader with a portfolio of innovative products, Novozymes can benefit from the expected growth in the demand for enzymes, partly due to the contribution to sustainability. Novozymes has announced its intention to merge with another Danish biotech company Chr.Hansen. Chr.Hansen produces bacterial cultures, probiotics, enzymes and other natural ingredients, mainly for the food industry. Hansen's products are used, among other things, for the production of yoghurt, cheese, animal feed and extending the shelf life of fresh products such as salmon and meat. Chr.Hansen's products reduce waste and reduce the use of antibiotics and chemicals in the food chain.

Positions in JD.com, NVIDIA, Applied Materials, Samsung SDI, LVMH, Enel, Unilever, Microsoft, Visa TSMC, Teradyne, eBay, DoubleVerify, SolarEdge, Alphabet, Netflix and HDFC Bank have been reduced somewhat.

Positions in Ringcentral, Edwards Lifesciences, Adyen, Rockwool, servicenow, drMartens, Genmab and Essilor have increased slightly.

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

Companies & weight in portfolio			
Microsoft (US)	3.7%	PayPal (US)	2.4%
Alphabet (US)	3.0%	Apple (US)	2.2%
Applied Materials (US)	2.8%	ASML (NL)	2.2%
Thermo Fisher (US)	2.7%	Amazon (US)	2.2%
Salesforce (US)	2.7%	HDFC Bank (India)	2.1%

Source: DoubleDividend

Team DoubleDividend

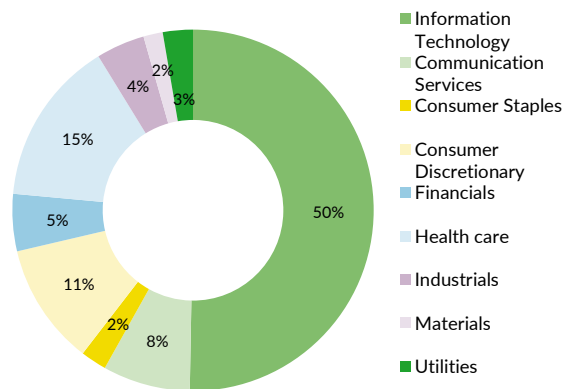
Appendix: portfolio characteristics

Table: Characteristics portfolio DDEF per month end

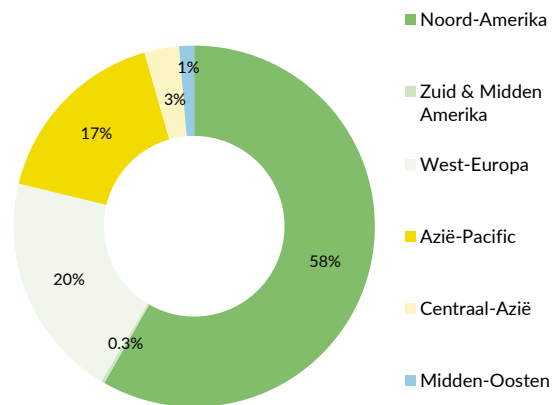
Valuation		Risk	
P/E ratio	31.9	Bèta (raw)	1.2
P/E ratio expected	20.7	Debt/EBITDA	2.8
EV/EBITDA expected	14.2	VAR (Monte Carlo, 95%, 1 yr)	32.4%
Dividend yield	1.7%	Standard deviation	20.3%
Price/cashflow expected	16.1	Tracking error (vs BBG World)	7.7%

Source: DoubleDividend/Bloomberg

Distribution per sector (GICS)



Distribution per region



Distribution per theme

