

DD ALTERNATIVE FUND

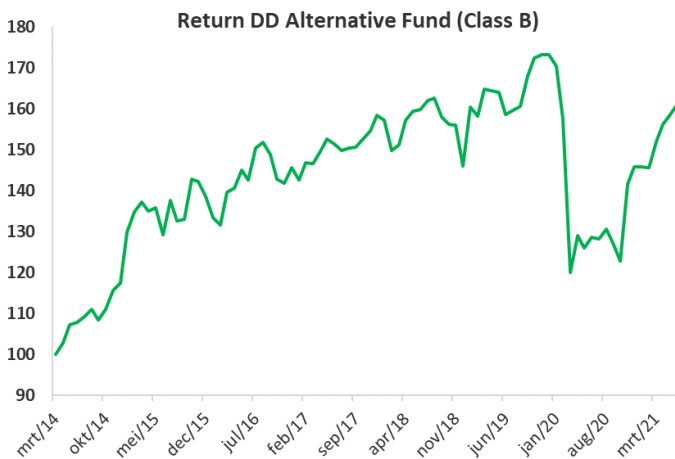
Monthly report June 2021

Profile

DD Alternative Fund N.V. (DDAF or DD Alternative Fund) is a global sustainable 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. DDAF is listed on Euronext in Amsterdam and can be traded daily.

Return class B*

DD Alternative Fund achieved a return of 1.66% (class B) for the month of June 2021. At the end of June 2021, the net asset value per share B amounted to € 33.15. This brings the return for 2021 to 10.60%.



Fund information

Key facts

Fund size	€ 41.5 mln
# shares A	367,413
# shares B	586,082
# shares C	308,584
Net asset value A*	€ 32.05
Net asset value B*	€ 33.15
Net asset value C*	€ 33.27
# positions	43

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
Exchange	Euronext Amsterdam
ISIN (A)	NL0009445915
ISIN (B)	NL0010949350
ISIN (C)	NL0014095119
Benchmark	None
Currency	Euro

Risk monitor

* per share

** estimated



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 Alternative Fund N.V. 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 total return in % (after costs, dividend included) *

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2009	-0.93	-4.09	-1.62	6.58	4.56	-4.94	1.52	9.69	1.91	-1.53	-1.03	0.32	9.87
2010	1.46	-0.29	4.57	-1.62	-6.72	1.07	5.14	1.00	5.21	2.46	-3.26	4.08	12.75
2011	2.08	2.75	-0.17	1.75	3.52	-2.20	-2.90	-8.16	-4.90	3.69	-5.90	1.26	-9.62
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							10.66

* 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.

Market developments

The recovery of the real estate equity market continued in June, but a small dip at the end of the month ensured that the EPRA Index increase was limited to 0.4%. This brought the EPRA Index return for the first half of 2021 to 9.5%. The sustainable infrastructure sector also had a positive month (+0.3% in euro terms), but still stands at a loss of 4.5% for the year. DDAF had a nice month with a return of almost 1.7%, bringing its return for 2021 to 10.6%. Not only are last year's losers like Eurocommercial Properties, Klépierre, SPG and SL Green doing well this year, but new positions like China Longyuan, Capreit and American Tower are also making big gains in 2021.

The economy is expected to pick up strongly from the second quarter of 2021, driven mainly by private consumption. It prompted the European Central Bank (ECB) to revise upward its economic growth forecasts in Europe for this year from 4% to 4.6%. Compared to the beginning of 2021, the outlook has thus become significantly more favourable. Inflation expectations have also been revised upwards, from 1.5% to 1.9%. This is still within the ECB's set range so that an interest rate increase is not on the cards for the time being.

There was hardly any corporate news in June. The most striking news was a capital increase of Aedifica. The Belgian operator of care centers raised € 285 million to finance further growth in Europe. DDAF also participated in the placement but already sold the new shares at a 10% higher price.

Largest positive and negative contribution

Due to a technical issue this table is not available this month.

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

Top 5 positive		Top 5 negative		
	Return	Contribution	Return	Contribution

Source: DoubleDividend/Bloomberg

Portfolio changes

Over the past month, we have continued to increase the weighting of Cellnex, China Tower, Falck Renewables, Innergex, Inwit, Land Securities and LEG. We reduced the weightings of Adler, China Longyuan, Digital Realty, Douglas Emmett, Eurocommercial Properties, Equinix, Hufvudstaden, Merlin, Prologis and Shurgard somewhat. Positions in Gecina and SPG have been sold completely due to very limited upside. Sustainable infrastructure companies EnergieKontor and Grenergy Renovables were newly added to the portfolio in June.

EnergieKontor has grown over the past 30 years into one of the largest developers of smaller and medium-sized wind farms in Germany. The company is also active in the UK and Portugal and recently in France and the US. Since 2010, solar parks have also been developed, but their scale is still limited. In the early years EnergieKontor sold all wind farms to third parties, but in the meantime the Bremen-based company has built up its own portfolio of around 300MW. The aim is to grow this portfolio to 500MW over the next two years. In the past EnergieKontor benefited from generous subsidy schemes, but nowadays more and more parks are being developed without subsidies. In fact, EnergieKontor was the first in Germany and the UK to build parks without subsidies. Unlike other companies in the sector, EnergieKontor never issues new shares to finance growth. In fact, the development pipeline is always financed by the cash flows of the existing parks and by selling part of the newly developed parks.

Spain's Grenergy Renovables was founded in 2007 and has been publicly traded since 2015. Like EnergieKontor, Grenergy was primarily a developer for third parties, but mainly focused on solar parks. Grenergy also recently started its own portfolio and plans to expand it significantly in the coming years. Grenergy is active in eight countries in Europe and South America. Most new developments are in Chile, Colombia and the United Kingdom. The plan is to develop around 1GW of new projects annually and to keep the majority of these, increasing its own portfolio to 2.5GW by 2023. Grenergy has also financed its growth so far by selling projects and not paying dividends.

Table: top 10 positions in portfolio per end month

Company and weights			
Vonovia (Ger)	5.5%	Cellnex (Spa)	3.1%
Eurocommercial Prop. (Neth)	4.3%	Atlantica Sustainable (US)	3.1%
IRES (Ire)	4.0%	Greencoat UK Wind (UK)	3.1%
Mitsui Fudosan (Jap)	3.3%	Boralex (Can)	2.9%
SL Green (US)	3.3%	Greencoat Renewables (Ire)	2.9%

Source: DoubleDividend

Team DoubleDividend

Annex: portfolio characteristics

The table below shows the main characteristics of the portfolio. The cash flow yield shows the direct return (the rental income less costs) compared to the current price. Revaluations of the real estate are therefore not included. The price to net asset value indicates whether the portfolio is trading at a premium or a discount in relation to the value of the underlying real estate. If this value is lower than 100%, then there is a discount to net asset value and vice versa. The dividend yield is the dividend yield of the current year divided by the current price (closing price of the month).

The debt ratio is the net debt to the market value of the property. 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	5.4%	VAR (Monte Carlo, 95%, 1-year)	29.3%*
Dividend yield, current	3.3%	Standard deviation	22.6%*

Source: DoubleDividend/Bloomberg
* Per month end May 2021

