

## DD EQUITY FUND

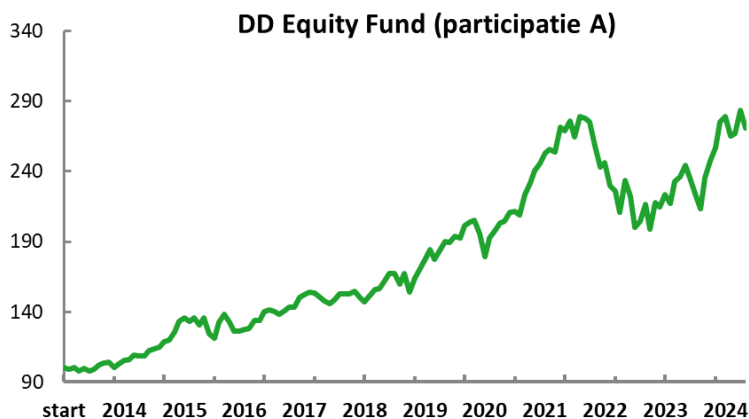
## Monthly report July 2024

**Profile**

DD Equity Fund (DDEF) is an actively managed 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 can be traded on a daily basis.

**Return participation A\***

DD Equity Fund achieved a return of -4.4% in July 2024, as a result of which the net asset value per unit A declined to € 271.07.



\* 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	€209 mln
# shares outstanding A	521,627
# shares outstanding B	151,573
# shares outstanding C	93,541
Net Asset Value A*	€ 271.07
Net Asset Value B*	€ 274.68
Net Asset Value C*	€ 277.15
# of positions	68
Beta	1.3

**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
ISIN (A)	NL0010511002
ISIN (B)	NL0014095127
ISIN (C)	NL0015614603
Benchmark	None
Currency	Euro

**Risk monitor**

\* per participation  
\*\* expect



This is a publicity notice. This information does not provide sufficient basis for an investment decision. Therefore, please read the DD Equity 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](http://www.doubledividend.nl)). DoubleDividend Management B.V. is manager of DD Equity Fund 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 returns in %, participation A (net of costs and fees) \***

\* 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.

	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	<b>3.79</b>
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	<b>15.17</b>
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	<b>10.66</b>
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	<b>8.44</b>
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	<b>6.49</b>
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	<b>1.01</b>
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	<b>32.08</b>
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	<b>13.73</b>
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	<b>18.94</b>
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	<b>-27.82</b>
2023	9.60	-1.68	4.32	-2.99	7.46	1.33	3.50	-3.66	-4.91	-4.85	10.40	5.11	<b>24.30</b>
2024	4.04	6.98	1.35	-4.92	0.89	6.14	-4.41						<b>9.78</b>

**Periodic long term return in % (figures are after costs)\***

	1 year	3 year	5 year	10 year	Since start**
Total Return	10.9%	0.8%	42.5%	149.7%	171.1%
Annualized Total Return	10.9%	0.3%	7.3%	9.6%	9.2%

Source: Bloomberg/DoubleDividend

\*\* April 2013

**Market developments**

The attack on Trump had a major effect on financial markets, which are increasingly taking into account a Trump victory. Trump's choice of Ohio Senator JD Vance as vice president highlights America First's political, economic and military policies. The contours of economic policy under a possible new Trump period are slowly becoming clear: lower taxes, more trade restrictions, more fossil fuels, less sustainability and a pro-crypto policy. A policy that can best be described as a kind of economic nationalism is not good for sentiment towards technology and sustainability, but the ultimate effect on these sectors if Trump wins is still very unclear. Biden's position was further weakened after the attack on Trump, resulting in his eventual withdrawal from the presidential race. With the arrival of Harris as the (probable) new candidate, the Democratic Party hopes to have a better chance against Trump, and the most recent polls also seem to confirm this.

As mentioned, political developments had a significant effect on the financial markets. Technology and the chip sector in particular were under pressure last month, while small caps, among others, made a comeback. Companies in the chip sector were under additional pressure due to the threat of new trade restrictions under the Biden administration and uncertainty about the security of Taiwan under a possible Trump presidency.

DDEF had a difficult month due to, among other things, its large position in the chip sector. The political uncertainties led to sharp price fluctuations. In addition, a number of company-specific events at CrowdStrike, Dexcom and Edwards Lifesciences had a negative effect on the result for the month. Cybersecurity company CrowdStrike was involved in the major computer failure last month with far-reaching consequences. The share price subsequently fell sharply. CrowdStrike's reputation has taken a hit and customers may demand compensation. Medical companies Dexcom and Edwards Lifesciences reported disappointing results, resulting in major share price drops.

**Largest positive and negative contribution**

The turbulent month led to sharp price movements. As described above, cybersecurity company CrowdStrike was under pressure for its role in the global computer outage this month. A software update from the company caused a large number of Microsoft computers to crash, with major consequences. It is estimated that "only" 1% of Microsoft computers crashed, but the consequences were so large because CrowdStrike protects the most critical computer systems. CrowdStrike is seen as one of the most advanced cybersecurity companies, but

is also relatively expensive. Many companies and organizations therefore choose to protect only the most important computer systems with CrowdStrike. Partly for this reason, the consequences were visible at service providers such as airports, hospitals and banks. The positive news is that there was no security breach, so the safety of CrowdStrike services is not in question. This does not alter the fact that the company's reputation has worsened and that customers have suffered damage. This may have an effect on the company's future growth and profits.

Edwards Lifesciences lowered the growth forecast for its TAVR activities (replacing heart valves with a catheter) from 8-10% to 5-7% for the current year, but the other activities are actually growing faster, which means that the total growth for the year is expected to be similar to the previous 8-10% guidance. The price drop of more than 30% seems quite significant in this context. Dexcom had to adjust growth expectations downwards (from 18% to 12%) for the current year, due to disappointing growth outside the US. Here too, the price correction of 40% seems quite significant in relation to the adjustment, partly because management expects the lower growth to be temporary. We have expanded positions in both companies somewhat.

The positive contribution to the result came among others from medical technology companies Thermo Fisher and Danaher, thanks to good results. PayPal also achieved good results and recorded a significant price increase last month. The initiatives to improve growth and profitability under the new management team appear to be paying off.

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

Top 5 Positive			Top 5 Negative		
	Return	Contri.		Return	Contri.
Thermo Fisher (US)	9.9%	0.3%	CrowdStrike (US)	-40.0%	-1.0%
PayPal (US)	12.3%	0.2%	Edward Lifescience (US)	-32.4%	-0.7%
Danahar (US)	9.9%	0.2%	Dexcom (US)	-40.8%	-0.5%
Infosys (India)	17.7%	0.1%	ASML (NL)	-11.6%	-0.4%
ServiceNow (VS)	2.6%	0.1%	Applied Material (VS)	-10.9%	-0.4%

Source: DoubleDividend/Bloomberg

## Portfolio changes

Due to the increased uncertainties, we are expanding the number of positions in the portfolio. Oracle and Veeva were added to the portfolio last month.

Veeva is a service provider for the healthcare industry. The company's software is used by companies active in pharmaceutical and biotechnology. Initially, Veeva was mainly active in the field of CRM (customer relationship management), but the platform is now used much more widely, especially in the development of new medicines, such as monitoring clinical studies and compliance. Services related to R&D account for approximately 50% of the company's turnover. Thanks to a strong market position, Veeva benefits from further digitalization in the biotech and pharmaceutical sectors. Veeva expects turnover growth of approximately 15% per year until 2026 and achieves above-average profit margins of 35-40% (operating margin).

In addition to being a provider of software for companies, software company Oracle is increasingly positioning itself as the fourth cloud infrastructure service provider, alongside Amazon Web services, Microsoft Azure and Google Cloud Services. It is expected that, partly as a result of this strategic move, the company's turnover growth will increase and the valuation difference with other software companies will become smaller.

At the beginning of the month (before the sharp correction) we reduced positions in CrowdStrike and chip companies ASML, Applied Materials, AMD, TSMC and Teradyne. The positions in Dexcom, Edwards Lifesciences, Stryker, United Health, Visa, Snowflake, Marvell Technologies, Microsoft, Alphabet and Union Pacific have been expanded somewhat during the month.

**Table: top 20 holdings in portfolio by the month end.**

Companies & weight in portfolio

Amazon (US)	5.1%	Nvidia (US)	2.6%
Alphabet (US)	5.0%	AMD (US)	2.6%
Microsoft (US)	4.3%	Visa (US)	2.6%
Salesforce (US)	4.0%	Danahar (US)	2.2%
ServiceNow (UUS)	3.8%	Workday (US)	2.1%
TSMC (Taiwan)	3.7%	LVMH (France)	2.1%
Adobe (US)	3.3%	Palo Alto (US)	2.0%
Applied Materials (US)	3.2%	PayPal (US)	2.0%
ASML (NL)	3.1%	Mastercard (US)	1.9%
Thermo Fisher (US)	3.0%	Intuit (US)	1.7%

Source: DoubleDividend

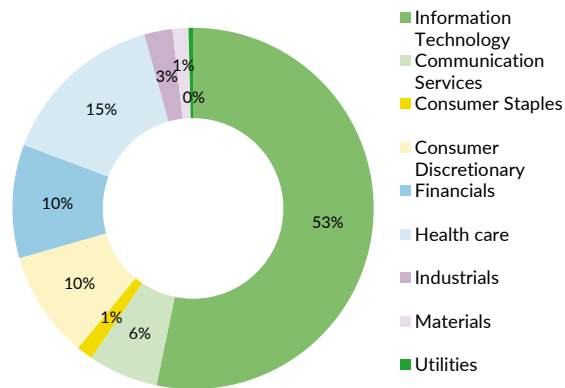
**Appendix: portfolio characteristics**

**Table: Characteristics portfolio DDEF per month end**

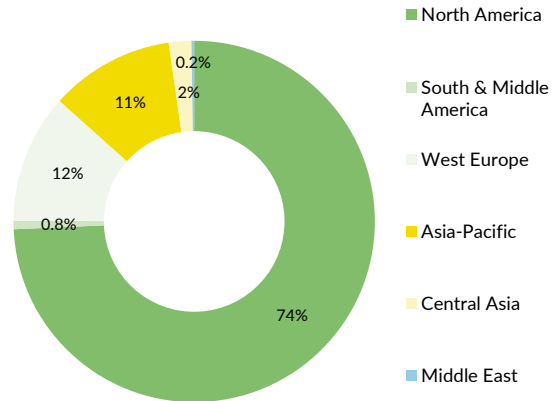
Valuation		growth	
P/E ratio	36.1	Revenue growth	-0.8%
P/E ratio expected	25.4	EBITDA growth	43.8%
EV/EBITDA expected	17.9	Gross profit margin	50.3%
Dividend yield	1.0%	Operational profit margin	16.6%
Price/cashflow	22.7	VAR (value at risk)	30.1%
Beta	1.3	Standard deviation	18.3%

Source: DoubleDividend/Bloomberg

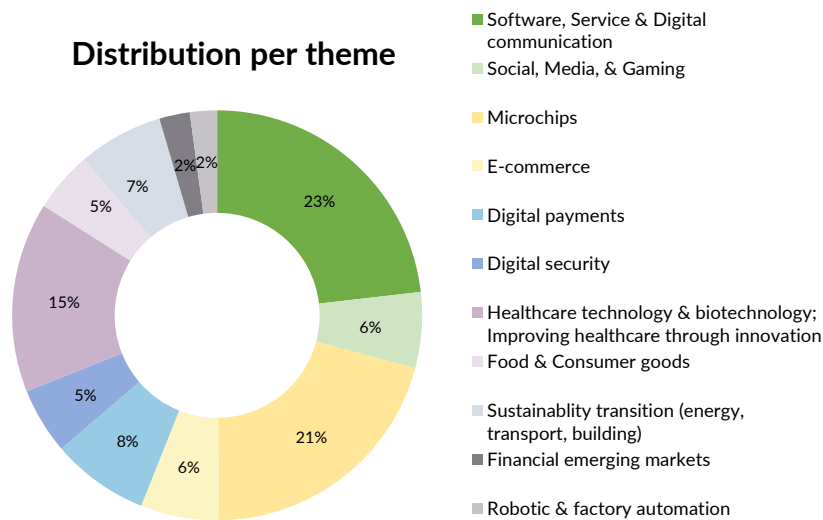
**Distribution per sector (GICS)**



**Distribution per region**

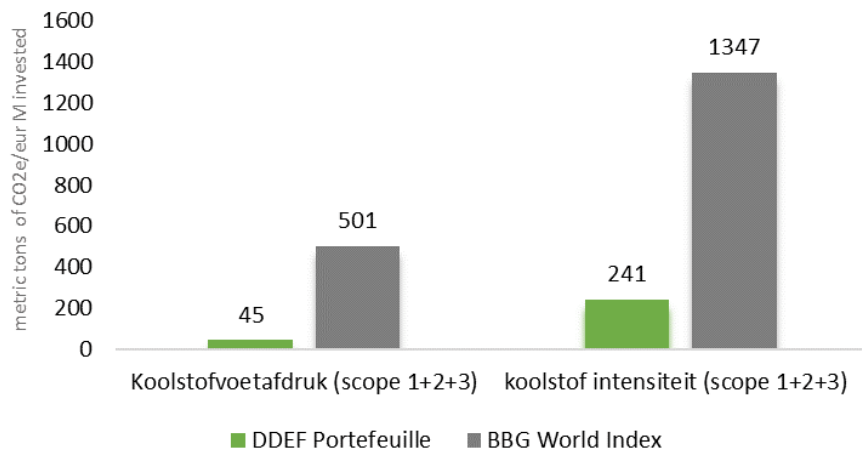


**Distribution per theme**

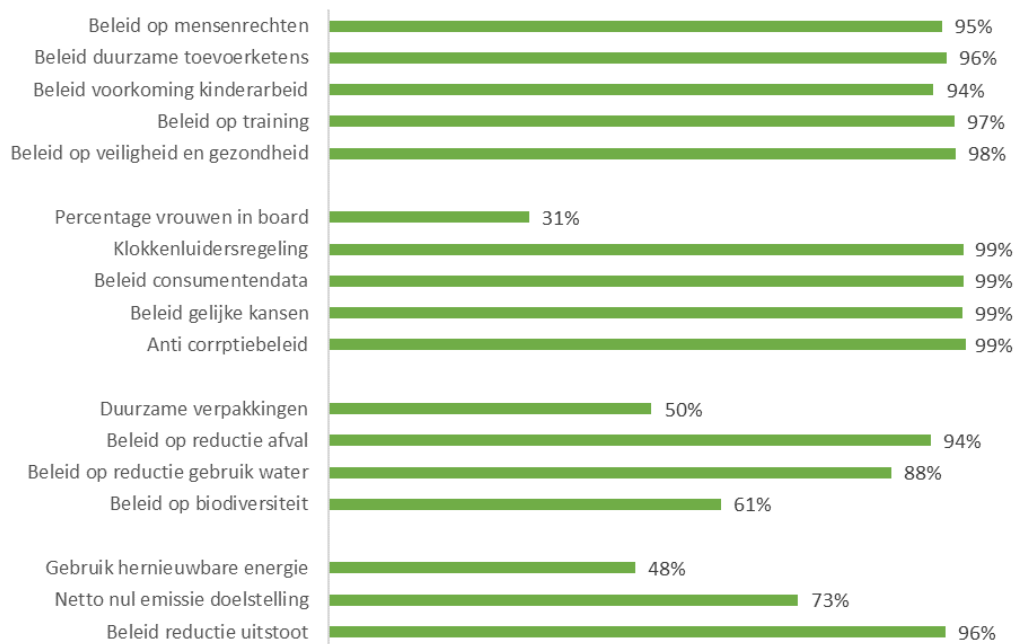


DDEF ESG-Overview

**CO2-uitstoot van DDEF VS. BBG World index**



**ESG Impact van portefeuille  
(% bedrijven in portefeuille)**



Source: DoubleDividend/Bloomberg

More information on the fund's sustainability features can be found on our [website](#) and in the DD Equity Fund prospectus. It is important to consider all the features of the fund, as described in the prospectus, before making an investment decision.

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