

# Spinoza Entrepreneur Fund

Fund Fact Sheet • 30 November 2024 • Net Asset Value: €119.89



SPINOZA CAPITAL

## Investment strategy

The Fund pursues capital appreciation and achieving attractive risk-adjusted returns through a quantitative and qualitative investment selection process based on the principles of value investing.

The Fund has a special focus on investing in companies with an entrepreneurial backing or with a strong alignment of incentives between public shareholders and insiders like (i) a long-term oriented anchor shareholder like a founder or an entrepreneurial family, (ii) a significant shareholding by the management team and/or sizeable share purchases by the management team, and/or (iii) significant share buybacks.

The Sub-Fund is actively managed on a fully discretionary basis. Investments are selected based on the principles of value investing employing the Investment Manager's proprietary, rules based quantitative and qualitative investment selection process, incorporating combinations of different value, management quality and/or ownership structure parameters or criteria, that seeks to take advantage of discrepancies between the estimated fundamental value of a transferable security and its market price.

## Risk and Reward profile

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Lower risk  
Typically lower reward

Higher risk  
Typically higher reward

## Key information

ISIN	LU2379756187
Fund category	Equity Hedge, global
Domicile	Luxembourg
Fund currency	EUR
Fund inception	April 2022
Income type	Accumulating
Fund type	UCITS
Distribution	Germany, Luxembourg
Dealing days	Daily
Minimum investment	EUR 1'000
Financial year end	31 December
Minimum equity participation rate	50%
Management company	Gen II Management Company SARL
Investment manager	Spinoza Capital GmbH
Administrator	CACEIS Bank, Luxembourg Branch
Depositary	CACEIS Bank, Luxembourg Branch
Auditor	KPMG Luxembourg

## Fees and expenses

Subscription fee	0%
Ongoing charges which includes a management fee of	1.57% p.a. 1.00% p.a.
Performance fee	up to 15% (above 7% annual return, perpetual high watermark)
Redemption fee	0%

## Performance

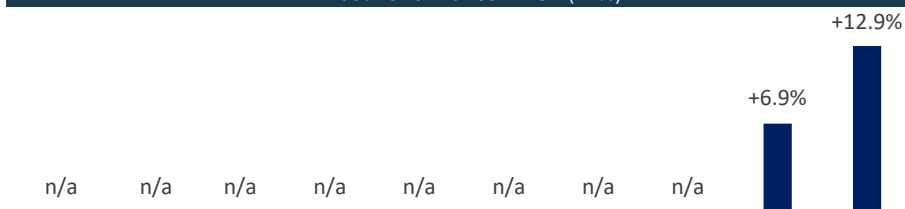
### Development of Net Asset Value in EUR since fund inception



### Cumulative Performance in EUR (Gross, in %) <sup>1</sup>

Fund	1 month	3 months	Year to Date	1 year	3 years	5 years	since inception
	+1.9%	+1.1%	+8.0%	+12.9%	n/a	n/a	+19.9%

### Annual Performance in EUR (in %) <sup>1</sup>



Nov 14 - Nov 15 - Nov 16 - Nov 17 - Nov 18 - Nov 19 - Nov 20 - Nov 21 - Nov 22 - Nov 23 - Nov 24

<sup>1</sup>Gross fund performance takes into account all costs & fees incurred at fund level. Further costs may be charged individually at customer level (e.g. custody fees, commissions and other charges), resulting in a diminishing effect on performance. These figures refer to the past. Past performance is no reliable indicator of future performance.

## Fund manager's comment: November 2024

The broad Stoxx Europe 600 index increased by +1.0% in November 2024 while the S&P 500 and the Nasdaq strongly jumped by +5.7% and +6.2% respectively driven by the Republicans' win of the presidential election while also securing majorities in the Senate and the House of Representatives. There was an even stronger divergence in the performance of mid-cap stocks with the European mid-cap stocks increasing +1.8% and the MDAX decreasing -0.1% while US mid-cap stocks (Russel 2000) showed a strong +10.8% bounce in November 2024.

The new US government will certainly make a strong effort to ensure robust economic growth, and the US economy may exceed the c. 3% GDP growth currently expected for 2025. Nevertheless, current investor positioning to US listed stocks is extreme. The US accounts for c. 24% of world GDP, while US companies represent c. 73% of the MSCI World market capitalization. The valuation of the S&P 500 currently stands at c. 22x P/E 2025, while the broad European DJ Stoxx 600 is currently trading at c. 13x P/E 2025. Even with a preference for US stocks, one should consider that S&P 500 companies generate almost 30% of their revenues outside the US, while European DJ Stoxx 600 companies generate c. 20% of sales in the US, of which only a small fraction of c. 3%-4% may be targeted by tariffs, as the most US sales represent goods or services produced in the US or are difficult to produce locally in the US.

The Entrepreneur Fund increased by +1.9% in November 2024. A strong performance was delivered by US listed companies like Howard Hughes Holdings (+14%) and Seaport Entertainment (+25%) as well as European stocks with a large US sales exposure like Indivior (+29%), Mobico (+25%), HelloFresh (+14%) and Springer Nature (+12%). Weak performers were primarily automotive stocks (Mercedes -5%) and French stocks due to the political uncertainty (BNP -9%, Vivendi -11%, Verallia -5%, Valneva -28%). It should be noted that Valneva, which are currently developing the world's first borreliosis vaccine together with Pfizer (planned market introduction end 2026) took an additional hit driven by the nomination of Robert Kennedy Jr. as United States Secretary of Health.

## Fund manager's comment continued: November 2024

Prospects for the Fund towards the year end remain solid as central banks have entered a monetary easing trajectory for the foreseeable future. The current market expectation is for interest rate cuts at each of the next five ECB meetings, which would bring down the target rate from currently 3.25% to 2.00% in June 2025. Over the same period, only two cuts by the FED are expected in the US, which would reduce the monetary target rate from 4.75% to 4.25%.

The Fund increased its equity exposure to c. 87% in November 2024. C. 7% of the Fund's NAV was invested in bonds and c. 6% in cash per end of November 2024. C. 66% of the Fund's assets were allocated to instruments denominated in EUR, c. 17% in USD, c. 15% in GBP, and c. 2% in other currencies (NOK, CAD, CHF, DKK).

## Investor Profile

The Fund is suitable for investors seeking long-term capital growth and may not be appropriate for investors who plan to withdraw their money within 5 years.

## Risks

**Market risk:** Market fluctuations and general market or systematic risk is inherent to an entire investment market and as such, to a varying degree, in all of the Fund's investments. Price movements in an investment market can be volatile and are influenced, among other things, by changing market supply and demand, national and international political and economic events.

**Concentration risk:** To the extent that the Fund's investments are concentrated in a particular country, market, industry or asset class, the Fund may be susceptible to loss due to adverse occurrences affecting that country, market, industry or asset class.

**Currency risk:** The Fund's reference currency is EUR, whereas the underlying investments of the Fund are denominated in a variety of currencies. Consequently, the performance of the Fund may be influenced by movements in foreign exchange rates between EUR and the currencies in which the underlying investments are denominated.

**Counterparty risk:** There is a risk that a counterparty will not fulfil its payment obligation for a trade, contract or other transaction, on the due date. This may result in losses.

**Liquidity risk:** The Fund may be exposed to liquidity risk where, due to a lack of marketability, the Fund's investments cannot be bought or sold quickly enough to prevent or minimize a loss.

**Derivatives risk:** The Fund may use derivatives in an attempt to reduce risk (hedging) or for investment and portfolio management purposes. It may be that the use of derivatives may not always be successful and cause unit prices to fluctuate which may in turn result in loss to the Fund.

**Credit risk:** The risk of default that may arise if an issuer fails to make payments when due.

**Operational risk:** The risk of losses caused by employees, delegates, service providers and other third parties through insolvency, errors, fraud or criminal actions.

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Sources of data used in the document: Spinoza Capital, Bloomberg.

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Copies of the fund's prospectus and the key information document (KID, Basisinformationsblatt) may be obtained free of charge from Spinoza Capital GmbH, Opernturm 16. Stock, Bockenheimer Landstraße 2-4, D-60306 Frankfurt am Main, Germany and may be downloaded from the Spinoza Capital website: [www.spinozacapital.com](http://www.spinozacapital.com). The fund's prospectus is available in English whilst the KID (Basisinformationsblatt) is available in German.