



Overview

Profile

Kempen Orange Fund N.V. invests in smaller and medium-sized Dutch companies that are included in the GPR Dutch Small Cap Index. The fund can also invest in Dutch and Belgian companies which are not included in the Index, provided that their market capitalisation is less than € 5 billion at the time of purchase. Investments in Belgian companies may not exceed 20% of the fund's portfolio. The environmental, social and governance (ESG) criteria are incorporated in the investment process. The fund positions itself as an engaged shareholder. Kempen Orange Fund N.V. has the objective to earn a structurally higher return (capital gain and dividends) than its benchmark: GPR Dutch Small Cap Index.

Management Team

Erwin Dut, Sander van Oort, Ingmar Schaefer, Thibault van Heeswijk

More information about the team and the strategy

Key Figures

Total fund size	EUR 78.07 M	2024-12-31
Share class size	EUR 78.07 M	2024-12-31
Number of shares	656,405	2024-12-31
Net Asset Value	EUR 118.94	2024-12-31
Transaction price	EUR 117.62	2024-12-31

Top 10 Holdings

Aalberts	10.0 %
Arcadis	9.4 %
Koninklijke Vopak	8.3 %
ASR Nederland	7.5 %
Just Eat Takeaway	7.4 %
Basic-Fit	7.0 %
SBM Offshore	6.8 %
Azelis Group	5.0 %
Kendrion	4.8 %
Fugro	4.7 %

Ongoing Charges

Management fee	0.75 %
Service fee	+ 0.25 %
Expected ongoing charges	1.00 %
Ongoing charges last financial year	1.00 %

The Ongoing Charges Figure of the last financial year relates to 2023. The service fee is determined annually on basis of the net asset value as of the last day of the previous financial year: < or equal to EUR 200 million: 0.25% >EUR 200 million: 0.20%

Share Class Details

Investor type	Institutional & Private
Distributing	Yes
Benchmark	GPR Dutch Small Cap Index (dividends reinvested)
Investment category	Small Caps
Universe	Dutch and Belgian Small- and Mid-cap equities
Inception date	1990-09-07
Domicile	Netherlands
May be offered to all investors in	Netherlands
UCITS status	No
Status	Open-end
Base currency	EUR
Share class currency	EUR
Management company	Van Lanschot Kempen Investment Management NV
Depository and custodian	BNP Paribas S.A., Netherlands Branch
Morningstar rating TM	★★

Tradability

Listed	yes, listed on the NAV Trading Facility of Euronext
Subscription/Redemption Frequency	daily
ISIN	NL0000289627

Fund Characteristics Per 2024-12-31

	Fund	Benchmark
Number of holdings	19	51
Dividend yield	3.20 %	4.03 %
Weighted average market capitalization	EUR 3,510 M	EUR 2,660 M
P/E ratio	13.95	12.44
Active share	35.01 %	

Dividends

Last dividend	EUR 5.10
Ex-date last dividend	2024-06-04
Number of distributions per year	1
Dividend calendar	Open the calendar



Performance

Performance Per 2024-12-31

	Fund	Benchmark
1 month	-1.3%	-1.8%
3 months	-2.9%	-3.7%
This year	-2.0%	1.1%
2023	13.3%	15.7%
2022	-14.7%	-10.2%
2021	29.2%	29.4%
1 year (on annual basis)	-2.0%	1.1%
3 years (on annual basis)	-1.8%	1.6%
5 years (on annual basis)	7.1%	9.3%
Since inception (on annual basis)	10.6%	9.3%

Until 1 januari 2004 was de benchmark de CBS Small Cap Index. Performance is shown after deduction of ongoing charges and including the reinvestment of dividend that has been paid out. The value of your investments may fluctuate. Past performance provides no guarantee for the future.

Performance Since Inception Per 2024-12-31 (Rebased)



● Kempen Orange Fund NV ● GPR Dutch Small Cap Index

Risk Analysis (Ex Post) Per 2024-12-31

	3 Years	Since Inception
Maximum drawdown	-17.08%	-36.47%
Tracking error	4.96%	5.63%
Information ratio	-0.69	0.22
Beta	0.88	0.88
Volatility	0.17	0.17



Portfolio

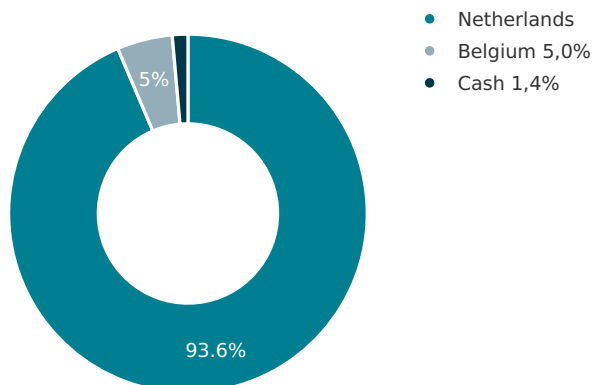
Top 5 Contribution (2024-12-31)

	Contribution	Performance
BE Semiconductor Industries	0.50%	17.01%
Basic-Fit	0.41%	6.23%
Sligro Food Group	0.18%	4.10%
Heijmans	0.16%	8.93%
TKH Group	0.16%	8.25%

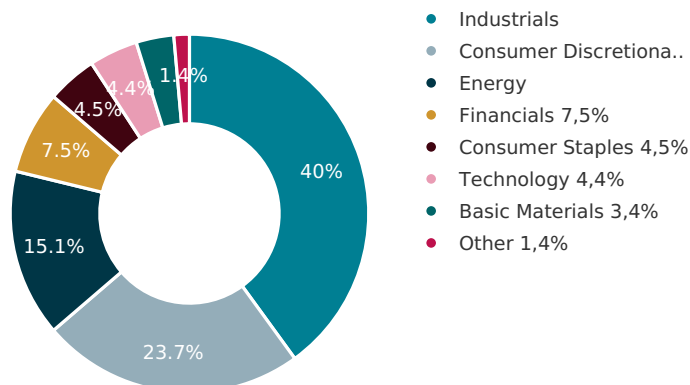
Bottom 5 Contribution (2024-12-31)

	Contribution	Performance
Just Eat Takeaway	-1.07%	-12.67%
Aalberts	-0.58%	-5.56%
Arcadis	-0.56%	-5.85%
Koninklijke Vopak	-0.34%	-4.06%
Kendrion	-0.20%	-4.06%

Geographic Allocation (2024-12-31)



Sector Allocation (2024-12-31)





Developments Per 2024-12-31

KOF earned a return of -1.3% in December, while the GPR Dutch Small Cap index was down by 1.8%. In 2024, KOF's Net Asset Value (NAV) decreased by -2.0% versus an upturn of 1.1% for the benchmark.

No new positions were added and/or sold in their entirety during the month. Existing positions in Arcadis, Just Eat Takeaway and SBM Offshore were expanded marginally and the positions in Nedap, Brunel and BESI were slimmed down slightly. Other positions were adjusted based on changes to the model portfolio driven by valuations and upward price potential.

In recent months, Basic-Fit's management has received letters from both Impactive Capital and Buckley Capital asking it to focus on the fact that its stocks are undervalued. As they are currently trading at a lower price than their intrinsic value, Impactive Capital is urging Basic-Fit's management to buy back shares. Buckley Capital prefers a strategic review with the sale of the company as a potential solution. Even though the number of clubs, members and earnings have increased in the past few years, the company's equity price is lower and in turn its valuation has decreased. We think this can be attributed to the slowdown in growth. The latter can partly be explained by those clubs that opened during the COVID pandemic and take longer to achieve the profit margins of the mature clubs because these new clubs were closed for many months. The letters from (co-) shareholders reaffirm our view that Basic-Fit's equity valuation is (excessively) low. However, in addition to the short-term solutions we also see opportunities in which these clubs will realise the projected profitability after a longer start-up period and in doing so overturn the equity undervaluation. We therefore think that Basic-Fit's equity price contains potential, independently of the plans of Impactive and Buckley.



Sustainability-related disclosures

No Sustainable Investment Objective

The Kempen Orange Fund (the "Fund") falls under the scope of article 8 of the SFDR, indicating the fund promotes environmental and/or social characteristics. The fund does not have sustainable investment as its objective.

The Fund excludes companies through the application of strict exclusion criteria. These take into account international standards, such as the UN Global Compact framework, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business and Human Rights, and our Principles for Responsible Investment commitments. The Fund applies additional exclusion criteria based on product involvement and business conduct.

Environmental Or Social Characteristics Of The Financial Product

The Fund promotes environmental characteristics related to:

- Climate change mitigation and climate change adaptation in line with the Paris Climate Agreement;
- The protection of biodiversity and ecosystems;
- The transition to a circular economy.

The Fund promotes social characteristics related to:

- Decent work;
- Adequate living standards and wellbeing for end-users;
- Other social topics such as gender equality and broader diversity matters.

The environmental characteristics promoted by the Fund seek to contribute to the achievement of the climate goals of the Paris Agreement and the National Climate Agreement of the Netherlands ('Klimaatakkoord'). This decarbonization pathway encompasses short-term (2025) objectives, a mid-term (2030) ambition and a long-term commitment to be net zero by 2050. Although there has been no index designated as a reference benchmark, by 2025 the Fund aims to have a carbon intensity that is below the 7% reduction pathway.

Investment Strategy

The Fund invests in shares of Dutch companies and can also invest in shares of Belgian companies. A bottom-up investment process is used to construct a portfolio of small and medium sized companies. The Fund aims to generate a long-term total return in excess of the GPR Dutch Small Cap Index in euro, comprising capital gains or losses plus net dividend. Our ESG-policy, described in the ESG Policy & Process document, is aimed at the promotion of environmental and/or social characteristics. This ESG policy is implemented in our strategy's investment process across four pillars: Exclusion, ESG Integration, Active ownership and 4)Positive impact.

Before and after selecting the asset, we apply adequate (ESG) due diligence measures. This can help to enhance long-term risk adjusted returns for investors, in accordance with the investment objectives of the Fund. We look at each company on a case-by-case basis, taking into account both material risks in a given industry and the company's respective risk exposure, practices and disclosure. This includes:

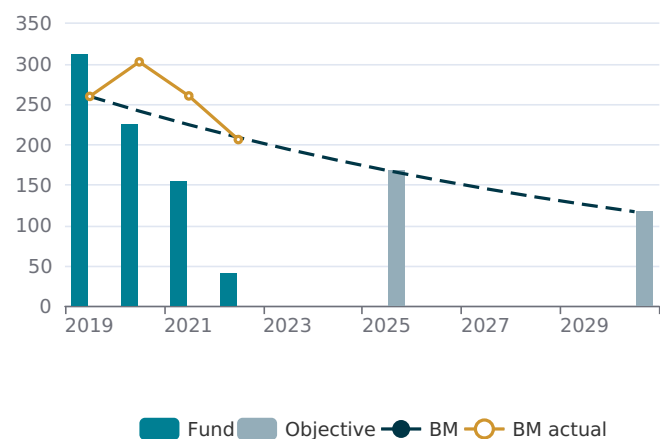
- an assessment of good governance practices. The investee companies are rated for governance aspects using external research and internal assessments.
- the company's exposure to past controversies and future ESG opportunities

Based on fundamental ESG analysis we form an opinion on the quality of a company's ESG profile and award a score (1-5).

Key Figures

	Kempen Criteria	Additional Criteria
Business conduct		
Human Rights		
Labour		
Environment		
Anti Corruption		
Product involvement		
Controversial Weapons		
Tobacco		
Thermal Coal		
Tar Sands		
Adult Entertainment		
Alcohol		
Animal Welfare & GMO		
Gambling		
Power Generation Nuclear		
Power Generation Carbon Intensive		
(Un)conventional Oil & Gas Extraction		
Weaponry		

Fund Carbon Emission Targets



Morningstar Sustainability Rating



Limitations To Methodologies And Data

Externally provided ESG data is far from perfect. Therefore we conduct rigorous due diligence of the data used in our ESG processes to ensure the limitations will not affect the environmental and social characteristics. To ensure data quality we regularly engage with portfolio companies and third party vendors. Limitations include, but are not limited to discrepancies between company reported data and data provided by third parties, inconsistencies across data vendors, market cap bias and modelling assumptions.

Proportion Of Investments

Information about the proportion of investments with environmental or social characteristics is available in the annex II of this product.

Monitoring Of Environmental Or Social Characteristics

The holdings are screened quarterly for compliance with Kempen's ESG criteria. The screening process allows Kempen to monitor the ESG performance of all companies in the fund. It also encourages engagement on potential issues identified. Furthermore, the results of the screening feeds into quarterly challenging sessions between ESG specialists and portfolio managers. These sessions are used to assess whether ESG risks and opportunities are sufficiently reflected in the investment decision making process of Kempen.

Methodologies

Principal Adverse Impact Indicators are monitored at individual holding level and at the portfolio level.

Kempen ESG Score serves as input throughout the investment process (exclusion, integration in the valuation models, engagement). Scores are based on 21 ESG risk factors, which are selected based on their materiality per industry.

Carbon emission intensity is used as the key carbon metric. We calculate carbon intensity based on revenues (weighted average carbon intensity), which we use for our commitment, ambition and objectives.

EU Taxonomy alignment is measured by turnover, for which we use a combination of actual data from investee companies and estimates on EU Taxonomy alignment made by a third party provider.

Engagement Milestones are used in order to measure engagement success. All engagement contacts are recorded and classified: Milestone 1 (company is informed), Milestone 2 (company acknowledges request), Milestone 3 (company commits to improve), up until Milestone 4 (proof of improvement).

Due Diligence

Before a company is invested in, Portfolio Managers perform a due diligence on potential ESG risks and principal adverse impact indicators, opportunities, as well as potential past controversies. ESG due diligence is integrated in the different stages of the investment process (screening of the investable universe, fundamental research & portfolio management). ESG specialists challenge the portfolio managers on the implementation of the ESG process on a quarterly basis.

Data Sources And Processing

External data providers include (but are not limited to)

- Institutional Shareholder Services (ISS), used for proxy voting, governance research, carbon data and Sustainable Development Goals data;
- MSCI ESG Research: used for company ESG Ratings, product involvement data, principal adverse indicators and to assess the degree to which the investments are in environmentally sustainable economic activities under the EU Taxonomy, measured by turnover;
- Sustainalytics: used for ESG Risk Ratings and product involvement data.

Internal as well as external data is collected and processed in several data analytics (including FactSet, PowerBI, Tableau) and internal compliance systems (including ThinkFolio).

Van Lanschot Kempen Investment Management NV is the management company of Kempen Orange Fund NV (the "Fund"). Van Lanschot Kempen Investment Management NV is authorised as a management company and regulated by the Dutch Authority for the Financial Markets (AFM). The Fund is registered under the license of Van Lanschot Kempen Investment Management NV at the Dutch Authority for the Financial Markets (AFM).

The information in this document provides insufficient information for an investment decision. Please read the Key Information Document (available in Dutch and English) and the prospectus (available in English). These documents are available on the website of Van Lanschot Kempen Investment Management NV (www.vanlanschotkempen.com/investment-management). The information on the website is (partly) available in Dutch and English. The value of your investment may fluctuate. Past performance provides no guarantee for the future.