

DWS Concept Platow – May 2022 Report

May was certainly not a merry month for investors! The latest performance of the DWS Concept Platow Fund (LU1865032954, LU1865033176, LU1865032871) looked more like a weed than a flower. The fund ended May deep in the red and also lagged major stock indexes. Fortunately, hardly any of the fund's monthly performance reports from the past 16 years have been this ugly – otherwise the fund would have never generated such an impressive cumulative return and excess return vs. both the SDAX and DAX since inception.

Top Ten Holdings
Adesso
Aurubis
Bechtle
Verbio
Sto
Deutsche Telekom
Adva
Mercedes-Benz
Einhell
Mensch und Maschine
31.5.2022, sorted according to weighting

A major reason for the poor performance in May was the weakness of many core fund positions. The eight most heavily weighted positions in the portfolio at the end of April all showed a negative return for the month under review, and even a double-digit percentage loss in the case of Aurubis, CropEnergies, Sto Vz. and Verbio. Looking at the next largest portfolio positions, only Adva and Deutsche Telekom delivered a pleasing return.

A mere three stocks closed the month with a double-digit percentage gain – 7C Solarparken, Medios and Stabibus – and only 18 of the 55 positions in the portfolio as of May 31 had a positive performance. It's also unusual

that only two portfolio stocks reached a new all-time high in May (7C Solarparken and BayWa).

Looking at corporate news flow, May could have been at least a little merrier. There were hardly any disappointments in the latest (mostly first-quarter) earnings reports. Only one company (Cancom) in the portfolio lowered its guidance, whereas four companies (All for One, Aurubis, Deutsche Telekom and KWS Saat) actually upped their guidance, if only minimally in some cases. What also stood out was the high level of insider buying. It was disclosed at more than a quarter of the fund's positions, which is a rather high percentage; selling transactions were disclosed at only 3 companies.

And still the fund's performance in May was unsatisfactory. Does this mean we are thinking of changing our investment approach? Of course not. We don't "optimize" the fund's performance at the end of a month, nor do we make any rash or reckless decisions or reconstruct the portfolio just because of one bad month. Our portfolio management approach continues to be guided by our proprietary stock selection process, which has proven its worth over many years and is largely based on fundamental investment research. This is rounded out by our discussions with company board members and other executives, which are increasingly face-to-face again rather than "just" virtual now that most preventive measures and restrictions have been relaxed. Our time-tested "tool box" makes us confident that there will be many more merry months ahead for investors.

Sincerely yours, Christoph Frank and Roger Peeters

Investment objective and strategy

The DWS Concept Platow is a mutual fund focusing on German equity. It was launched by DWS Investment GmbH. pfp Advisory GmbH is the portfolio advisor, which is managed by the managing partners Christoph Frank and Roger Peeters. An in-depth analysis of the entire German stock market is the basis for all investment processes. Important elements include a tried and tested stock-picking process developed by Christoph Frank, careful balance sheet analysis and hundreds of conversations with executives and other company insiders every year. The opportunities and risks presented by individual companies' equity are crucial, while macroeconomic considerations and inclusion in a stock index are mostly immaterial. That is why the DWS Concept Platow Fund's portfolio usually differs substantially from the composition of major stock indices.

pfp Advisory in portrait

pfp Advisory is an investment fund advisory firm located near the Frankfurt Stock Exchange that specializes in the analysis of equity and other securities. The customers are investment funds and professional investors. At the heart of the investment strategy is a systematic and extensive stock analysis that is focused on identifying the opportunities and risks of individual securities („stock picking“). pfp uses a combination of key ratio analysis, knowledge of listed firms and stringent long-term investment principles. The pfp's directors Christoph Frank and Roger Peeters each possess over 25 years of market experience and they have used their expertise to advise the DWS Concept Platow.

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