

ASSET MANAGEMENT

Monthly report May 2025

Profile

DoubleDividend Management B.V. (DoubleDividend) is an independent responsible investment specialist. Where asset management is concerned we put together a portfolio tailored to your needs, whilst taking into account the desired risk profile, the investment horizon and the desired sustainability profile of the portfolio. Primary use is made of funds managed by DoubleDividend. Clients include wealthy individuals, associations and foundations. DoubleDividend operates under the full supervision of the AFM and DNB.

Investment philosophy:

- Sustainability makes a positive contribution to the risk-return profile of an investment portfolio.
- Investment is a long-term practice.
- We invest with conviction and only in quality in order to achieve a resilient portfolio.
- We aim to achieve a realistic return, taking risks into account
- Risk refers to the permanent loss of capital in the long term and not short-term volatility.
- We engage with the client and also invest in the funds managed by DoubleDividend.

Performance

Eased trade tensions, good macro figures and strong corporate results led to a broad recovery in equity markets. Bonds ended the month almost flat, despite the rise in interest rates.

Returns for the various risk profiles in May ranged from 2.5% for the most defensive risk profile to 7.0% for the most offensive risk profile. The neutral risk profile returned 4.7% last month, bringing the return for the year to -3.9%.

Market data*

May 2025

Equities

MSCI World	6,1%	-4,3%
S&P 500	6,4%	-7,9%
Euro Stoxx 600	5,1%	10,7%

Bonds

World**	0,2%	0,9%
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Real Estate

EPRA Global	2.7%	-3.7%
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Infrastructure

Renewable Energy	5.6%	-2.5%
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Interest rates

10-yr Germany	2.50%
10-yr US	4.40%

Currencies

EUR/USD	0.2%	9.6%
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Other (in USD)

Gold	0.0%	25.3%
Oil (Brent)	1.2%	-14.4%

* Total returns in euros, the price changes of gold and oil are calculated in US dollars.

** Barclays Global Aggregate Index

This information does not provide sufficient basis for an investment decision. On the website of DoubleDividend Management B.V. (doubledividend.nl) you can find relevant information, including the consumer letter and the Key Investor Information and the prospectus of a fund managed by DoubleDividend. DoubleDividend Management B.V. is supervised by the Netherlands Authority for the Financial Markets. The returns given have not been audited by an accountant.

Market developments

Equities posted significant gains in May, mainly due to optimism surrounding the (temporary) reversal of the previously announced tariffs. The recovery was also supported by stable macroeconomic indicators and good corporate results, particularly from technology companies. The inflationary impact as a result of the trade tariffs remains limited for the time being and the US labour market has not yet shown any significant weakening. However, consumer confidence remains a point of concern.

The picture on the bond markets was mixed. While risk premiums fell, interest rates rose in both Europe and the US, with the increase in the US being clearly stronger. The US 10-year interest rate rose from 4.16% to 4.40%, a sharp increase. The approval of President Trump's extensive tax and spending plans is expected to lead to a further increase in the budget deficit, which will put pressure on the sustainability of the US government debt. International investors are therefore cautious about new issuance of long-term US government bonds. However, this is not an exclusively American phenomenon; budget deficits are increasing worldwide and interest in long-term government bonds is declining. In Japan, for example, the yield on 30-year government bonds rose to over 3%, while it was still around 0.5% in 2021. The US dollar stabilised in May and ended the month virtually unchanged against the euro.

Although the situation around trade tariffs has improved since early April and the economic impact has so far remained limited, the risks remain significant. The postponement of the tariffs is temporary for now, and President Trump's erratic policy remains an unpredictable factor. The markets therefore remain subject to major uncertainties on a macroeconomic, geopolitical and corporate level. Investors should expect continued volatility, both upwards and downwards. Equity markets in particular are reacting strongly, which is reflected in the price performance of the DD Equity Fund. The DD Income Fund and the DD Alternative Fund have weathered the recent unrest reasonably well so far, but there are also risks here.

In this environment, broad diversification and a long investment horizon remain essential. In the construction of our portfolios, we therefore remain focused on high-quality investments and a long-term view. Where opportunities arise, we will seize them. Although we expect market volatility to continue for the time being, we are confident in the resilience of our portfolios in the longer term.

Table: net returns for the various risk profiles*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 May	Average per year*	Total
Defensive	-1,3%	4,7%	2,8%	-4,4%	17,7%	3,9%	5,4%	-19,6%	11,3%	10,7%	-1,9%	3,1%	50,7%
Moderately defensive	1,5%	5,4%	3,6%	-3,7%	20,6%	4,2%	8,0%	-21,0%	13,4%	12,0%	-2,8%	4,3%	76,6%
Neutral	4,9%	6,4%	4,6%	-2,7%	22,7%	4,5%	11,2%	-22,5%	15,6%	13,3%	-3,9%	5,6%	108,4%
Offensive	7,9%	7,3%	5,8%	-1,7%	26,1%	6,4%	14,7%	-24,5%	18,3%	15,0%	-5,2%	7,2%	155,5%
Very offensive	10,1%	8,5%	6,4%	-1,1%	29,3%	7,6%	18,6%	-26,2%	20,0%	16,3%	-6,5%	8,4%	194,6%

* The returns are based on the tactical asset allocation, after all costs, and with invested capital up to EUR 1 million. Geometric Average 2012 - May 2025 for the asset management profiles and DD Property Fund, April 2013 - May 2025 for DD Equity Fund and September 2018 - May 2025 for DD Income Fund respectively. The value of your investments can fluctuate. Past performance is no guarantee for the future.

Tactical asset allocation

Each investment profile has a strategic allocation with bandwidths to equities, bonds and alternatives. The table below gives an overview of the five different standard investment profiles (without bandwidths). The classifications of risk profiles are motivated by the AFM (the Dutch Authority for the Financial Markets) and mainly based on historical risks and returns.

Table: profiles and strategic asset allocation

RISK PROFILES	Defensive	Moderate defensive	Neutral	Offensive	Very offensive
Equities	22%	33%	47%	65%	80%
Bonds	73%	61%	45%	25%	10%
Alternatives	5%	6%	8%	10%	10%
Cash	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%

Source: DoubleDividend Management B.V.

Within the bandwidths, it is possible to respond to current market conditions. We call this the tactical asset allocation. At the moment, shares are still slightly overweight compared to bonds. Shares offer the best opportunities for the long term. The weighting for alternatives is equal to the standard weighting. Although the valuation is very low, the risks have also increased due to the higher interest charges of this capital-intensive category.

Tactical asset allocation

