PORTFOLIO REPORT

EQUITY PERFORMANCE

HCM
HANDELS CAPITAL MANAGEMENT

July 2025

CEO Comments

In July, our portfolio advanced 3.06%, outperforming the benchmark by 126 bps. The equity portfolio delivered +5.51% versus +1.95% for the index.

Top contributors included **Medcap**, **Bredband2**, and **Coor**, while **Swedencare**, **Essity**, and **Take-Two Interactive** were the primary detractors.

Securitas Q2 report reinforced confidence in their margin expansion journey toward an 8% operating margin. Our investment case was built on, among other things, the thesis that the Stanley acquisition was not as value-destructive as the market initially priced in. We saw the potential to integrate additional technology solutions into Securitas offering, alongside a strategic pivot from volume to value.

As for the fund's operations, we are preparing for H2 with, among other initiatives, a new social media campaign and the planning of an event open to the school's students.

Sincerely,
Isac Svensson

Asset Manager's Comments

July marked a dynamic month across the Nordic equity markets, with Q2 earnings season in full swing and renewed geopolitical developments shaping investor sentiment. Risk appetite appeared to strengthen slightly, supported by relatively solid corporate results, especially within large-cap industrials and technology-related names. However, volatility remained present as markets reacted to macroeconomic signals from both sides of the Atlantic.

The OMX Stockholm rose by 2% during the month, continuing its positive trajectory since year-end. Small caps lagged somewhat, reflecting more cautious positioning amid mixed forward guidance from companies. Overall, equity performance was driven more by company-specific results than broad macro trends.

Globally, investor attention was heavily focused on the U.S., where trade discussions advanced and tariffs on imported goods reached a weighted average of nearly 18%. Sweden, domestic macro indicators remained subdued. The National Institute of Economic Research's barometer indicator showed only modest improvement, while household confidence edged up for the third consecutive month.

Q2 earnings season delivered a mixed but largely resilient picture. Strong results from key Nordic industrials and financials provided some upside surprises, particularly when excluding currency effects from the weaker USD. Earnings among large-cap companies were generally better than feared, while small- and mid-caps continued to face margin pressure.

The best performers during the month were MedCap, Bredband2, and Coor, while the weakest were Swedencare, Essity, and Take-Two Interactive.

MedCap posted its strongest quarterly report ever, building on already strong share price momentum. Coor also reported a solid quarter, while Bredband2 surged following a takeover bid from Telia, offering a 35% premium. We have accepted the bid, as our original investment thesis has now played out. On the negative side, Swedencare and Essity detracted from performance due to disappointing earnings reports, while Take-Two Interactive also underperformed.

For the month of July, our portfolio returned 3.06%, outperforming the benchmark return of 1.80%, and generating 1.26 percentage points of alpha.

- Equity holdings returned 5.51%, significantly ahead of the benchmark's 1.95%, driven by strong earnings and selective positioning in high-conviction names.
- Corporate bonds underperformed their benchmark while Global bonds Outperformed.
- Alternative investments returned 2.37%, compared to the benchmark's 0.90%, with gains across multiple strategies, though these figures remain subject to a one-month NAV lag.

Altogether, July was a strong month for the portfolio. Equities led performance, supported by solid stock selection, while alternative assets continued to provide valuable diversification. As we move further into the second half of the year, we remain vigilant in monitoring macroeconomic developments and committed to maintaining a flexible, high-conviction approach to capital allocation.

Sincerely,
William Balksten

Top Ten Equity Holdings

Company Name	% Portfolio	Value
Top ten holdings	67,2%	5 112 000
Investor AB A	10,8%	824 481
Microsoft	8,3%	631 837
Bredband2	8,2%	625 354
Ambea	7,9%	603 436
MedCap	7,4%	564 845
Asmodee Group	5,6%	426 929
Loomis	5,2%	399 228
Catella	4,7%	357 000
Securitas	4,5%	340 470
Coor	4,4%	338 420

Gainers and Losers

Five Largest Portfolio % Gainers	% Portfolio	% Gain
Microsoft	8,3%	2707,6%
MedCap	7,4%	643,3%
Bredband2	8,2%	164,6%
Ambea	7,9%	144,6%
Take-Two Interactive	4,4%	61,8%

Five Largest Portfolio % Losers	% Portfolio	% Loss
Fenix Outdoor	1,4%	-34,8%
Essity	3,5%	-13,9%
Swedencare	2,8%	-7,6%
SmartEye	2,4%	-4,8%
CAG	3,9%	2,7%

Total Portfolio Statistics

Return & Risk	Portfolio	Benchmark
Last Month	3,06%	1,80%
Year To Date	6,24%	24,04%
Last Twelve Months	5,75%	0,22%
Since Start (Nov 11)	117,01%	138,44%
Average Yearly Return	5,83%	6,56%
Months Active	164	164
Number of Positive Months	110	113
Number of Negative Months	54	51
Annualized Std. Dev. Last 12m	5,45%	8,11%
Sharpe Ratio Last 12m	0,73	-0,20
Benchmark Correlation Last 12m	0,00	0,00

Allocation	Weight
Alternative Investments	12,9%
Corporate Bonds	18,1%
Global Bonds	12,9%
Money Market	8,6%
Equities	47,5%

Currency Exposure	1 Month
SEK	88,6%
USD	5,8%
EUR	4,1%
NOK	0,0%
DKK	1,6%

Equity Portfolio Statistics

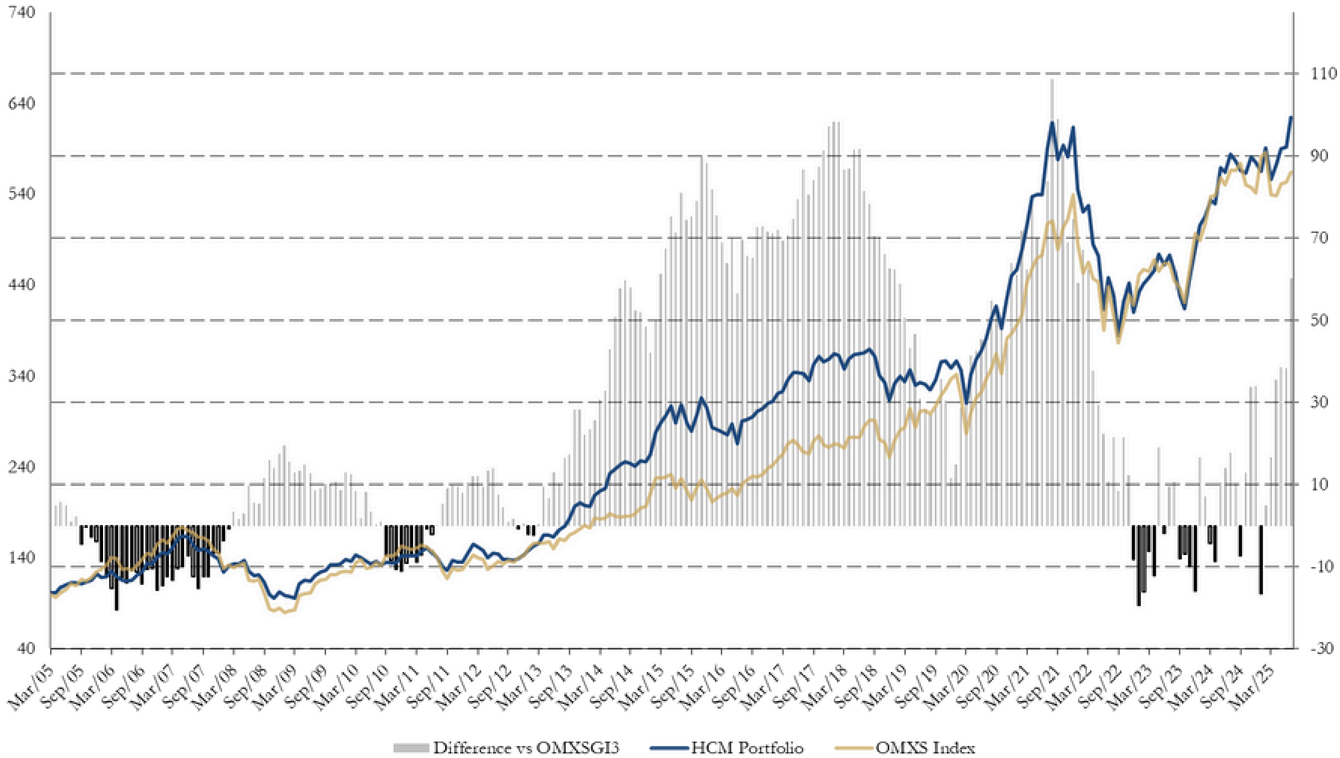
Return & Risk	Portfolio	Benchmark
Last Month	5,51%	1,95%
Year To Date	8,64%	34,92%
Last Twelve Months	6,93%	-0,34%
Since Start (March 2005)	524,97%	464,72%
Average Yearly Return	9,39%	8,85%
Months Active	245	245
Number of Positive Months	145	153
Number of Negative Months	100	92
Annualized Std. Dev. Last 12m	11,15%	12,45%
Sharpe Ratio Last 12m	0,46	-0,17
Benchmark Correlation Last 12m	0,42	0,00

Best Performers	1 Month
MedCap	46%
Bredband2	33%
Coor	11%

Worst Performers	1 Month
Swedencare	-12%
Essity	-8%
Take-Two Interactive	-5%

Currency Exposure	1 Month
SEK	78,7%
USD	12,1%
EUR	0,0%
NOK	0,0%
DKK	3,4%

Equity Performance



Portfolio Performance