

PORTFOLIO REPORT

EQUITY PERFORMANCE

HCM
HANDELS CAPITAL MANAGEMENT

May 2026

Report May 2026

CEO Comments

Dear readers,

May was a month of change. As the academic year drew to a close, changes within the group were inevitable. On a highly positive note, we are delighted to welcome two new members: Tove Olsson assumes the role of Head of External Relations, and Ludvig Stave joins us as an Equity Analyst.

At the same time, six members are taking on new challenges. Among them are Isac and William, who previously wrote these letters. I want to thank all our departing members for their dedication and contributions over the past couple of years, and it's been a lot of fun working with you guys.

Moving forward, me (Viktor Löfving) and Tobias Cedersparr Forsén will do our utmost to fill Isac and William's shoes, striving to make the upcoming year as successful and engaging as the last. While those shoes are certainly big to fill, I am confident that HCM has the ideal foundation needed to make something great out of the coming twelve months.

With that said, I wish all of you all a fantastic summer and look forward to an exciting autumn ahead.

Sincerely,
Viktor Löfving

Report May 2026

Asset Manager's Comments

Dear readers,

May picked up where April left off, markets higher, uncertainty intact. In the Middle East, the Strait of Hormuz remained unresolved. The month closed with a 60-day ceasefire extension and the prospect of nuclear negotiations, pending Trump's approval. Meanwhile, AI-driven momentum continued to lift large cap indices to new all-time highs, with semiconductors leading the charge. That semiconductor rally has since found its way into Swedish small caps, driving indices higher along with it. Moves like these reinforce our conviction in the companies we own and the philosophy behind them.

During the month the portfolio returned +1,12% against the benchmark's +2,31%. Equities delivered +0,83% against the equity benchmark's +3,37%. Outside of equities, alternative investments and money markets outperformed their benchmarks, global bonds contributed positively relative to benchmark, while corporate bonds lagged. Top contributors in the month were Asmodee Group (+20,0%), Microsoft (+10,1%) and BioGaia B (+9,8%). On the other end were Netcompany (-5,7%), Catella (-4,4%) and CAG Group (-3,7%).

During the month, we exited our position in CTT Systems. The original case rested on an OEM ramp-up at Boeing and Airbus that has now been delayed for three consecutive years. Both have repeatedly missed and lowered their production targets. Estimates have followed suit, revised downward quarter after quarter, while the stock has remained expensive. The thesis has not played out, and we see no reason to believe the next quarter will read differently from the last eight. We asked ourselves whether we would buy it today. The answer was no.

Markets in 2026 have rewarded momentum over patience. While that is not unusual, price and value tend to converge over time. We remain focused on what we can control, the quality of our analysis and our process.

Sincerely,

Tobias Cedersparre Forsén

Report May 2026

Top Ten Equity Holdings

Company Name	% Portfolio	Value
<u>Top ten holdings</u>	<u>60,2%</u>	<u>5 307 594</u>
Investor AB A	12,5%	1 103 414
Asmodee Group	7,5%	662 161
Microsoft	5,7%	503 992
Ambea	5,6%	492 984
New Wave	5,2%	458 160
MedCap	5,0%	441 150
Beijer Ref	5,0%	437 580
BioGaia B	4,9%	429 990
Coor	4,7%	417 336
Securitas	4,1%	360 828

Gainers and Losers

Five Largest Portfolio % Gainers	% Portfolio	% Gain
Microsoft	5,7%	2139,1%
MedCap	5,0%	395,9%
Ambea	5,6%	176,6%
Investor AB A	12,5%	107,5%
Loomis	3,4%	58,4%

Five Largest Portfolio % Losers	% Portfolio	% Loss
Swedencare	2,0%	-33,5%
Catella	2,8%	-20,6%
Exsitec	3,2%	-15,8%
Careium	2,8%	-11,7%
New Wave	5,2%	-7,3%

Total Portfolio Statistics

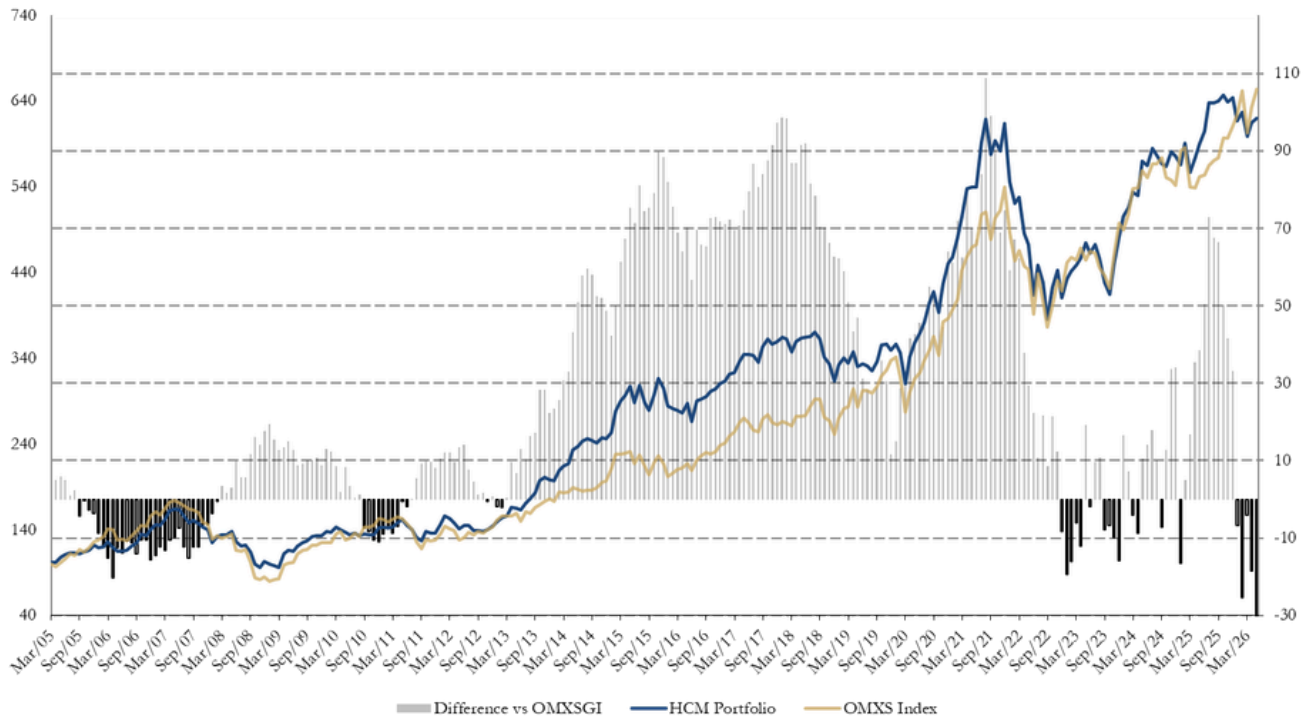
Return & Risk	Portfolio	Benchmark	Allocation	Weight
Last Month	1,12%	2,31%	Alternative Investments	21,2%
Year To Date	-2,01%	5,52%	Corporate Bonds	6,1%
Last Twelve Months	3,61%	12,42%	Global Bonds	10,2%
Since Start (Nov 11)	115,00%	161,23%	Money Market	8,4%
Average Yearly Return	5,42%	6,85%	Equities	54,1%

			Currency Exposure	Weight
Months Active	174	174	SEK	74,6%
Number of Positive Months	117	121	USD	3,0%
Number of Negative Months	57	53	EUR	4,4%
Annualized Std. Dev. Last 12m	5,35%	6,62%	NOK	0,0%
Sharpe Ratio Last 12m	0,34	1,60	DKK	0,0%
Benchmark Correlation Last 12m	0,00	0,00		

Equity Portfolio Statistics

Return & Risk	Portfolio	Benchmark	Best Performers	1 Month
Last Month	0,83%	3,37%	Asmodee Group	20,0%
Year To Date	-3,76%	7,18%	Microsoft	10,1%
Last Twelve Months	5,01%	18,68%	BioGaia B	9,8%
Since Start (March 2005)	519,50%	554,32%	Worst Performers	1 Month
Average Yearly Return	8,96%	9,24%	Netcompany	-5,7%
Months Active	255	255	Catella	-4,4%
Number of Positive Months	152	162	CAG	-3,7%
Number of Negative Months	103	93	Currency Exposure	Weight
Annualized Std. Dev. Last 12m	9,45%	10,90%	SEK	59,3%
Sharpe Ratio Last 12m	0,34	1,55	USD	5,6%
Benchmark Correlation Last 12m	0,58	0,00	EUR	0,0%
			NOK	0,0%
			DKK	0,0%

Equity Performance



Portfolio Performance

