

PORTFOLIO REPORT

EQUITY PERFORMANCE

HCM
HANDELS CAPITAL MANAGEMENT

September 2026

Report September 2026

CEO Comments

Dear readers,

September was an eventful month for HCM. Both the equity portfolio and the total portfolio outperformed their respective benchmarks, albeit with modest absolute returns. We exited our positions in Coor and Loomis to make room for new investment ideas that we believe offer a better risk/reward going forward. Several promising candidates are currently under discussion and will be analysed further in the coming weeks.

On September 22, we had the pleasure of joining EFN's daily show Börslunch. Tobias represented HCM and shared his views on the stock market in general, as well as on a couple of our current holdings. He was joined in the studio by John-Henrik von Dahn from SOIC, C-G Gyllenram from Ability Asset Management, and host Gabriel Mellqvist. We are grateful for the opportunity, and Tobias did a great job of representing HCM.

We are also delighted to welcome two new members to our team: Charlie Larsson and Simon Hansson have joined as equity research analysts. Both are second-year students in the Bachelor's programme in Business and Economics and share our passion for equities. We would like to thank everyone who applied, and we encourage those who did not make it all the way this time to apply again in our next recruitment round.

Sincerely,

Viktor Löfving

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Asset Manager's Comments

Dear readers,

September was a strange month in the market. Equities continued to trade close to record levels, even as bond yields rose, wars remained active and oil prices stayed elevated. US long yields moved higher through the month and real rates reached levels not seen since the early 2000s, while the market priced in further rate hikes. At the same time, corporate earnings continued to come in strong and the AI investment cycle kept supporting the market. In a market priced for strong earnings growth, higher rates leave less margin for error.

During the month, the portfolio returned +0,02% against the benchmark's -0,86%. Equities delivered -0,35% against the equity benchmark's -1,63%. Outside of equities, alternative investments and global bonds outperformed their benchmarks, while corporate bonds and money markets lagged. Top contributors in the month were Beijer Ref (+7,7%), Asmodee Group (+5,4%) and Microsoft (+5,3%). On the other end were CAG Group (-8,2%), Electrolux Professional (-7,2%) and Careium (-6,8%).

We exited our position in Coor. The case was built on short-term turbulence, lost contracts and low margins, a cost program that could restore margins, and a low valuation. The margin target has been reached, market confidence has been rebuilt and the valuation discount has closed. Our case has played out, and while a takeover is possible, we have no edge in judging its timing or premium.

We also exited our position in Loomis. The original case has shifted, as growth now depends on automated solutions rather than cash management. Part of the recent volume growth is tied to precious metals, and its staying power is uncertain. With the share at what we view as a fair valuation, the risk/reward no longer appeals to us.

We end September, and two positions, on some fitting words.

"The intelligent investor is a realist who sells to optimists and buys from pessimists." Benjamin Graham

Sincerely,

Tobias Cedersparr Forsén

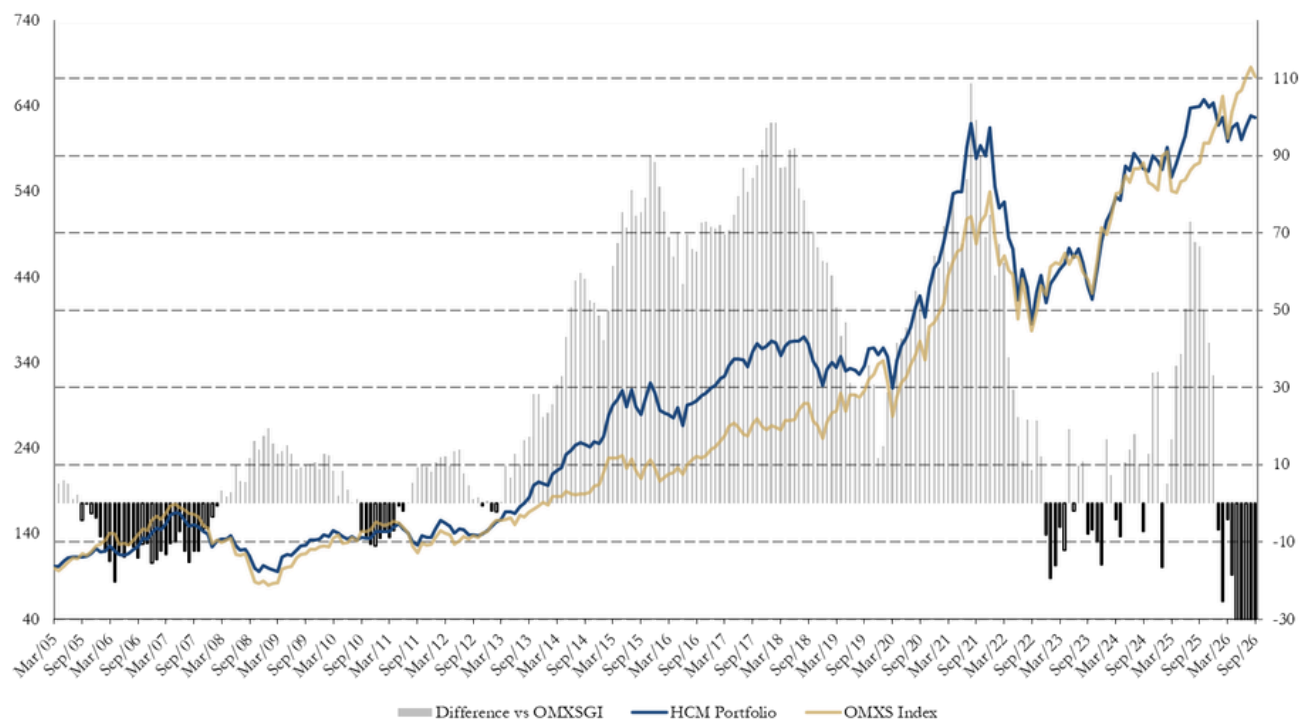
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Top Ten Equity Holdings			Gainers and Losers		
Company Name	% Portfolio	Value	Five Largest Portfolio % Gainers	% Portfolio	% Gain
Top ten holdings	66,0%	5 521 829	Microsoft	7,4%	2651,4%
Investor AB A	14,1%	1 176 008	MedCap	5,4%	409,5%
Asmodee Group	8,7%	724 058	Ambea	6,8%	219,5%
Microsoft	7,4%	619 297	Investor AB A	14,1%	121,2%
Ambea	6,8%	569 408	Loomis	0,8%	95,1%
Beijer Ref	6,1%	507 620			
MedCap	5,4%	453 260	Five Largest Portfolio % Losers	% Portfolio	% Loss
New Wave	4,9%	410 090	Swedencare	1,7%	-46,9%
BioGaia B	4,6%	383 460	Catella	2,6%	-29,7%
Securitas	4,3%	360 828	CAG	2,8%	-18,8%
Electrolux Professional	3,8%	317 800	New Wave	4,9%	-17,0%
			Exsitec	3,3%	-16,5%

Total Portfolio Statistics				
Return & Risk	Portfolio	Benchmark	Allocation	Weight
Last Month	0,02%	-0,86%	Alternative Investments	21,1%
Year To Date	-0,67%	7,95%	Corporate Bonds	6,1%
Last Twelve Months	-0,09%	11,30%	Global Bonds	10,6%
Since Start (Nov 11)	117,95%	167,26%	Money Market	8,3%
Average Yearly Return	5,39%	6,85%	Equities	53,9%
			Currency Exposure	Weight
Months Active	178	178	SEK	87,8%
Number of Positive Months	120	124	USD	3,7%
Number of Negative Months	58	54	EUR	6,7%
			NOK	0,0%
Annualized Std. Dev. Last 12m	4,94%	6,78%	DKK	1,8%
Sharpe Ratio Last 12m	-0,38	1,40		
Benchmark Correlation Last 12m	0,00	0,00		

Equity Portfolio Statistics				
Return & Risk	Portfolio	Benchmark	Best Performers	1 Month
Last Month	-0,35%	-1,63%	Beijer Ref	7,7%
Year To Date	-2,68%	10,39%	Asmodee Group	5,4%
Last Twelve Months	-2,07%	17,56%	Microsoft	5,3%
Since Start (March 2005)	526,48%	573,93%	Worst Performers	1 Month
Average Yearly Return	8,87%	9,24%	CAG	-8,2%
			Electrolux Professional	-7,2%
Months Active	259	259	Careium	-6,8%
Number of Positive Months	154	165	Currency Exposure	Weight
Number of Negative Months	105	94	SEK	87,8%
			USD	3,7%
Annualized Std. Dev. Last 12m	8,39%	11,29%	EUR	6,7%
Sharpe Ratio Last 12m	-0,46	1,40	NOK	0,0%
Benchmark Correlation Last 12m	0,67	0,00	DKK	1,8%

Equity Performance



Portfolio Performance

