

Monthly Report

Always Opportunities

Always Opportunities is an absolute-return credit fund focused on the Nordic corporate bond market. The strategy is designed to preserve capital and generate returns across market cycles, ready to act as a buyer when uncertainty pushes prices below fair value. To keep returns anchored in credit selection rather than broader market direction, we systematically hedge what we do not need to take a view on: currency, interest rates, and market beta.

September 2026

NAV as of 30 September 2026
Reporting Currency: SEK

Hedging strategies coming in handy in a poor month for global credit, rates and equities

Net Return	Gross Return	Portfolio YTM	NAV/Unit
+0.03% September 2026	+0.11%	~11.0% Incl. derivatives	105.84 SEK

Risk information: Past performance is no guarantee for future performance. The value of the money invested in the fund can increase or decrease and there is no guarantee that all of your invested capital can be redeemed.

Portfolio at a glance

Issuers	WAL	FRN Allocation	Largest position
53 Cash bonds	3.0 yrs Excl. perpetuals	79% Of Cash Bonds	3.6% Of Cash Book

Key Takeaways

Performance	Portfolio	Outlook
Always Opportunities returned 0.03% net (0.11% gross) in September as rising government rates and poor sentiment in risk assets drove a significant sell-off in both global credit and rates. Since the fund launched on April 1 st , the fund has returned 5.84% net achieved with low return variance across a very diversified book with ample active hedges.	Yield-to-maturity is approximately 11.0% (~8.3% through cash bonds and 2.7% through credit derivatives). Due to our defensive posture, we are maintaining ample liquidity with no meaningful duration and very selective, opportunistic exposure to rate-sensitive sectors like real estate.	Credit markets have come down significantly with some pockets, like European Real Estate, are underperforming which falls well in line with our previous warnings. As spreads have come up, we are starting to become slightly more positive to credit, and we are actively looking to add some duration to complement our hedging book. The fund remains strongly positioned to deploy into any volatility.

Manager Commentary

September was the month in which rising interest rates stopped being something to forecast and started being the market's main problem. Long-dated government yields hit levels last seen two decades ago. Credit spreads widened in both the US and European high-yield markets, oil went back above USD 100 a barrel, and most of the equity market fell, even though a narrow group of semiconductor names kept the headline indices close to flat. For a credit-based fund, it was the test the portfolio has been built for since launch and we are happy to see the hedging book working as intended.

Always Opportunities returned **+0.03% net** for the month (**0.11% gross**). Taken alone, that is a modest figure. In context considering how poorly Nordic credit markets performed in September, it is a result we are very satisfied with. US high yield lost 2.5% over the month and European high yield lost 1.8%. Of the Nordic credit and absolute-return funds, a majority reported negative returns for September with some funds giving back most of their year-to-date returns in a single month. Against that backdrop, preserving capital was not a defensive afterthought. It was the result itself and positions the fund strongly to use its liquidity reserves to add opportunistic exposure.

Real estate was where the damage was heaviest, and that matters for how we believe the market can develop in the coming months. We have spent several months writing about the rate exposure of real estate credit in our monthly updates, and how we fear that this sector being hit by a double-whammy as rising rates combined with significant debt levels have negative effects on both property values and cash-flows. We have built the portfolio accordingly with a very small, recently added, real estate exposure. While many Swedish credit funds hold a quarter or more of their portfolios in property bonds, our exposure is in the low single-digits. When the sector sold off sharply, including double-digit declines in bonds issued by Heimstaden Bostad and its parent, Heimstaden AB, our limited exposure was a large part of why the fund ended the month flat rather than down.

The fund has now delivered **six consecutive positive months**, taking net performance since launch on 1 April to **+5.84% net (7.56% gross)**. We have argued in these letters that the strategy should be judged by what it keeps in difficult months as well as what it earns in easy ones. September was the first real test of that claim, and the portfolio passed it.

What matters most for investors now is what comes next. The fund enters the fourth quarter with more than 30% of assets in cash and very low-risk liquid instruments, a portfolio carrying almost no interest-rate sensitivity, and a hedging programme still in place. We have spent the summer declining tightly priced paper so that a month like September would find us in a position to buy rather than to sell. Prices are now beginning to move in that direction and we are becoming increasingly confident in our ability to make well-timed and opportunistic purchases in the coming weeks and months.

Market Backdrop

Rates: a regime break at the long end.

The US 10-year Treasury yield rose 54 bp over the month to close at 5.29%, its highest level since 2002. It crossed 5% for the first time since 2007 in mid-September and jumped 13 bp in a single session on 23 September after stronger-than-expected PMI data showed renewed price pressure. The 30-year yield passed 5.3%. The move was not limited to the US. The German 10-year Bund rose 26 bp to 3.59%, and the UK 10-year gilt rose 36 bp to 5.42%. Three forces pushed in the same direction: energy-led inflation from the continuing conflict in the Middle East, monetary policy turning tighter again, and investors demanding more compensation for holding long-dated sovereign debt from heavily indebted governments, which is the term-premium argument we set out in August.

Central banks turn.

The ECB raised its deposit rate by 25 bp to 2.50% on 10 September, citing upside risks to inflation from energy prices, and markets now price further hikes before year-end. The Riksbank held its policy rate at 1.75% on 24 September but turned clearly more hawkish, signalling that rates will need to rise further than its June path implied and that a first increase could come before year-end. Swedish 10-year yields moved higher and the krona traded near twelve-month lows against the euro, around 11.30.

Credit: high yield reprices.

The rate shock reached credit quickly. In the US, high-yield spreads widened by 50 bp to 311 bp, and the Bloomberg US High Yield Index returned –2.5% for the month. Investment-grade corporates fell 2.7%, where higher duration did most of the damage. In Europe, the ICE BofA Euro High Yield spread ended September at 300 bp and kept widening into early October (329 bp by 2 October), with the European high-yield index returning –1.8% for the month. Spreads widened most for the most heavily indebted issuers.

Nordic High Yield:

Owing to a large degree of floating-rate notes, the duration profile of most credit books across the Nordics is limited, which led to smaller declines than most global credit markets. However, due to the large degree of real estate exposure in most credit portfolios, pain was still felt as some larger corporate issuers in the sector saw significant valuation declines exacerbating forced selling of other liquid paper.

Real estate: where the stress concentrated.

Property credit was the weakest part of the market, as we warned in August that it could be. The reason is that higher rates hurt property companies in two ways at once. Financing costs rise immediately on floating-rate debt. At the same time, higher yields reduce property valuations, which pushes up loan-to-value ratios on debt that has not changed in size. In Europe, high-yield real estate came under renewed pressure, with talk returning of a repeat of the 2023 property-credit stress. In Sweden the moves were sharper still. Bonds issued by Heimstaden Bostad AB and its parent company, Heimstaden AB, fell by double digits over the month, especially in the long-end of the curve and in their perpetual credit stack. Because real estate is a much larger

share of the Swedish corporate bond market than of the broader European indices, this matters well beyond the sector. Many Swedish credit funds carry a quarter or more of their portfolios in property bonds. For those funds, a sell-off in this one sector shows up directly in returns, and redemptions can force them to sell whatever is most liquid, which spreads the weakness to other sectors. We are not convinced the sell-off has ended and therefore maintain a defensive posture to the sector in general being ready to act if volatility should worsen and solid buying opportunities were to arise.

Equities: a narrow surface over a broad decline.

On the headline numbers, US equities held up: the S&P 500 fell only 0.3% and the Nasdaq rose 1.9%. Underneath, the picture was much weaker. About three-quarters of S&P 500 constituents declined over the month, technology was the only one of eleven sectors to finish higher (semiconductors up more than 9%), materials fell 7.6%, and the small-cap Russell 2000 fell 5.3%. Outside the US the decline was broader: the STOXX Europe 600 fell 2.4% in euro terms, MSCI World lost 1.2% in dollars, and the Swedish OMXS30 fell 1.2% through October 1st.

With a risk-free 10-year Treasury now yielding close to 5.3%, the case for owning equities for their income weakened noticeably, which is why rate-sensitive and dividend sectors fell furthest. Brent crude rose more than 10% to finish above USD 100 a barrel. The US dollar index gained 2.0%, and gold fell more than 6%. For a multi-asset investor, September offered almost nowhere to hide: government bonds, credit and most equities all lost money in the same month

What drove performance?

The fund returned +0.03% net and 0.11% gross in September. The result came from offsetting negative effects and protecting capital rather than from an absence of risk, and the parts are worth separating.

Carry:

Coupon income from the credit book was a large positive contributor, accruing at a coupon rate of about 8.3% across 53 issuers. Because the book is overwhelmingly floating-rate, the 50–55 bp rise in long-end yields that hurt fixed-coupon credit had essentially no effect on our holdings' prices. Over time it feeds through as higher coupon resets instead increasing the portfolio yield.

Credit valuations:

Spread widening was felt in the portfolio, but in contained form. Mark-to-market on the cash bonds had a significantly negative impact on the portfolio of about -1%, which was off-set fully by our hedging book. No single holding exceeds 4% of assets, so no individual credit determined the month. We would like to take this opportunity to highlight that periods of negative valuation effects in the credit market are a necessity for long-term alpha generation for our strategy as we are able to hold ample liquidity reserves eliminating the need of ever being forced sellers to meet redemption requests. Additionally, being able to purchase quality credit at a discount below par value, where others might be forced to sell, has a very significant positive effect on the strategy's ability to create attractive returns.

The most important contribution in September however came from a sector the fund largely does not own. Real estate, the segment that fell hardest, makes up <5% of the portfolio. For a fund with a quarter of its book in Swedish property bonds, double-digit falls in one of the sector's largest issuers would have been enough on their own to wipe out several months of carry. For us, the sector's mark-to-market effect was negligible.

Hedging book:

The protection positions behaved as intended where the market fell: the broad-index and credit hedges off-set almost all losses in the credit book even as government bonds, equities and credit (both investment-grade and high yield declined. We are very pleased by the capital preservation mechanism in the strategy so far and combined with our ability to act as buyers when and if opportunities arise, we remain confident that we can act from a position of strength, should the market volatility continue.

Liquidity reserve:

Cash and very low-risk liquid holdings remain around 30% of our total assets which provides significant capital to deploy into any volatility while providing some income at short-term rates, which are now moving higher with the ECB and, soon, the Riksbank.

The net effect is a flat result in a month when most comparable competing funds and strategies were negative. The result is a sixth consecutive positive month, taking the fund to +7.56% gross and +5.84% net since launch on 1 April.

Positioning & Outlook

We said in August that we expected the second half of the year to offer better entry points than the first. September was the first real move in that direction. It was not yet the dislocation the portfolio is ultimately positioned for, but it was the first month in which sellers, rather than buyers, set prices.

Capacity to act:

The fund holds approximately 30% in cash and very low-risk liquid instruments. That reserve was built deliberately, at some cost in forgone carry during the summer, and it is the most valuable thing the portfolio owns today. Unlike funds that spent September meeting redemptions or reducing risk at lower prices, we can choose when to add exposure. We will use that capacity gradually. Spread widening of this kind tends to come in stages, and we would rather buy across several of them than all at once.

What we are looking for:

We are focusing on three areas:

- new issues from established Nordic borrowers that now need to pay a real premium to refinance;
- secondary paper sold by funds that need liquidity rather than by holders worried about the credit;
- floating-rate credit structures, where higher base rates now add directly to the yield.

Real estate: still underweight, now watching closely. We remain reluctant buyers of real estate, data-centre and the more crowded high-yield credits. In these sectors higher rates hit financing costs and collateral values together, and that pressure has not eased. A double-digit fall makes property bonds cheaper, but not yet attractive: lower prices are only an opportunity if the issuer's balance sheet can carry its debt at today's rates. That said, September is the kind of month that creates forced sellers in a sector where Swedish funds are heavily concentrated. We will look at property credit selectively and one issuer at a time, focusing on positions with low loan-to-value and solid credit fundamentals. We will not rebuild the sector weight simply because prices have fallen.

Appendix

Portfolio Detail

Performance

Period	Start	End	Return
Month (30 September 2026)	105.81	105.84	+0.03%
Since inception (1 April 2026)	100.0	105.84	+5.84%

Portfolio Yield Profile

Yield component	Contribution
Cash Bonds — Wtd Avg YTM	8.3%
Credit Derivatives — Est. Contribution	+2.7%
Total Portfolio YTM	~11.0%
Cash Bonds — Wtd Avg Running Yield	8.0%
Total Portfolio Running Yield	~10.0%

Maturity Profile excluding Cash

Maturity	Distribution	% Cash Bonds
2027		13.6%
2028		7.4%
2029		34.5%
2030+		31.0%

Currency Exposure (Gross)

Currency	Gross Exposure (% of NAV)
SEK	57.2%
EUR	23.3%
NOK	4.1%

USD

15.5%

Key Fund Characteristics

Characteristic	Detail
Inception Date	1 April 2026
Domicile	Sweden
Legal Structure	AIF
Base Currency	SEK
Subscription Frequency	Monthly
SRI Risk Classification	3 of 7

Important information

This report is provided for informational purposes. It is preliminary and based on a NAV calculation as of 30 September 2026. Final figures may differ following completion of all reconciliation and audit procedures.

Past performance is not a reliable indicator of future results. The value of investments and any income from them can fall as well as rise, and investors may not recover the amount originally invested. The fund may use leverage, derivatives, and currency hedging instruments, which may amplify gains and losses.

This document does not constitute an offer or solicitation to buy or sell any security or financial instrument, nor investment advice. Prospective investors should refer to the fund's prospectus and key investor information document before making any investment decision.

All figures in SEK unless otherwise stated. Source: Fund administrator, IVAR™ NAV system.