

Always Opportunities

The first six months

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.

1 April – 30 September 2026

NAV as of 30 September 2026
Reporting Currency: SEK

A strong first six months, and the most exciting opportunity set yet

Net Return	Gross Return	Portfolio YTM	NAV/Unit
+5.84% 1 April – 30 September	+7.66%	~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.

Always Opportunities: the first six months

Always Opportunities is an absolute-return credit fund, launched on 1 April 2026 and initially seeded largely with the founders' own capital. Its first objective is to protect capital; its second is to buy corporate bonds at discounted prices when markets come under stress. Over its first six months the Fund has returned +5.84% net of fees and has been positive in every month, with the return earned mainly from the coupon interest its corporate bonds pay rather than from speculating on interest-rate moves or market direction.

Market backdrop

The Fund launched into a market that was pricing very little risk. Through the spring and early summer, credit spreads stayed tight and new issues were absorbed with ease, often at prices richer than comparable bonds already trading. In the Nordic market, demand was strong enough to carry the largest high-yield deal the region has seen: a EUR 800 million bond from Norwegian data-centre developer PolarDC in May. Lenders were being paid less and less for the risk they took, and nowhere more so than in Nordic real estate, the largest sector in the market.

Equity markets were driven above all by the AI trade. In May, gains in just two memory-chip makers accounted for roughly a sixth of the return of the entire global equity market, and by late summer six companies made up close to 30% of the S&P 500. The spending behind the trade increasingly moved into the debt markets: in the second quarter, Alphabet's capital expenditure exceeded its operating cash flow for the first time as a listed company. Meanwhile, inflation and rate expectations drifted higher through the summer, and concern grew over the cost of refinancing government debt, with US federal debt approaching USD 40 trillion.

September brought these pressures to a head. The US 10-year Treasury yield rose 54 bp to 5.29%, its highest since 2002, and long-dated yields in Germany and the UK also reached multi-year highs. The ECB raised rates, the Riksbank signalled it would follow, and Brent crude moved back above USD 100. High yield fell on both sides of the Atlantic, and parts of Nordic real estate credit dropped by double digits.

Equity markets looked calmer than they were. The S&P 500 ended September down just 0.3% and the Nasdaq rose 1.9%, but those figures were held up by a handful of very large companies. Technology was the only one of the eleven US sectors to finish the month higher, carried by semiconductors, which rose more than 9%. Beneath the surface, around three-quarters of the stocks in the S&P 500 fell, materials dropped 7.6% and the small-cap Russell 2000 lost 5.3%. Outside the US the weakness was plainer: the STOXX Europe 600 fell 2.4% and MSCI World 1.2%.

The difference matters because of how the index is built. The S&P 500 weights companies by size, so when six of them make up close to 30% of the index, their moves can outweigh what happens to the other 494. For most of this year, a small group of AI-linked names has delivered the bulk of the index's gains. A headline figure that holds steady can therefore hide a market in which the typical stock is falling, and an investor who believes they are diversified across 500 companies is in practice heavily exposed to a single theme. With a risk-free 10-year Treasury yielding close to 5.3%, the sectors that depend on cheap financing or are owned for their dividends fell hardest. September showed the real state of the equity market more clearly in what most stocks did than in where the index closed.

Government bonds, credit and the large majority of equities all lost value in the same month. Into October the stress shifted from interest rates to credit itself, with high-yield spreads widening further, Nordic issuance largely halting and AI-infrastructure debt repricing sharply.

What we said, and what happened

Each month we write to investors explaining how the Fund is positioned and why. Three passages from this summer's letters show that the September result was the product of decisions taken months earlier:

July, on Swedish real estate: *"we think that arithmetic is already visible in the fundamentals but not yet in the price."* Our point was that real estate companies would have to refinance debt at higher rates just as their property values fell. In September, Heimstaden bonds dropped by

double digits and real estate was the hardest-hit sector in the Nordic market leading to significant markdowns and subsequent outflows from funds with a large real estate exposure.

August, on government debt: *"Equity markets are valued as though the refinancing wall does not exist."* Governments must refinance large amounts of debt issued when rates were far lower. Within weeks, the US 10-year yield reached its highest level in more than two decades, and German and UK yields hit multi-year highs.

July, on AI financing: we cautioned against *"structures secured on data-centre assets whose useful life is being underwritten with more confidence than we would apply ourselves."* In October, bonds issued by CoreWeave, the largest independent provider of AI computing capacity, fell into distressed territory. PolarDC, a Norwegian data-centre developer whose EUR 800 million issue is the largest high-yield deal the Nordic market has seen, saw its bonds drop several points within days.

We did not try to predict when any of this would happen. We positioned the Fund so that its returns would not depend on it not happening.

Fund performance

Since launch on 1 April the Fund has returned +5.84% net of fees without a single negative month. That return has come mainly from the interest paid by a diversified portfolio of predominantly floating-rate Nordic corporate bonds, with little contribution from interest-rate moves or market direction.

In calmer markets, the Fund earned a steady income and benefited from modestly rising bond prices. As credit became more expensive over the summer, we declined deals that did not pay enough for their risk, let cash build up and added protection against a downturn, accepting a small cost to near-term income. That discipline paid off in September: while government bonds, credit and most equities fell, the Fund still ended the month positive. Floating-rate bonds kept it largely unaffected by higher yields, its low real estate exposure kept it out of the worst of the sell-off, and its hedges offset most of the decline in bond prices.

Protecting capital was never the end goal. It is what allows the Fund to buy when others have to sell. We come out of the first six months with the portfolio intact, cash available and no need to sell, at precisely the moment the market has started to offer real value again.

Outlook: the best opportunity set since launch

We are more excited about the opportunity in front of the Fund today than at any point since launch. The market has turned from one where lenders had to accept whatever was offered to one where they can set the terms, and this is exactly the environment the strategy was designed for.

Opportunities are opening up on several fronts at once. In the secondary market, funds facing redemptions are selling good-quality bonds to raise cash, so prices are being set by sellers' needs rather than by issuers' ability to repay. In the primary market, issuance has largely paused, and when it resumes, companies that need to refinance will have to offer investors meaningfully better terms than earlier this year; the first deals after a period like this are often among the most attractively priced. At the same time, higher policy rates are lifting the coupons on floating-rate bonds, raising the Fund's income without adding any credit risk.

Buying at these prices can make a significant difference to returns. As an illustration, take a bond paying 8% a year with three years to maturity. Bought at 100, it returns about 8% a year if held to maturity. Bought at 90, the same bond returns about 12% a year, because it is still repaid at 100. Opportunities of this kind are rare in calm markets, but today we are seeing them daily.

The Fund is in an excellent position to capture these opportunities. It holds around 30% in cash and very low-risk liquid instruments, has no exposure to data-centre or AI-infrastructure debt, and is under no pressure to sell. We see more room to put our dry powder to work now than at any point since launch, and we have already started: selectively, issuer by issuer, in solid credits priced as if they were not. We believe the coming months will lay the foundation for the Fund's returns well into 2027.

Past performance is not a reliable indicator of future results. The value of investments can fall as well as rise, and investors may not recover the amount originally invested. Figures are preliminary and may be revised. The bond example is illustrative only and does not represent an actual holding or a forecast of returns. This communication does not constitute investment advice or an offer to buy or sell any financial instrument.