Always Summer
Asset Management

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.

October 2026

NAV as of 31 October 2026
Reporting Currency: SEK

Capital preserved in a falling credit market

Net Return	Gross Return	Portfolio YTM	NAV/Unit
-0.01%	+0.08%	~11.6%	105.83
October 2026		Incl. derivatives	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
56	2.7 yrs	79%	3.5%
Cash bonds	Excl. perpetuals	Of Cash Bonds	Of Cash Book

Key Takeaways

Performance

Always Opportunities returned −0.01% net in October, effectively unchanged. European high yield lost 1.0% and the Nasdaq fell 5.3%. Across the Nordic credit market, most of the funds we compare ourselves with ended the month in negative territory. Since launch on 1 April the fund has returned +5.83% net.

Portfolio

Yield-to-maturity is approximately 11.6% (~8.7% through cash bonds and 2.9% through credit derivatives). The fund ends the month with a defensive posture and approximately 30% in cash equivalents, no exposure to data-centre or AI-infrastructure debt, and remain ready to act

Outlook

Broader European credit markets had a volatile month during October where a few larger funds were selling to meet redemptions further exacerbated by a souring sentiment around AI/data-centre bonds led to declines across our core markets. Because we kept our capital, we are now one of the buyers. We have begun adding credit at prices we deem attractive

Manager Commentary

October tested every credit investor's ability to protect capital. For us, that has always been the core of the strategy. Government bond yields fell from their September highs, and on the surface conditions looked calmer but European Credit markets did not follow. European high-yield spreads widened by close to 60 bp and the index showed declines for the month. In the Nordic market, outflows from credit funds, a closed primary market and a sharp repricing of debt issued by companies in the AI ecosystem (like data centre/neocloud companies) meant prices were set mostly by investors who had to sell. This dynamic was further exacerbated by significant worsening of sentiment around the long-term viability of the business models of some large neocloud companies in the US.

Always Opportunities returned −0.01% net for the month, which is effectively zero. A flat month does not normally merit much comment. This one does, because of what happened around it. Most HY funds across the Nordics showed declines for the month driven by a poor sentiment and some funds have now given back a large part of their excess returns above risk-free rates for the year.

Preserving capital is very important for what it allows us to do next. In a market with few buyers, the investor with free capital and no need to sell can decide what to buy, when and at what price. That is our position going into November. About 30% of the fund is in cash and very low-risk liquid instruments. We have no redemption pressure forcing sales and no losses we need to recover first. During the second half of October we started to put part of that capital to work. We bought selectively, in bonds where we believe the price reflects the seller's circumstances rather than the issuer's.

We have argued since launch that the strategy's returns would be decided largely in months like this one. In calm markets, holding liquidity costs some carry. In a market like October's, that liquidity lets us buy good credit at prices that would not have been available a few months ago. We believe the coming quarters will reward that patience, and we intend to use the opportunity deliberately rather than all at once.

Market Backdrop

The entire US economy is levered to the AI complex:
A new theme we have spent considerable amount of time on, and which is increasingly worrying to us, relates to the massive shift in cash composition in the largest US cloud and AI infrastructure spenders (also referred to as hyperscalers consisting of Amazon, Microsoft, Alphabet, Meta, and sometimes SpaceX and Oracle).

These companies are on a massive spending binge and we would like to highlight some key data:

- **Free cash flow:** These companies have historically been massive cash generators however, free cash flow generation (defined as operating cash flow minus capex) have

gone from approximately 8-30% of revenues in 2019 to **dropping by at least half.** If you look at the current free cash flow generation, they look dramatically different:

- **Alphabet** has declined from 19% to 4%
- **Amazon** has declined from 8% to -1%
- **Meta** has declined from 30% to 12%
- **Microsoft** has declined from 30% to 17%
- **Oracle** has declined from 31% to -40% (!)

- Another way of looking at this is to look at the total cash position held in these companies, which amounts to approximately $600 billion USD which is a massive number. However, that needs to be put into context in terms of the capital expenditures these companies have committed to which is just north of $2 trillion. This shortfall of $1.4 trillion needs to be filled which is why you are seeing these companies raising new equity (**Meta announced a $97.5 bn** raise including their ATM programme, Alphabet announced $84.75 bn raise).

- These companies have increasingly turned to the debt markets to fund the gap between internal cash flow generation and committed capital expenditure. In 2019, these companies had a total combined debt load of only **$29 billion. Today** that number is quickly approaching **$400 billion.** What is staggering to us is not the numbers in absolute terms but relative to other key asset classes competing for the same capital. These companies are raising so much debt, they are starting to crowd out other parts of the global capital markets.

  Consider the following:
  - The forecasted debt relating to AI that will be raised during 2027 now equals roughly 30% of what the US Treasury will issue in new debt the same year. This means that these hyperscalers will start to impact the appetite for the world's key benchmark rate, which are Treasury notes, that sets the discount rate for most, if not all, key asset classes around the world.

While we do not know how this will play out during the coming 12 months, we will spend considerable time and effort in trying to understand this dynamic as we have not been able to identify one single historical precedent where this dynamic was as evident as right now.

Nordic Credit:
October showed that the September sell-off had not run its course in the Nordic high-yield market. Redemptions from credit funds continued through the second half of the month. The data on Norwegian savers points the same way: in October, the six high-yield funds with the largest net outflows on Nordnet's platform were all high-yield funds, and the money moved into liquidity funds. Funds met those outflows by selling, new issuance stayed largely shut, and month-end marks across the market came in lower again. Looking back over the month, three dynamics shaped prices.

Liquidity, not credit quality, decided prices. The Nordic market has few dealers who can take on large blocks of bonds. When several funds need cash at once, prices are set by whoever

needs to sell, not by what the bonds are worth. Over the month this produced an unusual result: some of the sharpest markdowns were in liquid, higher-quality bonds that funds could actually sell, while weaker, less liquid credits were often barely traded. For a buyer with no need to sell, this meant sound credits were on offer at prices that reflected the seller's urgency.

Redemptions kept generating more redemptions. Each round of selling pushed prices lower, which hurt fund returns and prompted further redemptions. The structure of open-ended funds adds to this: investors who leave early are paid at today's NAV, while those who stay bear the cost of the selling that follows. We do not think this dynamic is exhausted yet. In our experience, outflows of this kind tend to continue past the point that fundamentals would justify.

The primary market stayed largely closed. Issuers were not ready to accept the spreads investors now require, and many investors could not commit new money while they were meeting redemptions. When issuance returns, the first deals will set a new price level for Nordic credit risk, and secondary prices will move towards it. Those early deals have to be priced for a cautious market, and that is when we expect to be most active.

October showed the value of the liquidity we have held. That reserve has cost us some carry in calmer months, but it meant we never had to sell into a falling market and could decide for ourselves when to buy. With roughly 30% of the portfolio still in cash and very low-risk liquid instruments at month-end, we spent the second half of October reviewing secondary offers daily. We began building positions in credits where, in our view, the discount reflected the seller's need for cash rather than any weakness in the issuer. We have been deliberately slow and expect to keep adding in stages through the coming months.

What drove performance?

The fund returned −0.01% net in October. The flat result was the net of meaningful positive and negative contributions that largely offset each other.

Carry:
Coupon income from the credit book contributed positively again, accruing at about 8.6% yearly across 56 issuers. Because the book is mostly floating-rate, the fall in long-end yields neither helped nor hurt bond prices much. Coupons continue to reset at the higher short-term rates set in September and October.

Credit valuations:
Wider spreads hit the cash bond book again in October. Mark-to-market losses on the bonds came to about -1% of NAV, and the hedging book offset virtually all of that. The decline was spread across the portfolio: the largest position is below 4% of assets, and no single issuer made a significant difference to the month's result. Most of the markdowns, in our view, reflect a market with more sellers than buyers rather than any weakening in the issuers themselves. Bonds held to maturity are repaid at par, so as long as an issuer remains sound, a markdown of this kind tends to reverse over the life of the bond.

We see these periods as a necessary part of how the strategy makes money, not as a cost of it. Over a full cycle, a large share of our potential excess return comes from buying sound credit below par from investors who have to sell. Those opportunities only appear when valuations fall

across the market. Because we keep a substantial liquidity reserve, we do not have to meet redemptions by selling into weakness. That leaves us on the buying side of these trades.

As in September, a large part of October's result came from a sector the Fund does not hold. This time it was data-centre and AI-infrastructure debt, debt-collection company Intrum AB and real estate company Heimstaden Bostad and it's parent company Heimstaden AB. These segments and companies were among the hardest hit in Nordic high yield during the month. We have been starting to build positions in some of the names that have been selling off meaningfully.

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.

The net effect is a flat result in a month when most comparable competing funds and strategies were negative. The result takes the fund to +7.55% gross and +5.83% net since launch on 1 April.

Positioning & Outlook

From preserving capital to deploying it. For most of the year our main task was to avoid overpaying. Since September it has been to look for buying opportunities that comes from redemption pressures from larger Nordic credit funds. Many investors in the Nordic market must currently sell in order to meet redemptions. Few can buy without first raising cash, and new issuance has largely stopped. When that happens, bond prices fall by more than the issuers' credit quality would justify. That gap is where we expect the strategy to earn much of its return.

How we intend to buy:

Gradually. Credit sell-offs usually come in waves, and the most attractive prices tend to come late, when sellers have run out of easier options. We will add in several steps rather than all at once.
In the first new issues. When the primary market reopens, early transactions will have to price for a nervous market. We will be ready to take part in issuance from companies where we believe the credit quality is solid and adequately priced.
One issuer at a time. In sectors under pressure, such as property and data centres, a lower price is only an opportunity if the balance sheet can carry its debt at today's rates. We will not buy a sector simply because it has fallen and are therefore spending considerable time to look at each new issuer we open a position in.

We expect the fourth quarter to be remembered as a period in which buying opportunities appeared in the Nordic market. Our aim is to have used it well.

Appendix
Portfolio Detail

Performance

Period	Start	End	Return
Month (30 September 2026)	105.84	105.83	-0.01%
Since inception (1 April 2026)	100.0	105.83	+5.83%

Portfolio Yield Profile

Yield component	Contribution
Cash Bonds — Wtd Avg YTM	8.7%
Credit Derivatives — Est. Contribution	+2.9%
Total Portfolio YTM	~11.6%
Cash Bonds — Wtd Avg Running Yield	8.5%
Total Portfolio Running Yield	~11.0%

Maturity Profile excluding Cash

Maturity	Distribution	% Cash Bonds
2027		12.6%
2028		8.4%
2029		33.5%
2030+		25.0%

Currency Exposure (Gross)

Currency	Gross Exposure (% of NAV)
SEK	57.9%
EUR	26.5%
NOK	3.9%

USD	11.5%

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 31 October 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.