

Monthly Report September 2026

Kavaljer Investmentbolagsfond

+0.6%

return September 2026

+20.6%

return five years



Monthly Commentary

A Step Back Caused by High Oil Prices

September was a somewhat weak stock market month. The broad Stockholm exchange (OMXSPI-GI) performed negatively, at -1.6%, and the world index (Dow Jones Global Index) at -1.5%. Kavaljer Investmentbolagsfond, by contrast, performed positively, at +0.6%.

Continued turmoil in the Strait of Hormuz has led to high oil prices, which has raised inflation expectations and thereby pushed up global interest rate levels. Interest-rate-sensitive sectors such as financials and real estate, as well as highly valued growth companies, took the biggest hit, while energy-related stocks held up best.

Economic indicators pointing in different directions: industry, which matters most to us, is performing strongly

Now there are increasingly many signs that the industrial cycle is improving. Order intake rose in the second quarter for several industrial companies, and data for September points in the same direction. In Sweden, an improvement is visible both in industry and among households, where confidence is the highest since December 2021. In Europe, consumers remain cautious, while companies are moving in the right direction. In the US, industry is strong while household confidence has weakened, which is common when petrol and diesel prices rise.

We assess that the improvement in industry will lead to long-awaited revenue growth. When the factories fill up again, profitability should also strengthen, which together creates the conditions for strong earnings growth. Such a development is expected to make the quality of several of our holdings clearer, where the market in some cases still seems hesitant. That could contribute to higher and fairer valuations. At the same time, the portfolio does not consist only of industrial companies. The healthcare holdings are driven to a large extent by long-term structural trends rather than by short-term economic developments. This contributes to a better balance in the portfolio while broadening the return opportunities.

Of the fund's holdings that are valued by their net asset value (NAV), around 75% trade at a discount and 25% at a premium. Weighted by the size of the holdings in the fund, the average NAV discount is about 11%, after the premiums in Investor and Industrivärden have been included.

The largest discounts are found in Prosus, HBM Healthcare, Bure Equity, Linc and Sonae. If the discounts normalize over time, this could make a significant contribution to returns, on top of the development of the underlying holdings.

RISK INFORMATION: The information in this monthly report does not constitute investment advice. Historical returns are no guarantee of future returns. The money invested in the funds can both increase and decrease in value, and there is no guarantee that you will get back the full amount invested. Before investing, you should read the fund's fact sheet.

Fund Facts

Start date	May 2018
Risk level	4 of 7
Number of holdings	25-40
Trading	Daily
Fund rating (Morningstar)	★
Category	Global, Sweden
SFDR classification	Article 8
AUM	SEK 770 million
Management fee	A-class (0.3%) C-class (1%)
Total fee	A-class (0.56%) C-class (1.19%)
ISIN A-class	LU1777968246
ISIN C-class	LU2838471790
Portfolio managers	Peter Lindvall, Håkan Telander, Jesper von Koch & Jakob Wahlberg

Risk Measures

	3 years	5 years
Alpha	-4.2	-6.16
Beta	0.75	0.9
Sharpe ratio	0.57	0.18
Standard deviation	10.29	13.20

Risk measures for A-class

"The big money is not in the buying and the selling, but in the waiting."

Charlie Munger

Fund Performance

Kavaljer Investmentbolagsfond performed positively during the month, at 0.6%. Since the start, the fund's return amounts to 154%, compared to 142% for the Stockholm exchange (OMXSPI-GI) and 111% for the World Index (Dow Jones).

The largest positive contributors among the fund's holdings during the month were Thermo Fisher, Danaher and Microsoft. The largest negative contributors among the fund's holdings during the month were LVMH, Prosus and Linc.

Changes and Holdings

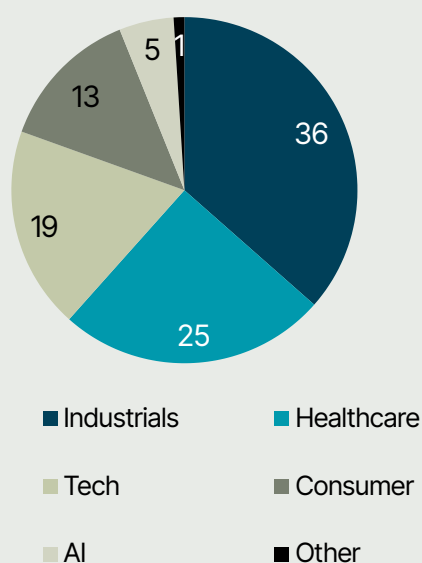
During the month the fund reduced its holdings in Beijer Alma and Vitec Software. Flat Capital is a new holding.

The equity allocation was 99%.

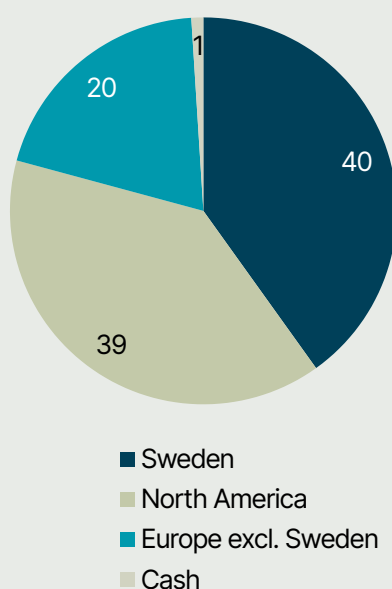
Top 20 Holdings, %

Danaher	6.3
Latour	6.2
Investor	5.8
Microsoft	5.5
Berkshire Hathaway	5.4
Thermo Fisher	5.0
Alphabet	5.0
Prosus	4.8
Industrivärden	4.7
Markel	4.7
Fairfax Financial Holdings	4.7
Svolder	4.5
Ratos	4.4
Linc	4.0
HBM Healthcare Investments	3.9
Siemens AG	3.8
Lifco	3.3
Bure Equity	3.2
LVMH	3.2
Beijer Alma	2.4
Total number of portfolio holdings	25
Top-20 % of total	90.7

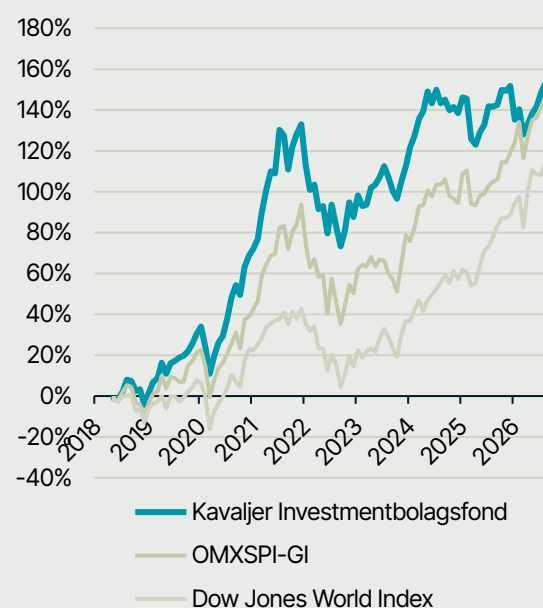
Sector Allocation, %



Geographic Allocation, %



Returns After Fees



Best and Worst - Month's Contributors

Company	Return contribution
Thermo Fisher	0.7%
Danaher	0.5%
Microsoft	0.3%
LVMH	-0.4%
Prosus	-0.3%
Linc	-0.2%

In-Depth Thoughts on Our Holdings

Thermo Fisher

Volumes are turning, and AI companies could become new customers. At Morgan Stanley's 24th Annual Global Healthcare Conference on 15 September, the picture was strengthened that Thermo Fisher's underlying markets are on their way to recovering, which in practice means rising volumes. For a company like Thermo Fisher, higher volumes usually give clear operating leverage in earnings. Over the past 25 years, operating profit has grown about 4 percentage points faster than revenue per year (median).

In addition to the cyclical recovery, a new customer group is emerging. Large investments are being made in automated laboratories and AI-based drug discovery, backed by technology companies, AI players and well-funded investors. This broadens the customer base to players with considerably greater financial resources than the traditional research market.

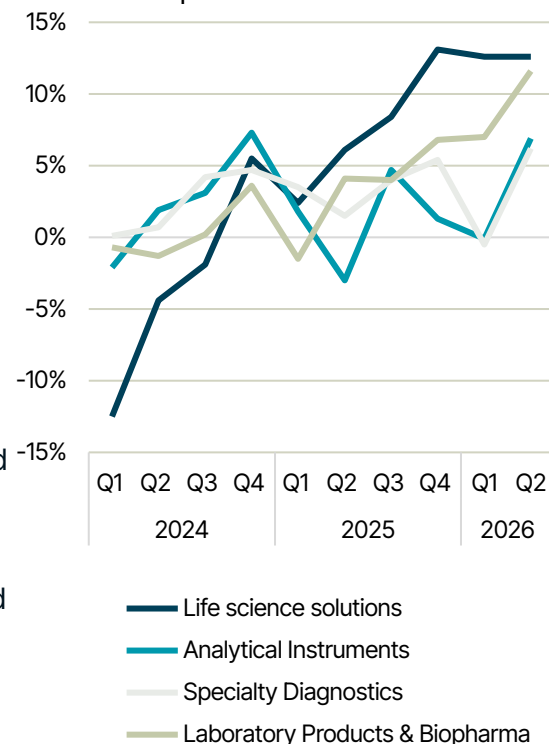
Thermo Fisher is well positioned for this development. AI can generate hypotheses, but the results still have to be tested physically, and automated laboratories increase the need for instruments, analyses and consumables. Regardless of who drives the development, the business rests on the same underlying infrastructure. As the market's broadest supplier, Thermo Fisher has both the scale and the customer relationships to benefit from increased investment activity. Danaher, which is also held by the fund, has exposure to the same driver.

The effect does not stop at early-stage research. If more drug projects move on to clinical trials and commercial production, demand also increases in the company's other businesses, not least contract manufacturing. In addition, there is a still unproven opportunity to use the large installed base of instruments to sell software and data that complement the hardware.

Since the holding was added in May, Thermo Fisher has been one of the fund's strongest contributors. Healthcare has gradually been given a larger weight in the portfolio, as the area is judged to offer several attractive investment opportunities.

Thermo Fisher constitutes 5.0% of Kavaljer Investmentbolagsfond.

Thermo Fisher: Growth has turned up in all business areas



Period	1 month	YTD	1 year	3 years	5 years	Since start*	Annual avg. return
Kavaljer Investmentbolagsfond	0.6%	1.0%	5%	27%	20.6%	154%	13.9%
OMXSPI-GI	-1.6%	10.4%	18%	54%	40.7%	142%	13.1%
Dow Jones World Index	-1.5%	11.6%	15%	71%	55%	111%	11.0%

*May 2018

HBM Healthcare and BB Biotech

NAV discounts in a better funding climate

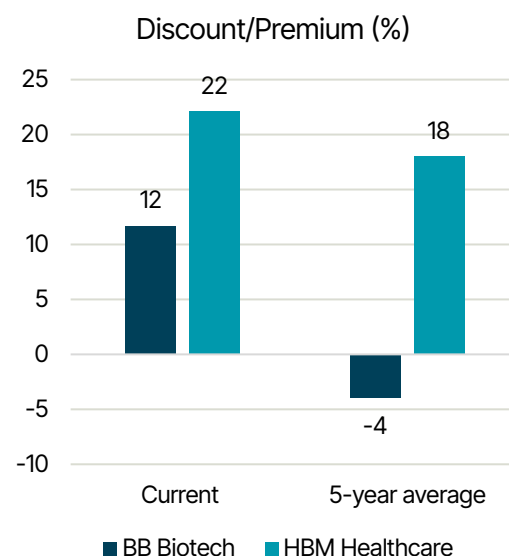
Parts of the fund's healthcare exposure sit in a different link of the value chain than Thermo Fisher. Where Thermo Fisher sells the tools to research, BB Biotech and HBM Healthcare own the biotech companies that carry it out. An important barometer for the sector is the US XBI index, which consists of a large number of listed biotech companies. After several weak years, sentiment has clearly improved and the index has recovered strongly.

BB Biotech and HBM Healthcare have significant exposure to the same market but still trade at NAV discounts. At the same time, conditions have improved. The funding climate has become more favorable, and pharmaceutical companies' need to replace revenue lost to patent expirations is expected to create continued high activity in the sector.

BB Biotech owns a concentrated portfolio of clinically and commercially validated biotech companies. Over the past six quarters, eight portfolio companies have been acquired, three of them in the first half of the year. As more companies are acquired, the number of attractive assets that larger pharmaceutical companies can choose between decreases.

HBM Healthcare has a larger exposure to unlisted companies. This means that increases in value often show up in net asset value only when the holdings are listed or acquired, which creates a lag compared with the stock market. Against this background, both companies are judged to be well placed to benefit from the improved market for biotech.

HBM Healthcare and BB Biotech together constitute 6.3% of Kavaljer Investmentbolagsfond.



Linc

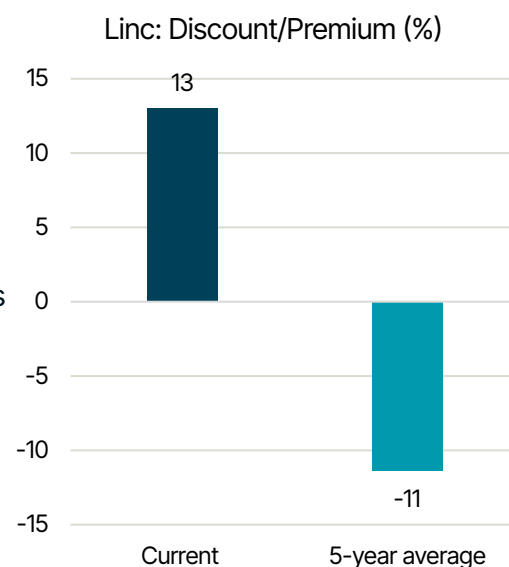
Buybacks, NAV discount and a strong balance sheet

Linc gives the fund similar exposure to healthcare as HBM Healthcare and BB Biotech, but with a focus on Nordic companies. The company invests in both listed and unlisted life science companies, with an emphasis on pharmaceuticals and medical technology.

Since the sale of Calliditas, Linc has been overcapitalized, with liquid assets equal to just over 27% of net asset value. At the same time, the share trades at about a 13% discount to net asset value, which makes the buyback program a value-creating way to use the capital.

The fund has a positive view of Linc's core holdings MedCap and Stille, which continue to develop well. The unlisted portfolio has performed more weakly, but conditions are judged to improve as the market climate for the sector recovers. With a strong balance sheet, Linc is also well positioned to take advantage of investment opportunities that may arise in the market.

Linc constitutes 4.0% of Kavaljer Investmentbolagsfond.



Latour

Broad economic improvement and an acquisition in Nord-Lock

Last month we attended an investor lunch with Latour and CEO Johan Hjertonsson, who described a clear economic improvement in several of the company's markets. Most interesting, however, was the development in Nord-Lock, Latour's wholly owned company in secure bolted joints. Despite a global market share of only about 0.5%, the company has built strong positions with customers such as Siemens, ABB and Vestas, and the solution is also used in all Chinese high-speed trains. Growth is driven not only by the economic cycle but also by more and more customers choosing Nord-Lock's technology over traditional locking solutions.

Nord-Lock recently acquired the British company Bolt and Nut for about SEK 300 million, at an estimated 7-8 times EV/EBIT. The company is reported to have profitability above Latour's financial targets. With a return on capital employed of over 30%, compared with about 14% for the wholly owned industrial operations as a whole, there are good conditions for well-executed bolt-on acquisitions to create significant value over time. Nord-Lock now makes up just over 7% of Latour's net asset value.

Several of the listed holdings have performed weakly during the year, and valuations have been pressured. At the same time, the companies have carried out measures that are expected to have greater impact when market conditions improve. Combined with a broader economic recovery and continued good development in the wholly owned industrial operations, the conditions for Latour are judged to be attractive.

Svolder

An investment company with a small-cap focus

Svolder invests according to a philosophy that is close to Kavaljer's own, with a focus on quality companies that have strong market positions, good cash flows and long-term growth potential. Among the larger holdings are New Wave and ITAB, two companies that we have long had a positive view of.

Since its start on 30 June 1993, Svolder has delivered an average total return of about 15% per year. This means that over just over three decades the investment company has created very strong value growth and outperformed the Stockholm exchange's broad index over time. The strong long-term performance shows the value of Svolder's focus on well-run small and mid-sized companies.

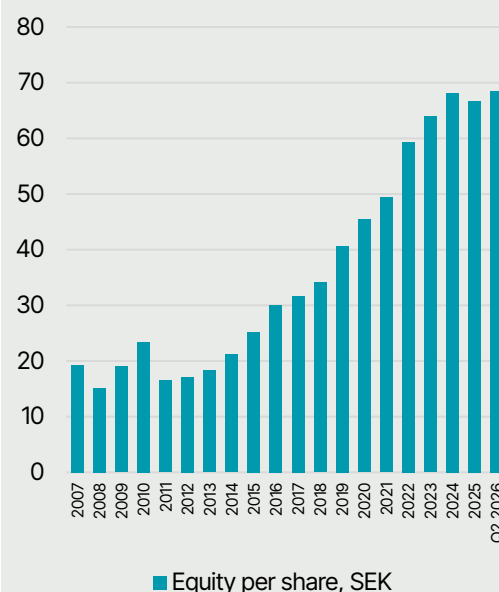
More generally, we see good conditions for the smaller companies that Svolder invests in. After several years of uncertainty about inflation, interest rates and the economy, conditions are gradually improving. We assess that earnings growth in the small-cap segment will be strong in the coming years, while many quality companies are still valued at historically low levels.

In addition to rising earnings, we also see potential for higher valuation multiples when the market's risk appetite returns. The combination of rising earnings and higher multiples is a powerful driver of share prices. Overall, Svolder offers an attractive exposure to Swedish quality companies in the small-cap segment.

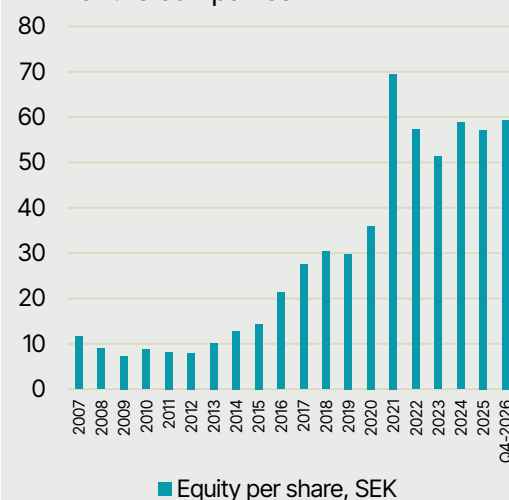
Nacka Strand, 5 October 2026

Peter Lindvall, Håkan Telander, Jesper von Koch and Jakob Wahlberg

Latour: Long history of value-creating capital allocation



Svolder: Strong development of net asset value over time. Tough years since 2021 for the shares it holds, but strong underlying development for the companies.



More information about the fund can be found at <https://kavaljer.se/>