PROTEAN™

JULY 2026 • PARTNER LETTER

Dear Partners,

Protean Small Cap returned 5.4% in July, outperforming its benchmark index by 1.7%. Since launching in July 2023, the fund has gained 81.3%. The Carnegie Nordic Small Cap Index is up 32.3% in the same period.

The hedge fund **Protean Select** returned 0.5% in July. The fund is closed for additional subscriptions.

Protean Aktiesparfond Norden returned 4.6% during the month. The benchmark index rose 0.5%. Since inception, in April 2025, the fund is up 33.3% and in the same period the VINX Nordic Cap index is up 24.1%. The fund now manages 2.1bn SEK.

All figures are net of fees.

This month's letter elaborates on why a sound scepticism towards your own perceived brilliance is a good idea, and how confidence intervals shouldn't be confused with feelings of conviction, we elaborate on a few of the gut-punches received during reporting season, and a few of the one that went the other way – and more than compensated. Plus, as always, commentary on the month's various winners and losers.

Thank you for being an investor!

// Team Protean

Wide Confidence Intervals

JULY 2026 • WRITTEN BY PONTUS DACKMO

A reader familiar with statistics will know that a confidence interval, used properly, is one of the more honest inventions: it claims to know something within a range, and to show how sure you can be that truth sits inside it. The problem is the wording – somewhere between the university classroom and the trading desk, the term got hijacked. Confidence stopped meaning a calibrated range and instead started meaning a feeling. "What's your confidence level in this position?" basically just means how does this feel to you? Feelings are rarely a good input to a portfolio.

This gap between feeling sure and being right is the subject of quite a bit of research. The cleanest example is a 1973 study by Paul Slovic, who tested professional horse-race handicappers – people who made their living betting on horses, not casual punters. He gave them access to increasing amounts of information on each race: five data points, then ten, then twenty, then forty, each handicapper choosing whichever variables he trusted most. With ten horses per race, blind chance would get you 10% accuracy. With five data points, the handicappers hit 17%, comfortably ahead of luck, and their own stated confidence sat at 19% – self-assessment and reality aligned. Then Slovic kept feeding them information. By forty data points, eight times the input, accuracy hadn't moved. Still 17%. Confidence, meanwhile, nearly doubled to 34%. Nothing about the horses had become more knowable. The handicappers had simply grown more certain of a picture no clearer than the one they started with. Here's the bit that matters for this Partner Letter: more information didn't tighten the interval. It only inflated how sure they felt about it.

Which brings us to the portfolio in July. Scandinavian Q2 reporting season is a peculiar institution. Every management team seems hell-bent on reporting in the same few days, to clear the decks before the summer holidays. On the 17th and 18th alone, nearly half our portfolio companies reported. An avalanche of data points, worthy of a couple of new Slovic studies on its own.

There's no hiding we took a proper cold plunge in several long-held, well-known cases. RaySearch, a reasonably sized long, profit-warned and dropped 30%. Devyser, a micro-cap we've spent a lot of time on, did the same. These are round-four names, not round-one names. We've had years of data points on both, well past the point where one more should move our accuracy at all – only our confidence. In an ordinary week, a single print on a company we know that well is almost immaterial. Crammed into 48 hours alongside 30 other reports, there's no ordinary week to think it over in. The number either confirms what years of conviction already told us, or it doesn't – and years of conviction are exactly what makes the second case hardest to see coming. On paper, we're best defended against the names we know least.

This is where overconfidence stops being an academic curiosity and turns into a risk-management problem. The malign version of Slovic's finding isn't just a bad prediction: it's when the position is sized like a great one. An investor who feels 34% sure on 17%-accurate information doesn't just hold the position, they add to it, lever it, let it grow past where a clearer-eyed read of the odds would ever have taken it. That's how a single-name blow-up turns into a fund-threatening event.

It's also the entire argument for position sizing discipline, and for building portfolios that assume you will, at some point, be confidently wrong. No single long in either of our funds is large enough that a 30% drawdown in isolation should ever be a crisis, and in July, it wasn't one. Two of our best-known, most closely-followed positions fell by that magnitude in the space of a week, and Protean Select still closed the month at 0.5% Protean Small Cap at 1.7% against its benchmark. That's not an accident, and it's not because we called RaySearch or Devyser correctly – we certainly didn't, at least not in the short term. It's because the fund is built for survival first, conviction (or confidence) second.

Wide confidence intervals, and a healthy dose of skepticism towards one's own brilliant conclusions, is how to build buffers that compensate for the inevitable mistakes.

Building in Public

We'd like to thank **Oscar Bjerselius** for six months with Protean. Oscar brought a can-do attitude and a work ethic that never needed managing, the kind of person who simply got on with whatever needed doing. He'll write up his own impressions and learnings from the Protean Protégé experience, which we'll publish on our website shortly.

We're also delighted to welcome **Zacarias Moreira** to the team. Zacarias is 23, from Norway, and emerged as the standout candidate among roughly 70 applicants to our Protean Protégé programme — our six-month programme for the unusually curious, the obsessively analytical, and the happily maladjusted investor-in-the-making. He displays a thoroughly unhealthy interest in equity markets, which was exactly the job requirement, and strikes us as someone built for the role rather than merely qualified for it. One of us, in other words. His main remit will be research on global companies, supporting Olle Qvarnström as he builds out the **Aktiesparfond Global**, though at a firm our size "main remit" tends to mean "and everything else that needs doing." More on the programme itself is on our website, for anyone curious about the details.

Protean Aktiesparfond Global is set to open for subscription in mid-September. The fund will be managed by Olle Qvarnström and launches with a fee below half the industry average – one that will decrease further as assets grow. Full details on fund terms, risk profile, and how to subscribe will be published ahead of launch. Stay tuned.

Protean Small Cap

JULY 2026 • WRITTEN BY CARL GUSTAFSSON

Protean Small Cap gained 5.4% in July. Our benchmark, CSRXN (SEK), increased 3.7% during the month, meaning the fund outperformed the index by 1.7%. So far this year, the fund has gained 8%, outperforming the index, which has gained 5.3%.

Top contributors for July were **Storskogen**, **Truecaller**, **Indutrade**, **Vimian** and **Nordtech**. Top detractors were **Devyser**, **Midsona** and **Savox**.

July started on a sour note as **Devyser** warned that sales for the second quarter were to be lower than expected. Sales to Thermo Fisher (our assumption, not confirmed officially) had been inflated in prior quarters by inventory build-up, and purchases in the second quarter, as well as in the coming two quarters, are affected by this. Now let's be frank: another way to read this is that usage of the tests that Devyser provides to its distributor, in this case for post-transplantation testing, are ramping slower than expected. A growth slow-down in a growth story puts a big dent in the narrative, and the stock fell 27% on the day of the announcement. The silver lining is that the other parts of Devyser's portfolio grew by close to 15 per cent, and that the company had adopted stricter cost control. Approaching cash-flow break-even, with several optionalities, we used the weakness to slightly increase our position sub-60 kronor.

Luckily, we also had plenty of things to be cheerful about during the month. The Swedish compounder Storskogen gained 25 per cent during the month. To put this into perspective, the share had a poor June, and it still trades at a single digit EV/EBITA for this year despite the rally in July. Storskogen is a top 10 position in the fund.

Vimian, Truecaller and Indutrade are all recent entrants to the portfolio, and our investment thesis in these names were supported by their Q2 results. Vimian, which has now become our largest holding, posted the 'no news is good news' type of report that the investment case needs. Organic growth was 12 per cent, EBITA grew by 15 per cent and the promised improvement of the US exposure materialized. The company has a benign exposure (pets), it has scale (four verticals, many geographies) and resources for M&A (a lot of experience in executing it, a decent balance sheet, a majority owner with deep pockets). Given this, we are a bit puzzled by the relatively unassuming valuation.

Truecaller reported a sequential improvement in all their business segments, as predicted. They also announced that a key customer in India will return, which will support growth rates in H2. Truecaller also announced what appears to be a reasonable acquisition and continued their buybacks with enthusiasm at the latter part of the month. The share is cheap on estimates. What's not to like? But having built our position around SEK13-14, and with the share now trading at SEK16-17, we decided to reduce our position post the report, as the share tends to be volatile.

We have during the summer re-built a position in the Danish construction company **MT Hojgaard**. This is a stock we owned throughout large parts of 2024 and then sold mid-2025. The share has seen what we consider to be an overexaggerated drop on a poor start to 2026, where they have suffered from a cost over-run related to a specific project, as well as costs related to the harsh winter conditions in Denmark. Assuming that these issues are temporary (we wouldn't extrapolate a harsh winter in perpetuity at least), the share is remarkably cheap. It trades 3x EBIT on consensus estimates for next year, which triggered us to start accumulating shares again.

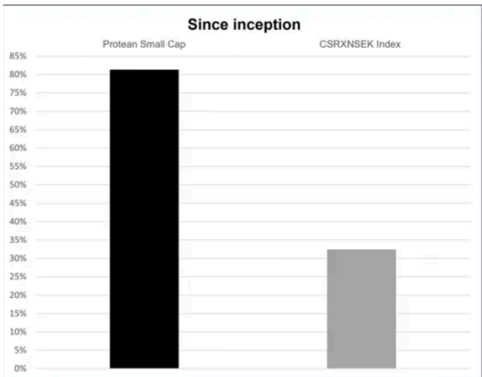
We have **materially increased our exposure to the real estate sector** during July. We have done so by adding a swap to the portfolio. This is a first for us, and we have used this cash-efficient method as we had a large portion of the portfolio tied up in CINT shares throughout large parts of the month. We are now slightly overweight the sector relative to our benchmark for the first time since inception of the small cap fund three years ago.

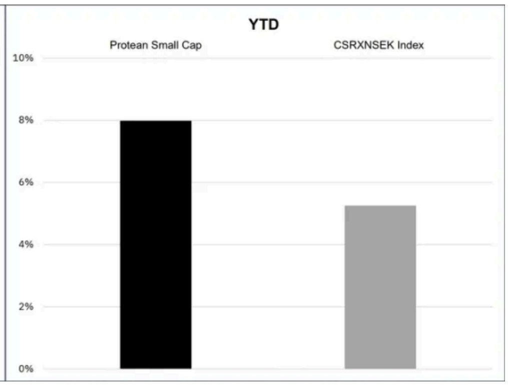
We tendered our shares in **CINT** during the month. We have also sold our shares in **Balco** (you can't win 'em all) as well as **AAK**.

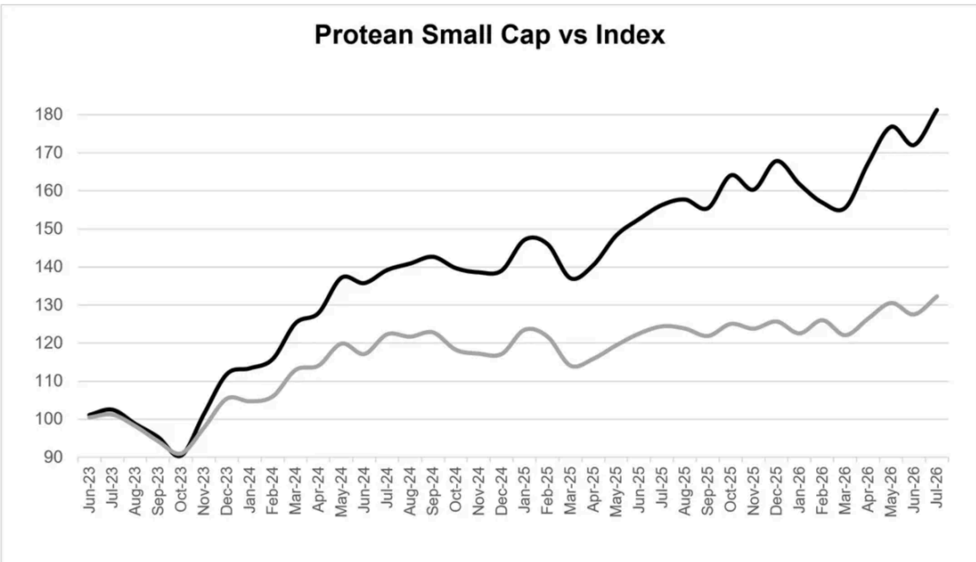
The fund now manages c. SEK 1,200m. Thank you for your trust.

Our top ten positions as we enter August are as follows:

Rank	Company	Share of NAV (%)
1	Vimian Group AB	3.68
2	BTS Group AB	3.55
3	Acast AB	3.48
4	Indutrade AB	3.45
5	Storskogen Group AB	3.22
6	Storytel AB	3.07
7	Sdiptech B	2.76
8	Altra Fastigheter AB	2.65
9	Bavarian Nordic A/S	2.65
10	ITAB Group AB	2.59







Protean Select

JULY 2026 • WRITTEN BY PONTUS DACKMO

Protean Select returned 0.5% in July. The beta-adjusted net exposure of the fund was 23% on average. The fund remains marginally down on the year, frustratingly enough, which is not a result we're happy about. But this result is within the realm of possible outcomes (or confidence interval, if you like).

Biggest contributors were **Getinge**, **Evolution** and **Carlsberg.**

Biggest detractors were long positions in **RaySearch**, **Devyser** and our short position in OMX index futures.

We enter August at 32% net exposure. Gross exposure, adjusted for cash management positions, currently stands at 127%.

Some words on a few stocks

We saw a trading opportunity in **Evolution** during July. Short term readings of player activity showed a marked up-tick in the early weeks, paired with the Football World Cup (our theory: it drove US punters to RNG during games, since they are both long, slow and uneventful relative to the NFL and NBA – two US favourite past times). Evolution has been through a loooong period of shareholder churn as growth investors have exited the stock, and compliance/operational issues derailed the growth narrative. Now trading at what can only be described as Very Interesting Multiples, it was an interesting set-up. Icing on the cake was Castle Lake crossing the 30% threshold, thus likely capping the downside. We collected 0.35% to the fund in Evolution and sold our position around the SEK 750 level on the last days of the month.

We note that **Industrivärden**, the sleepy Swedish investment company (last time they added a new holding to the portfolio was 13 years ago), started trading at a premium to its NAV. This is particularly peculiar since the portfolio consists entirely of listed holdings, and where four liquid large caps make up no less than 75% of the NAV. Donning the job of a stock market cleaning crew (surely it's not fundamentally motivated for this easily replicated basket of stocks to trade at a premium) we now have negative exposure to the stock. However, digging into the details as to WHY the stock trades at a premium, we think the answer can be found in the ownership statistics: the proportion of active funds that own the stock has steadily been sliding (and is now a mere 8%), at the same time the proportion of passive funds have crept up at an accelerating pace. To us, this is one of the perversities created by mechanical buying and the flight to passive. But, the realisation has also caused us to reduce the position meaningfully – because what's to say the flight from active to passive doesn't continue? Why stay at a few %-points premium? Let's make it 20%, 50%? Passive funds make sense, until they don't. But maybe the bigger question is: what active manager can motivate owning the stock at a premium?

Novo Nordisk gets its own paragraph, because this is one where the surprise cut in our favour. We have a small short on a fairly straightforward weak-pipeline-and-upcoming-patent-cliff thesis. Friday's ZEUS readout confirmed it cleanly – no meaningful clinical benefit and a writedown in the hundreds of millions of dollars landing in Q3. This is the third pipeline miss in a row. We added to the short on the print because it restates the thesis with fresher evidence. Novo's problem was never the semaglutide one molecule. It's a pipeline that hasn't produced a credible second act, just as the obesity patent cliff comes into view. Until management shows the same willingness to act that its peers are showing (err… Astra for BMS, anyone?), we're comfortable staying short and adding into weakness we think reflects the thesis working, not a name we got lucky on. (And, before anyone asks: yes, we can have different positions in the same stocks across our funds – it reflects that the portfolio manager has personal discretion on how to run the fund.)

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Protean Aktiesparfond Norden

JULY 2026 • WRITTEN BY RICHARD BRÅSE

Aktiesparfonden is a Nordic long-only fund aiming to generate above-market returns over the long term by actively investing in value-creating companies and charging a low fee. A fee that is reduced further as the fund grows, sharing the scale advantages with investors.

Aktiesparfonden has, since inception in April 2025, delivered a 33.3% return, in the same period the VINX Nordic Cap index is up 24.1%. The fund now manages 2.1bn SEK.

Our communication for Aktiesparfonden is currently only in Swedish, and updates can be found at www.aktiesparfonden.se by clicking the headline "Anslagstavla".

Thank you for your long-term perspective and trust in our process.

The monthly reminder

We optimize for performance, not for convenience, size, or marketing.
You can withdraw money only quarterly in Select (monthly in Small Cap).
We will tell you very little about our holdings.
Our strategy is tricky to describe as we aim to be versatile.
A hedge fund can lose money even if markets are up.
We charge a performance fee if we do well.
You do not get a discount if you have a larger sum to invest.
We only have a medium-sized track record.

Aktiesparfonden's reminder

We aim to generate above index returns over 3-5 years, but there are no guarantees.
The fund is traded daily, but that doesn't mean you should.
To beat the index, you need to deviate from the index. This means taking uncomfortable positions.
Be aware that the fund can underperform the index during periods. Sometimes, long periods.
We lower the fee as the fund grows. The first 10 basis point cut comes at 10bn SEK in AUM.

Thank you for being an investor.

Pontus Dackmo
CIO & Investment Manager
Protean Funds Scandinavia AB