

INVESTMENT LETTER

Monthly letter

January 2026

PRESIDENT'S LETTER

As we publish our first monthly letter, I would like to take a moment to reflect on the principles that guide SEN Asset Management and the responsibility that comes with disciplined capital allocation.

This portfolio is built on patience, discipline, and independent thinking. Our objective is to generate attractive long-term returns by investing in businesses that create value over time, while evaluating all decisions against a clear benchmark. We believe that sustainable investment results are not achieved by reacting to short-term market noise, but by consistently applying a thoughtful and rigorous process.

We view investing as a continuous learning process. Markets evolve, businesses change, and new information constantly challenges our assumptions. Our commitment is to remain intellectually honest, adaptable, and disciplined, always willing to reassess our views when the underlying facts change.

Importantly, a significant portion of our own capital is invested in the portfolio. This reinforces discipline in decision-making and ensures a long-term perspective in how capital is allocated.

This letter marks the beginning of an ongoing dialogue. Transparency, consistency, and accountability will remain central to how we operate. We look forward to sharing our thinking, progress, and lessons learned as we continue to develop this portfolio over time.

Maximilian Sjöholm
President
SEN Asset Management

INTRODUCTION

This letter marks the first edition of our ongoing investment commentary. Its purpose is to present our portfolio, outline our investment philosophy, and provide transparency into how we think about capital allocation and long-term value creation.

SEN Asset Management was founded out of a genuine interest in investing and a desire to apply structured, analytical thinking to capital allocation. While we do not manage external capital, this portfolio represents a serious and disciplined approach to investing, with a clear focus on learning, long-term performance, and continuous improvement.

Our ambition is not short-term outperformance, but rather to demonstrate that a thoughtful, research-driven process can compound capital over time. We view investing as a craft, one that rewards patience, independent thinking, and intellectual honesty.

PORTFOLIO STRUCTURE

The portfolio is structured by sector to clearly illustrate our capital allocation and the strategic role each investment plays. Diversification is intentional, but not excessive; we aim to balance concentration in our highest-conviction ideas with sufficient risk dispersion.

FINANCIALS – 11,7 %

The financial sector represents businesses with strong balance sheets, disciplined risk management, and durable competitive positions. These companies form a stable foundation for the portfolio.

- Avanza – 5,0 %
- Nordea – 3,9 %
- SEB – 2,8 %

CONSUMER GOODS – 13,0 %

This segment consists of well-established brands with pricing power and exposure to long-term return potential.

- Svedbergs – 2,0 %
- Essity – 3,7 %
- Hennes & Mauritz – 2,6 %
- Electrolux – 2,7 %
- RugVista Group – 2,0 %

INDUSTRIALS – 19.3 %

Our industrial exposure focuses on high-quality businesses with strong market positions, technological advantages, and recurring revenue streams. These companies tend to benefit from long-term structural and infrastructure-related demand.

- Epiroc – 2,7 %
 - Atlas Copco – 4,3 %
 - Kone – 9,4 %
 - Sweco – 2,1 %
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REAL ESTATE – 4,4 %

The real estate allocation consists of well-managed companies with high-quality assets and predictable cash flows. These holdings add diversification and resilience to the overall portfolio.

- Intea Fastigheter – 0,9 %
- Hufvudstaden – 3,5 %

OTHER HOLDINGS – 8,2 %

This category includes businesses with niche positioning, unique business models, or asymmetric growth potential that complement the broader portfolio.

- MilDef – 3,4 %
- Hacksaw – 1,8 %
- Adtraction – 1,8 %

INSURANCE – 6,8 %

This insurance allocation provides exposure to companies with disciplined underwriting and strong long-term profitability

- Protector – 6,8 %

CASH – 36,6 %

The elevated cash position reflects a deliberate and disciplined capital allocation strategy. Several companies are currently held on our watchlist, where we are awaiting more attractive entry points before initiating positions. While maintaining a high degree of flexibility, we chose to deploy part of the capital around year-end in order to establish an initial portfolio and create a clear benchmark for future performance evaluation.

Portfolio allocations as of January 31, 2026. Allocations are subject to change based on market conditions, new opportunities, and evolving investment theses. As this is the inaugural edition of our monthly letter, performance data will be included in subsequent reports once a meaningful track record has been established.

INVESTMENT PHILOSOPHY

LONG-TERM ORIENTATION

Our objective is to compound capital over time through disciplined investing in quality businesses. We do not focus on short-term market movements but instead prioritize fundamental business performance, competitive advantages, and long-term value creation.

CONVICTION WITH RISK AWARENESS

While diversification is important, we believe meaningful returns require conviction. The portfolio therefore reflects a balance between concentration and risk management. We are willing to deviate from market indices when our analysis supports it, acknowledging that this may increase short-term volatility in pursuit of superior long-term results.

CONTINUOUS LEARNING AND ADAPTATION

This portfolio is an ongoing learning process. We continuously refine our views as new information emerges and are prepared to adjust our positioning when the underlying thesis changes. Intellectual honesty and adaptability are central to our approach.

FFORWARD-LOOKING PERSPECTIVE

LONG-TERM CAPITAL GROWTH

Our primary objective is to achieve consistent long-term capital growth through disciplined investment in high-quality businesses. We measure success not in quarters or years, but over decades. This long-term orientation enables us to look beyond short-term market volatility and focus on the fundamental drivers of business value: competitive positioning, cash flow generation, and sustainable returns on capital.

We expect the portfolio to evolve gradually over time as we identify new opportunities and refine existing holdings. All changes will be driven by fundamental analysis rather than market sentiment, and each decision will be guided by the same rigor and discipline that define our investment approach.

DISCIPLINED PORTFOLIO CONSTRUCTION

Portfolio construction is an ongoing process that balances conviction, diversification, and risk management. We maintain a focused yet diversified portfolio, allocating capital to our highest-conviction ideas while ensuring appropriate sector exposure and risk controls.

When attractive opportunities arise, we act decisively. Conversely, when valuations become stretched or business fundamentals deteriorate, we are prepared to reduce or exit positions. Discipline in both buying and selling is essential to long-term investment success.

ALIGNMENT OF INTERESTS

A significant portion of our personal capital is invested in the portfolio, ensuring strong alignment in decision-making and long-term outcomes. This alignment ensures that we experience the same outcomes, both positive and negative. We believe this shared exposure is fundamental to building trust and maintaining a long-term discipline and accountability.

Our commitment extends beyond capital. We dedicate substantial time and resources to understanding each business we own, continuously monitoring developments and reassessing our investment theses. This is not a passive endeavor; it requires ongoing effort, intellectual rigor, and unwavering focus.

COMMITMENT TO TRANSPARENCY AND CONSISTENCY

This monthly letter reflects our commitment to transparency. We aim to provide clear insight into our portfolio, our thinking, and our decision-making process. When mistakes occur, we will acknowledge them openly and explain the lessons learned.

Consistency in approach, clarity in communication, and honesty in assessment are central to how we operate. These principles form the foundation of a long-term partnership built on trust.

“Our ambition is not to outperform every quarter or every year. Our ambition is to compound capital responsibly over decades by investing patiently in exceptional businesses.”

Closing Statement

We are at the beginning of what we intend to be a long-term journey. The portfolio presented reflects our current thinking, research, and capital allocation decisions. While it will evolve over time, our guiding principles will remain unchanged: focus on quality, maintain discipline, think long term, and manage risk thoughtfully.

Investment management is a responsibility we take seriously. Every decision is made with the goal of preserving and growing capital in a prudent and disciplined manner. We will not compromise our principles in pursuit of short-term performance.

In future monthly letters, we will continue to provide updates on portfolio developments, discuss relevant market trends, and share insights from our ongoing research. We welcome dialogue and value the trust placed in us by our partners.

Thank you for taking the time to read our first letter. We look forward to building long-term value together, one disciplined decision at a time.

Sincerely,
SEN Asset Management
January 2026

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