SEN Asset Management

INVESTMENT LETTER

Monthly letter

February 2026

Independent Investment Firm

Long-Term Perspective – Fundamental Analysis – Disciplined Capital Allocation

SEN Asset Management – Monthly Report February 2026

HEAD OF RESEARCH COMMENTARY

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This report summarizes key developments in portfolio construction, market conditions and strategic positioning during February 2026.

EXECUTIVE SUMMERY & PORTFOLIO PERFORMANCE

February represented a continuation of the transition from portfolio establishment toward active portfolio refinement, largely driven by the Q4 reporting season and an increased number of attractive company-specific opportunities within our investment universe.

Throughout the month, portfolio activity focused on selective reallocations based on earnings outcomes, valuation adjustments and updated risk–reward assessments. Several holdings delivered strong operational reports, reinforcing confidence in our fundamental investment process, while short-term volatility in a smaller number of positions was managed through disciplined position sizing and ongoing reassessment.

The portfolio returned **6.79%**, compared with OMXPI at **6.42%**. Relative performance was supported by strong contributions from selected industrial, niche growth and software-related holdings.

Entering March, the portfolio is increasingly concentrated around companies demonstrating strong earnings visibility, robust balance sheets and clear long-term structural drivers.

Market Enviroment & Key Themes

Macro backdrop

Global equity markets remained supported by expectations of gradually easing monetary policy and moderating inflation trends. At the same time, geopolitical uncertainty continued to contribute to periods of short-term market volatility.

During the reporting season, investor focus shifted toward company-specific execution and earnings quality, creating a favorable environment for active stock selection.

Renewed interest in SaaS and software

A notable theme during February was renewed market interest in SaaS and software-related companies. Following a prolonged period of valuation pressure, investors increasingly rewarded companies characterized by recurring revenues, scalable business models and improving profitability profiles.

While sentiment toward growth-oriented companies has improved, our investment approach remains grounded in fundamental analysis and long-term earnings potential rather than short-term multiple expansion.

Property market gradually stabilizing

The Nordic property sector began to show early signs of stabilization during the month. Developments in holdings such as **Intea Fastigheter** suggest that financing conditions and investor sentiment are gradually becoming more constructive.

Although interest-rate sensitivity remains an important factor, recent market behavior indicates that risk appetite toward high-quality real estate assets may be returning after a prolonged adjustment period.

NEW POSITION – RAYSEARCH LABORATORIES

During February we initiated a new position in **RaySearch Laboratories**, a company we have followed closely over an extended period.

RaySearch develops advanced software solutions used in radiation oncology, enabling cancer clinics to plan and optimize radiation treatment with high precision. Its software platforms are deeply integrated into clinical workflows and play a critical role in treatment planning, contributing to high switching costs and strong competitive barriers.

Our decision to initiate the position at this stage was primarily driven by market dynamics. During the recent period of AI-related market uncertainty, several smaller growth-oriented companies experienced significant valuation compression. In our view, this created an attractive entry opportunity in RaySearch, where long-term fundamentals remain intact and competitive moats are strong.

We view the market reaction as an overextension relative to underlying business quality, allowing us to enter the position at an attractive risk–reward level.

EXIT – H&M

During February we exited our position in **H&M**.

The investment delivered a total return of approximately **+3.5%** and served its role within the portfolio as a more defensive, cash-generating holding while we awaited higher-conviction opportunities elsewhere.

As new opportunities emerged, capital was reallocated toward smaller and more offensively positioned holdings with higher long-term upside potential.

Q4 REPORTING SEASON – PORTFOLIO HIGHLIGHTS

Equity analyst Viktor Söderberg comments on his coverage

Carl-Fredrik Ekström, Head of Research & Analyst, and Viktor Söderberg, Equity Research

February was defined by the Q4 reporting season, which provided increased clarity around underlying fundamentals across the portfolio. Overall, results broadly confirmed our investment theses, with several companies demonstrating operational resilience and margin strength despite continued macro uncertainty.

Company Highlights

Hacksaw

Hacksaw delivered a solid quarter broadly in line with expectations. Industry sentiment remains somewhat subdued, which in our view explains the compressed valuation (below 10x EV/EBIT). At the same time, earnings and topline growth remain strong, effectively compressing the multiple on forward numbers. The announced share buyback programme of up to 10% of outstanding shares, alongside a €0.4 dividend per share, reflects confidence in cash-flow generation and disciplined capital allocation.

Svedbergs

Svedbergs reported organic growth of 10% and delivered its second-highest EBIT margin to date at 15%. Performance was achieved in a still challenging end-market, although we see early signs of stabilization, particularly in Sweden. EPS increased by 28%, supported by operational leverage and margin expansion across the brand portfolio. As a serial acquirer with a strong M&A track record, the company appears well positioned for a gradually improving market environment in 2026.

RaySearch Laboratories

RaySearch exceeded expectations on both revenue and EBIT in Q4. The share price volatility during the period appears primarily driven by technical factors rather than fundamentals. With a scalable software platform, leading oncology treatment systems, and clear margin expansion potential, we continue to view the company as structurally well positioned within a niche market with high barriers to entry.

Adtraction

Adtraction reported a strong quarter, confirming operational leverage as organic growth resumed. Cash generation remains solid, the balance sheet is robust, and valuation levels remain attractive relative to long-term earnings potential. Improvement within the financial vertical and a positive start to Q1 support our view that the company can deliver growth through a combination of margin expansion and topline acceleration.

Strong Contributors

Epiroc

Epiroc delivered organic order growth of +11%, with operating margin remaining stable at 19.9%. Mining represented approximately 81% of order intake, reflecting continued high investment activity among customers. Operational execution remains strong despite currency headwinds, and the company continues to strengthen its technological leadership in automation and electrification.

Outlook: We remain constructive, supported by structural mining demand and resilient margins.

Atlas Copco

Atlas Copco reported organic order growth of +4%, confirming continued industrial activity despite moderating demand levels. Operating margin remained strong at 19.8%, demonstrating operational efficiency and pricing discipline. Service revenues and vacuum technology provided stability, while certain industrial segments showed softer trends.

Outlook: We continue to view Atlas Copco as a high-quality industrial compounder with strong capital efficiency across cycles.

Essity

Essity reported organic sales growth of -0.8%, reflecting weaker volumes and pricing pressure, while EBITA margin (excl. IAC) improved to 19.5% (18.3%), supported by cost efficiencies and product mix improvements. Cash generation remained solid and share buybacks continued.

Outlook: Essity remains a defensive quality holding with stable margins and strong long-term cash-flow characteristics.

Intea Fastigheter

Intea reported rental income growth of approximately 30% and management income growth of around 68%, reflecting continued portfolio expansion and stable asset performance. The focus on social infrastructure provides long-term contract visibility and defensive cash flows. Financial metrics improved further, supported by stronger interest coverage and stable financing.

Outlook: We see Intea as well positioned for continued value creation as Nordic property markets gradually stabilize.

Mixed or Short-Term Volatility

Some holdings experienced increased short-term volatility despite stable fundamentals:

- RaySearch traded with elevated volatility following the report.
- MilDef continues to benefit from structurally rising defense spending, supported by a strong order backlog and stable gross margins around 47–49%.
- Consumer-related holdings such as RugVista and Hacksaw experienced more mixed short-term market reactions.

Importantly, short-term market movements have not materially altered our long-term investment convictions.

PORTFOLIO STRATEGY & POSITIONING

A core element of our investment philosophy is that long-term outperformance versus OMXPI requires a differentiated portfolio rather than benchmark replication.

Our objective is therefore not to mirror index composition, but to construct an actively managed portfolio based on conviction-driven stock selection. Over time, this implies:

- Over time, this may imply increased exposure to smaller and mid-sized companies where we believe inefficiencies are greater.
- Increasing exposure to smaller and mid-sized companies where market inefficiencies are greater
- Expanding the number of holdings to improve diversification while maintaining high conviction

The portfolio remains overweight industrial and niche growth businesses with strong balance sheets, visible cash-flow generation and structural growth drivers.

OUTLOOK

Following the Q4 reporting season, we enter March with a more clearly defined portfolio structure and increased conviction in core holdings.

While market sentiment has improved and themes such as SaaS re-rating and property stabilization continue to evolve, we maintain a disciplined and selective investment approach focused on valuation, risk management and long-term capital preservation.

Our ambition remains consistent: to generate long-term risk-adjusted outperformance through disciplined fundamental analysis and active portfolio construction.

Report February 2026

SEN Nordic Equity Portfolio - Monthly Report

Top Ten Equity Holdings

Top ten holdings = 75% of portfolio

Company name	Sector	% Portfolio	Monthly Return
Sweco B	Industrials	9.09%	-2,03%
Essity B	Consumer	9.02%	11.14%
RugVista Group	Consumer	8.41%	-0,92%
Hacksaw	Industrials	8.23%	0.68%
MilDef Group	Industrials	8.20%	2.83%
Protector Forsikring	Insurance	**7.72%**	2.03%
Epiroc B	Industrials	7.38%	21.13%
Svedbergs Group B	Consumer	6.72%	1.37%
Hufudstaden A	Real Estate	6.15%	6.68%
SEB A	Financials	6.05%	-1,88%

Gainers and Losers

Five Largest Portfolio% Gainers

Company name	% Portfolio	Monthly Gain
Epiroc B	7.38%	21.13%
Intea Fastigheter B	6.08%	17.74%
Atlas Copco B	5.37%	13.99%
Essity B	9.02%	11.14%
Hufudstaden A	6.15%	6.68%

Five Largest Portfolio% Losers

Company name	% Portfolio	Monthly Loss
Sweco B	9.08%	-2,03%
SEB A	6.05%	-1,88%
Adtraction	5.10%	-1,52%
RugVista Group	8.41%	-0,92%

Total Portfolio Statisics

Return & Risk	Portfolio	Benchmark-OMX PI
Last Month	5,74%	4,13%
Year To Date	6.79%	6.42%
Last 12 Months	N/A	N/A
Since Inception	6.79%	6.%
Average Yearly Return	N/A	N/A
Volatility (12m)	N/A	N/A
Sharpe Ration	N/A	N/A

Allocation	Weight %
Equity	98%
Cash	2%

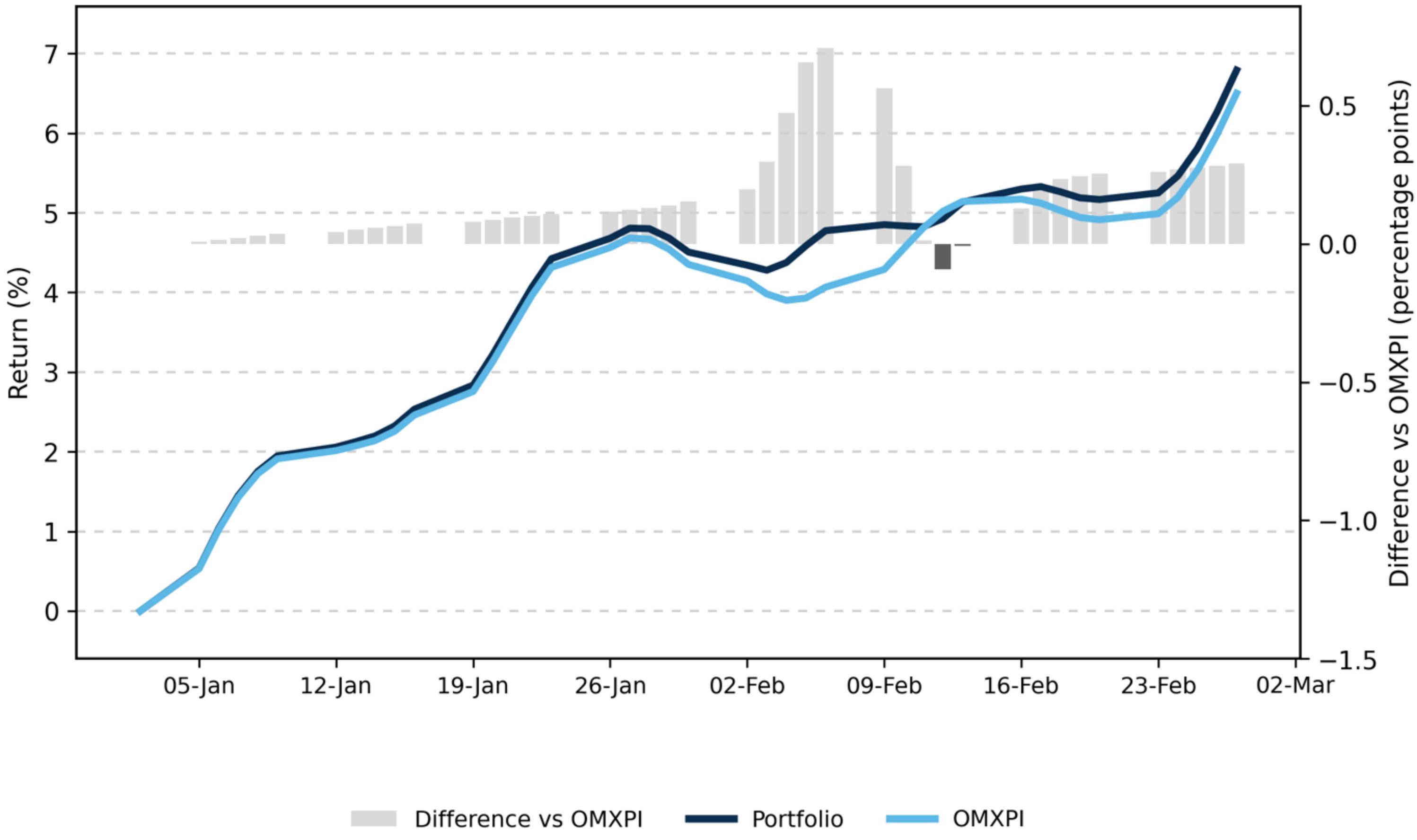
Currency Exposure	Weight %
SEK	92%
EUR	8%
NOK	

Equity Portfolio Statistics

Sector	Weight %
Technology	27.52%
Financials	25.96%
Industrials	21.79%
Consumer staples	9.02%
Consumer Discretionary	8.41%
Real Estate	6.72%

Country	Weight %
Sweden	92%
Norway	8%
Denmark	0%
Finland	0%

Portfolio Performance



Sincerely,
SEN Asset Management
February 2026

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