



NOVEMBER 2025 • PARTNER LETTER

Dear Partners,

Protean Small Cap returned -2.3% in November, underperforming its index by 1.3% points. Year to date, the fund's return is 15.3%, outperforming its benchmark by 9.6%. Since launching in June 2023, the fund has gained 60.3%, which is 36.5% points ahead of the Carnegie Nordic Small Cap Index.

The hedge fund **Protean Select** returned -1% in November. Year to date, the return is 8.8%. Volatility remains below 6%.

Protean Aktiesparfond Norden is our recently launched fund that combines the low fees of passive funds with the active fund's chance of beating the market. In November it returned 1.5%, beating its benchmark by 0.9%-points. **Since inception eight months ago it is up 17.7%, in the same period the VINX Nordic Cap index is up 7.5%.** It now manages >1.4bn SEK.

This month's letter elaborates on why you need to be kind (to yourself), why thematic funds are more difficult than others to time, the launch of our Protean Protégé internship program and, as always, commentary on the months' various winners and losers.

Thank you for being an investor!

// Team Protean

Play hard, be kind (to yourself)

NOVEMBER 2025 • WRITTEN BY PONTUS DACKMO

Investing is indeed a strange profession. To do it well you need the competitive instincts of a freshly drafted NHL prospect, the memory of an elderly elephant, and the emotional robustness of a Buddhist monk. Most days you might get one of the three. Occasionally two. Never all three at once.

The job demands intensity. Datapoints matter. Decisions matter. Timing matters. Sizing matters. The measurability means there is nowhere to hide and no “at least you tried your best” column in the monthly performance report. Ergo: you have to play hard.

But to keep doing it – month after month, year after year – you also need to be kind. To yourself. Not in a scented-candle, cucumber-on-eyes, self-care kind of way, but in a purely operational sense. If you can’t forgive yourself for being wrong, you’ll either stop taking risk entirely or, worse, take the wrong risks for the wrong reasons. Both are terminal conditions for a fund manager.

We deal with this in a simple yet surprisingly effective way: **we zero our books every month end.** All of them. We don’t stare at YTD, since-inception, or rolling 12-month number. We start every month afresh, regardless of whether the previous month (or YTD, or since inception) was a disaster or a success.

Warren Buffett, in his recent Thanksgiving letter, put it plainly: **“Don’t beat yourself up over past mistakes – learn at least a little from them and move on.”** It’s concise, slightly paternal, and annoyingly correct. Being wrong is baked into the job description. And in the opposite sense: being divinely discontent despite success.

But the real question is how you are wrong.

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There is the predictable type — the consensus error everyone could see coming in hindsight. The kind of mistake that involves overconfidence, excessive size, too much narrative, too little sober scepticism. When a stock is referred to as being “over-owned” (although nobody really seems to be able to define what that means with any precision). These errors are avoidable if you bother to remember that history didn’t start last quarter. It’s the “we really should have known better” category.

And then there is the other type of wrongness: the original sort. The spectacularly wrong sort.

Failing like everyone else is a sign of laziness.

Failing in new and interesting ways is at least a sign you’re doing your own thinking.

Our entire approach is structured around this reality. The diversification, the modest position sizes, the insistence on remaining small. These are not philosophical preferences. They are risk-management concessions to human fallibility. We know we’ll be wrong with some regularity. The goal is to ensure the errors cost basis points, not tens of percents and careers.

This is where AI enters the conversation — the world’s most overqualified synthesizer of historical facts.

There is no doubt AI is phenomenal at summarizing what has already happened (or rather: what gazillions of people have written about it). It can produce an immaculate, well-structured explanation of a past mistake in seconds. But the future is not a summary problem. It is a pattern-break problem.

AI knows the distribution of historical outcomes. It does not know when the next outcome sits outside that distribution.

And here is the thing: markets move on discontinuities. Be it regulatory shocks, behavioural flips, supply chain surprises, political garbage-can theory events, liquidity evaporations, plain old black swans – all the delightful things for which no amount of past data provides advance warning.

And here lies the risk: AI can make consensus thinking sound way more intelligent than it is. A mediocre idea written in perfect Queen’s English prose and six-syllable words is still a mediocre idea. Outsource enough of your judgement to an algorithm and you will fail exactly like everyone else, but with much improved grammar.

Better to be wrong on your own terms. At least then you can identify the mistake, adjust, and – crucially – move on, preferably with at least a little learning, just as Buffett suggests.

The real craft is building a process that tolerates wrongness without letting it metastasize. Where each month genuinely resets. Where the emotional residue of last quarter doesn't pollute the decision-making of the next one. Being kind to yourself is not indulgence - it's maintenance.

A portfolio manager who spends his time self-flagellating is not more disciplined. Just more distracted.

So:

Play hard. Make decisions. Take risk when the risk/reward is asymmetric.

But extend yourself the same courtesy we extend to our portfolio: cut losses fast when you're wrong, preserve optionality, and move on. You will be wrong often. Occasionally spectacularly. That's fine. What matters is that the wrongness is contained, the reasoning improves, and you're still able to think clearly the next morning. That is how you stay in the game long enough for the right decisions to compound.

Or, at least, I hope so.

Thematic funds - momentum wrapped in a narrative

The recent scrutiny and criticism of thematic funds is understandable but also slightly misplaced. These products tend to shine precisely when a narrative is ascendant. And fade just as predictably when the next story takes over the baton. That isn't necessarily mismanagement; it's the business model. It's why big banks have 100's of funds – there's always ONE that's in fashion.

A theme only becomes marketable when the underlying trend is so obvious that the re-rating has already happened. By the time the brochure is printed, and the fund has gathered its first billion, the stocks defining the theme may no longer be early opportunities, but late expressions of a consensus. When the zeitgeist moves on – from tech to AI-adjacent to defence – the flows reverse, and the fund, bound by its own label, must stand still.

Criticising a thematic fund for underperforming after the narrative has peaked is like scolding a mosquito for biting you: irritating, yes, but entirely predictable behaviour from a creature engineered for that single purpose. A thematic fund must remain faithful to its theme, even when the world has moved on. The investor, in turn, carries the burden of timing, sizing, and eventually exiting the exposure – the very things many assume a fund would do for them!

This is why we build our funds in the opposite direction. Themes are inputs, not rigid mandates. When a trend offers opportunity, we may own it (or short it, as in the case of Online Classifieds from last month); when it



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matures or breaks, we are free to move on. The value proposition is the ability to adapt – not to market a certain (but, in reality, unknowable) future in a fund wrapper.

Protean's promise remains the same since day one: we try to take responsibility for the capital allocation on your behalf, rather than re-sourcing it back to you. If the market's narrative winds change, we want to be able to change with them. A theme, by contrast, cannot. That is the difference between a product built for marketing and a portfolio built for returns. It is also why Protean have yet to pay a single SEK for advertising. (Other than merch. Merch is fun.)

We won't generate the eye-watering returns a well-timed theme can post but will hopefully avoid the inevitable hangovers.

The one-eyed consensus

Tying into the above: the sharp, one-sided criticism is piquing our interest. Rather than joining the indignation, we find it useful to approach it with a degree of humility and curiosity.

Severe underperformance, widespread redemptions, and a narrative that has curdled into consensus pessimism tend to create distortions. And distortions, almost by definition, eventually produce opportunities.

When markets begin pricing companies on shorter and shorter time horizons – in this particular case punishing small, growthy, often genuinely innovative tech names for missing a quarter, or simply for belonging to an unfashionable label – the selling pressure becomes self-reinforcing.

Add forced outflows from thematic funds, and entire pockets of the market can trade as if the long term has ceased to exist. That is usually when stock picking gets interesting. Not because every displaced darling deserves a second life, but because blanket selling rarely distinguishes between the overhyped and the valuable.

Simply put: what's to say when a theme re-emerges? We're watching with interest.

Launching Protean Protégé

NOVEMBER 2025 • WRITTEN BY PONTUS DACKMO

This is our new six-month rotational program for the unusually curious, obsessively analytical, and happily maladjusted investor-in-the-making. We are now inviting applications for the first cohort starting early 2026.

The idea is simple: the entire Protean team mentors, challenges and develops one exceptional talent at a time. In return, we expect work ethic, intellectual honesty and the kind of irrational enthusiasm about equities that makes normal people worry about you.

What you'll do

This is a business where success is measured in actual returns, not brownie points or face time. You will be expected to do anything that helps us make better decisions and run our business smoothly and professionally. That may include deep-dive research, field visits, sitting in on company meetings, building models, fixing models, and operations items such as managing the databases that keep our world spinning or creating presentations for various purposes. We're a small, disciplined team — everyone carries weight, and no task is beneath anyone.

What you'll get

Exposure to real decision-making. Access to the full investment process. A front-row seat to how a fund company of dedicated weirdos actually operates. If you do this well, you leave with sharper judgment, a professional network, and the right kind of scars.

Who you are

At least halfway through your studies. Whichever studies. More importantly: afflicted with an unhealthy fascination for investing. If your friends think you're strange because weekends are dull and markets are not, you may have found your people.

Practicalities



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- Full-time, rotational program (6 months)
- Stockholm office, physical only
- Start: early 2026
- Compensation: competitive for an internship program

If this sounds like relief rather than work, you're welcome to apply.

Applications, including a CV and a brief cover letter can be sent to info@proteanfunds.com.

After December 10 we will accept no further applications for this round.

GDPR Notice

When you send us your application, you give us permission to store and review the information you provide for the sole purpose of running our recruitment process. We keep your data secure, share it with no one outside the company, and delete it when it's no longer needed. If you ever want to know what we have on file, correct something, or have it erased, just let us know.

Protean Small Cap

NOVEMBER 2025 • WRITTEN BY CARL GUSTAFSSON

Protean Small Cap returned -2.3% in November. Our benchmark CSRXN (SEK) fell 1.0% during the month. Hence, the fund underperformed by 1.3%. So far this year, the fund is up 15.3%, which is **9.6% points ahead of index.**

Zooming out, this puts the fund 36% ahead of our index (CSRXN SEK) since inception in June 2023. In total, performance since start is 60%, net of fees. The fund now manages ca. SEK 780m. Thank you for your trust.

November recap

Acast was our biggest winner during November, as the share gained more than 30 per cent. It remains a top position, although we have trimmed the size of the position during the move. The share had already performed very well during October, when it gained 60 per cent.

Storskogen was our second biggest contributor. This Swedish serial acquirer has gone through a period of catharsis following its acquisition frenzy. Debt levels have normalized, margins appear to be troughing at a decent level and its large exposure to the Swedish economy bodes well ahead of 2026. Trading at roughly 9x EBITA for next year, we see good risk/reward.

We didn't own **Kambi** when we entered the month, but when the share fell immediately after their report despite a weak Q3 being expected, we started to build a position. The fact that Penn Entertainment extended its contract with Kambi added to the appeal. While a small position, it did become a top 3 contributor during the month.

Our biggest detractor was **Bavarian Nordic**. The bid didn't reach the already lowered threshold for 66.6% (they got 60%). While we were initially reluctant, we had tendered our shares, believing the raised bid (first bid at DKK232, but raised to DKK250) fully captured the near-term value. The Bavarian share immediately plunged by 17% and troughed at DKK172 after the decent Q3 report as arb flows exited their positions. We used this setback to increase our position, as the share price hovered

below the level pre-bid and as the fundamental case strengthened during the bid period. The lucrative travel vaccine business has continued to perform well. FDA has decided to suspend Valneva's license for its chikungunya vaccine which paves the way for Bavarian's new product.

Other detractors include **Sinch**, **Devyser** and **Smartoptics**.

Finding better risk/reward elsewhere, especially in a month with major movements such as in November, we exited several mid-sized positions. We sold our shares in **Arjo** where the earnings momentum we envisioned doesn't appear to materialize, leaving the share treading water in the absence of a credible equity narrative. We also sold **Humana**, as valuation has become less appealing (although it remains cheap) and as we believe the near-term growth story to be somewhat weak. We also let go of our last shares in **Coor**.

We have made **Storytel** a top ten position. The long-awaited entry of Spotify to the Nordic audiobook streaming market led to a major share price decline for Storytel in November, although the share recovered during the latter parts of the month. While we understand the high-level concerns, we see Spotify's offer as relatively expensive (looking at the price point to increase usage beyond the hours included) as well as heavily reliant on the content provided by Storytel's own publishing arm. Spotify is obviously a fierce competitor, but dismissing Storytel's market position at face value is wrong. There are nuances to the debate. Acast is an example of a company that has managed to thrive and co-exist with Spotify.

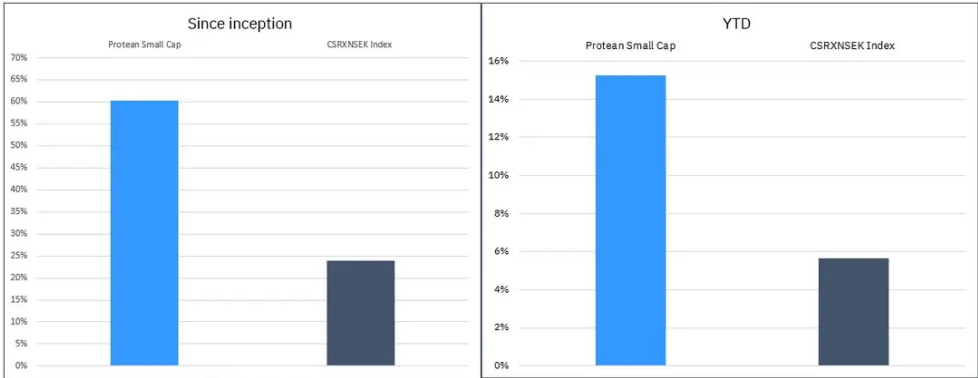
We added **BTS** following the major share setback witnessed in conjunction with its Q3 report. BTS is a Swedish consultant, operating globally, that makes strategy plans actionable. As such, they are vital for the long-term development of their customers, but not critical to short-term development. Its North American business has gone ex-growth, although we see this as a temporary setback and the company itself indicated an improvement in order intake. The share has lost half of its value in 2025, putting it on very low valuation for something that has thrived historically.

We have also added **Camurus**, as the share has been treading water despite several good things happening during 2025. The pros (deal with Eli Lilly, indications that this can become a platform company) have been overshadowed by the cons (delayed launch of the acromegaly product, slight loss of momentum for Brixadi). Camurus has now become cash flow positive, with the ability to fund future projects on its own, which to us makes it attractive.



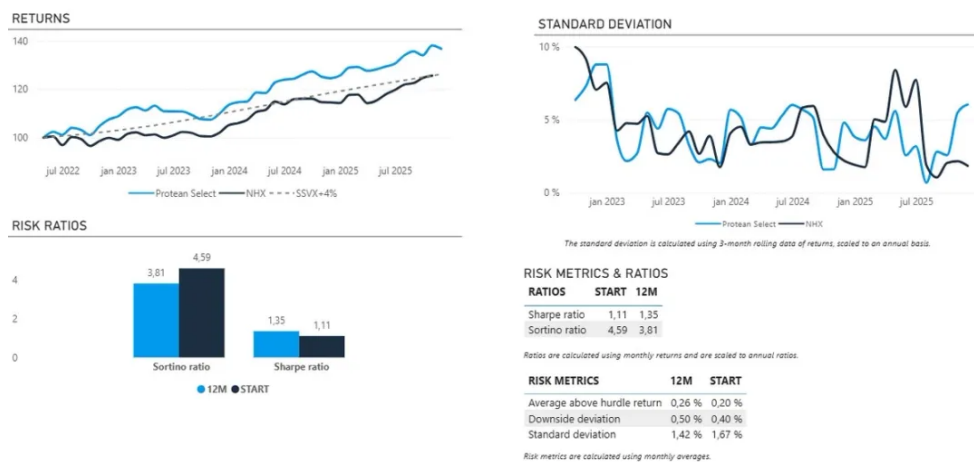
The portfolio holds 50 positions and remains well diversified. The largest holdings are shown in the table below.

Rank	Holding	% of portfolio	Rank	Holding	% of portfolio
1	Acast	4.1%	6	Rejlers	3.2%
2	ITAB	4.0%	7	Lindex	3.1%
3	Getinge	3.7%	8	Storytel	3.1%
4	Devyser	3.7%	9	NIBE	3.1%
5	Storskogen	3.3%	10	Sinch	2.9%



Protean Select

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*We illustrate our performance by showing a comparison with the NHX Equities index. This is an index constructed from the performance of 45 Nordic hedge funds focusing on equity strategies. NHX is published after our Partner Letter, so updates with one-month lag in the chart above. We aim to have positive returns regardless of the market, but no return is created in a vacuum, and a net-long strategy will correlate. Our hurdle rate is 5.8075% annualized (4% + 90-day Swedish T-bill). All figures are net of fees and ratios in the above charts are calculated using monthly returns.

November summary

Protean Select returned -1% in November, leaving the fund up 8.8% year to date. Volatility remains well below 6%.

Biggest contributors to returns were **Acast** (again), **Rusta** and **Volvo**. Detractors included **Bavarian Nordic**, **Devysen** (again), and **Nibe**.

Average beta adjusted net exposure for November was 35%, gross exposure 128% (adjusted for cash management positions).

What a difference a month makes

November was an unusually active month, even by Protean standards.

The headline stealer (and performance killer) of the month was undoubtedly the failed bid for **Bavarian Nordic**, a 2%-position in the fund. Its demise cost the fund -0.5%. The stock is now back to where it was before the bid was announced, despite several positive developments during the bid-period. Costly decision for us in an isolated month, but given the same set-up, we conclude we would likely act identically.

The AI concerns we voiced in online classifieds, exemplified by our short thesis in **VEND**, in our October Partner Letter was echoed by several research houses (notably BofA and JP Morgan, who both downgraded several names) during the month. This, in turn, drove sentiment to new lows, and the stocks fell by >20%. We have taken the opportunity to reduce our negative exposure on this correction.

We have long been cautious to **Volvo AB**, seeing risks in the high dividend expectations, a muted outlook for both European and US truck markets, and a strong mining market being offset by weak construction for VCE. Part of the US weakness has been driven by an unclear regulatory environment, with regards to upcoming emission standards. During the month we saw the first signs of clarification, which, paired with an underperforming stock and a likely trough in tariff-induced concerns, caused us not only to cover our short position in its entirety, but also initiate a long position. Consensus estimates have been cut sharply since the Q2 report, significantly lowering the estimate risk going forward, and the stock now trades on par with its 15-year average, which seems slightly unfair in light of Volvo being a much improved business. Volvo ended up being a top 3 contributor to returns in November.

Similar to our Small Cap brother we have added **Storytel** on overblown Spotify concerns, exited Arjo due to its complete lack of earnings momentum and poor visibility, and waved goodbye to Coor after good performance and a normalised valuation.

Camurus

Camurus has become a meaningful position for us recently. Not because we suddenly felt an urge to compete with specialist biotech funds, but because the gap between what the business is and what the market believes it is has quietly widened to an interesting degree.

FluidCrystal, the company's injectable depot technology, is the source of both the opportunity and the uncertainty. We've always been wary of platforms that promise to "work for everything" – they usually don't – but over the past few years the technology has done something rare in biotech: it has behaved consistently across molecules, indications, and partners.

An expert network interview we read recently described it as “years ahead of legacy depots” in terms of dose flexibility and tolerability, particularly for peptides. Encouraging, but not something we base the whole thesis on.

The pipeline around it is broad, but not without potholes. **CAM2029** is clinically validated but operates in small, noisy patient groups. The addiction portfolio has clear strategic fit but will need patience. The **Semaglutide** long-acting data were undeniably strong, although early deltas tend to fade in longer studies and the incretin space is fast-moving enough that today’s excitement can become tomorrow’s footnote. **The Lilly partnership** adds credibility, but large pharma tends to move on its own timelines: slow, incremental, opaque. We view it as a door worth having, not a revenue line worth modelling.

GEP-NET is the part investors dislike the most, and with reason. The delayed event accumulation has led to predictable speculation about underpowered trials and overly effective control arms. These interpretations are not impossible, but they are not the only explanation either. Slow-progressing tumours tend to do what they tend to do (hint: it’s in the name). Our base case is that the study eventually reads out as hoped; our risk case is that markets grow tired of waiting and require visible proof before rewarding the company again. That is the emotional reality of biotech: even a correct thesis can be wrong in timing.

It helps that the foundation is solid. Buvidal/Brixadi continues to take share in long-acting buprenorphine, a market still in the early innings of converting from daily dosing. Camurus keeps gaining ground in Europe, and key competitor **Indivior’s** decision to withdraw from multiple markets is an extraordinary signal of competitive weakness. This is the part of the business we actually pay for today, and it continues to behave the way we want a core position to behave: steadily and without much drama.

Valuation reflects the scepticism. On roughly mid-teens EBIT multiples two years out, with north of 10% of market cap in net cash, the stock is valued as if nothing beyond Buvidal will work, and as if each pipeline read-out is more likely to disappoint than not. Some caution is warranted – there are several ways for the next 18 months to be messy – but the current pricing implies a level of pessimism we do not share.

The risk/reward is attractive not because the story is flawless, but because we are not being asked to pay for the parts of the story that might eventually matter.

Camurus will test our patience. The catalysts are distant, and the roster has some early investors with sizeable gains likely to be chunky sellers along the way. But there is a dependable engine underneath, a pristine



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balance sheet, a long-time CEO with skin in the game, and a series of shots on goal that – on a probability-adjusted basis – are more valuable than the market currently credits. We like these setups: where you pay for the business you can see and get a portfolio of chances you don't have to overpay for.

If we end up being wrong, the core business gives us some protection. If we end up being right, the optionality should matter far more than today's valuation suggests. Let's go.

Protean Aktiesparfond Norden

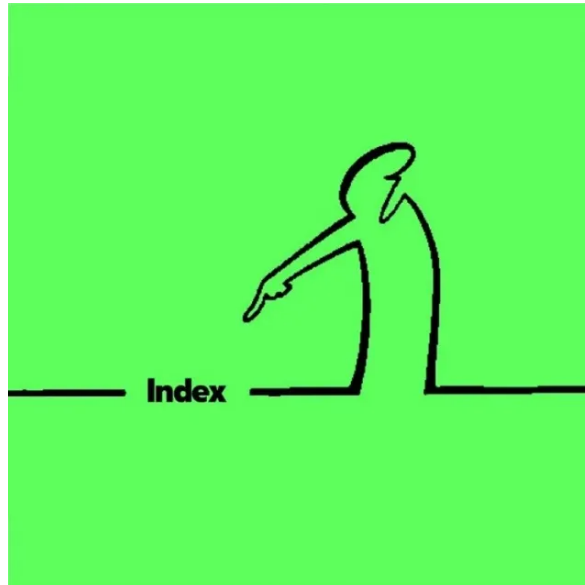
NOVEMBER 2025 • WRITTEN BY RICHARD BRÅSE

Aktiesparfonden is a Nordic long-only fund aiming to generate above-market returns over the long term by active 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 eight months ago, delivered a **17.7%** return, in the same period the **VINX Nordic Cap index is up 7.5%**. The fund now manages >1.4bn 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 (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 daily traded, 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
CEO & Investment Manager
Protean Funds Scandinavia AB