PROTEAN™

MAY 2026 • PARTNER LETTER

Dear Partners,

Protean Small Cap returned 5.7% in May, beating its benchmark index which rose 3.3%. This partner letter marks the three-year anniversary of the fund. Since launching in June 2023, the fund has gained 76%. The Carnegie Nordic Small Cap Index is up 31% in the same period.

The hedge fund **Protean Select** returned 1.4% in May. It manages 1.040bn SEK. The fund will now close for additional subscriptions. The last day to invest is the 23rd of June.

Protean Aktiesparfond Norden returned 3.2%. The benchmark index rose 4% Since inception, a little over a year ago, the fund is up 25.8%, and in the same period the VINX Nordic Cap index is up 22.2%. The fund now manages 1.9bn SEK.

All figures are net of fees.

This month's letter is focused on the Small Cap Fund's 3-year anniversary and its notable performance. Plus, as always, commentary on the month's various winners and losers.

Thank you for being an investor!

// Team Protean

Protean Small Cap celebrates a milestone

MAY 2026 • WRITTEN BY CARL GUSTAFSSON

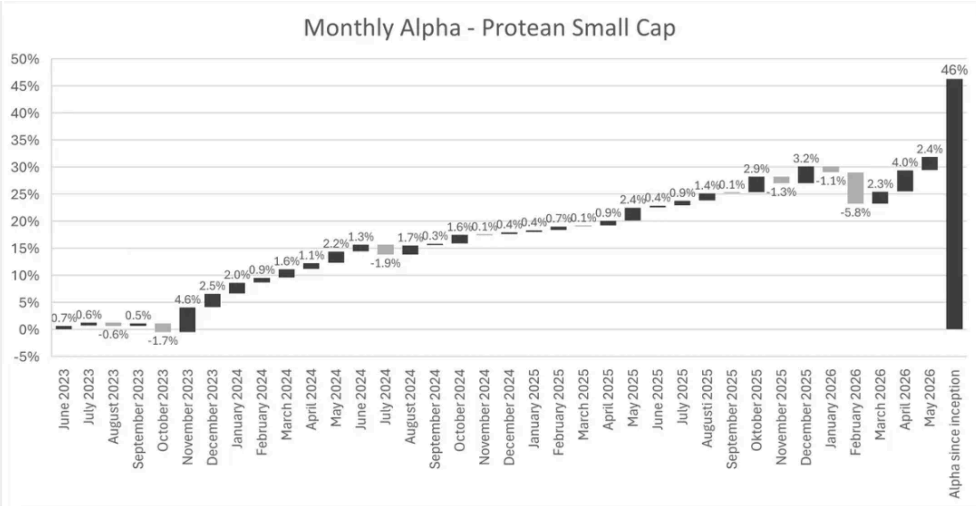
– Carl's update for the first three years

This partner letter marks the three-year anniversary of Protean Small Cap. We are encouraged by the performance of the fund so far. It has gained 77% since inception, which can be compared to our benchmark, which is up 31%. Hence, an outperformance of 46 percentage points (this is net of fees, to be clear).

This equates to a CAGR of 22 per cent for Protean Small Cap, vs 9 per cent for the index.

I wrote about our thoughts on the fund prior to launch in the April 2023 partner letter (The first year, the second fund) and, whilst many of the names in the portfolio have changed, the philosophy has not.

The chart below shows our monthly relative performance. It has been stepwise, apart from the hideous performance in February this year.



We have outperformed our benchmark in 31 of 36 months. Our biggest relative drawdown was at the start of this year, when we lost 7 per cent during January and February combined. As of May, we have now managed to recover.

Bear in mind that our monthly PnL smooths out some intra-month volatility. The worst day we have had was October 25th, 2023, when we lost 1.9% relative to the index, and the fund was down 3.4%. We remember this as if it were yesterday. We don't remember our best day, on the other hand.

It felt fitting that **Acast** became our top contributor in May. It was part of our starting portfolio three years ago. Protean Small Cap started with roughly SEK 50m under management. According to our portfolio sheet for the first day, we managed to buy 17,772 shares in Acast at 7.15 kr. Three years later, we now hold 1.3 million shares in the fund, and Acast just closed the month ahead of its 2021 IPO price of SEK 38. It took 5 years and revenues growing from 500 MSEK to 2.5bn SEK to get back to the starting line!

Circling back to our starting portfolio, we note the following:

- **A few home runs:Ambea** (+334%) and Acast (+450%) have produced outstanding returns, with **Raysearch** (+206%) in a runner-up position. We managed to hold on to Ambea into the low 100s but missed the latter move up to 150. Acast is our largest holding. This kind of performance in a three-year context cannot be fully explained by operational developments alone but also includes depressed sentiment around the shares at the time of our purchase. Being contrarian can yield strong results.

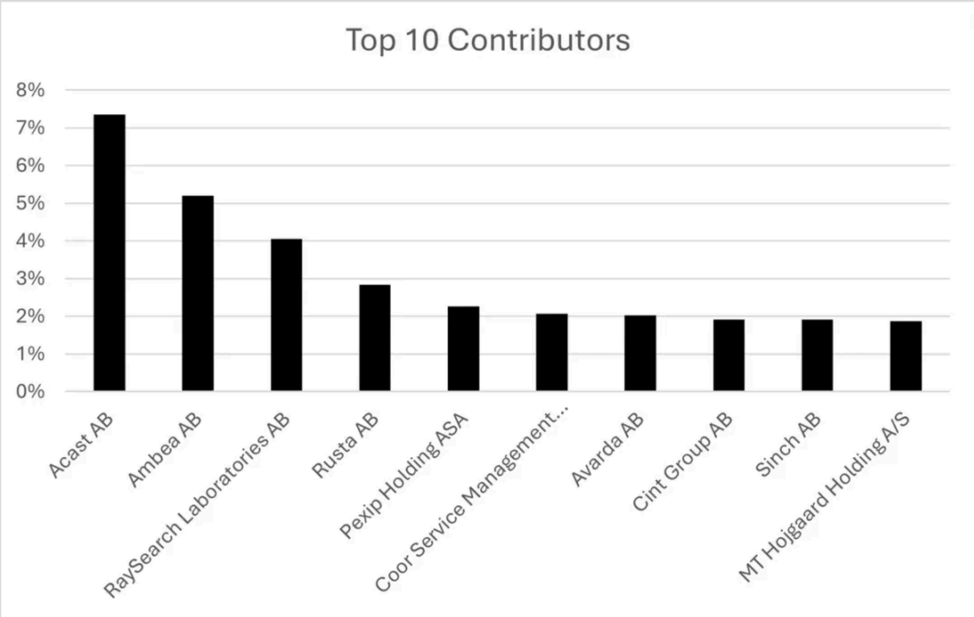
- **Three bids:** Protean Small Cap has received an outsized number of public bids — last year there were four (**Biotage**, **Bavarian**, **Addvise** and **Nilfisk**) and so far this year, one (**CINT**). From the 49 names we started with, three have received bids (Nilfisk, **Byggfakta** and CINT).
- **Plenty of mistakes:** There is always a sobering (and useful) feeling of "what was I thinking" when you look at an old portfolio. We have a few names that are down 30–40 per cent since inception; we don't own all of them still, but some. This has obviously been very damaging to performance, creating the double burden of a loss of value as well as a drag relative to the winners.
- **Conviction doesn't equal performance:** We have a bucket in our portfolio which we informally call "Small Caps with large potential." These are not moonshots per se, but more about narrative than the average holding in the portfolio. The eight names we held in this bucket at the start have on average returned 7 per cent. We hold four of them still (**RTX**, **Smartoptics**, **Ossdsign** and **Devyser**), and Smartoptics in particular has become a strong performer this year as it has emerged as an AI winner, which leads us to the next point. There is a reason we have written "Don't add to this part of the portfolio" in our Excel sheet.
- **Don't get fixated on a certain narrative:** We bought Acast with a mindset of "this name trades at a net cash position and sure, they are loss-making, but the delta is positive." To put it mildly, the narrative has evolved since, and buyers of Acast some 450 per cent later see it as the "emerging winner of podcast advertising globally." The same holds true for some of our multi-year losers, where we have failed to fully acknowledge the impact of certain operational deterioration.

We have some general observations from the fund so far:

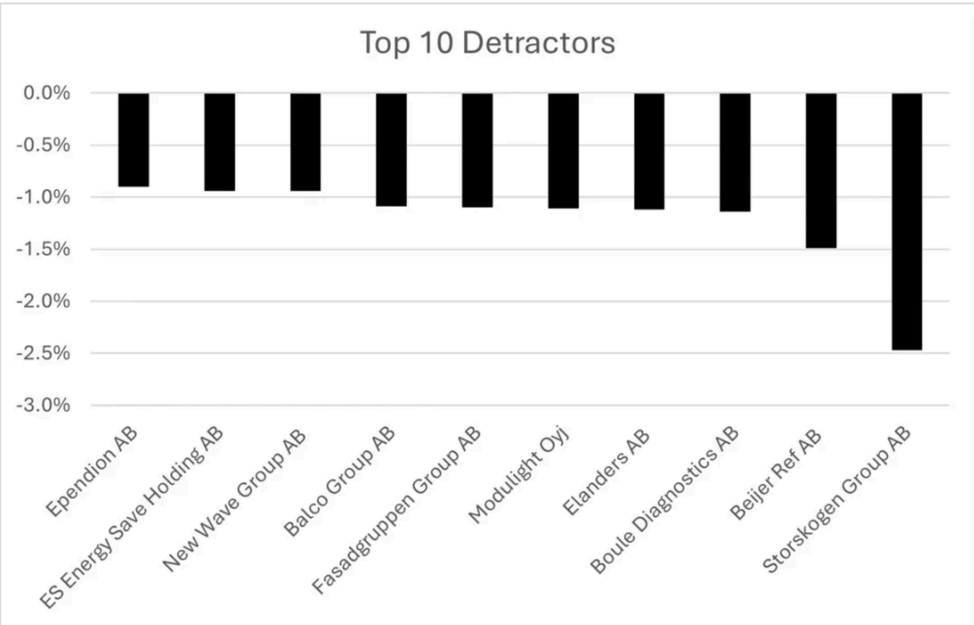
1. We have managed to perform without a top-heavy portfolio. We very rarely have a position weighing more than five per cent in the fund. The weight of our top ten positions has on average been 34 per cent.
2. We should continue to be very active. We have been active in more than 150 names since inception. One could argue this is too many, but we return to the fact that being a smaller, nimble fund creates more opportunities for us than for others.

We are adamant that a high level of activity is crucial to generating excess returns in the Nordics, which are, truth be told, stagnant economies with a lot of range-bound stocks.

These are our top contributors since start.



And to be transparent, these are the top ten detractors. We still own 5 of these names.



Coming back to the past month: Protean Small Cap returned 5.7% in May. Our benchmark, CSRXN (SEK), gained 3.3% during the month, meaning the fund outperformed the index by 2.6%. So far this year, the fund has gained 5.3%, outperforming the index, which has gained 3.9%. We are pleased to have rebounded after a fairly difficult start to the year.

For May, our main contributors were **Acast**, **BTS**, **ITABGroup**, **Midsona** and **Smartoptics** — names that have been discussed at length in prior letters. Acast delivered a convincing earnings report, further cementing its path to profitability. BTS gained 21 per cent on its report as the narrative shift from "loser" to "winner" on AI strengthened further.

Main detractors were **Coffee Stain**, **Luotea** and **BICO**. Coffee Stain had a disappointing game launch. Our investment in Luotea did not get off to the start we had hoped for, as its Finnish operations had a disappointing first quarter. Bico fell back after a strong run in April.

We have added the Hexagon spin-off **Octave** to the fund. Having worked at Hexagon for a two-year period — admittedly around 10 years ago — we have some insight into the Octave business, which we knew then under the name Intergraph. Much has changed, but we believe the underlying strength of the business remains. The valuation is very appealing, and we believe Octave would fit nicely into a larger engineering company. General sentiment around software has strengthened in the last couple of weeks, while the valuation remains low for such a cash-flow-generative business.

Truecaller has made a comeback into the portfolio. Two of Truecaller's income streams (ads and Truecaller for Business) have come under pressure, but it appears that Q1 was the operational low point. While this trough was deeper than anticipated, we believe things will gradually improve from here. The subscription business continues to grow, pointing to the fact that the app remains a useful product that can be monetised in many ways.

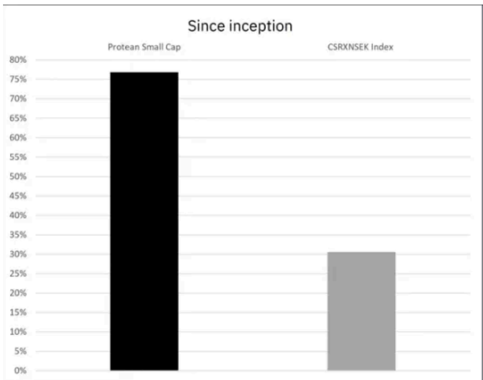
We participated in the IPO of **Biomar**. We are familiar with this fish feed business from having owned its parent company Schouw for many years. Biomar's improvement in profitability over the last three years is impressive, and we believe it to be sustainable. The fear of greenfield investments in fish feed factories by fish farmers has diminished as MOWI has struggled with its factories, making it very unlikely that other fish farmers would attempt something similar. This has improved Biomar's pricing power.

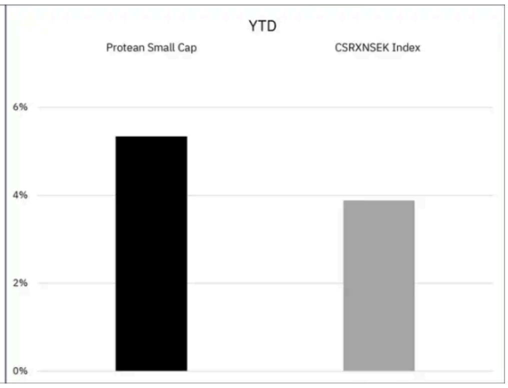
We have sold **Autoliv**, **Biogaia**, **Rusta**, **Harvia**, **MTG** and **Meko** to make room for these additions.

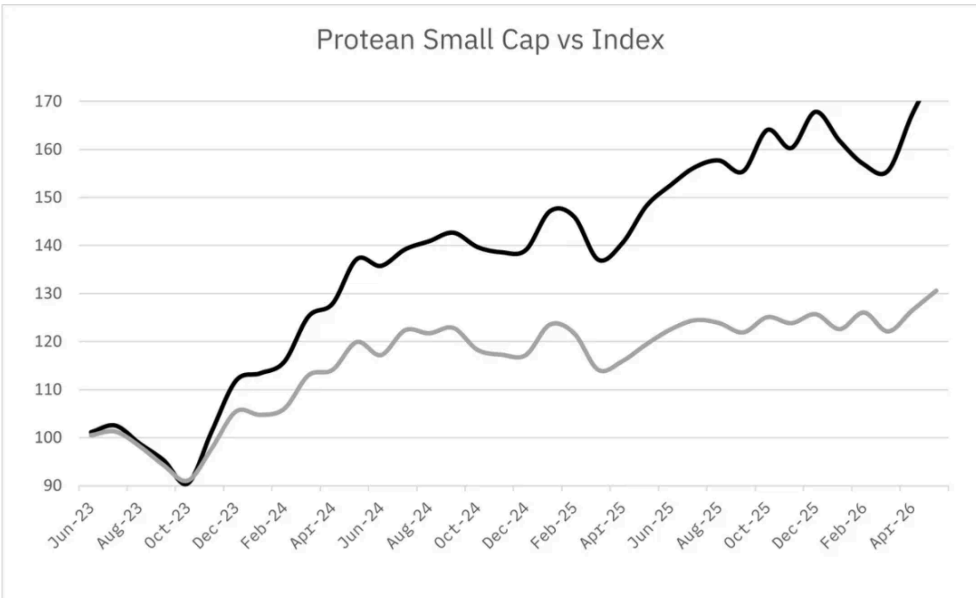
The fund now manages c. SEK 1,150m, following continued inflows. Thank you for your trust.

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

Rank	Holding	% of portfolio	Rank	Holding	% of portfolio
1	Acast	4.4%	6	Storskogen	3.1%
2	BTS	3.8%	7	Bavarian Nordic	2.9%
3	Cint	3.7%	8	ITAB	2.8%
4	Storytel	3.5%	9	Midsona	2.5%
5	Devyser	3.2%	10	Vimian	2.5%







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MAY 2026 • PARTNER LETTER

Protean Select

MAY 2026 • WRITTEN BY PONTUS DACKMO

Protean Select returned +1.35% in May.

Nordic indices gyrated during the month and closed off the best levels but still up by between 2.5-3.7%. The average beta-adjusted net exposure of the fund was 30% on average.

Biggest contributors were **Acast, RaySearch, Ericsson, BTS Group** and **Yubico.**

Biggest detractors were our basket of **small cap shorts** and **OMX index futures**, in addition to long positions in **Assa, Alfa** and **Kone**.

We enter June at 29% net exposure. Gross is now at 125%. We said going into the year that we wanted to earn the right to take more risk.

Closing of the Protean Select fund - Update

During May the fund crossed the 1bn SEK AUM threshold. This means we are now closing the fund for additional investment. Everything else stays the same: withdrawals, fund management etc. As an investor, you don’t need to do anything.

Building In Public

During May we added an investor relations resource to the team: Lydia Larsson. She will handle things that we have historically not been very good at: queries, reporting structures, investor logistics. Basically we hope she will close the gap between what investors need and what they receive from us. Welcome to the team Lydia!

We have also closed applications for the fall season of the Protean Protégé programme - our structured attempt to find someone genuinely interested in investing, who hasn't yet had the platform. 65 qualified applicants. We are working through the process. The successful candidate will join Olle in building the Global Fund.

Protean Aktiesparfond Norden

MAY 2026 • 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 a little over one year ago, delivered a 25.8**%** return, in the same period the **VINX Nordic Cap index is up 22.2%.** The fund now manages 1.9bn 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
CEO & Investment Manager
Protean Funds Scandinavia AB