



# ANNUAL REPORT 2025

## ISEC SICAV-RAIF

### INCLUDING AUDITED FINANCIAL STATEMENTS

The Company is an investment fund organised as a public limited liability company (société anonyme) under the laws of the Grand Duchy of Luxembourg and qualifies as a *société d'investissement à capital variable – fonds d'investissement alternatif réservé* (SICAV-RAIF) governed by the Law.

The Company is an externally managed alternative investment fund ("AIF") pursuant to the law of 12 July 2013 as amended on alternative investment fund managers (the "AIFM Law").

Company has appointed ISEC Services AB (the "AIFM") as its external alternative investment fund manager (within the meaning of article 5(1)(a) of the AIFM Directive).

**UMBRELLA**  
ISEC SICAV – RAIF

**SUB FUNDS**  
Nordic Factoring Fund Lux  
CABA Flex2  
Highland Global Select Fund Lux

**COMPANY  
REGISTRATION NUMBER**  
B272828

**YEAR**  
2025-01-01 – 2025-12-31

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## MANAGEMENT AND ADMINISTRATION

### REGISTERED OFFICE

5, Allée Scheffer  
L-2520 Luxembourg  
Grand Duchy of Luxembourg

### BOARD OF DIRECTORS OF THE COMPANY

Mr. Carl Barbäck, Chairman, Executive Director  
Mr. Joakim Stenberg, Executive Director  
Mr. Klaus Ebert, Independent Director  
Mr. Stefan Åsbrink, Executive Director (*as from 20/10/2025*)

### ALTERNATIVE INVESTMENT FUND MANAGER (AIFM)

ISEC Services AB  
Vattugatan 17  
11152 Stockholm  
Sweden

### INVESTMENT MANAGER

*As to Nordic Factoring Fund Lux*  
Finserve Nordic AB  
Nybrogatan 55  
11440 Stockholm  
Sweden

### INVESTMENT MANAGER

*As to CABA Flex 2*  
Fondsmæglersekskabet CABA Capital A/S  
Toldbodgade 55, 3<sup>rd</sup> floor  
1253 Copenhagen  
Denmark

### INVESTMENT MANAGER

*As to Highland Global Select Fund Lux*  
ISEC Services AB  
Vattugatan 17  
11152 Stockholm  
Sweden

### DEPOSITARY

CACEIS Bank, Luxembourg Branch  
5, Allée Scheffer  
L-2520 Luxembourg  
Grand Duchy of Luxembourg

### ADMINISTRATION AGENT, DOMICILIATION, REGISTRAR AND TRANSFER AGENT

CACEIS Bank, Luxembourg Branch  
5, Allée Scheffer  
L-2520 Luxembourg  
Grand Duchy of Luxembourg

### CABINET DE RÉVISION AGRÉÉ

Deloitte Audit *Société à responsabilité limitée*  
20, Boulevard de Kockelscheuer  
L-1821 Luxembourg  
Luxembourg

**REPORT OF THE BOARD OF DIRECTORS (UNAUDITED)**

Dear Shareholders,

The Board of Directors of the ISEC SICAV-RAIF (the “Company”) Umbrella is pleased to present the Audited Annual Report for the financial year ended 31 December 2025 and key facts that occurred during the past financial year.

The Company was founded on the 11 November 2022. The sub-fund Nordic Factoring Fund Lux (“NFFL”) was launched on the 30 June 2023, the sub-fund CABA Flex2 (“CABA”) was launched 14 June 2024 and we launched the sub-fund Highland Global Select Fund Lux (“Highland”) on the 9 January 2025.

**Board of Directors**

The following people were appointed directors of the Company at the beginning of the year:

- Mr. Carl Barbäck, *Chairman, Executive Director*
- Mr. Klaus Ebert, *Independent Director*
- Mr. Joakim Stenberg, *Executive Director*

The following changes were made to the Board during the year:

- Mr. Stefan Åsbrink was voted in as an additional Executive Director 20 October 2025

The Board of Directors of the Company operates under of Luxembourg law. Their responsibilities are the overall management and control of the Company in accordance with the Prospectus and its articles of incorporation.

**Management Company**

The Board of Directors has appointed ISEC Services AB, as the Alternative Investment Fund Manager, (the “AIFM”), for the Company. The AIFM is authorized and supervised by the Swedish Financial Supervisory Authority, “*Finansinspektionen*”, and is responsible for the portfolio and risk management of the company, subject to the Board’s ultimate supervision. The AIFM has further delegated portfolio management of NLLF to Finserve Nordic AB and of CABA to Fondsmäglerselskabet CABA Capital A/S.

**Annual General Meeting**

The next Annual General Meeting of the Company will be held on 15 May 2025.

Yours sincerely, the Board of Directors

**REPORT OF THE INVESTMENT MANAGER OF NORDIC FACTORING FUND LUX (UNAUDITED)**

During 2025, the interest rate and credit markets were characterized by a gradual transition from the restrictive monetary environment seen in previous years toward a more balanced and cautiously accommodative stance. Central banks began easing policy rates in response to declining inflationary pressures, although the pace and timing of rate cuts varied across regions depending on domestic economic conditions.

In developed economies, inflation continued to moderate and moved closer to target levels, allowing central banks such as the Federal Reserve and the ECB to initiate measured rate reductions. This shift supported improved liquidity conditions and a gradual recovery in credit markets. However, borrowing costs remained relatively elevated compared to pre-2022 levels, continuing to weigh on investment activity in certain sectors, particularly real estate and highly leveraged industries.

Within the euro area, economic conditions gradually stabilized during 2025 following a period of subdued growth. Lower inflation and the beginning of monetary easing supported a modest recovery in consumption and investment. Credit conditions improved, particularly in core Eurozone countries, although some peripheral economies continued to face structural challenges and higher funding costs. Overall, the Euroland region experienced a cautious but broad-based improvement in financial conditions.

Credit markets showed signs of stabilization during the year, with tightening credit spreads and improved investor sentiment, especially in investment-grade segments. High-yield markets remained more sensitive to economic uncertainty, though default rates stabilized compared to the prior year. Increased capital market activity and refinancing opportunities contributed to a more constructive credit environment overall.

In emerging markets, conditions improved moderately as global financial conditions eased and capital flows stabilized. Some economies benefited from stronger commodity demand and improved export conditions, while others continued to face structural challenges, including debt sustainability concerns and political uncertainty. Currency volatility persisted but was less pronounced than in previous periods.

Geopolitical tensions remained a key factor influencing global markets throughout 2025. While conflicts in Eastern Europe and the Middle East persisted, their direct impact on energy markets and supply chains became more contained compared to earlier periods. Nevertheless, ongoing strategic competition between major economic powers continued to shape trade dynamics, investment flows, and regulatory environments, contributing to a more fragmented but relatively stable global economic landscape.

The risk environment evolved during the year. Credit risk remained present but became more manageable as economic growth stabilized and financing conditions improved. Corporate defaults leveled off, and restructuring activity declined compared to 2024. Interest rate volatility decreased as markets gained greater clarity on central bank policy paths, reducing pressure on long-duration assets. At the same time, liquidity conditions improved, supporting more efficient capital allocation and debt issuance.

Despite these developments, investors remained cautious, with a continued focus on credit quality, cash flow stability, and downside protection. Correlations across asset classes normalized somewhat, allowing for improved diversification benefits within portfolios.

Against this backdrop, the factoring market continued to demonstrate resilience and steady growth. Demand for flexible working capital solutions remained strong, particularly among small and medium-sized enterprises navigating a still uncertain economic environment. Factoring continued to offer attractive risk-adjusted returns due to its short duration, self-liquidating nature, and strong linkage to real economic activity.

Under these conditions, Nordic Factoring Fund Lux maintained its stable performance, benefiting from improved market conditions while preserving its conservative risk profile. Since the Master Fund's inception in 2019, Nordic Factoring Fund has not recorded a single month of negative returns, highlighting the robustness of its strategy and risk management framework. Over this period, the Master Fund has delivered a net annual return of approximately 6%, demonstrating its ability to generate consistent and attractive risk-adjusted returns across varying market environments.

The Master Fund continued to emphasize high credit quality, rigorous underwriting standards, and diversification across counterparties and sectors. The Master Fund's strategy, centered on active risk management, disciplined credit selection, and adaptability to changing market dynamics, has enabled it to navigate both volatile and improving market environments effectively. This positions Nordic Factoring Fund Lux to continue delivering attractive risk-adjusted returns in a gradually normalizing but still uncertain macroeconomic landscape.

Mats Johansson  
Investment Manager, Nordic Factoring Fund Lux

**REPORT OF THE INVESTMENT MANAGER OF CABA FLEX 2 (UNAUDITED)**

CABA Flex 2 delivered solid performance in 2025, supported by performance in the yield spreads between the Sub-Fund's long positions in Swedish covered bonds and its short positions in Swedish government bonds and swaps. In total, the Sub-Fund generated a 14.88% net return for the full year 2025.

During the year, the Sub-Fund experienced a short-lived setback in the aftermath of Trump's Liberation Day. Overall, performance for the year exceeded expectations, and the Sub-Fund has now outperformed its model-based return trajectory by more than 5% since inception.

Portfolio positioning remains closely aligned with the model allocation, with exposure in SEK covered bonds versus swaps (70%) and government bonds (33%), for a total exposure of 103%, compared to 100% in the model portfolio. The strategy continues to employ balance sheet leverage to enhance the yield spreads, with leverage at 12.2x at year-end.

Looking ahead, the Sub-Fund remains on track to deliver a 31% net return by June 2027.

Carsten Bach  
Investment Manager, CABA Flex2

## REPORT OF THE INVESTMENT MANAGER OF HIGHLAND GLOBAL SELECT FUND LUX (UNAUDITED)

### Market Overview

Global financial markets in 2025 were shaped by a combination of resilient but gradually moderating economic growth, persistent inflationary pressures, and evolving monetary policy dynamics. The year was also marked by significant currency movements, most notably a pronounced strengthening of the Swedish krona driven by continued weakness in the U.S. dollar. Over the course of 2025, the Swedish krona appreciated materially against the U.S. dollar, resulting in a meaningful headwind for SEK-based investors in global equities. While global equity markets delivered solid returns in USD terms, a substantial portion of these gains was offset when translated into SEK, highlighting the importance of currency effects for Swedish investors.

The U.S. economy remained robust throughout the year, expanding at approximately 2–2.5% annualized, supported by strong consumer spending and continued investment in AI-related infrastructure. However, signs of late-cycle dynamics became increasingly evident. Labor market conditions softened, with job creation slowing significantly compared to prior years, although unemployment remained at historically low levels. Inflation proved more persistent than expected, remaining above central bank targets for most of the year.

In response, the Federal Reserve implemented a gradual easing cycle, delivering rate cuts during the second half of 2025 before adopting a more cautious stance toward year-end as inflation remained above target. Other major economies showed mixed developments: the Eurozone experienced modest stabilization, while China continued to recover gradually following earlier policy stimulus.

Equity market performance during 2025 was strong overall but highly concentrated. The S&P 500 delivered solid returns for the year, driven primarily by mega-cap technology companies and continued enthusiasm around artificial intelligence. However, the market experienced periods of heightened volatility, particularly during the second half of the year, as investors reassessed the sustainability of elevated capital expenditure levels and long-term return expectations within the AI ecosystem. Market breadth remained limited, with a narrow group of large-cap technology companies accounting for a disproportionate share of index performance. At the same time, valuation dispersion across sectors and regions widened significantly. While AI-related leaders traded at elevated multiples, many mid-cap, value-oriented, and non-U.S. equities remained attractively valued.

By year-end, markets reflected a balance between optimism and caution. Earnings expectations remained supportive, but elevated valuations, persistent inflation, moderating labor market conditions, and continued concentration in mega-cap technology stocks created a more complex investment environment heading into 2026.

### Fund Performance and Positioning

Highland Global Select is a systematic equity Sub-Fund investing in high-quality companies across global markets, with a primary focus on U.S. equities. The Sub-Fund aims to generate strong absolute returns over time through disciplined portfolio construction and a focus on fundamental quality and valuation.

During 2025, the Sub-Fund navigated a market environment characterized by strong index performance, high concentration, and periodic volatility. Our investment approach emphasized risk control, diversification, and active portfolio rotation, allowing the Sub-Fund to adapt to changing market conditions throughout the period.

The second half of 2025 presented more challenging conditions, particularly during periods of increased volatility in technology and AI-related equities. These dynamics affected many quantitative and long/short strategies. However, our focus on fundamental quality, valuation discipline, and idiosyncratic risk contributed to capital preservation during these periods.

The fund maintained a moderately conservative net exposure throughout the period, reflecting both elevated market valuations and increased macro uncertainty. Portfolio construction continued to emphasize asymmetric risk-reward opportunities across both long and short positions, with diversification across sectors and geographies reducing dependence on any single theme or factor.

For the period 2025, the Sub-Fund delivered a return of 1,7% in SEK and 23,3% in USD (before fees and administrative costs). The MSCI World Net Total Return Index delivered -0,7% in SEK and 20,3% in USD over the same period.

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**REPORT OF THE INVESTMENT MANAGER OF HIGHLAND GLOBAL SELECT FUND LUX  
(CONTINUED) (UNAUDITED)****Outlook and Strategy**

Looking ahead, we continue to see a market environment characterized by elevated dispersion in both valuations and fundamentals, which we believe is supportive of an active long/short investment approach.

Valuations in segments of the market, particularly within AI-related mega-cap technology companies, remain elevated, while other areas—including mid-cap equities, non-U.S. markets, and more traditional sectors—offer more attractive risk-reward profiles. This divergence creates opportunities for both long and short positioning.

Macro uncertainty is expected to remain a key driver of market behavior. The trajectory of inflation, central bank policy, labor market developments, and the sustainability of AI-driven capital expenditure cycles will all play important roles in shaping market outcomes in 2026.

Against this backdrop, we maintain a disciplined and risk-aware positioning. Net exposure remains moderately conservative, and portfolio construction continues to prioritize capital preservation alongside return generation. Our systematic process focuses on identifying high-quality companies with strong earnings dynamics, while also identifying areas where expectations and valuations appear misaligned.

We believe this approach positions the Sub-Fund well to navigate continued market volatility and to generate alpha through both earnings delivery and valuation normalization.

We remain firmly committed to capital preservation and long-term absolute return generation.

Stefan Åsbrink  
Investment Manager, Highland Global Select Fund Lux

To the Shareholders of  
ISEC SICAV-RAIF  
5, Allée Scheffer  
L-2520 Luxembourg

## REPORT OF THE *REVISEUR D'ENTREPRISES AGREE*

### Opinion

We have audited the financial statements of ISEC SICAV-RAIF (the “Company”) which comprise the combined statement of net assets as at December 31, 2025 and the combined statement of operations and changes in net assets for the for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2025, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier* (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the *réviseur d’entreprises agréé* for the Audit of the Financial Statements” section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Other information**

The Board of Directors of the Company is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our report of the *réviseur d'entreprises agréé* thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

## **Responsibilities of the Board of Directors of the Company for the Financial Statements**

The Board of Directors of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Company responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Company either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## Responsibilities of the “*réviseur d’entreprises agréé*” for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the *réviseur d’entreprises agréé* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Company.
- Conclude on the appropriateness of the Board of Directors of the Company use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *réviseur d’entreprises agréé* to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the *réviseur d’entreprises agréé*. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Deloitte Audit, *Cabinet de révision agréé*

Yann Mérillou, *Réviseur d'entreprises agréé*

Partner

May 4, 2026

**COMBINED STATEMENT OF NET ASSETS****As at 31 December 2025**

|  | Notes    | <b>As at<br/>31 December 2025</b> | <b>As at<br/>31 December 2024</b> |
|--|----------|-----------------------------------|-----------------------------------|
|  |          | <i>(in EUR)</i>                   | <i>(in EUR)</i>                   |
| <b>Assets</b>  |          |                                   |                                   |
| Investments at fair value                            | 5.1      | 608,460,896                       | 428,381,113                       |
| Derivative financial instruments                     | 6        | 3,357,389                         | 2,843,121                         |
| Receivable on repurchase agreements                  | 7        | 268,962,590                       | 196,384,435                       |
| Interest receivable on repurchase agreements         |          | 158,688                           | 186,095                           |
| Interest receivable on investments                   |          | 9,245,651                         | 5,181,925                         |
| Receivable from a related party                      | 13.4     | 137,553                           | 211,378                           |
| Other receivables                                    |          | 18,233                            | 89,994                            |
| Cash at bank   | 2.8, 2.9 | 47,554,916                        | 29,170,688                        |
| Formation expenses, net                              |          | 45,376                            | 48,938                            |
| <b>Total assets</b>                                  |          | <b>937,941,292</b>                | <b>662,497,687</b>                |
| <b>Liabilities</b>                                   |          |                                   |                                   |
| Derivative financial instruments                     | 6        | 671,901                           | 222,449                           |
| Payable on repurchase agreements                     | 7        | 863,017,843                       | 617,230,888                       |
| Interest payable on repurchase agreements            |          | 579,348                           | -                                 |
| Interest payable on Derivative financial instruments |          | 1,696,859                         | -                                 |
| AIFM fees payable                                    | 13.1     | 19,313                            | 11,593                            |
| Investment management fees payable                   | 13.2     | 1,270,949                         | 60,857                            |
| Formation expenses payable                           |          | 44,229                            | 76,742                            |
| Other payables and accrued expenses                  |          | 393,805                           | 217,844                           |
| <b>Total liabilities</b>                             |          | <b>867,694,247</b>                | <b>617,820,373</b>                |
| <b>Net assets</b>                                    |          | <b>70,247,045</b>                 | <b>44,677,314</b>                 |

## COMBINED STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the year ended 31 December 2025

|   | Notes | Year ended<br>31 December 2025<br>(in EUR) | Year ended*<br>31 December 2024<br>(in EUR) |
|---|-------|--|---|
| Dividend income   |       | 10,318                                     | -   |
| Investment income   |       | 139,999                                    | 58,033                                      |
| Interest income on bonds                                      |       | 21,699,101                                 | 2,077,098                                   |
| Interest income on reverse repurchase agreements              |       | 5,309,862                                  | 413,887                                     |
| Interest income on financial Derivative instruments           |       | 9,057,496                                  | 683,697                                     |
| Interest income on bank accounts                              |       | 582,829                                    | 217,068                                     |
| Other income  | 13.4  | 427,241                                    | 554,823                                     |
| <b>Total investment income</b>                                |       | <b>37,226,846</b>                          | <b>4,004,606</b>                            |
| AIFM fees   | 13.1  | (72,452)                                   | (83,832)                                    |
| Investment management fees                                    | 13.2  | (568,799)                                  | (65,679)                                    |
| Performance fee   | 13.3  | (1,063,918)                                | (39,768)                                    |
| Directors' fees   |       | (15,635)                                   | 8,571                                       |
| Depositary fees   |       | (131,306)                                  | (23,185)                                    |
| Administrator fees  |       | (74,015)                                   | (64,044)                                    |
| Legal, audit and other professional fees                      |       | (139,054)                                  | (22,479)                                    |
| Transaction costs   | 12    | (9,089)                                    | -   |
| Amortization of formation expenses                            |       | (29,383)                                   | (19,484)                                    |
| Interest expense on repurchase agreements                     |       | (17,344,525)                               | (2,190,190)                                 |
| Interest expense on financial Derivative instruments          |       | (9,367,084)                                | (490,453)                                   |
| Subscription tax  | 11    | (5,686)                                    | (1,283)                                     |
| Other expenses  |       | (85,911)                                   | -   |
| <b>Total operating expenses</b>                               |       | <b>(28,906,857)</b>                        | <b>(2,991,826)</b>                          |
| <b>Net investment gain</b>                                    |       | <b>8,319,989</b>                           | <b>1,012,780</b>                            |
| Realized gain/(loss)  |       |  |   |
| - on investments  | 5.2   | (151,944)                                  | (42)  |
| - on repurchase agreements                                    | 5.2   | (13,586,812)                               | 498,325                                     |
| - on reverse repurchase agreements                            | 5.2   | (13,477,714)                               | (1,607,441)                                 |
| - on derivative financial instruments                         |       | (3,106,306)                                | 67,716                                      |
| - on foreign currency conversion                              |       | 2,854,075                                  | 1,099,843                                   |
| <b>Total realized (loss)/gain</b>                             |       | <b>(27,468,701)</b>                        | <b>58,401</b>                               |
| Change in unrealized (depreciation)/appreciation              |       |  |   |
| - on investments  | 5.2   | 24,823,440                                 | (1,709,149)                                 |
| - on repurchase agreements                                    | 5.2   | 1,571,357                                  | (1,571,357)                                 |
| - on derivative financial instruments                         |       | (16,751)                                   | 2,614,984                                   |
| - on foreign currency conversion                              |       | 269,579                                    | -   |
| <b>Total change in unrealized appreciation/(depreciation)</b> |       | <b>26,647,625</b>                          | <b>(665,522)</b>                            |
| <b>Net increase in net assets resulting from operations</b>   |       | <b>7,498,913</b>                           | <b>405,659</b>                              |

\* See Note 1 for the launch date of the Sub-Funds.

**COMBINED STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS (CONTINUED)****For the year ended 31 December 2025**

|   | <b>Notes</b> | <b>Year ended<br/>31 December 2025</b> | <b>Year ended*<br/>31 December 2024</b> |
|---|--------------|--|---|
|   |              | <i>(in EUR)</i>                        | <i>(in EUR)</i>                         |
| <b>Net increase in net assets resulting from operations</b>           |              | <b>7,498,913</b>                       | <b>405,659</b>                          |
| Capital contributions   |              | 20,802,999                             | 44,146,655                              |
| Capital redemptions   |              | (2,732,181)                            | -                                       |
| <b>Net increase in net assets resulting from capital transactions</b> |              | <b>18,070,818</b>                      | <b>44,146,655</b>                       |
| Net assets at the beginning of the year                               |              | 44,677,314                             | 125,000                                 |
| <b>Net assets at the end of the year</b>                              |              | <b>70,247,045</b>                      | <b>44,677,314</b>                       |

\* See Note 1 for the launch date of the Sub-Funds.

## NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2025

### 1. GENERAL INFORMATION

ISEC SICAV - RAIF (the “Company”) has been incorporated on 11 November 2022 for an unlimited duration. The Company is organized as a public limited liability company (*société anonyme*) and qualifies as an umbrella reserved alternative investment fund with variable share capital (*société d’investissement à capital variable - société fonds d’investissement alternatif réservé*) governed by the law of 23 July 2016 relating to reserved alternative investment funds, as amended, (the “RAIF Law”). The Company is an externally managed alternative investment funds (“AIF”) pursuant to the amended law of 12 July 2013 on alternative investment fund managers (the “AIFM Law”).

The Company is registered with the Luxembourg Trade and Companies Register under number B272828. The Company’s registered office is located at 5, Allée Scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg.

The Board, subject to the assignment of certain tasks to the AIFM, is responsible for the management of the Company in accordance with the Prospectus, Luxembourg laws and other relevant legal requirements in the best and exclusive interests of the shareholders. The Board is ultimately responsible for any decisions concerning the Company.

The Board has appointed ISEC Services AB (the “AIFM”) to act as the alternative investment fund manager of the Company. The AIFM is authorized in Sweden and is responsible, subject to the ultimate oversight of the Board, for the portfolio and risk management of the Company in accordance with the AIFM Law, the prospectus and the AIFM agreement. The AIFM has delegated the portfolio management activities to Finserve Nordic AB, to Fondsmaeglerselskabet CABA Capital A/S (the “Investment Managers”), and retained the portfolio management of Highland Global Select Fund Lux.

The Company has adopted an umbrella structure with a number of separate sub-funds (referred collectively as to the “Sub-Funds” or individually a “Sub-Fund”) with segregated liability between the Sub-funds.

A separate portfolio of assets is maintained for each Sub-Fund and is invested for its exclusive benefit in accordance with its investment objective and policy. Because the Company has segregated liability between its Sub-Funds, any liability incurred on behalf of or attributable to any Sub-Fund shall be discharged solely out of the assets of that Sub-Fund.

As at 31 December 2025, the Company had the following active Sub-Funds:

| Sub-Funds   | Launch date     | Term                        |
|---|-----------------|-----------------------------|
| ISEC SICAV-RAIF – Nordic Factoring Fund Lux       | 30 June 2023    | Unlimited                   |
| ISEC SICAV-RAIF – CABA Flex 2                     | 14 June 2024    | 14 June 2027 <sup>(1)</sup> |
| ISEC SICAV-RAIF – Highland Global Select Fund Lux | 10 January 2025 | Unlimited                   |

<sup>(1)</sup> subject to extension of a period of maximum two years.

The investment objective of the Company is to invest substantially all of its capital in any kind of investment within the widest meaning permitted under the RAIF Law in order to provide its shareholders with attractive returns and the benefit of the result of the management of its assets in consideration of the risk they assume in this respect.

**ISEC SICAV-RAIF - Nordic Factoring Fund Lux** (hereafter “Nordic Factoring Fund Lux”) has been established for the sole purpose to invest all or substantially all of its capital contributions in unsecured and non-subordinated profit participating loans (“PPLs”) issued by Nordic Factoring Fund AB (the “Master Fund”), a Swedish Crown denominated alternative investment fund managed by the Investment Manager, and whose purpose is to find investment opportunities through lending. The Master Fund’s contemplated investments will predominantly be in companies that are in some form of expansion, investment, restructuring, refinancing, bridge financing, generational shift financing or with seasonal needs, with a geographical focus on Scandinavia and Finland.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****As at 31 December 2025****1. GENERAL INFORMATION (CONTINUED)**

As such, the performance of the Sub-Fund is directly affected by the performance of the Master Fund. The financial statements of the Sub-Fund should be read in conjunction with the financial statements of the Master Fund, which are available at the Master Fund's registered office.

The investment objective of **ISEC SICAV-RAIF - CABA Flex 2** (hereafter "CABA Flex 2") as a fixed income hedge fund is to invest in a portfolio of mortgage credit bonds, secured by real estate, issued by private issuers located in Denmark, Norway, and Sweden (the "Covered Bonds"), as well as government bonds. The Sub-Fund will acquire and hold long positions in Covered Bonds and, for the purpose of hedging interest rate risk, short sell government bonds and enter into interest rate swap contracts.

**ISEC SICAV-RAIF - Highland Global Select Fund Lux** (hereafter "Highland Global Select Fund Lux") seeks to achieve long-term capital growth by managing a global equity long/short portfolio that primarily invests in stocks and equity-related securities issued by companies worldwide, with a focus on developed markets such as the USA, Europe, and Asia. The Sub-Fund is actively managed by the AIFM to select companies with fundamental characteristics that it considers supportive of the long-term performance. On an ancillary basis, the Sub-Fund may also invest in other instruments, including debt securities, cash and cash equivalents, other UCIs, money market funds, and UCITS.

The financial year of the Company starts on 1 January and ends on 31 December of each year.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING AND VALUATION POLICIES**

The principal accounting and valuation policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied throughout the years presented, unless otherwise stated.

**2.1. Basis of preparation**

The financial statements of the Company have been prepared on a going concern basis in accordance with Luxembourg legal and regulatory requirements relating to reserved alternative investment funds and Luxembourg Generally Accepted Accounting Principles ("Lux GAAP").

The financial statements of the Company are prepared on a combined basis for the Company as a whole and for each existing Sub-Fund.

The currency used for the preparation of the combined information is the Euro ("EUR"). The combined Statement of Net Assets and the combined Statement of Operations and Changes in Net Assets are the sum of the Statement of Net Assets and the Statement of Operations and Changes in Net Assets of each Sub-Fund converted, where applicable, into the currency of the Company using exchange rates prevailing at year-end.

The currency of the respective Sub-Funds is as follows:

- Nordic Factoring Fund Lux: EUR
- CABA Flex 2: EUR
- Highland Global Select Fund Lux: SEK

All values disclosed in the financial statements and notes have been rounded to the nearest Euro unless otherwise stated.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****As at 31 December 2025****2. SUMMARY OF SIGNIFICANT ACCOUNTING AND VALUATION POLICIES (CONTINUED)****2.2. Foreign currency conversion**

The acquisition cost of securities expressed in a currency other than the reference currency of the Sub-Funds is converted at the exchange rates prevailing on the date of purchase.

Income and expenses expressed in currencies other than the reference currency of the Sub-Funds are converted at exchange rates ruling at the transaction date.

Assets and liabilities expressed in currencies other than the reference currency of the Sub-Funds are converted at exchange rates prevailing at year-end.

Foreign currency transaction gains and losses on investments are included in the Statement of Operations and Changes in Net Assets as part of the ‘Change in unrealized appreciation/ (depreciation) on investments’.

Other foreign exchange gains and losses are presented in the Statement of Operations and Changes in Net Assets within ‘Net realized gain/ (loss) on foreign currency conversion’.

**2.3. Formation expenses**

Formation expenses represent set-up costs of the Company and the Sub-Funds and include legal, tax and other relevant professional services fees incurred in the set-up of the Company. Such items are amortized on a straight-line basis in a maximum period of amortization of 5 years.

**2.4. Investments***2.4.1. Recognition*

Investments are initially recorded at purchase/ subscription price or nominal value, including the expenses incidental thereto. They are subsequently stated at market value.

The corresponding unrealized appreciations or depreciations in the fair value are recorded in the Statement of Operations and Changes in Net Assets under ‘Change in unrealized appreciation/ (depreciation) on investments’.

*2.4.2. Valuation**ISEC SICAV - RAIF - Nordic Factoring Fund Lux*

The fair value of investments in the Master Fund is primarily determined on the basis of the Master Fund’s net asset value at the reporting date, as adjusted to take into consideration (i) the fair value of the underlying lending portfolio, where the basis of accounting is other than fair value, (ii) the date on which the net asset value provided was calculated.

Realized gains and losses on redemption or settlement of investments in the Master Fund represent the difference between the initial cost and the sale or redemption or settlement price of the respective investments redeemed or settled.

*ISEC SICAV – RAIF - Caba Flex 2*

Bonds listed and traded primarily on one or more recognized stock exchanges are valued at their last known prices on the Valuation Day.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****As at 31 December 2025****2. SUMMARY OF SIGNIFICANT ACCOUNTING AND VALUATION POLICIES (CONTINUED)**

Bonds that are not traded in markets that are considered to be active are valued based on quotes provided by market makers, dealers or brokers specialized in this type of securities. To value such instruments, the AIFM utilizes the net present value of estimated future cash flows based on a discounted cash flow model. For the discount rate, the AIFM assesses first the risk premium to the appropriate risk-free rate of the economic environment in which the bonds are exposed to. The discount rate is then adjusted for such matters as liquidity, credit and market risk factors. Applying the discounted cash flow model, the estimated future cash flows are discounted using the discount rate so determined.

Realized gains and losses on disposals of bonds are calculated using the average cost method. They represent the difference between an instrument's initial carrying amount and disposal amount.

*ISEC SICAV – RAIF – Highland Global Select Fund Lux*

Equity securities listed and traded primarily on one or more recognized stock exchanges are valued at their last known prices on the Valuation Day and are presented in the Statement of Net Assets within 'Investments at fair value' under 'Long investments'.

Listed equity securities sold short, representing positions where the Sub-Fund sells securities it does not currently own, are likewise valued at their last known prices on the Valuation Day and are presented as negative investments in the Statement of Net Assets under 'Investments at fair value' under 'Short investments'.

Units or shares of undertakings for collective investments ("UCI") are valued at their last official net asset values, as reported or provided by such UCI or their agents, at the time of calculating the net asset value of the relevant Sub-Fund. Investments subject to bid and offer prices are valued at their mid-price, if not otherwise determined by the AIFM.

Interest-bearing instruments listed and traded primarily on one or more recognized stock exchanges are valued at their last known prices on the Valuation Day.

Other financial assets and liabilities that are not traded in an active market (for example, over-the-counter derivative) are valued using valuation techniques the AIFM considers appropriate. The Sub-Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent ordinary transactions between market participants, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

**2.5. Repurchase and reverse repurchase agreements**

Repurchase and reverse repurchase agreements are treated in accordance with their economic substance. A repurchase agreement (repo) is considered a collateralized loan in which the Sub-Fund sells a security with a commitment to repurchase the same security at a future date for a specified price, including interest. The underlying securities are accounted for in the investment portfolio of the Sub-Fund which remains exposed to the risk of depreciation in value. The Sub-Fund does not record a sale of the securities but recognizes a payable for repurchase agreements in the Statement of Net Assets. The interest expense on the repo is recorded separately in the Statement of Operations as 'Interest expense on repurchase agreements'.

In a reverse repurchase agreement, the Sub-Fund purchases securities and agrees to sell the same securities back at a later date for a specified price, including interest. The Sub-Fund does not record the purchase of the securities received, but instead recognizes a receivable for reversed repurchase agreements in the Statement of Net Assets. The interest income from the reverse repo is recorded separately in the Statement of Operations as 'Interest income on repurchase agreements'. The securities involved in the transaction are carried at fair value, and the interest income on the reverse repo is recorded in the Statement of Operations as 'Interest income on reverse repurchase agreements'.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****As at 31 December 2025****2. SUMMARY OF SIGNIFICANT ACCOUNTING AND VALUATION POLICIES (CONTINUED)****2.6. Derivative financial instruments***Interest rate swap contracts*

An interest rate swap is a bilateral agreement in which each party agrees to exchange a series of interest payments for another series of interest payments (usually fixed/ floating) based on a notional amount that serves as a computation basis which is not exchanged.

The cash flows received and paid in connection with swap contracts are converted to present value on the valuation date corresponding to the maturity of these cash flows. The value of swap contracts is the difference between these two present value conversions. The fair value is obtained from third party pricing agents, market makers or internal models.

The unrealized appreciation/ (depreciation) as at year-end is recorded under 'Derivative financial instruments' in the Statement of Net Assets. The changes in such amounts are recorded under 'Change in unrealized appreciation/ (depreciation) on derivative financial instruments' and the realized gain/ (loss) under 'Realized gain/ (loss) on derivative financial instruments' in the Statement of Operations and Changes in Net Assets.

*Forward foreign exchange contract*

A forward foreign exchange contract is an agreement between two parties to exchange one currency for another at a specific price and date in the future.

Open forward foreign exchange contracts are valued by reference to the last available currency rates prevailing at the relevant reporting date.

The unrealized appreciation/ (depreciation) as at year-end is recorded under 'Derivative financial instruments' in the Statement of Net Assets. The changes in such amounts are recorded under 'Change in unrealized appreciation/ (depreciation) on derivative financial instruments' and the realized gain/ (loss) under 'Realized gain/ (loss) on derivative financial instruments' in the Statement of Operations and Changes in Net Assets.

*Futures*

Futures contracts are valued at the last settlement or close price on the stock exchanges or regulated markets. Unrealized gains and losses of futures contracts are disclosed under 'Derivative financial instruments' in the Statement of Net Assets. The changes in such amounts are recorded under 'Change in unrealized appreciation/ (depreciation) on derivative financial instruments' and the realized gain/ (loss) under 'Realized gain/ (loss) on derivative financial instruments' in the Statement of Operations and Changes in Net Assets.

*Options*

Premiums paid on the purchase of options are disclosed under 'Derivative financial instruments' in the Statement of Net Assets.

Premiums received on issued options are disclosed under the item "Short option contracts at market value" in the Statement of Net Assets and are presented as cost received in the statement of investments and other net assets. Option contracts outstanding at the date of the financial statements are valued at the last settlement or closing price on the stock exchanges or regulated markets. Realized gains and losses, appreciation and depreciation of unrealized results are disclosed in the Statement of Operations.

**2.7. Receivables**

Receivables are recognized at nominal value less value adjustments for any doubtful debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****As at 31 December 2025****2. SUMMARY OF SIGNIFICANT ACCOUNTING AND VALUATION POLICIES (CONTINUED)****2.8. Cash**

Cash is defined as cash on hand, demand deposits and short-term highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash pledged as collateral in respect of derivatives and securities sold short is included within cash.

**2.9. Collateral**

The Sub-Funds may be required to post collateral that corresponds to the negative replacement value of the open derivative at the end of the previous day. Conversely, collateral is received by the Sub-Funds when the replacement value of the open derivative is positive at the end of the previous day. The collateral is shown in the opposite way as a debit entry in case of positive fair value change and as a credit entry in case of negative fair value change. At each reporting date, the collateral account with a single counterparty is presented on a net basis either on the asset side or on the liability side.

**2.10. Accrued expenses and other payables**

Accrued expenses and other payables are recorded at their reimbursement value.

**2.11. Return of capital and income received from the Master Fund**

Returns of capital and income received from the investment in the Master Fund are directly reinvested in the form of new profit participating loans.

**2.12. Interest income and expense**

Interest income and expenses are recorded on an accrual basis.

**2.13. Distributions**

Distributions are recognized in the year in which they are declared.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 3. STATEMENT OF NET ASSETS BY SUB-FUND

*Nordic Factoring Fund Lux*

|                                     | Notes    | As at<br>31 December 2025<br><i>(in EUR)</i> | As at<br>31 December 2024*<br><i>(in EUR)</i> |
|-------------------------------------|----------|--|---|
| <b>Assets</b>                       |          |  |   |
| Investments at fair value           | 5.1      | 1,327,585                                    | 2,525,072                                     |
| Derivative financial instruments    | 6        | -  | 16,014  |
| Receivable from a related party     | 13.4     | -  | 211,378                                       |
| Other receivables                   |          | 18,233                                       | 43,511  |
| Cash at bank                        | 2.8, 2.9 | 242,412                                      | 43,397  |
| Formation expenses, net             |          | 34,614                                       | 48,938  |
| <b>Total assets</b>                 |          | <b>1,622,844</b>                             | <b>2,888,310</b>                              |
| <b>Liabilities</b>                  |          |  |   |
| Derivative financial instruments    | 6        | 13,916                                       | 8,008   |
| AIFM fees payable                   | 13.1     | 10,625                                       | 10,625  |
| Investment management fees payable  | 13.2     | 10,992                                       | 21,199  |
| Formation expenses payable          |          | 44,229                                       | 71,700  |
| Other payables and accrued expenses |          | 140,604                                      | 129,182                                       |
| <b>Total liabilities</b>            |          | <b>220,366</b>                               | <b>240,714</b>                                |
| <b>Net assets</b>                   |          | <b>1,402,478</b>                             | <b>2,647,596</b>                              |

\* Refer to Note 1 for the launching dates of each Sub-Fund and their year/period under review.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 3. STATEMENT OF NET ASSETS BY SUB-FUND (CONTINUED)

| <i>Caba Flex 2</i>                                    |          | As at              | As at              |
|---|----------|--------------------|--------------------|
|   | Notes    | 31 December 2025   | 31 December 2024*  |
|   |          | <i>(in EUR)</i>    | <i>(in EUR)</i>    |
| <b>Assets</b>   |          |                    |                    |
| Investments at fair value                             | 5.1      | 606,037,664        | 425,856,041        |
| Derivative financial instruments                      | 6        | 3,241,408          | 2,827,107          |
| Receivable on reverse repurchase agreements           | 7        | 268,962,590        | 196,384,435        |
| Interest receivable on reverse repurchase agreements  |          | 158,688            | 186,095            |
| Interest receivable on investments                    |          | 9,244,343          | 5,181,925          |
| Other receivables                                     |          | -                  | 46,483             |
| Cash at bank  | 2.8, 2.9 | 46,882,684         | 29,127,291         |
| Formation expenses, net                               |          | 23,506             | -                  |
| <b>Total assets</b>                                   |          | <b>934,550,883</b> | <b>659,609,377</b> |
| <b>Liabilities</b>                                    |          |                    |                    |
| Derivative financial instruments                      | 6        | 588,232            | 214,441            |
| Payable on repurchase agreements                      | 7        | 863,017,843        | 617,230,888        |
| Interest payable on repurchase agreements             |          | 579,348            | -                  |
| Interest payable on derivatives financial instruments |          | 1,696,859          | -                  |
| AIFM fees payable                                     | 13.1     | 968                | 968                |
| Investment management fees payable                    | 13.2     | 1,259,957          | 39,658             |
| Formation expenses payable                            |          | -                  | 5,042              |
| Other payables and accrued expenses                   |          | 142,692            | 88,663             |
| <b>Total liabilities</b>                              |          | <b>867,285,899</b> | <b>617,579,660</b> |
| <b>Net assets</b>                                     |          | <b>67,264,984</b>  | <b>42,029,717</b>  |

\* Refer to Note 1 for the launching dates of each Sub-Fund and their year/ period under review

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 3. STATEMENT OF NET ASSETS BY SUB-FUND (CONTINUED)

*Highland Global Select Fund Lux*

|                                     | Notes    | As at<br>31 December 2025*<br><i>(in SEK)</i> |
|-------------------------------------|----------|---|
| <b>Assets</b>                       |          |   |
| Investments at fair value           | 5.1      | 11,862,565                                    |
| Derivatives financial instruments   | 6        | 1,255,730                                     |
| Interest receivable on investments  |          | 14,160  |
| Receivable from a related party     | 13.4     | 1,489,291                                     |
| Cash at bank                        | 2.8, 2.9 | 4,653,660                                     |
| Formation expenses, net             |          | (137,983)                                     |
| <b>Total assets</b>                 |          | <b>19,137,423</b>                             |
| <b>Liabilities</b>                  |          |   |
| Derivatives financial instruments   | 6        | 755,212                                       |
| AIFM fees payable                   | 13.1     | 83,582  |
| Other payables and accrued expenses |          | 1,196,479                                     |
| <b>Total liabilities</b>            |          | <b>2,035,273</b>                              |
| <b>Net assets</b>                   |          | <b>17,102,150</b>                             |

\* Refer to Note 1 for the launching dates of each Sub-Fund and their year/ period under review

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 4. STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS BY SUB-FUND

*Nordic Factoring Fund Lux*

|  | Notes | Year ended<br>31 December 2025<br><i>(in EUR)</i> | Year ended*<br>31 December 2024<br><i>(in EUR)</i> |
|--|-------|---|--|
| Investment income  |       | 139,999   | 58,033   |
| Interest income on bank accounts   |       | 1,442   | 1,935  |
| Other income   | 13.4  | 295,349   | 138,472  |
| <b>Total investment income</b>   |       | <b>436,790</b>                                    | <b>198,440</b>                                     |
| AIFM fees  | 13.1  | (60,452)  | (42,499)   |
| Investment management fees   | 13.2  | (16,152)  | (20,444)   |
| Directors' fees  |       | (8,403)   | 15,710   |
| Depositary fees  |       | (30,847)  | (10,110)   |
| Administrator fees   |       | (29,551)  | (35,696)   |
| Legal, audit and other professional fees   |       | (121,993)   | (17,819)   |
| Amortization of formation expenses   |       | (14,324)  | (14,442)   |
| Other expenses   | 11    | (17,104)  | -  |
| <b>Total operating expenses</b>  |       | <b>(298,826)</b>                                  | <b>(125,300)</b>                                   |
| <b>Net investment gain</b>   |       | <b>137,964</b>                                    | <b>73,140</b>                                      |
| Realized gain/(loss)   |       |   |  |
| - on investments   | 5.2   | 46,618  | -  |
| - on derivative financial instruments  |       | (107,683)   | 42,473   |
| - on foreign currency conversion   |       | 7,203   | (12,967)   |
| <b>Total realized (loss)/gain</b>  |       | <b>(53,862)</b>                                   | <b>29,506</b>                                      |
| Change in unrealized appreciation/(depreciation)                                 |       |   |  |
| - on investments   | 5.2   | 56,797  | 17,632   |
| - on derivative financial instruments  |       | (13,916)  | 2,318  |
| <b>Total change in unrealized appreciation</b>                                   |       | <b>42,881</b>                                     | <b>19,950</b>                                      |
| <b>Net increase in net assets resulting from operations</b>                      |       | <b>126,983</b>                                    | <b>122,596</b>                                     |
| Capital contributions  |       | 300,000   | 2,400,000  |
| Capital redemptions  |       | (1,672,101)                                       | -  |
| <b>Net (decrease)/increase in net assets resulting from capital transactions</b> |       | <b>(1,372,101)</b>                                | <b>2,400,000</b>                                   |
| Net assets at the beginning of the year  |       | 2,647,596   | 125,000  |
| <b>Net assets at the end of the year</b>   |       | <b>1,402,478</b>                                  | <b>2,647,596</b>                                   |

\* Refer to Note 1 for the launching dates of each Sub-Fund and their year/ period under review

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 4. STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS BY SUB-FUND (CONTINUED)

*Caba Flex 2*

|   | Notes | Year ended<br>31 December 2025<br><i>(in EUR)</i> | Period ended*<br>31 December 2024<br><i>(in EUR)</i> |
|---|-------|---|--|
| Interest income on bonds  |       | 21,699,101  | 2,077,098  |
| Interest income on reverse repurchase agreements                      |       | 5,309,862   | 413,887  |
| Interest income on financial Derivative instruments                   |       | 9,057,496   | 683,697  |
| Interest income on bank accounts                                      |       | 579,029   | 215,133  |
| Other income  |       | 131,875   | 416,351  |
| <b>Total investment income</b>  |       | <b>36,777,363</b>                                 | <b>3,806,166</b>                                     |
| AIFM fees   | 13.1  | (12,000)  | (41,333)   |
| Investment management fees  | 13.2  | (552,647)   | (45,235)   |
| Performance fee   | 13.3  | (1,056,106)                                       | (39,768)   |
| Directors' fees   |       | (7,232)   | (7,139)  |
| Depositary fees   |       | (100,459)   | (13,075)   |
| Administrator fees  |       | (44,464)  | (28,348)   |
| Legal, audit and other professional fees                              |       | (16,306)  | (4,661)  |
| Amortization of formation expenses                                    |       | (15,059)  | (5,042)  |
| Interest expense on repurchase agreements                             |       | (17,344,525)                                      | (2,190,190)  |
| Interest expense on financial Derivative instruments                  |       | (9,367,084)                                       | (490,453)  |
| Subscription tax  | 11    | (5,615)   | (1,283)  |
| Other expenses  |       | (60,401)  | -  |
| <b>Total operating expenses</b>                                       |       | <b>(28,581,898)</b>                               | <b>(2,866,527)</b>                                   |
| <b>Net investment gain</b>  |       | <b>8,195,465</b>                                  | <b>939,639</b>                                       |
| Realized gain/(loss)  |       |   |  |
| - on investments  | 5.2   | -   | (42)   |
| - on repurchase agreements  | 5.2   | (13,586,812)                                      | 498,325  |
| - on reverse repurchase agreements                                    | 5.2   | (13,477,714)                                      | (1,607,441)  |
| - on derivative financial instruments                                 |       | (3,006,056)                                       | 25,243   |
| - on foreign currency conversion                                      |       | 2,847,835   | 1,112,810  |
| <b>Total realized (loss)/gain</b>                                     |       | <b>(27,222,747)</b>                               | <b>28,895</b>  |
| Change in unrealized appreciation/(depreciation)                      |       |   |  |
| - on investments  | 5.2   | 24,626,482  | (1,726,781)  |
| - on repurchase agreements  | 5.2   | 1,571,357   | (1,571,357)  |
| - on derivative financial instruments                                 |       | 40,510  | 2,612,666  |
| - on foreign currency conversion                                      |       | 277,973   | -  |
| <b>Total change in unrealized appreciation/(depreciation)</b>         |       | <b>26,516,322</b>                                 | <b>(685,472)</b>                                     |
| <b>Net increase in net assets resulting from operations</b>           |       | <b>7,489,040</b>                                  | <b>283,062</b>                                       |
| Capital contributions   |       | 18,806,307  | 41,746,655   |
| Capital redemptions   |       | (1,060,080)                                       | -  |
| <b>Net increase in net assets resulting from capital transactions</b> |       | <b>17,746,227</b>                                 | <b>41,746,655</b>                                    |
| Net assets at the beginning of the year/period                        |       | 42,029,717  | -  |
| <b>Net assets at the end of the year/period</b>                       |       | <b>67,264,984</b>                                 | <b>42,029,717</b>                                    |

\* Refer to Note 1 for the launching dates of each Sub-Fund and their year/ period under review

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 4. STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS BY SUB-FUND (CONTINUED)

*Highland Global Select Fund Lux*

|   | Notes | Period ended*<br>31 December 2025<br><i>(in SEK)</i> |
|---|-------|--|
| Dividend income   |       | 111,717  |
| Interest income on bank accounts                                      |       | 25,528   |
| Other income  | 13.4  | 183  |
| <b>Total investment income</b>  |       | <b>137,428</b>                                       |
| Performance fee   | 13.3  | (84,580)   |
| Legal, audit and other professional fees                              |       | (8,169)  |
| Transaction costs   | 12    | (98,406)   |
| Subscription tax  | 11    | (765)  |
| Other expenses  |       | (90,994)   |
| <b>Total operating expenses</b>                                       |       | <b>(282,914)</b>                                     |
| <b>Net investment loss</b>  |       | <b>(145,486)</b>                                     |
| Realized gain/(loss)  |       |  |
| - on investments  | 5.2   | (2,149,833)  |
| - on derivative financial instruments                                 |       | 80,474   |
| - on foreign currency conversion                                      |       | (10,426)   |
| <b>Total realized loss</b>  |       | <b>(2,079,785)</b>                                   |
| Change in unrealized (depreciation)/appreciation                      |       |  |
| - on investments  | 5.2   | 1,517,524  |
| - on derivative financial instruments                                 |       | (469,297)  |
| - on foreign currency conversion                                      |       | (90,886)   |
| <b>Total change in unrealized appreciation</b>                        |       | <b>957,341</b>                                       |
| <b>Net decrease in net assets resulting from operations</b>           |       | <b>(1,267,930)</b>                                   |
| Capital contributions   |       | 18,370,080   |
| <b>Net increase in net assets resulting from capital transactions</b> |       | <b>18,370,080</b>                                    |
| Net assets at the beginning of the period                             |       | -  |
| <b>Net assets at the end of the period</b>                            |       | <b>17,102,150</b>                                    |

\* Refer to Note 1 for the launching dates of each Sub-Fund and their year/ period under review

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 5. INVESTMENTS AT FAIR VALUE

## 5.1 Holdings as at 31 December 2025

*Nordic Factoring Fund Lux*

| Issuer                   | Type of instrument | Maturity date | Interest rate           | Number of PPLs | Currency | Cost             | Fair value       |
|--------------------------|--------------------|---------------|-------------------------|----------------|----------|------------------|------------------|
| Nordic Factoring Fund AB | PPLs               | January 2049  | Variable <sup>(1)</sup> | 13,608,938     | SEK      | 1,241,669        | 1,327,585        |
| <b>Total</b>             |                    |               |                         |                |          | <b>1,241,669</b> | <b>1,327,585</b> |

<sup>(1)</sup> The PPLs entitle their holders to a variable return tracking positive earnings of the issuer arising from the underlying investment portfolio financed by the PPLs. Such returns shall be computed and paid annually by way of issuance of new PPLs in accordance with the general terms and conditions of the PPLs.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 5. INVESTMENTS AT FAIR VALUE (CONTINUED)

## 5.1 Holdings as at 31 December 2025

CABA Flex 2

| Issuer  | Quantity    | Currency | Cost<br>(EUR)      | Fair value<br>(EUR) |
|---|-------------|----------|--------------------|---------------------|
| <b>Transferable securities admitted to an official stock exchange listing</b> |             |          |                    |                     |
| <b>Private Bonds</b>  |             |          |                    |                     |
| LANSFORSÅKRINGAR HYPOTEK AB 3.0% 19-09-29                                     | 110,000,000 | SEK      | 9,578,335          | 10,274,459          |
| STADSHYPOTEK AB 4.0% 02-05-29   | 500,000,000 | SEK      | 45,730,940         | 48,192,493          |
| STADSHYPOTEK AB 4.0% 02-05-29   | 500,000,000 | SEK      | 45,730,940         | 48,192,493          |
| SWEDBANK MORTGAGE AB 3.0% 28-03-29  | 250,000,000 | SEK      | 23,169,896         | 23,372,736          |
| NORDEA HYPOTEK AB 3.5% 26-10-29   | 254,000,000 | SEK      | 23,038,961         | 24,146,718          |
| NORDEA HYPOTEK AB 3.5% 26-10-29   | 500,000,000 | SEK      | 45,352,285         | 47,532,910          |
| SKANDINAVISKA ENSKILDA BANKEN AB 3.0% 06-12-29                                | 378,000,000 | SEK      | 33,333,286         | 35,306,776          |
| SKANDINAVISKA ENSKILDA BANKEN AB 3.0% 06-12-29                                | 500,000,000 | SEK      | 44,091,648         | 46,702,084          |
| DANSKE HYPOTEK AB 3.25% 19-12-29  | 500,000,000 | SEK      | 44,677,495         | 47,106,420          |
| DANSKE HYPOTEK AB 3.25% 19-12-29  | 252,000,000 | SEK      | 22,517,457         | 23,741,635          |
| DANSKE HYPOTEK AB 3.25% 19-12-29  | 500,000,000 | SEK      | 44,677,495         | 47,106,420          |
| DANSKE HYPOTEK AB 3.25% 19-12-29  | 4,000,000   | SEK      | 357,420            | 376,851             |
| LANDSHYPOTEK AB STIB3R+0.375% 24-05-29  | 186,000,000 | SEK      | 16,127,817         | 17,236,327          |
| LANDSHYPOTEK AB STIB3R+0.375% 24-05-29  | 14,000,000  | SEK      | 1,213,922          | 1,297,358           |
| LANDSHYPOTEK AB STIB3R+0.465% 04-09-29  | 500,000,000 | SEK      | 43,696,851         | 46,476,377          |
| LANDSHYPOTEK AB STIB3R+0.465% 04-09-29  | 50,000,000  | SEK      | 4,369,685          | 4,647,638           |
| LANDSHYPOTEK AB STIB3R+0.465% 04-09-29  | 500,000,000 | SEK      | 43,696,851         | 46,476,377          |
| STADSHYPOTEK AB 2.5% 01-02-30   | 500,000,000 | SEK      | 43,971,221         | 45,792,331          |
| STADSHYPOTEK AB 2.5% 01-02-30   | 500,000,000 | SEK      | 43,971,221         | 45,792,331          |
| STADSHYPOTEK AB 2.5% 01-02-30   | 500,000,000 | SEK      | 43,971,221         | 45,792,331          |
| STADSHYPOTEK AB 2.5% 01-02-30   | 500,000,000 | SEK      | 43,971,221         | 45,792,331          |
| SWEDBANK MORTGAGE AB 3.0% 27-12-29  | 350,000,000 | SEK      | 31,327,540         | 32,680,474          |
| SWEDBANK MORTGAGE AB 3.0% 27-12-29  | 500,000,000 | SEK      | 44,753,629         | 46,686,391          |
| SKANDINAVISKA ENSKILDA BANKEN AB 3.0% 06-11-28                                | 500,000,000 | SEK      | 44,183,779         | 46,760,704          |
| SWEDISH COVERED BOND CORPORATION 4.0% 23-05-29                                | 500,000,000 | SEK      | 47,276,610         | 48,210,494          |
| <b>Total Private bonds</b>  |             |          | <b>834,787,726</b> | <b>875,693,459</b>  |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 5. INVESTMENTS AT FAIR VALUE (CONTINUED)

| Issuer  | Quantity        | Currency | Cost<br>(EUR)        | Fair value<br>(EUR)  |
|---|-----------------|----------|----------------------|----------------------|
| <b>Transferable securities admitted to an official stock exchange listing</b>       |                 |          |                      |                      |
| <b>Government &amp; Supranational bonds</b>   |                 |          |                      |                      |
| KINGDOM OF SWEDEN 0.75% 12-11-29  | (3,090,200,000) | SEK      | (255,848,013)        | (269,655,795)        |
| <b>Total Government &amp; Supranational bonds</b>                                   |                 |          | <b>(255,848,013)</b> | <b>(269,655,795)</b> |
| <b>Total transferable securities admitted to an official stock exchange listing</b> |                 |          | <b>578,939,713</b>   | <b>606,037,664</b>   |
| <b>Total investments at fair value</b>  |                 |          | <b>578,939,713</b>   | <b>606,037,664</b>   |

*Highland Global Select Fund Lux*

| Issuer  | Quantity | Currency | Cost<br>(SEK) | Fair value<br>(SEK) | % of<br>net assets |
|---|----------|----------|---------------|---------------------|--------------------|
| <b>Long Investments</b>   |          |          |               |                     |                    |
| <b>Transferable securities admitted to an official stock exchange listing</b> |          |          |               |                     |                    |
| <b>Ordinary shares</b>  |          |          |               |                     |                    |
| Canada  |          |          |               |                     |                    |
| CELESTICA INC   | 125      | SEK      | 308,342       | 344,109             | 2.01%              |
| MILLENNIAL POTASH CO  | 1,000    | CAD      | 22,251        | 22,915              | 0.13%              |
| MKANGO RESOURCES LTD  | 2,000    | CAD      | 28,024        | 5,242               | 0.03%              |
| LUNDIN GOLD INC   | 605      | SEK      | 427,878       | 476,438             | 2.79%              |
|   |          |          | 786,495       | 848,703             | 4.96%              |
| Germany   |          |          |               |                     |                    |
| RHEINMETALL AG  | 10       | EUR      | 199,444       | 168,768             | 0.99%              |
| SIEMENS ENERGY AG   | 200      | EUR      | 226,385       | 260,341             | 1.52%              |
|   |          |          | 425,829       | 429,108             | 2.51%              |
| Spain   |          |          |               |                     |                    |
| IBERDROLA SA  | 1,300    | EUR      | 248,380       | 259,384             | 1.52%              |
| Italy   |          |          |               |                     |                    |
| UNIPOL ASSICURAZIONI  | 825      | EUR      | 165,997       | 183,474             | 1.07%              |
| Norway  |          |          |               |                     |                    |
| PROTECTOR FORSIKRING  | 800      | NOK      | 309,539       | 383,807             | 2.24%              |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 5. INVESTMENTS AT FAIR VALUE (CONTINUED)

| Issuer  | Quantity | Currency | Cost<br>(SEK) | Fair value<br>(SEK) | % of<br>net assets |
|---|----------|----------|---------------|---------------------|--------------------|
| <b>Transferable securities admitted to an official stock exchange listing (Continued)</b> |          |          |               |                     |                    |
| <b>Ordinary shares (Continued)</b>  |          |          |               |                     |                    |
| Sweden  |          |          |               |                     |                    |
| INVESTOR AB-B SHS   | 1,000    | SEK      | 316,978       | 330,400             | 1.93%              |
| NELLY GROUP AB  | 2,750    | SEK      | 173,276       | 298,650             | 1.75%              |
| SANDVIK AB  | 850      | SEK      | 242,895       | 255,510             | 1.49%              |
|   |          |          | 733,149       | 884,560             | 5.17%              |
| Switzerland   |          |          |               |                     |                    |
| ABB LTD-REG   | 400      | SEK      | 281,017       | 275,120             | 1.61%              |
| Taiwan  |          |          |               |                     |                    |
| TAIWAN SEMICONDUCTOR  | 160      | SEK      | 364,005       | 440,724             | 2.58%              |
| United Kingdom  |          |          |               |                     |                    |
| ROLLS-ROYCE HOLDINGS  | 2,600    | GBP      | 366,181       | 371,406             | 2.17%              |
| United States   |          |          |               |                     |                    |
| ALPHABET INC-CL A   | 200      | SEK      | 363,822       | 577,147             | 3.37%              |
| AMERICAN HEALTHCARE   | 500      | SEK      | 240,160       | 219,476             | 1.28%              |
| ASML HOLDING NV-NY R  | 50       | SEK      | 442,454       | 492,896             | 2.88%              |
| BROADCOM INC  | 100      | SEK      | 249,008       | 321,674             | 1.88%              |
| CARVANA CO  | 35       | SEK      | 118,370       | 138,234             | 0.81%              |
| CATERPILLAR INC   | 40       | SEK      | 223,163       | 212,355             | 1.24%              |
| CENCORA INC   | 175      | SEK      | 511,301       | 547,145             | 3.20%              |
| COMFORT SYSTEMS USA   | 55       | SEK      | 353,239       | 478,867             | 2.80%              |
| CYBERCATCH HOLDINGS   | 600      | CAD      | 18,331        | 11,290              | 0.07%              |
| ESTEE LAUDER COMPANI  | 225      | SEK      | 196,072       | 218,961             | 1.28%              |
| HCA HEALTHCARE INC  | 50       | SEK      | 215,371       | 217,572             | 1.27%              |
| JPMORGAN CHASE & CO   | 125      | SEK      | 334,639       | 371,716             | 2.17%              |
| KLA CORP  | 30       | SEK      | 266,267       | 343,047             | 2.01%              |
| LAM RESEARCH CORP   | 400      | SEK      | 475,734       | 639,137             | 3.74%              |
| MCKESSON CORP   | 40       | SEK      | 272,489       | 304,280             | 1.78%              |
| MUELLER INDUSTRIES I  | 200      | SEK      | 210,719       | 214,069             | 1.25%              |
| NASDAQ INC  | 210      | SEK      | 187,367       | 189,573             | 1.11%              |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 5. INVESTMENTS AT FAIR VALUE (CONTINUED)

| Issuer  | Quantity | Currency | Cost (SEK)        | Fair value (SEK)  | % of net assets |
|---|----------|----------|-------------------|-------------------|-----------------|
| <b>Transferable securities admitted to an official stock exchange listing (Continued)</b> |          |          |                   |                   |                 |
| <b>Ordinary shares (Continued)</b>  |          |          |                   |                   |                 |
| United States (Continued)   |          |          |                   |                   |                 |
| NVIDIA CORP   | 420      | SEK      | 611,637           | 724,231           | 4.23%           |
| PALANTIR TECHNOLOGIE  | 275      | SEK      | 381,040           | 457,258           | 2.67%           |
| SYNOPSIS INC  | 50       | SEK      | 207,620           | 218,138           | 1.28%           |
| TJX COMPANIES INC   | 300      | SEK      | 379,573           | 428,516           | 2.51%           |
| WALMART INC   | 400      | SEK      | 410,065           | 411,625           | 2.41%           |
|   |          |          | 6,668,441         | 7,737,205         | 45.24%          |
| <b>Total Ordinary shares</b>  |          |          | <b>10,349,033</b> | <b>11,813,491</b> | <b>69.08%</b>   |
| <b>Total Transferable securities admitted to an official stock exchange listing</b>       |          |          | <b>10,349,033</b> | <b>11,813,491</b> | <b>69.08%</b>   |
| <b>Investment funds - listed</b>  |          |          |                   |                   |                 |
| <b>Shares</b>   |          |          |                   |                   |                 |
| United States   |          |          |                   |                   |                 |
| iShares Biotechnolog  | 200      | USD      | 316,951           | 310,576           | 1.82%           |
| <b>Total Shares</b>   |          |          | <b>316,951</b>    | <b>310,576</b>    | <b>1.82%</b>    |
| <b>Total Investment funds - listed</b>  |          |          | <b>316,951</b>    | <b>310,576</b>    | <b>1.82%</b>    |
| <b>Non Ucits Investment funds - listed</b>  |          |          |                   |                   |                 |
| <b>Shares</b>   |          |          |                   |                   |                 |
| United States   |          |          |                   |                   |                 |
| DIREXION DAILY TECH   | 200      | USD      | 222,207           | 222,841           | 1.30%           |
| GLOBAL X GOLD EXPLOR  | 600      | USD      | 427,025           | 452,265           | 2.64%           |
| <b>Total Shares</b>   |          |          | <b>649,232</b>    | <b>675,106</b>    | <b>3.95%</b>    |
| <b>Bonds</b>  |          |          |                   |                   |                 |
| United States   |          |          |                   |                   |                 |
| iShares Semiconducto  | 200      | USD      | 444,293           | 560,596           | 3.28%           |
| <b>Total Bonds</b>  |          |          | <b>444,293</b>    | <b>560,596</b>    | <b>3.28%</b>    |
| <b>Total Non Ucits Investment funds - listed</b>  |          |          | <b>1,093,525</b>  | <b>1,235,702</b>  | <b>7.23%</b>    |
| <b>Total Long Investments</b>   |          |          | <b>11,759,509</b> | <b>13,359,769</b> | <b>78.12%</b>   |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 5. INVESTMENTS AT FAIR VALUE (CONTINUED)

| Issuer  | Quantity | Currency | Cost (SEK)         | Fair value (SEK)   | % of net assets |
|---|----------|----------|--------------------|--------------------|-----------------|
| <b>Short Investments</b>  |          |          |                    |                    |                 |
| <b>Transferable securities admitted to an official stock exchange listing</b>       |          |          |                    |                    |                 |
| <b>Ordinary shares</b>  |          |          |                    |                    |                 |
| Germany   |          |          |                    |                    |                 |
| AUMOVIO SE  | (112)    | EUR      | (41,980)           | (51,996)           | -0.30%          |
| BASF SE   | (400)    | EUR      | (192,689)          | (192,142)          | -1.12%          |
| CONTINENTAL AG  | (225)    | EUR      | (177,111)          | (165,319)          | -0.97%          |
|   |          |          | (411,780)          | (409,456)          | -2.39%          |
| Sweden  |          |          |                    |                    |                 |
| BILLERUD AB   | (2,300)  | SEK      | (187,635)          | (215,970)          | -1.26%          |
| ELECTROLUX AB-B   | (3,600)  | SEK      | (188,081)          | (229,608)          | -1.34%          |
| ESSITY AKTIEBOLAG-B   | (750)    | SEK      | (179,400)          | (198,900)          | -1.16%          |
| HUSQVARNA AB-B SHS  | (3,800)  | SEK      | (187,636)          | (176,738)          | -1.03%          |
|   |          |          | (742,752)          | (821,216)          | -4.80%          |
| United States   |          |          |                    |                    |                 |
| AMERICAN WELL CORP-C  | (1,600)  | SEK      | (81,961)           | (70,615)           | -0.41%          |
| <b>Total Ordinary shares</b>  |          |          | <b>(1,236,493)</b> | <b>(1,301,287)</b> | <b>-7.61%</b>   |
| <b>Preferential shares</b>  |          |          |                    |                    |                 |
| Germany   |          |          |                    |                    |                 |
| VOLKSWAGEN AG-PREF  | (175)    | EUR      | (177,976)          | (195,918)          | -1.15%          |
| <b>Total Preferential shares</b>  |          |          | <b>(177,976)</b>   | <b>(195,918)</b>   | <b>-1.15%</b>   |
| <b>Total Transferable securities admitted to an official stock exchange listing</b> |          |          | <b>(1,414,469)</b> | <b>(1,497,205)</b> | <b>-8.75%</b>   |
| <b>Total Short Investments</b>  |          |          | <b>(1,414,469)</b> | <b>(1,497,205)</b> | <b>-8.75%</b>   |
| <b>Total investments at fair value</b>  |          |          | <b>10,345,040</b>  | <b>11,862,565</b>  | <b>69.36%</b>   |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 5. INVESTMENTS AT FAIR VALUE (CONTINUED)

| <b>Business sector breakdown</b> | <b>% of<br/>net assets</b> |
|----------------------------------|----------------------------|
| Energy                           | 1.52%                      |
| Materials                        | 1.82%                      |
| Industrials                      | 9.87%                      |
| Consumer Discretionary           | 3.71%                      |
| Health Care                      | 5.97%                      |
| Financials                       | 17.57%                     |
| Information Technology           | 27.63%                     |
| Real Estate                      | 1.28%                      |
| <b>Total</b>                     | <b>69.36%</b>              |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 5. INVESTMENTS AT FAIR VALUE (CONTINUED)

## 5.2. Net results on investments at fair value

|   | 31 December 2025                   |                     |  | 31 December 2024                   |                    |  |
|---|------------------------------------|---------------------|--|------------------------------------|--------------------|--|
|   | Nordic<br>Factoring<br>Fund<br>Lux | Caba<br>Flex 2      | Highland<br>Global<br>Select<br>Fund Lux | Nordic<br>Factoring<br>Fund<br>Lux | Caba<br>Flex 2     | Highland<br>Global<br>Select<br>Fund Lux |
|   | (in EUR)                           | (in EUR)            | (in SEK)                                 | (in EUR)                           | (in EUR)           | (in SEK)                                 |
| Net realized gain                                   |                                    |                     |  |                                    |                    |  |
| - on investments                                    | 46,618                             | -                   | 768,295                                  | -                                  | -                  | -  |
| - on repurchase agreements<br>at fair value         | -                                  | 26,326,056          | -  | -                                  | 498,325            | -  |
| - on reverse repurchase<br>agreements at fair value | -                                  | 37,816,929          | -  | -                                  | -                  | -  |
| Net realized loss                                   |                                    |                     |  |                                    |                    |  |
| - on investments                                    | -                                  | -                   | (2,918,128)                              | -                                  | (42)               | -  |
| - on repurchase agreements<br>at fair value         | -                                  | (39,912,867)        | -  | -                                  | (1,607,441)        | -  |
| - on reverse repurchase<br>agreements at fair value | -                                  | (51,294,644)        | -  | -                                  | -                  | -  |
| <b>Total net realized<br/>gain/(loss)</b>           | <b>46,618</b>                      | <b>(27,064,526)</b> | <b>(2,149,833)</b>                       | <b>-</b>                           | <b>(1,109,158)</b> | <b>-</b>                                 |

|   | 31 December 2025                   |                   |  | 31 December 2024                   |                    |  |
|---|------------------------------------|-------------------|--|------------------------------------|--------------------|--|
|   | Nordic<br>Factoring<br>Fund<br>Lux | Caba<br>Flex 2    | Highland<br>Global<br>Select<br>Fund Lux | Nordic<br>Factoring<br>Fund<br>Lux | Caba<br>Flex 2     | Highland<br>Global<br>Select<br>Fund Lux |
|   | (in EUR)                           | (in EUR)          | (in SEK)                                 | (in EUR)                           | (in EUR)           | (in SEK)                                 |
| Net unrealized gain                         |                                    |                   |  |                                    |                    |  |
| - on investments                            | 112,738                            | 47,687,490        | 1,908,169                                | 17,632                             | 1,700,965          | -  |
| - on repurchase agreements<br>at fair value | -                                  | 1,571,357         | -  | -                                  | -                  | -  |
| Net unrealized loss                         |                                    |                   |  |                                    |                    |  |
| - on investments                            | (55,941)                           | (23,061,008)      | (418,231)                                | -                                  | (3,427,746)        | -  |
| - on repurchase agreements<br>at fair value | -                                  | -                 | -  | -                                  | (1,571,357)        | -  |
| <b>Total net unrealized<br/>gain/(loss)</b> | <b>56,797</b>                      | <b>26,197,839</b> | <b>1,489,938</b>                         | <b>17,632</b>                      | <b>(3,298,138)</b> | <b>-</b>                                 |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 6. DERIVATIVE FINANCIAL INSTRUMENTS

## 6.1. Forward foreign exchange contracts

*Nordic Factoring Fund Lux - as at 31 December 2025*

| Counterparty                                    | Currency purchased | Amount purchased (CCY) | Currency sold | Amount sold (CCY) | Maturity date | Unrealized depreciation (EUR) |
|---|--------------------|------------------------|---------------|-------------------|---------------|-------------------------------|
| CACEIS Bank, Luxembourg Branch                  | EUR                | 1,447,877              | SEK           | 15,826,831        | 07/01/2026    | (13,916)                      |
| <b>Total forward foreign exchange contracts</b> |                    |                        |               |                   |               | <b>(13,916)</b>               |

*Nordic Factoring Fund Lux - as at 31 December 2024*

| Counterparty                                    | Currency purchased | Amount purchased (CCY) | Currency sold | Amount sold (CCY) | Maturity date | Unrealized appreciation/ (depreciation) (EUR) |
|---|--------------------|------------------------|---------------|-------------------|---------------|---|
| CACEIS Bank, Luxembourg Branch                  | EUR                | 2,450,000              | SEK           | 27,937,705        | 08/01/2025    | 8,007   |
| CACEIS Bank, Luxembourg Branch                  | SEK                | 27,937,705             | EUR           | 2,450,000         | 08/01/2025    | (8,008)                                       |
| CACEIS Bank, Luxembourg Branch                  | EUR                | 2,450,000              | SEK           | 27,937,705        | 08/01/2025    | 8,007   |
| <b>Total forward foreign exchange contracts</b> |                    |                        |               |                   |               | <b>8,006</b>                                  |

*CABA Flex 2- as at 31 December 2025*

| Counterparty                                    | Currency purchased | Amount purchased (CCY) | Currency sold | Amount sold (CCY) | Maturity date | Unrealized appreciation/ (depreciation) (EUR) |
|---|--------------------|------------------------|---------------|-------------------|---------------|---|
| Danske bank                                     | EUR                | 42,500,000             | SEK           | 464,634,523       | 15/01/2026    | (395,241)                                     |
| CACEIS Bank, Luxembourg Branch                  | DKK                | 398,580,635            | EUR           | 53,386,173        | 30/01/2026    | 800   |
| <b>Total forward foreign exchange contracts</b> |                    |                        |               |                   |               | <b>(394,441)</b>                              |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 6. DERIVATIVE FINANCIAL INSTRUMENTS

*CABA Flex 2- as at 31 December 2024*

| Counterparty                                    | Currency purchased | Amount purchased (CCY) | Currency sold | Amount sold (CCY) | Maturity date | Unrealized depreciation (EUR) |
|---|--------------------|------------------------|---------------|-------------------|---------------|-------------------------------|
| Danske bank                                     | EUR                | 8,000,000              | SEK           | 92,221,280        | 14/01/2025    | (45,819)                      |
| Danske bank                                     | EUR                | 10,000,000             | SEK           | 114,830,200       | 14/01/2025    | (18,334)                      |
| Danske bank                                     | EUR                | 6,100,000              | SEK           | 70,098,577        | 14/01/2025    | (15,733)                      |
| Danske bank                                     | DKK                | 311,191,114            | EUR           | 41,745,146        | 31/01/2025    | (9,543)                       |
| Danske bank                                     | DKK                | 748,877                | EUR           | 100,437           | 31/01/2025    | (1)                           |
| Danske bank                                     | DKK                | 2,900,000              | EUR           | 388,995           | 31/01/2025    | (60)                          |
| Danske bank                                     | EUR                | 736,518                | DKK           | 5,494,429         | 31/01/2025    | (371)                         |
| Danske bank                                     | DKK                | 4,130,278              | EUR           | 553,935           | 31/01/2025    | -                             |
| <b>Total forward foreign exchange contracts</b> |                    |                        |               |                   |               | <b>(89,861)</b>               |

*Highland Global Select Fund Lux- as at 31 December 2025*

| Counterparty                                    | Currency purchased | Amount purchased (CCY) | Currency sold | Amount sold (CCY) | Maturity date | Unrealized appreciation (SEK) |
|---|--------------------|------------------------|---------------|-------------------|---------------|-------------------------------|
| CACEIS Bank, Luxembourg Branch                  | SEK                | 7,750,000              | USD           | 813,973           | 20/06/2026    | 285,915                       |
| <b>Total forward foreign exchange contracts</b> |                    |                        |               |                   |               | <b>285,915</b>                |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 6. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

## 6.2. Interest rate swaps contracts

*CABA Flex 2- as at 31 December 2025*

| Counterparty                               | Currency purchased | Notional amount | Interest to pay | Interes to receive | Maturity date | Unrealized appreciation/ (depreciation) (EUR) |
|--|--------------------|-----------------|-----------------|--------------------|---------------|---|
| Danske bank                                | SEK                | 500,000,000     | (156,472)       | 134,178            | 06/11/2028    | 69,351  |
| Danske bank                                | SEK                | 149,000,000     | (21,687)        | 16,139             | 06/12/2029    | (74,516)                                      |
| Danske bank                                | SEK                | 510,000,000     | (703,429)       | 147,149            | 02/05/2029    | 158,681                                       |
| Danske bank                                | SEK                | 500,000,000     | (32,297)        | 26,021             | 19/12/2029    | 244,972                                       |
| Danske bank                                | SEK                | 100,000,000     | (6,459)         | 5,204              | 19/12/2029    | 48,994  |
| Danske bank                                | SEK                | 110,000,000     | (65,810)        | 5,725              | 19/09/2029    | 33,235  |
| Danske bank                                | SEK                | 90,000,000      | (6,684)         | 4,684              | 19/12/2029    | (62,765)                                      |
| Danske bank                                | SEK                | 73,300,000      | (10,731)        | 7,939              | 06/12/2029    | (40,431)                                      |
| Danske bank                                | SEK                | 27,700,000      | (4,055)         | 3,000              | 06/12/2029    | (15,279)                                      |
| Danske bank                                | SEK                | 226,000,000     | (13,779)        | 11,761             | 19/12/2029    | 211,256                                       |
| Danske bank                                | SEK                | 505,000,000     | (182,949)       | 160,948            | 26/10/2029    | 305,705                                       |
| Danske bank                                | SEK                | 220,000,000     | (13,900)        | 11,449             | 19/12/2029    | 145,865                                       |
| Danske bank                                | SEK                | 496,000,000     | (2,919)         | 2,354              | 27/12/2029    | 238,908                                       |
| Danske bank                                | SEK                | 250,000,000     | (349,254)       | 1,187              | 28/03/2029    | 49,869  |
| Danske bank                                | SEK                | 350,000,000     | (5,708)         | 1,661              | 27/12/2029    | 381,832                                       |
| Danske bank                                | SEK                | 504,000,000     | (475,808)       | 145,418            | 01/02/2030    | 676,640                                       |
| Danske bank                                | SEK                | 503,000,000     | (474,864)       | 145,129            | 01/02/2030    | 675,298                                       |
| <b>Total interest rate swaps contracts</b> |                    |                 |                 |                    |               | <b>3,047,617</b>                              |

*CABA Flex 2- as at 31 December 2024*

| Counterparty                               | Currency purchased | Notional amount | Interest to pay | Interest to receive | Maturity date | Unrealized appreciation/ (depreciation) (EUR) |
|--|--------------------|-----------------|-----------------|---------------------|---------------|---|
| Danske bank                                | SEK                | 500,000,000     | (27,382)        | 32,009              | 06/11/2028    | 313,212                                       |
| Danske bank                                | SEK                | 149,000,000     | (22,356)        | 22,114              | 06/12/2029    | (44,023)                                      |
| Danske bank                                | SEK                | 510,000,000     | (30,722)        | 35,045              | 02/05/2029    | 389,654                                       |
| Danske bank                                | SEK                | 500,000,000     | (30,520)        | 34,358              | 19/12/2029    | 445,398                                       |
| Danske bank                                | SEK                | 100,000,000     | (6,104)         | 6,872               | 19/12/2029    | 89,079  |
| Danske bank                                | SEK                | 110,000,000     | (62,188)        | 7,559               | 19/09/2029    | 80,331  |
| Danske bank                                | SEK                | 90,000,000      | (6,316)         | 6,184               | 19/12/2029    | (44,631)                                      |
| Danske bank                                | SEK                | 73,300,000      | (11,062)        | 10,879              | 06/12/2029    | (26,073)                                      |
| Danske bank                                | SEK                | 27,700,000      | (4,180)         | 4,111               | 06/12/2029    | (9,853)                                       |
| Danske bank                                | SEK                | 226,000,000     | (13,021)        | 15,530              | 19/12/2029    | 318,728                                       |
| Danske bank                                | SEK                | 505,000,000     | (123,486)       | 150,848             | 26/10/2029    | 512,026                                       |
| Danske bank                                | SEK                | 220,000,000     | (13,135)        | 15,117              | 19/12/2029    | 240,446                                       |
| Danske bank                                | SEK                | 496,000,000     | (8,275)         | 9,166               | 27/12/2029    | 438,233                                       |
| <b>Total interest rate swaps contracts</b> |                    |                 |                 |                     |               | <b>2,702,527</b>                              |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 6. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

## 6.3. Futures

*Highland Global Select Fund Lux- as at 31 December 2025*

| Prime broker                   | Contract description   | Curr. | Quantity | Maturity date | Commitment (CCY) | Unrealized depreciation (SEK) |
|--------------------------------|------------------------|-------|----------|---------------|------------------|-------------------------------|
| CACEIS Bank, Luxembourg Branch | NASDAQ<br>100 E /20260 | USD   | (1)      | 31/03/2026    | 25,378           | (54,616)                      |
| <b>Total futures contracts</b> |                        |       |          |               |                  | <b>(54,616)</b>               |

## 6.4. Options

*Highland Global Select Fund Lux- as at 31 December 2025*

| Prime broker                      | Contract description                        | Currency | Put/<br>call | Quantity | Maturity date | Commitment (CCY) | Unrealized depreciation (SEK) |
|-----------------------------------|---|----------|--------------|----------|---------------|------------------|-------------------------------|
| CACEIS Bank,<br>Luxembourg Branch | Invesco QQQ<br>Trust                        | USD      | Call         | 10       | 16/01/2026    | 10,260           | (100,699)                     |
| CACEIS Bank,<br>Luxembourg Branch | O'REILLY<br>AUTOMOTIVE<br>INC               | USD      | Call         | 25       | 16/01/2026    | 9,796            | (88,668)                      |
| CACEIS Bank,<br>Luxembourg Branch | SEARS<br>HOLDINGS<br>CORP                   | USD      | Call         | 25       | 16/01/2026    | 6,500            | (34,362)                      |
| CACEIS Bank,<br>Luxembourg Branch | SPDR S&P 500<br>ETF Trust                   | USD      | Call         | 10       | 16/01/2026    | 13,150           | (80,297)                      |
| CACEIS Bank,<br>Luxembourg Branch | Technology<br>Select Sector<br>SPDRÅR Fund  | USD      | Call         | 60       | 16/01/2026    | 32,130           | (238,427)                     |
| CACEIS Bank,<br>Luxembourg Branch | LINN<br>ENERGY                              | USD      | Put          | 40       | 16/01/2026    | 5,400            | (2,571)                       |
| CACEIS Bank,<br>Luxembourg Branch | DENTSPLY<br>SIRONA INC                      | USD      | Put          | 50       | 16/01/2026    | 7,000            | (35,519)                      |
| CACEIS Bank,<br>Luxembourg Branch | DIREXION<br>DAILY NVDA<br>BEAR 1X<br>SHARES | USD      | Put          | 25       | 16/01/2026    | 9,000            | (34,519)                      |
| CACEIS Bank,<br>Luxembourg Branch | SPDR S&P 500<br>ETF Trust                   | USD      | Put          | 10       | 16/01/2026    | 9,240            | (85,534)                      |
| <b>Total options</b>              |   |          |              |          |               | <b>(700,596)</b> |                               |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 7. REPURCHASE AND REVERSE REPURCHASE AGREEMENT

The Sub-Fund CABA Flex 2 was committed into the following reverse repurchase agreements:

*As at 31 December 2025:*

| Counterparty | Maturity date | Cash paid    | Collateral received | Market value of the collateral received |
|--------------|---------------|--------------|---------------------|---|
| Danske bank  | 15/01/2026    | (43,211,087) | Swedish Government  | 43,518,638                              |
| Danske bank  | 15/01/2026    | (7,795,280)  | Swedish Government  | 7,850,762                               |
| Danske bank  | 15/01/2026    | (43,211,087) | Swedish Government  | 43,518,638                              |
| Danske bank  | 15/01/2026    | (43,211,087) | Swedish Government  | 43,518,638                              |
| Danske bank  | 15/01/2026    | (43,211,087) | 0.75 Swedish        | 43,518,638                              |
| Danske bank  | 15/01/2026    | (43,211,087) | 0.75 Swedish        | 43,518,638                              |
| Danske bank  | 15/01/2026    | (43,211,087) | 0.75 Swedish        | 43,518,638                              |
| <b>Total</b> |               |              |                     | <b>268,962,590</b>                      |

*As at 31 December 2024:*

| Counterparty | Maturity date | Cash paid    | Collateral received | Market value of the collateral received |
|--------------|---------------|--------------|---------------------|---|
| Danske bank  | 14/01/2025    | (41,187,341) | Swedish Gov 2.45    | 40,809,295                              |
| Danske bank  | 14/01/2025    | (25,635,001) | Swedish Gov 2.45    | 25,399,705                              |
| Danske bank  | 14/01/2025    | (41,223,027) | Swedish Gov 2.44    | 40,809,295                              |
| Danske bank  | 14/01/2025    | (1,978,705)  | Swedish Gov 2.44    | 1,958,846                               |
| Danske bank  | 14/01/2025    | (41,244,602) | Swedish Gov 2.445   | 40,809,295                              |
| Danske bank  | 14/01/2025    | (41,244,602) | Swedish Gov 2.445   | 40,809,295                              |
| Danske bank  | 14/01/2025    | (4,041,971)  | Swedish Gov 2.445   | 3,999,311                               |
| <b>Total</b> |               |              |                     | <b>194,595,042</b>                      |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 7. REPURCHASE AND REVERSE REPURCHASE AGREEMENT (CONTINUED)

The Sub-Fund CABA Flex 2 was committed into the following repurchase agreements:

*As at 31 December 2025:*

| Counterparty | Maturity date | Cash received | Collateral pledged   | Market value of the collateral pledged |
|--------------|---------------|---------------|----------------------|--|
| Danske bank  | 15/01/2026    | 45,383,687    | STADSHYPOTEK AB      | (45,706,701)                           |
| Danske bank  | 15/01/2026    | 47,953,550    | STADSHYPOTEK AB      | (48,294,855)                           |
| Danske bank  | 15/01/2026    | 47,953,550    | STADSHYPOTEK AB      | (48,294,855)                           |
| Danske bank  | 15/01/2026    | 23,540,027    | NORDEA HYPOTEK       | (23,707,571)                           |
| Danske bank  | 15/01/2026    | 46,338,636    | NORDEA HYPOTEK       | (46,668,447)                           |
| Danske bank  | 15/01/2026    | 10,044,120    | LANSFORSKRINGAR      | (10,115,609)                           |
| Danske bank  | 15/01/2026    | 45,707,970    | Danske Hypotek AB    | (46,033,292)                           |
| Danske bank  | 15/01/2026    | 23,036,817    | Danske Hypotek AB    | (23,200,779)                           |
| Danske bank  | 15/01/2026    | 45,707,970    | Danske Hypotek AB    | (46,033,292)                           |
| Danske bank  | 15/01/2026    | 45,383,687    | STADSHYPOTEK AB      | (45,706,701)                           |
| Danske bank  | 15/01/2026    | 45,383,687    | STADSHYPOTEK AB      | (45,706,701)                           |
| Danske bank  | 15/01/2026    | 45,383,687    | STADSHYPOTEK AB      | (45,706,701)                           |
| Danske bank  | 15/01/2026    | 47,850,098    | SWEDISH COVERED BOND | (48,190,666)                           |
| Danske bank  | 15/01/2026    | 45,253,498    | Landshypotek Bank AB | (45,575,585)                           |
| Danske bank  | 15/01/2026    | 4,525,350     | Landshypotek Bank AB | (4,557,559)                            |
| Danske bank  | 15/01/2026    | 45,253,498    | Landshypotek Bank AB | (45,575,585)                           |
| Danske bank  | 15/01/2026    | 31,724,776    | SWEDBANK HYPOTEK     | (31,950,574)                           |
| Danske bank  | 15/01/2026    | 45,321,109    | SWEDBANK HYPOTEK     | (45,643,677)                           |
| Danske bank  | 15/01/2026    | 34,278,357    | SKANDINAV ENSKIL     | (34,522,330)                           |
| Danske bank  | 15/01/2026    | 45,341,742    | SKANDINAV ENSKIL     | (45,664,457)                           |
| Danske bank  | 15/01/2026    | 16,792,632    | Landshypotek Bank AB | (16,912,152)                           |
| Danske bank  | 15/01/2026    | 45,574,846    | SKANDINAV ENSKIL     | (45,899,221)                           |
| Danske bank  | 15/01/2026    | 23,185,512    | SWEDBANK HYPOTEK     | (23,350,533)                           |
| <b>Total</b> |               |               |                      | <b>(863,017,843)</b>                   |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****As at 31 December 2025****7. REPURCHASE AND REVERSE REPURCHASE AGREEMENT (CONTINUED)***As at 31 December 2024:*

| <b>Counterparty</b> | <b>Maturity date</b> | <b>Cash received</b> | <b>Collateral pledged</b> | <b>Market value of the collateral pledged</b> |
|---------------------|----------------------|----------------------|---------------------------|---|
| Danske bank         | 14/01/2025           | 4,819,031            | Nordea 2.710              | (4,830,629)                                   |
| Danske bank         | 14/01/2025           | 44,620,658           | Nordea 2.710              | (44,728,050)                                  |
| Danske bank         | 14/01/2025           | 15,938,311           | Landshypotek 2.75         | (16,182,657)                                  |
| Danske bank         | 14/01/2025           | 9,623,974            | Landsfor 2.71             | (9,628,730)                                   |
| Danske bank         | 14/01/2025           | 32,871,327           | Skandinav 2.710           | (33,068,860)                                  |
| Danske bank         | 14/01/2025           | 43,812,982           | DANSKE 2.705              | (44,214,681)                                  |
| Danske bank         | 14/01/2025           | 22,132,325           | DANSKE 2.71               | (22,284,200)                                  |
| Danske bank         | 14/01/2025           | 43,193,343           | DANSKE 2.71               | (44,214,681)                                  |
| Danske bank         | 14/01/2025           | 46,213,806           | Stadshypotek 2.705        | (45,612,378)                                  |
| Danske bank         | 14/01/2025           | 43,245,353           | Stadshypotek 2.705        | (42,692,895)                                  |
| Danske bank         | 14/01/2025           | 43,245,353           | Stadshypotek 2.705        | (42,692,895)                                  |
| Danske bank         | 14/01/2025           | 42,955,317           | Landshypotek 2.735        | (43,651,154)                                  |
| Danske bank         | 14/01/2025           | 42,955,317           | Landshypotek 2.735        | (43,651,154)                                  |
| Danske bank         | 14/01/2025           | 4,295,532            | Landshypotek 2.735        | (4,365,115)                                   |
| Danske bank         | 14/01/2025           | 43,361,204           | Skandinav Enskil 2.7      | (43,741,876)                                  |
| Danske bank         | 14/01/2025           | 43,560,955           | Skandinav Enskil 2.7      | (43,932,918)                                  |
| Danske bank         | 14/01/2025           | 46,305,047           | Stadshypotek 2.714        | (45,612,378)                                  |
| Danske bank         | 14/01/2025           | 43,271,519           | Swedbank 2.7              | (43,724,212)                                  |
| <b>Total</b>        |                      |                      |                           | <b>(618,829,463)</b>                          |

The Company uses repurchase and reverse repurchase agreements for Efficient Portfolio Management. The revenues and costs arising from them are presented in the Statement of Operations and Changes in Net Assets under ‘Interest expense on repurchase agreements’ and ‘Interest income on reverse repurchase agreements’.

**8. SHARE CAPITAL**

According to Luxembourg law, the share capital of the Company shall at all times be equal to its total net asset value as determined in the Prospectus, i.e. the total of its assets less the total of its liabilities.

**8.1. The Company**

The issued share capital of the Company is EUR 30,000 represented by 300 fully paid-up shares issued for the purpose of the incorporation of the Company. The initial share capital does not form part of the net asset value of any Sub-Fund and thus are disclosed in the financial statements by way of this note only. Such shares have been fully redeemed on 30 June 2023.

**8.2. Nordic Factoring Fund Lux**

The Sub-Fund’s share capital consists of class A shares.

The initial subscription price of class A shares issued to shareholders on 30 June 2023 was EUR 100 per share. As at 31 December 2025, the minimum initial subscription per investor amounts to EUR 100,000.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****As at 31 December 2025****8. SHARE CAPITAL (CONTINUED)**

Thereafter, class A shares are subscribed on the last business day of each month, except December (unless the Board of Directors decides differently), at a price equal to the net asset value (“NAV”) per share of the Sub-Fund calculated on the applicable Valuation Day.

Class A shares are redeemable on the last day of each quarter at the NAV calculated as at the quarter-end preceding the date of the redemption request.

No dividends shall be paid to the shareholders as class A shares are capitalizing. There is no unfunded commitment at year-end.

**8.3. CABA Flex 2**

As at 31 December 2025, the Sub-Fund is offering the following classes of shares:

| <b>Share class</b> | <b>Currency</b> | <b>Hedged</b> |
|--------------------|-----------------|---------------|
| Class A            | EUR             | No            |
| Class B            | DKK             | Yes           |
| Class C            | SEK             | Yes           |

The shares of each class in the Sub-Fund will rank pari passu with each other in all respects provided that the classes may differ as to fee structures, hedging policy, target investor or any other criteria, pursuant to the conditions set forth in the Prospectus.

During the initial offer period, Class A shares are issued at the initial subscription price of EUR 100 per share, and Class B and C shares are issued at EUR 100,000 or equivalent amount in DKK or SEK respectively. Thereafter, shares are subscribed on any business day which is a Valuation Day, at a price equal to the NAV per share of the relevant share class calculated on the applicable Valuation Day.

Shares are redeemable on each business day at the NAV calculated as of such Valuation Day.

No dividends shall be paid to the shareholders as the shares are capitalizing. There is no unfunded commitment at year-end.

**8.4. Highland Global Select Fund Lux**

As at 31 December 2025, the Sub-Fund is offering the following classes of shares:

| <b>Share Class</b> | <b>Currency</b> | <b>Hedged</b> |
|--------------------|-----------------|---------------|
| A SEK              | SEK             | No            |
| A USD              | USD             | Yes           |
| A EUR              | EUR             | Yes           |
| A GBP              | GBP             | Yes           |
| B SEK              | SEK             | No            |
| B USD              | USD             | Yes           |
| B EUR              | EUR             | Yes           |
| B GBP              | GBP             | Yes           |
| C SEK              | SEK             | No            |
| C USD              | USD             | Yes           |
| C EUR              | EUR             | Yes           |
| C GBP              | GBP             | Yes           |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****As at 31 December 2025****8. SHARE CAPITAL (CONTINUED)**

During the initial offering period, from 2 January to 9 January 2025, shares are issued at the initial subscription price of SEK 1,000 per share for the SEK class, EUR 100 for the EUR class and USD 100 for the USD class. Thereafter shares are subscribed at a price equal to the NAV per share of the relevant share class calculated on the applicable Valuation Day.

Shares are redeemable on the last business day of each quarter.

No dividends shall be paid to the shareholders as the shares are capitalized.

**9. SWING PRICING**

CABA Flex 2 may suffer dilution of the NAV as a result of large subscriptions or redemptions.

Such dilution would arise from shareholders buying or selling shares at a NAV which would not accurately reflect the dealing and other costs incurred when securities are traded to accommodate cash inflows or outflows. In order to counter such dilution impact, the Sub-Fund adopts a swing pricing mechanism as part of its valuation policy.

If on any Valuation Day, the net aggregate amount of subscriptions or redemptions of shares of the Sub-Fund exceeds a pre-determined threshold expressed as a percentage of the Sub-Fund's NAV, the NAV will be adjusted upwards or downwards to reflect the costs attributable to the underlying trade in securities undertaken by the AIFM and/or the Investment Manager to accommodate inflows or outflows as the case may be.

The NAV will be first calculated separately as defined in the Section 7 of the Appendix II of the Prospectus. Any swing pricing adjustment to such NAV will be applied systematically and consistently based on predefined factors. The price adjustment may vary and will normally not exceed 2% of the original NAV. The AIFM may decide to (i) suspend the application of any swing pricing adjustment to the NAV of the Sub-Fund or (ii) increase this price adjustment limit, in exceptional circumstances to protect the interests of the shareholders. For avoidance of doubt, any performance fee is charged on the basis of the unswung NAV.

As at 31 December 2025 and 2024, no NAV was swung.

**10. NET ASSET VALUE PER SHARE**

The NAV per share of each class within a Sub-Fund is calculated by dividing the net assets of the relevant Sub-Fund (which are equal to the total assets minus the total liabilities) attributable to such class by the aggregate number of shares of such class then outstanding, calculated as of each Valuation Day, in accordance with the valuation rules set forth in the Prospectus and Luxembourg Generally Accepted Accounting Principles applicable to reserved alternative investment funds. The NAV per share of each class is expressed in the reference currency of the relevant class. The NAV per share shall be rounded to 3 decimals.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As at 31 December 2025

## 10. NET ASSET VALUE PER SHARE (CONITNUED)

*Nordic Factoring Fund Lux*

| <b>Total net assets</b>          | <b>Currency</b> | <b>31.12.2025</b> | <b>31.12.2024</b> | <b>31.12.2023</b> |
|----------------------------------|-----------------|-------------------|-------------------|-------------------|
| Class A                          | EUR             | 1,402,478         | 2,647,596         | 125,000           |
| <b>Net asset value per share</b> | <b>Currency</b> | <b>31.12.2025</b> | <b>31.12.2024</b> | <b>31.12.2023</b> |
| Class A                          | EUR             | 112.684           | 106.561           | 100.000           |
| <b>Number of shares</b>          | <b>Currency</b> | <b>31.12.2025</b> | <b>31.12.2024</b> | <b>31.12.2023</b> |
| Class A                          | EUR             | 12,446            | 24,846            | 1,250             |

*CABA Flex 2*

| <b>Total net assets</b>          | <b>Currency</b> | <b>31.12.2025</b> | <b>31.12.2024</b> |
|----------------------------------|-----------------|-------------------|-------------------|
| Class A                          | EUR             | 13,884,405        | -                 |
| Class B                          | DKK             | 398,662,180       | 313,472,355       |
| <b>Net asset value per share</b> | <b>Currency</b> | <b>31.12.2025</b> | <b>31.12.2024</b> |
| Class A                          | EUR             | 113.917           | -                 |
| Class B                          | DKK             | 907.545           | 789.998           |
| <b>Number of shares</b>          | <b>Currency</b> | <b>31.12.2025</b> | <b>31.12.2024</b> |
| Class A                          | EUR             | 121,882           | -                 |
| Class B                          | DKK             | 439,275           | 396,801           |

*Highland Global Select Fund Lux*

| <b>Total net assets</b>              | <b>Currency</b> | <b>31.12.2025</b> |
|--------------------------------------|-----------------|-------------------|
| Class A                              | SEK             | 12,078,587        |
| Class C                              | SEK             | 5,023,563         |
| <b>Net asset value per share (*)</b> | <b>Currency</b> | <b>31.12.2025</b> |
| Class A                              | SEK             | 951.538           |
| Class C                              | SEK             | 900.267           |
| <b>Number of shares</b>              | <b>Currency</b> | <b>31.12.2025</b> |
| Class A                              | SEK             | 12,694            |
| Class C                              | SEK             | 5,580             |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****As at 31 December 2025****11. TAXATION**

According to legislation in force, the Company is not subject to corporate income tax, municipal business tax and net wealth tax and distributions of profits by the Company do not give rise to a withholding tax.

The Company is however liable in Luxembourg to a subscription tax, payable quarterly on the basis of 0.01% per annum of its net asset value at the end of the relevant calendar quarter. No stamp duty or other tax is payable in Luxembourg on the issue of units.

**12. TRANSACTION COSTS**

In order to achieve their investment objective, CABA Flex 2 and Highland Global Select Fund Lux incurred transaction costs in relation to trading activity on their respective portfolio. For the year ended 31 December 2025, transaction costs incurred by the Sub-Funds amounted to EUR 9,089 (2024: none).

**13. TRANSACTIONS WITH RELATED PARTIES****13.1. AIFM fees***Nordic Factoring Lux Fund*

The AIFM is entitled to receive, out of the assets of Nordic Factoring Fund Lux, a fee calculated based on the assets under management (AuM) applying a decreasing scale and subject to a minimum annual fee of EUR 42,500 and additional fee of EUR 400 per share class per month. The fee is calculated and accrued monthly using the rates set out below:

| <b>Rate per annum</b> | <b>AuM</b>                                     |
|-----------------------|--|
| 0.050%                | First EUR 10 million                           |
| 0.040%                | Above EUR 10 million and up to EUR 100 million |
| 0.035%                | Above EUR 100 million                          |

*CABA Flex 2*

The AIFM is entitled to receive, out of the assets of the relevant share class of CABA Flex 2, a fee calculated based on the average NAV attributable to the relevant share class applying a decreasing scale and subject to a minimum annual fee of EUR 50,000 and EUR 400 per share class per month and EUR 500 per month for risk management services. The fee is calculated and accrued quarterly using the rates set out below:

| <b>Rate per annum</b> | <b>Average NAV</b>                              |
|-----------------------|---|
| 0.065%                | First EUR 100 million                           |
| 0.050%                | Above EUR 100 million and up to EUR 200 million |
| 0.040%                | Above EUR 200 million                           |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****As at 31 December 2025****13. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)***Highland Global Select Fund Lux*

The AIFM is entitled to receive, out of the assets of the relevant share class of Highland Global Select Fund Lux a fee calculated based on the average NAV attributable to the relevant share class applying a decreasing scale and subject to a minimum annual fee of EUR 50,000 and EUR 400 per share class per month and EUR 500 per month for risk management services. The fee is calculated and accrued quarterly using the rates set out below:

| <b>Rate per annum</b> | <b>Average NAV</b>                              |
|-----------------------|---|
| 0.065%                | First EUR 100 million                           |
| 0.050%                | Above EUR 100 million and up to EUR 200 million |
| 0.040%                | Above EUR 200 million                           |

**13.2. Investment management fees**

In compensation for their services provided to the Sub-Funds, the Investment Managers are entitled to receive an investment management fee, calculated as set out below:

| <b>Sub-Fund</b>           | <b>Calculation basis and applicable rate</b>                        |
|---------------------------|---|
| Nordic Factoring Fund Lux | 0.80% and 1.25% per annum of the AuM of Class A and B, respectively |
| CABA Flex 2               | 1% of the average NAV during the relevant quarter                   |

**13.3. Performance fee***Nordic Factoring Fund Lux*

No performance fee shall be levied at the level of this Sub-Fund.

*CABA Flex 2*

The Investment Manager is entitled to receive from the Sub-Fund a performance fee equal to 15% per annum of the amount by which the NAV per share of the relevant share class exceeds by 3% the high-water mark (the “Hurdle Rate”) at the end of the financial year, and adjusted, where applicable, to avoid any change in the performance fee solely due to subscriptions and redemptions.

No performance fee is due if the NAV per share of the relevant share class does not exceed the Hurdle Rate at the end of the financial year. The performance is calculated and accrued on an annualized basis as an expense of such share class.

The high-water mark is defined as the greater of (i) the NAV per share of the relevant share class at the end of a financial year and (ii) the NAV per share of relevant share class calculated on the first Valuation Day following the initial offer period.

*Highland Global Select Fund Lux*

The Investment Manager is entitled to receive from the Sub-Fund a performance fee equal to 20% of the return of the Sub-Fund, only when the return is positive. If the Sub-Fund’s return for a period is negative, the performance fee shall only be accrued as from the month the Sub-Fund’s return excess the high-water mark.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****As at 31 December 2025****13. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)**

The high-water mark is defined as the greater NAV per share of the relevant share class reached during the previous five financial periods, starting on the date of the first subscription.

The performance fee is calculated monthly and accrued quarterly as an expense of such share class.

**13.4. Expense recoveries from the Investment Manager***Nordic Factoring Fund Lux*

All of the preliminary expenses incurred in the incorporation of the Company and Nordic Factoring Fund Lux as well as depositary, administrator, auditors and other fees were to be recovered in full from the Investment Manager.

Such expense recoveries were presented under the caption ‘Other income’ in the Statement of Operations and Changes in Net Assets for the years-ended 31 December 2025 and 2024. Any receivable outstanding at 31 December 2025 in respect of such expense recoveries were shown under the caption ‘Receivable from a related party’ in the Statement of Net Assets.

*Highland Global Select Fund Lux*

Part of the organizational and operating costs incurred by the Sub-Fund since its launch are covered by the Fund. Considering that those expenses and costs relate to the Sub-Fund, the Sub-Fund recognized these costs on a net basis in the Statement of Operations and Changes in Net Assets.

**13.5. Related party shareholding**

As at 31 December 2025, 1,250 class A shares in Nordic Factoring Fund Lux are held by the Sub-Fund’s Investment Manager.

**14. CONTINGENCIES**

As at 31 December 2025, there was no material contingent liability or asset.

**15. COMMITMENTS**

As at 31 December 2025, Nordic Factoring Fund Lux has no commitment outstanding toward the Master Fund and there is no unfunded commitment from the Sub-Funds’ shareholders.

As at 31 December 2025, the Sub-Funds CABA Flex 2 and Highland Global Select Fund Lux, have no outstanding commitment other than those disclosed in Notes 7 and 8.

**16. STATEMENT OF CHANGES IN THE PORTFOLIO**

Upon request to be addressed to the registered office of the Company, a copy of the statement of changes in the portfolio for the year ended 31 December 2025 can be obtained free of charge.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****As at 31 December 2025****17. EXCHANGE RATES**

The exchange rates used as at 31 December 2025 are:

|     | <u>1 EUR =</u> |
|-----|----------------|
| SEK | 10.8270        |
| DKK | 7.4683         |
| USD | 1.1745         |

**18. EVENTS AFTER THE REPORTING DATE**

In March 2026, military actions in the Middle East led to an escalation of geopolitical tensions in the region.

The Company does not have direct investments, operations, or counterparties in the affected region. While these developments have had no direct impact on the Company's operations, financial position, or the value of its assets, the evolving geopolitical situation could have broader implications for global economic conditions, capital markets, and investor sentiment, which may indirectly influence the operating environment of the Company and its Sub-Funds.

The General Partner has assessed these events and considers them to be non-adjusting events after the reporting year. As at the date of authorisation of these financial statements, no adjustments have been made to the carrying amounts of the Company's assets or liabilities, and no changes have been made to the assumptions applied in the valuation of the investments.

## DISCLOSURES UNDER THE ALTERNATIVE INVESTMENT FUND MANAGERS (AIFM) DIRECTIVE (UNAUDITED)

ISEC Services AB's current remuneration policy is available on the website [www.isec.com](http://www.isec.com). A table on remuneration related information for 2025 is below:

### Total Salaries for ISEC Services AB for 2025 in SEK

|                                | Fixed salaries    | Variable salaries | Total salaries    | Head Counts |
|--------------------------------|-------------------|-------------------|-------------------|-------------|
| Board of Directors             | 661,600           | -                 | 661,600           | 4           |
| Senior Management              | 2 398 554         | -                 | 2 398 554         | 2           |
| Employees in Control Functions | 4,505 570         | -                 | 4,505,570         | 6           |
| Other Employees                | 4,409,213         | -                 | 4,409,213         | 8           |
| <b>Total salaries</b>          | <b>11,974,937</b> | <b>-</b>          | <b>11,974,937</b> | <b>20</b>   |

No remuneration was paid directly by the Company to the staff of the AIFM.

### Risk Management

Investors should be aware that an investment in the sub-fund involves a degree of risk and should inform themselves about these risks in the latest version of the Issuing Document. In accordance with Article 21(4) and (5) of the AIFM Law, as complemented by Articles 108 and 109 of Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012, alternative investment fund managers are required to provide investors with certain information in addition to the information which they receive pursuant to the Issuing Document of the sub-fund. Please note that the form, kind, and complexity of the information provided herein may vary in future reports in accordance with legislative and regulatory requirements.

The AIFM has established a risk management function that is functionally and hierarchically separate from its operating units and implements, subject to continuous improvements and regular (at least annual) review, adequate risk management systems in order to identify, measure, manage, and monitor appropriately all risks relevant to the sub-fund investment strategy and to which the sub-fund is or may be exposed. The following risk categories are deemed to be material for the Fund:

- Market risk: The risk of a negative impact on the value of an equity investment of adverse developments in relation to the risk/value drivers specific to the underlying asset.
- Credit/Counterparty risk: The risk of loss resulting from a counterparty to a transaction defaulting on its contractual obligations prior to the final settlement of the transaction (replacement risk).
- Liquidity risk: Certain investments may be illiquid; in case of liquidity needs the sub-fund faces the risk of not being able to liquidate its investments in a timely and cost-effective manner.
- Operational risk: The risk of loss resulting from inadequate processes and failures in relation to people and systems of the various service providers to the Fund or from external events, including legal and documentation risk and risk resulting from the transaction, settlement and valuation procedures operated on behalf of the sub-fund. Quantitative and qualitative risk indicators and limits for Fund have been defined and are regularly monitored by the AIFM.

These risk indicators and limits were determined in accordance with the investment policy, objectives, restriction and policies as well as the investment style of the Sub-fund. Further risk categories may be added as and when identified as being material to the sub-fund by the risk management function, as the case may be in coordination with the portfolio manager.

### Risk Exposure

ISEC Services AB use a risk management procedure for the Fund in accordance with the amended Law of 17 December 2010 and other applicable regulations, in particular CSSF Circular 11/512. The methodology used in order to calculate the global exposure for all the Sub-Funds of the Fund is the commitment approach.

## INFORMATION CONCERNING SECURITIES FINANCING TRANSACTIONS REGULATION (SFTR) (UNAUDITED)

### Nordic Factoring Fund Lux

During the year to which this report relates, the Sub-fund did not engage in transactions which are subject to EU regulation N 2015/2365 on the transparency of securities financing transactions and of reuse.

### CABA Flex 2

During the year to which this report relates, the Sub-fund did engage in transactions which are subject to EU regulation N 2015/2365 on the transparency of securities financing transactions and of reuse.

## 1. SECURITIES FINANCING TRANSACTIONS USED

The Sub-Fund engaged in the following types of securities financing transactions (SFTs) during the reporting year:

|  |     |
|--|-----|
| - Repurchase Agreements (Repos):                 | Yes |
| - Reverse Repurchase Agreements (Reverse Repos): | Yes |
| - Securities Lending:                            | No  |
| - Margin Lending:                                | No  |

## 2. AMOUNTS AND TENORS

The gross amount of assets under SFTs and their proportion relative to the total assets of the Sub-Fund are as follows:

|  |                              |
|--|------------------------------|
| Total amount of assets engaged in SFTs:        | 1 136 360 861                |
| Proportion of Sub-Fund assets engaged in SFTs: | 43,7%                        |
| Maturity:                                      | 100% - one week to one month |
| Settlement and clearing:                       | Central counterparty         |

## 3. COLLATERAL

Types and qualities of collateral received and/or posted in connection with SFTs:

|                    |      |
|--------------------|------|
| - Collateral Type: | Cash |
| - Currency:        | EUR  |

## 4. REUSE OF COLLATERAL

Collateral reuse policy and actual reuse:

|                    |     |
|--------------------|-----|
| - Reuse permitted: | No  |
| - Actual reuse:    | N/A |

## 5. SAFEKEEPING OF COLLATERAL

Details of safekeeping of collateral:

|                              |                |
|------------------------------|----------------|
| - Custodian(s):              | Danske Bank    |
| - Location:                  | Denmark        |
| - Value held in safekeeping: | EUR 26 509 084 |

## 6. COUNTERPARTIES

Top counterparties by gross volume:

|                   |                           |
|-------------------|---------------------------|
| - Counterparty 1: | 100% Danske Bank, Denmark |
|-------------------|---------------------------|

**INFORMATION CONCERNING SECURITIES FINANCING TRANSACTIONS REGULATION (SFTR)  
(UNAUDITED) (CONTINUED)**

**CABA Flex 2 (Continued)**

All returns generated from repo and reverse repo transactions accrue to the Sub-Fund.

- Sub-Fund: 100% of returns
- Manager of the Sub-Fund: 0%
- Third parties (e.g. agent lender): 0%

There are no direct or indirect operational costs or fees deducted from the returns of these transactions that are paid to the manager or any third parties. Accordingly, the net return of the SFTs is fully retained by the Sub-Fund.

**Highland global Select Fund Lux**

During the period to which this report relates, the Sub-fund did not engage in transactions which are subject to EU regulation N 2015/2365 on the transparency of securities financing transactions and of re use.

**INFORMATION CONCERNING SUSTAINABLE FINANCE DISCLOSURE REGULATION (SFDR)  
(UNAUDITED)**

In the frame of the SFDR regulation, the Sub-Funds of the structure are subject to the article 6 of the regulation. Therefore, the investments underlying these financial products do not take into account the EU criteria for environmentally sustainable economic activities.