



May 2026 Monthly Report

Returns 31-Dec-12 to 31-May-26

	Norse Capital	All Ords Accum	Outperformance	Small Ords Accum	Outperformance
Inception	547.13%	225.81%	321.32%	126.31%	420.81%
Inception per annum	14.93%	9.20%	5.73%	6.27%	8.65%
CY2026 (ytd)	1.06%	0.86%	0.20%	-6.03%	7.09%
CY2025	4.13%	10.56%	-6.43%	24.96%	-20.83%
CY2024	45.23%	11.44%	33.78%	8.36%	36.87%
CY2023	17.73%	12.98%	4.75%	7.82%	9.90%
CY2022	-30.79%	-2.96%	-27.83%	-18.38%	-12.41%
CY2021	16.86%	17.74%	-0.88%	16.90%	-0.04%
CY2020	26.36%	3.64%	22.73%	9.21%	17.15%
CY2019	43.44%	24.06%	19.38%	21.36%	22.08%
CY2018	7.46%	-3.53%	10.99%	-8.67%	16.13%
CY2017	15.55%	12.47%	3.08%	20.02%	-4.46%
CY2016	9.31%	11.65%	-2.33%	13.18%	-3.87%
CY2015	36.80%	3.78%	33.02%	10.16%	26.65%
CY2014	10.81%	5.02%	5.79%	-3.81%	14.62%
CY2013	19.24%	19.66%	-0.41%	-0.76%	20.00%
1m	5.96%	1.22%	4.74%	2.03%	3.93%
3m	10.25%	-3.95%	14.20%	-6.13%	16.38%
6m	-3.98%	2.13%	-6.11%	-4.70%	0.72%
1y	5.64%	6.82%	-1.18%	11.25%	-5.61%
2y pa	14.88%	9.58%	5.30%	10.50%	4.38%
3y pa	20.88%	10.99%	9.89%	10.63%	10.25%
5y pa	7.50%	7.88%	-0.38%	4.02%	3.48%
7y pa	9.94%	8.59%	1.35%	5.95%	3.99%
10y pa	13.12%	9.16%	3.96%	7.10%	6.03%
12y pa	14.97%	8.33%	6.64%	7.13%	7.84%
Sharpe Ratio	0.87	0.57	1.52x	0.32	2.68x
Sortino Ratio	1.44	0.80	1.79x	0.46	3.15x
Annualised standard deviation	14.94%	13.33%		16.45%	
Highest monthly return	11.91%	10.16%		14.27%	
Largest monthly loss	-10.61%	-20.94%		-22.38%	
Largest drawdown	-36.68%	-27.33%		-29.11%	
% positive months	67.70%	65.84%		59.01%	

Another positive month for equity markets with our just shy of +6.0% once again outpacing the All Ords at +1.2% and the Small Ords at +2.0%, a bit ahead of the S7P 500's +5.1% and under the Nasdaq's +8.4%. Tech (specifically AI) has been the narrow driver with the S&P 500 and Nasdaq at essentially all-time highs, while the composition of the Australian indices has seen them miss out on that. Even the ASX All Technology Index has failed to keep up with a +1.7% performance in May.

No large detractors of note. EOL (-12.3%) and TLX (-13.1%) both cost the portfolio on the order of ~-0.5%. EOL released a market update that on the one hand looked positive with evolving energy markets increasing complexity and strengthening demand for EOL's product offering. On the other hand, billed ARR at ~13% growth was forecast to come in slightly below projections due to 2 large customers increasing the scope of their projects with EOL but as a result, delaying timing into FY27. I took the opportunity of the resulting share price drop to add to our position.

On the positive side of the ledger, a large portion of May's performance came from our enterprise software basket which added +5.1% to the portfolio. CRWD rose +9.5% and DDOG +87.1%. The latter posted blowout earnings with revenue growth accelerating to +32% and non-GAAP EPS at 60c outpacing the prior 52c consensus. Importantly, ~80% of their ARR comprises customers running AI integrations through their platform. DDOG was one in the cohort of software companies whose shares had been hit in the SaaSocalypse, dropping on the order of 50% from high to low but is (so far) showing itself to be a beneficiary of the AI wave. CRWD reports imminently. Meanwhile we exited our ZS position after their earnings report. Results were solid but FY27 guidance was cut from ~+20% to 16%-17% which management blamed on the departure of 2 sales executives. The step down in their growth trajectory for a high-priced software company along with what looks like a dubious excuse was the catalyst. The shares dropped >-20% where I exited but was actually at a profit vs recent purchases and last month's close. Only CRWD and DDOG left in our US-listed enterprise software basket which is now ~12.2% of the portfolio.

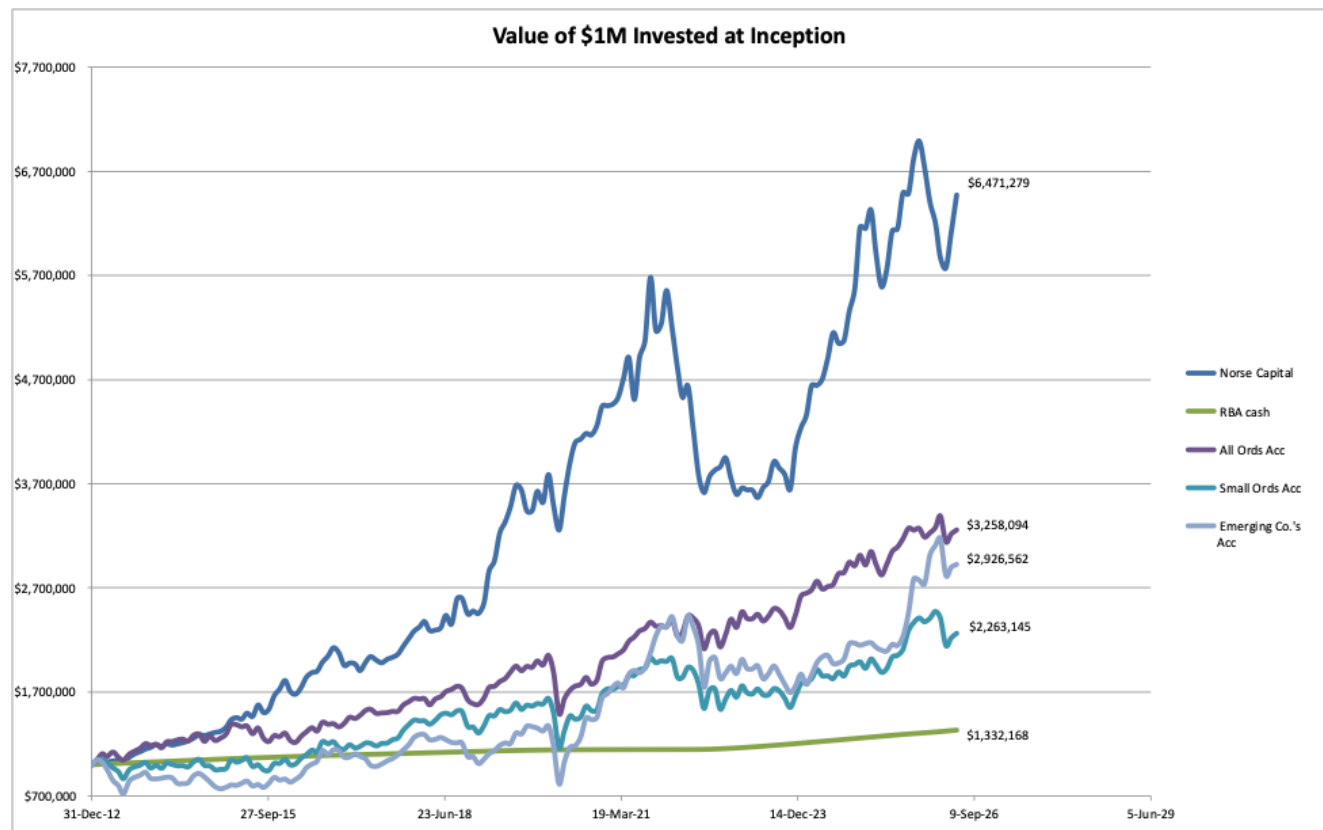
After April's big jump in semiconductor shares, I took profit in ~25% of our exposure across AAOI, ALAB and BE (all obviously at lower levels than where they are now), leaving us with a ~6.5% portfolio weighting.

Shorts and hedges cost the portfolio -0.5% while the tiny -0.23% fall in the Aud-Usd added +0.07%.

Portfolio Holdings:

Cash: 33.2% (AUD and USD)
 AUD-USD currency exposure: 22.7%
 Longs: 69.2%
 Shorts: -3.1%
 Options delta: -3.3%
 Net exposure: 62.8%
 Top 5 equities (alphabetical): AAPL, CRWD, GOOG, PME, RMD

Currency exposure has increased thanks to the rise in our Usd-denominated shares while the ASX shares basically trod water in May. Slightly shorter overall as we exited our ZS position to offset some of that value increase. On the hedge front I added some AAPL put spreads and a small amount of near zero-cost CRWD risk-reversal (sold call, bought put) which is already well out of the money. Also added a short-dated put in HACK (cyber security ETF) ahead of CRWD’s earnings.



Performance/Risk Ratios

