



River Oak Capital

Uppsala  
March 2026

# Dinner with Kajorna

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# Agenda

- i. The best way to invest surplus capital over a lifetime
- ii. Explain how River Oak applies it
- iii. How Does AI Impact the Financial Industry?
- iv. Q&A Session

# Brief Background About Me

- Investor and entrepreneur since 2010
  - River Oak since 2017
  - Professional investing since 2013
- Wife and two children (12 years & 9 years)
- Former elite athlete and national team player in badminton 1992-2006
  - Multiple Swedish championship titles and international titles incl. Junior Nordic Championship Men's Doubles
- M.Sc. Engineering Physics, specializing in Optimization at KTH 2000-2005
  - Master's thesis at University of Gainesville in Florida, USA
  - Developed radiation optimization algorithm for cancer treatment that contributed to the founding of ViewRay, Inc., listed on Nasdaq 2016

# How did I get hooked on investing with that background?

- Asked my then-boss how to value companies. His answer: Look at PE ratios.
- Started thinking more on my own, there must be more to it. In all my spare time (and work time too) I read about companies and investments.
- Had several tempting alternatives during these years:
  - ViewRay, Inc. in the US, Cancer radiation optimization
  - CEO Karolinska Institutet startup, Goal to reduce healthcare queues
  - Family business Nutris helping people eat right and lose weight
- Key insight:  
10x better results when you do something you truly find enjoyable and fascinating
- Jeff Bezos (Amazon's founder) was asked why he spent so much time and billions building rockets at his second company Blue Origin:

***"You don't choose your passions. Your passions choose you."***

# Stocks, Bonds, Gold or Cash??

Performance of Financial Assets in America from 1801 to today



Source: [Jeremy Siegel, Future for Investors \(2005\)](#), [Bureau of Economic Analysis, Measuring Worth](#)

# Stocks, Bonds, Gold or Cash??

Performance of Financial Assets in America from 1801 to today

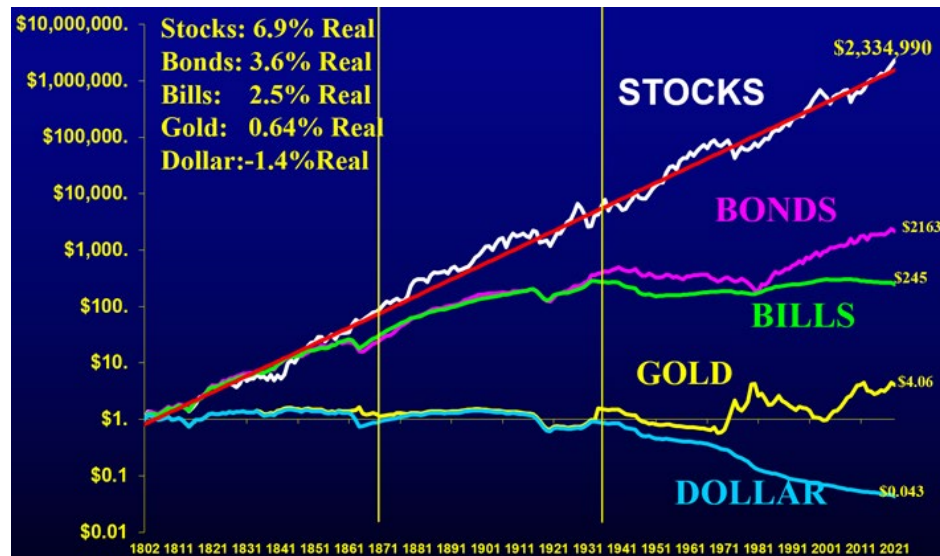


Source: [Jeremy Siegel, Future for Investors \(2005\)](#), [Bureau of Economic Analysis](#), [Measuring Worth](#)

# The Compound Interest Effect Yields Incredible Results

Årlig avkastning	4%	8%	12%	24%
10 år	1,480,244	2,158,925	3,105,848	8,594,426
20 år	2,191,123	4,660,957	9,646,293	73,864,150
30 år	3,243,398	10,062,657	29,959,922	634,819,933

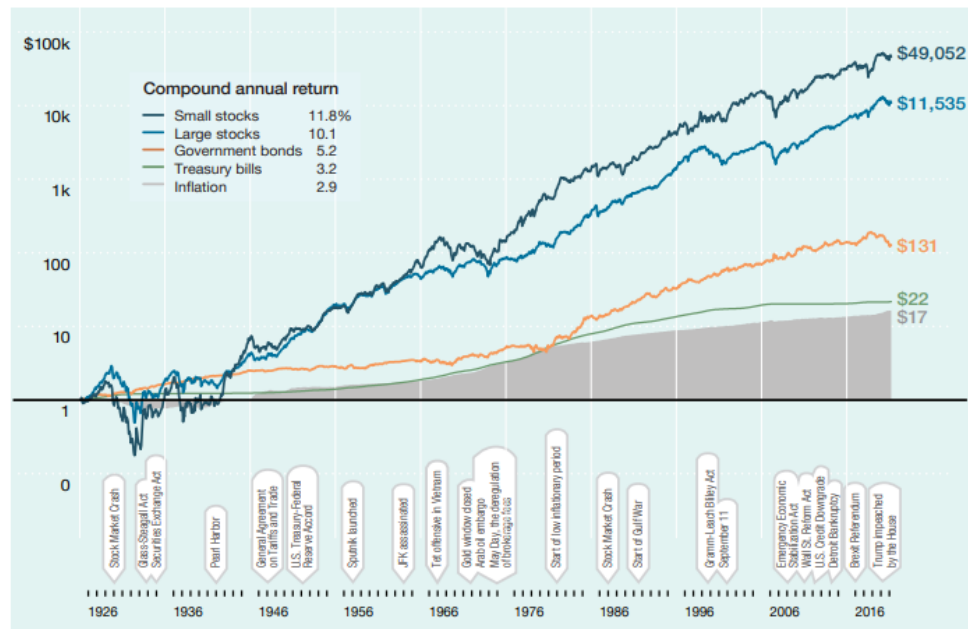
\* 1 million invested



Source: Jeremy Siegel, Stocks for the Long Run (2014) with updates to 2021

# Small Caps vs Large Caps

- Much of the outperformance for small caps came 1975–1983 with CAGR 35% vs 16%
- Large outperformance for Large caps 2016-2025 (the graph goes to 2022)
- Stocks give best returns but Small caps vs Large caps can be discussed



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Past performance is no guarantee of future results.

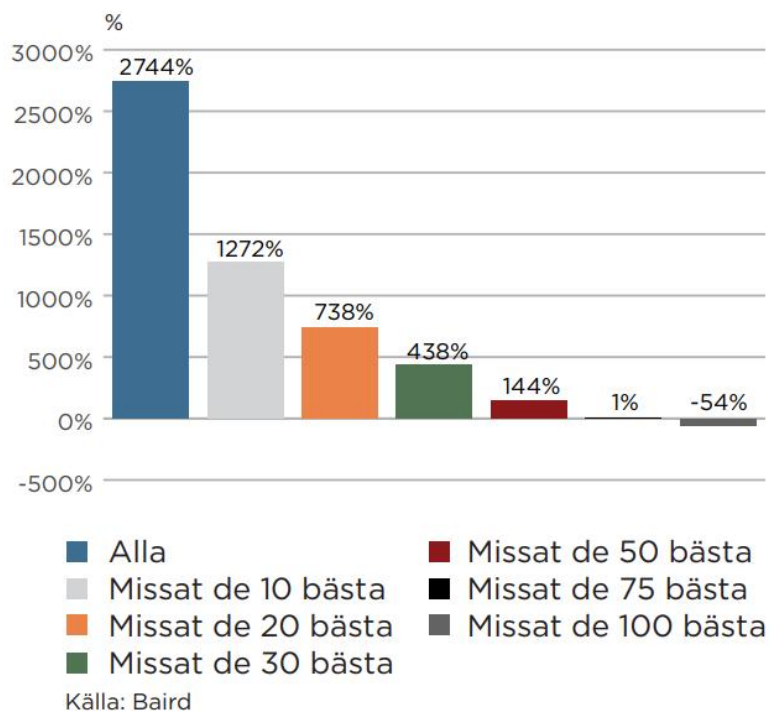
Past performance is no guarantee of future results. Hypothetical value of \$1 invested at the beginning of 1926. Assumes reinvestment of income and no transaction costs or taxes. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an Index. © Morningstar 2023 and Precision Information, dba Financial Fitness Group 2023. All Rights Reserved.

Source: Ibbotson / Morningstar SBBI (Stocks, Bonds, Bills & Inflation) dataset

# It's Important to Stay Invested

- You want to participate in the world's long-term upward trend
- Can you imagine an elite athlete sitting out 2 years of competitions due to fear of injury?
- The market has been fantastic over the last 100 years – but if you missed the best days your return would have been close to zero
- **Worst possible timing buying right before the financial crisis peak 2007/08?**  
  
Oct 2007 – Oct 2017 yielded 5% average annual return
- Much of the above is why River Oak was set up with a more permanent capital structure by nature

**50 års avkastning på S&P 500 om man missat de bästa dagarna**



# Should You Try to Time the Market?

## What do the business world's Michael Jordan & Scottie Pippen?

*"Microeconomics is what we do. Macroeconomics is what we put up with."*

– Charlie Munger

*"Over the years, there have been four times when Berkshire's stock has fallen by about 50%. If you can't handle a 50% decline in your investment, you shouldn't be invested in stocks. That's the price you pay for long-term returns."*

– Warren Buffett

*"I never have an opinion on the market because it would not be any good and it might interfere with opinions that are good."*

*If Federal Reserve Chair Janet Yellen came up and whispered in my ear what she was going to do for the next two years, it wouldn't make any difference to what we do."*

– Warren Buffett



Charlie Munger, former Vice Chairman, Berkshire Hathaway



Warren Buffett, Founder & Chairman Berkshire Hathaway

# Why Not Try to Predict the Market?

- You can make a brilliant and correct analysis of interest rates but be wrong about global growth, inflation, the dollar, China, India, Trump
  - Completely useless for predicting market movements
- "All future crashes look like risks, all historical crashes look like opportunities." – Morgan Housel
- **If you failed to predict the last 5 years' major world events, why would you do better the next 5 years?**

# Conclusions PART 1

- i. Stocks is amazing to be invested in over time
- ii. My best guess is the market will return 4-12% annually over the next 100 years
- iii. Give up your hopes of timing the market
- iv. An investment in yourself or starting your own business > Stocks

## PART 2

How Can It Be Applied?

# River Oak Capital AB

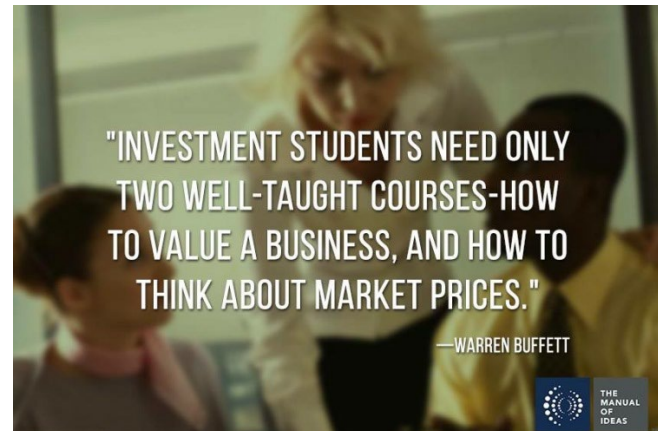
- Private investment company founded February 2017 in Uppsala
- **2017:**
  - 10 shareholders at inception
  - Starting capital SEK 4.4M of which SEK 0.5M from yours truly
  - Paid the law firm nearly 1% of starting capital on Day 1, I was sufficiently young and naive then to think it was a good solution with favorable odds
- **2026:**
  - 74 shareholders from eight different countries
  - Capital base SEK 90M

# Perception vs Reality

What some people think I do:



What I actually do:



# Index vs River Oak

## Index

- Index = a collection of companies  
  
E.g. the Swedish OMXS30 index consists of the 30 most traded companies in Sweden.  
  
Think of the index as the average company of these 30.
- The average company (that survives) has returned 7-10% per year
- Index is not a bad investment alternative.

## River Oak

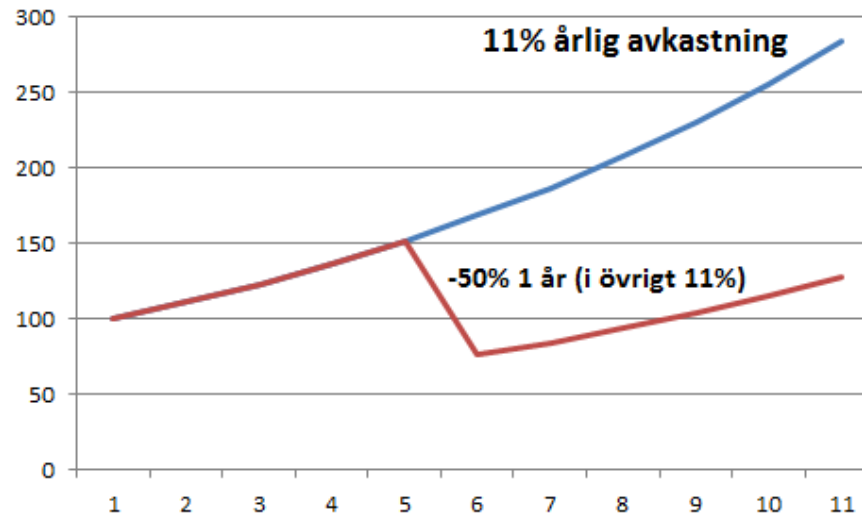
- In-depth company analysis of individual companies
- Find companies that are better than average and/or trade at a lower price. (We generally invest in companies that are not part of an index.)
- Long-term perspective as a starting point
- We keep it simple – complicated strategies rarely produce good results

# Our Goals

1. Don't lose money – we will always think about the downside first
  2. 15% average annual return on our capital over time (before tax in SEK)
- => The company's NAV increases by approx. 12% on average per year over time

# Offense wins games, defense wins championships

- We always think about the downside first.
- If you lose 50% of your capital in an investment, you need a subsequent double just to reach breakeven.
- Big impact on the long-term result:



# We Stick to What We Understand Well

- Isaac Newton & South Sea Company 1711
  - 1) Doubled his money, sold because he saw the crazy speculation going on
  - 2) Bought back much higher due to fear of missing out
  - 3) Lost several million in today's money. Rumor has it that he forbade all his friends to ever mention "South Sea Company" in his presence.

*"I can predict the movement of the stars but not the madness of man."*

- No penalty points in the investment world saying "I don't know". Quite the opposite. Simply to move on to the next opportunity.
- ***If you don't understand what you're investing in, how can you ever make good future decisions?***

# Good Opportunities Are Rare

- The best 4% of all listed stocks account for 100% of net returns in US markets (1926-2016)

The remaining 96% combined are equivalent to returns on US Treasury bills

Source: Hendrik Bessembinder (2018) "Do Stocks Outperform Treasury Bills?"

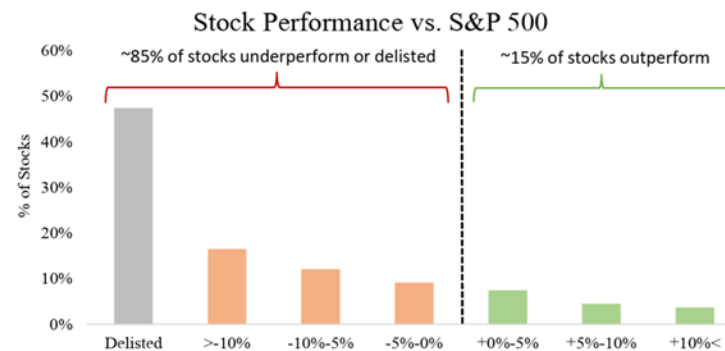
- Globally: The best 2.4% of stocks account for 100% of net returns (1990-2020)

Outside USA: The best 1.4% of stocks

Source: Bessembinder, H. et al. (2023) "Long-Term Shareholder Returns: Evidence from 64,000 Global Stocks"

- Only 15% of all stocks outperformed the S&P 500 (1980-2025)

Source: FactSet, Saga Partners



Note: The black dotted line represents the S&P 500's performance. Orange and green columns represent relative under/outperformance relative to the S&P 500 over rolling 10-year periods. Data consists of stocks publicly traded since 1980.  
Source: Factset, Saga Partners

## ...so We Invest Big When We Do Invest

- If you take the time to actively select stocks, you want to be rewarded when you're right
- Pointless to select 30-100 stocks, then you essentially become = index!  
(many banks/funds do exactly that and call themselves "active managers")
- It has been shown that more than 7-8 stocks in a portfolio doesn't provide any noticeably increased diversification

# What Kind of Companies Do We Look For?

Starting criterion: Want to reasonably understand the business at first glance.

1. Easy to understand: Should be able to explain the idea to my children in 5 minutes
2. Macro-independent to the greatest extent possible
3. Strong competitive advantage(s)
4. Companies I believe will earn more money in the future than they do today
5. Strong financial foundation: Balance sheet & Business model with limited investment needs
6. Attractive price
7. Honest and competent management:
  - Preferably management has significant share ownership that makes a difference in their lives
  - Running a company is tough and sometimes terrifying – motivation is needed.

# How Do We Value the Companies?

- Estimate profit, cash flow and net assets on 2-3 year time horizon (not by any means advanced models)
- Multiple I'm prepared to pay  
Based on predictability of demand and future profits, competitive position, growth opportunities, etc (a lot of experience applied here)
- *Investing is as much art as science.  
You don't need to know a man's height to know he is tall.*
- How do I choose between two good alternatives?

Answer the question: ***"How sure are you?"***



# FORTNOX

Småföretagens bästa vän

## Investment 2015:

- Fortnox 2014 Annual Report:

*“Only 15% of larger companies and 11% of smaller ones purchase cloud services for accounting and financial management. The most common reason companies don't use cloud services is lack of knowledge, according to Statistics Sweden's survey.”*

- Fortnox had approx. 100k customers and there were approx. 1M companies in Sweden of which 99% small businesses
- Strong network and lock-in effects
- Great opportunities for upselling and higher revenue per customer
- We paid ca 8x 2018E earnings of 100 million
- Acquired in 2025 by EQT & Olof Hallrup for SEK 55 billion  
(we sold our last shares at a valuation of SEK 38 billion, average approx. SEK 31 billion)

# AVANZA



## Investment 2022:

- Clear market leader in Sweden
  - Sometimes misunderstood that Nordnet is close due being active in four Nordic markets vs Avanza which focuses solely on Sweden
- Rates sharply up => Positive for Avanza's interest income, from 160M 2019 till 600M H2-22
- Number of customers doubled during covid but they were now showing lower activity
- Perfect hedge against higher rates / low activity
- Nice upside when activity returns with 2x user base & higher rates than before
- One of Sweden's top-10 most shorted stocks
- Earnings consistently near all-time high since then
- Stock price has not performed as well as I expected given the company's operational performance 2023-2026

# Results

*“However beautiful the strategy, you should occasionally look at the results.” – Winston Churchill*

Jan 1, 2013 – Feb 7, 2017: Zen Capital Family Partnership

Feb 8, 2017 – Dec 31, 2025: River Oak Capital AB (New structure in place since 2025)

The table shows River Oak’s results since inception including the results for founder and CEO Daniel’s family office between 2013 – 2016 which was the basis for the company’s founding and strategy:

<i>Årlig förändring i %</i>	<b>Avkastning (före skatt)</b>	<b>Substansvärde per aktie</b>	<b>OMXS30 inkl. utd. (före skatt)</b>	<b>Substansvärde per aktie Ny struktur</b>
<b>2013</b>	41,0%	30,8%	25,5%	35,6%
<b>2014</b>	45,0%	33,8%	14,0%	39,1%
<b>2015</b>	35,1%	26,3%	2,2%	29,9%
<b>2016</b>	20,5%	15,4%	9,4%	17,2%
<b>2017</b>	19,6%	14,0%	7,7%	16,5%
<b>2018</b>	0,0%	-6,0%	-7,0%	-1,5%
<b>2019</b>	61,7%	50,1%	30,7%	53,6%
<b>2020</b>	104,0%	74,3%	7,4%	92,3%
<b>2021</b>	14,3%	10,8%	32,7%	12,9%
<b>2022</b>	-26,9%	-28,8%	-13,0%	-28,3%
<b>2023</b>	5,7%	4,0%	21,0%	3,7%
<b>2024</b>	20,1%	17,5%	6,8%	18,0%
<b>2025</b>	-13,4%	-15,1%	19,7%	-15,1%
<b>Total Värdeökning</b>	1105,6%	485,2%	301,5%	718,4%
<b>Värdeökning per år</b>	21,1%	14,6%	11,3%	17,6%

**Currency effects:**

2014 +7%, 2016 +2%, 2017 -10%; 2018 +5%, 2019 +3%, 2020 -6%, 2024 +4%, 2025 -9%

Other years < 2%

# How Does AI Impact the Financial Industry?

- A good investor often has the following qualities:
  - Good at absorbing large amounts of information
  - Works hard and efficiently
  - Skilled at analyzing and comparing alternatives
  - Draw conclusions and Act with conviction
- An AI can work 24/7/365 completely without emotions (?)
- Already today better at several factors, but not the – often decisive – subjective judgment
- If the day comes when it's completely obvious that I add no value, then I'll have to consider a new career
- Until then, River Oak will keep trying

# Generative AI as an Accelerator

- So far AI is an accelerator
- Ability to build custom models within the LLM you use, e.g. Claude/ChatGPT
- Automated reports on key metrics for individual companies and industries
- Ralph's boats
  - 1 day's work now takes seconds
- I can work 10-20x faster now and that number will likely continue to increase
- Demo

# Generative AI: Examples

## Example: Alfa Laval

### Alfa Laval AB (STO: ALFA)

Shares O/S 413.3M

MCap SEK 216.6B @ SEK 524/share

Cash SEK 7.8B

Debt SEK 17.2B

EV SEK 226.0B

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### Business Description

Alfa Laval is a Sweden-based global leader in heat transfer, separation, and fluid handling, founded in 1883 and headquartered in Lund. The company manufactures highly engineered equipment used across energy, food, marine, pharmaceutical, and industrial sectors, serving customers in approximately 100 countries with around 23700 employees. Alfa Laval operates through three divisions: Energy (HVAC, data centers, clean energy, process industry), Food & Water (dairy, pharma, biofuels, protein, water treatment), and Marine (ship systems, offshore, cargo pumping, environmental solutions). Service constitutes approximately 30% of group revenue. The largest owner is Winder Holding AG (Switzerland) with 29.5%.

### Revenue Breakdown

#### By product

Heat Transfer 41%, Fluid Handling 27%, Separation 17%, Other 15%

#### By geography

Other EU 22%, China 19%, USA 16%, Other Asia 16%, South Korea 7%, Other Europe 7%, Latin America 6%, Other 7%

#### By division

Food & Water 37%, Marine 34%, Energy 29%

#### By revenue recognition

Mix of percentage-of-completion for large project contracts and point-in-time recognition for transactional and service sales. Capital sales ~70%, Service ~30%.

### 2025FY

Revenue SEK 69.7B (SEK 67.0B), +4%

EBIT SEK 11.7B (SEK 10.4B), +13%

EBIT Margin 16.9% (15.6%)

Cash from Operations SEK 9.2B (SEK 12.8B), -28%

CapEx SEK 2.7B (SEK 3.3B), -20%

FCF SEK 6.5B (SEK 9.4B), -31%

FCF Margin 9.3% (14.1%)

EV/FCF 34.7x

EV/EBIT 19.2x

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### 2024FY

Revenue SEK 67.0B (SEK 63.6B), +5%

EBIT SEK 10.4B (SEK 9.3B), +13%

EBIT Margin 15.6% (14.6%)

Cash from Operations SEK 12.2B (SEK 9.2B), +33%

CapEx SEK 3.3B (SEK 2.5B), +33%

FCF SEK 8.9B (SEK 6.7B), +33%

FCF Margin 13.2% (10.5%)

EV/FCF 25.4x

EV/EBIT 21.7x

# Summary


## **PART 1 The best way to invest surplus capital**

- Stocks are fantastic to be invested in over time
  - The market goes up over time as productivity improves and humanity moves forward.
  - If that stops we will all have bigger problems than our stocks.
- Give up your hopes of timing the market
- An investment in yourself or starting your own business always trumps Stocks

## **PART 2 How can it be applied?**

- River Oak invests in companies we see as better than average and/or trading at a lower price
  - In-depth company analysis of individual companies & Concentration in our best ideas
  - Long-term perspective as a starting point
  - We keep it simple
- An investment in River Oak may be interesting if:
  - Surplus capital in your company you won't need for the next 2-5 years (e.g. pension allocations)
  - Concentrated portfolio with focus on limited downside over time and opportunity for good upside
  - Believe in a simple investment strategy where the Founder and CEO with family have invested their entire liquid net worth (unlike many tie-wearing advisors in fancy offices 😊)

## **PART 3 AI in the financial industry**

- Today's AI is better than analysts in many respects
- Today an incredible accelerator where a week's work can be almost fully automated
- In the future: 

# Tax for shareholders & Company costs

## Tax for shareholders

- Via Company
  - Tax-free up to the company  
(25a kap. 3 § och 5 § the Swedish Income Tax Act)
- Private
  - 25% tax on realized gains, or
  - Endowment insurance with annual flat-rate tax plus approx. 1% fee per year (not recommended)

## Company costs

- Annual OpEx kept below 1% of capital at year start
  - Within this, the CEO has a current monthly salary of SEK 35k intended to cover only basic living expenses.
  - No vacation supplement is given and no pension contributions are made.
  - Founder Daniel Glaser is entitled to a dividend of 10% of the year's profit via his ownership of A-shares, if and only if:
    - i) The company's NAV per share at year end exceeds the previous highest NAV per share,
    - ii) The company's result after a 10% dividend exceeds OMXS30 including dividends.
- Tax approx. 1% of capital at year start
  - The company's tax rate is the applicable tax on a Swedish endowment insurance which for 2026 is set at 1.07%
  - Note that the company's tax rate varies from year to year.



River Oak Capital

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Thank You for Your  
Time and Company!

Questions?