

PERFORMANCE

Adrigo Small & Midcap L/S Class A and Class C rose 2.23% and 1.87% respectively in April, net of fees. The Carnegie Small Cap Return Index Nordic rose by 1.01% in April.

Among the fund's larger holdings, **Getinge** (Medtech) and **Online Brands** (E-commerce) provided good contributions. Among the fund's mid-sized positions, we noted good contributions from **Enea** (Software), **Golden Ocean** (Transportation) and **Sedana Medical** (Medtech). Our short positions had a positive contribution in aggregate.

Adrigo Small & Midcap L/S Class A has returned 115.4% since inception, net of fees. In the same period, the benchmark STIBOR 1M rate returned 5.0% and the Carnegie Small Cap Return Index Nordic gained 91.3%. The average compounded return for the fund has been 12.5% per year since inception.

THE MARKET & THE COMPANIES

Global developed stock markets had a negative performance in April. MSCI World fell by 3.2%, S&P 500 by 4.1% while EURO STOXX 50 fell by 2.3%. However, emerging markets performed strongly with the Hang Seng and MSCI China rising 7.5% and 6.5% respectively. Norway was the strongest Nordic market and rose 3.2%. Fortum and the larger industrials in Finland reported strong numbers and the stock market rose by 2.7%. Sweden and Denmark performed more modestly with increases of 0.9% and 0.5% respectively. Nordic small caps rose by 1.0% while Swedish small caps fell by 0.7%. Base metals performed strongly with increases of 22%, 15% and 12% for Zinc, Nickel and Copper respectively.

In mid-April, we reinvested into **Getinge**. Last year was a year of disappointments with quality problems (mainly packaging-related) which we thought management could have communicated in a better way. The stock market reacted negatively and Getinge was again perceived as a company with constant quality problems. After the Q1 report, management confirmed that quality costs in 2024 should go down by some 50% vs the level of SEK 800 million (2.5% of sales) in 2023. Early May, the FDA sent out another warning letter to the users of Getinge's balloon pumps and certain ECMO products. The problems are not new, and the financial impact is likely to be limited. Nevertheless, this is bad news and adds to the negative perception. We see significant potential in the stock once Getinge has left these problems behind.

Electrolux (white goods), which we have bought during the spring, might be our most contrarian long position. The company has gone through some extraordinarily tough years with huge losses in the US (partly due to very intense price pressure from Asian competitors), a weakening balance sheet and unusually weak volumes in the European operations. We were not surprised when, the day before the Q1 report, it was announced that CEO Jonas Samuelson will leave. The report, as such, was not as bad as feared. We believe that many analysts are somewhat tufted after some years of constant downgrading of estimates and target prices. We therefore believe that there are good chances of positive surprises in the coming years. The impact on margins when new plants are starting to produce at full capacity, and with good productivity, is huge but difficult to estimate from the outside. Electrolux has spent some USD 250 million on the cooking plant for ovens in Springfield which finally will be up and running at full capacity towards the latter part of this year. We would like to highlight that we are not naive when it comes to price pressure – we have followed the company and the industry for more than three decades and are fully aware that competition is always very stiff. However, the fact that market leader Whirlpool recently announced that it will increase campaign prices by 5% is a positive signal. The share is currently trading around SEK 100 and we see a potential of at least 30-50% in a one-year horizon.

We re-invested in the Swedish software company **Enea** last summer. The stock had crashed and the CEO was fired. Acting CEO Ander Lidbeck has, since then, implemented significant cost cuts but also refocused marketing efforts. The report for Q1 was much better than expected with organic growth within the core areas, cyber security and networks, around 10% with a very strong cash flow. Even if the stock has risen significantly after the report, we see good potential going forward. It is rare to see a software company with good market positions being valued at an EV/EBIT of around 10%.

Among our other holdings, Opter, Cint Group, Sedana and Lindex have reported during the month. The reaction to Cint Group's results were in our view way too harsh. Sure, cash flow was weaker than expected but otherwise, the transformation continues as expected. We have used the weakness to increase our position.

As always, we would like to thank you, our co-investors, for your continued trust. Please feel free to contact us with comments or questions.

VISITS DURING THE MONTH

Svitzer and Nanoform are among the companies we met with during the month. We also attended a shipping seminar and a number of conference calls.

LARGEST CONTRIBUTORS

- › Short position – Medtech
- › Getinge – Medtech
- › Online Brands – E-commerce
- › Enea – Software
- › Golden Ocean – Transportation



Portfolio management



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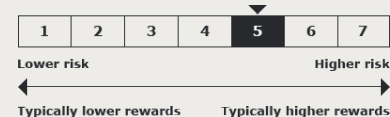
Fund information

Launch date	2017-11-01
ISIN	SE0010440735
Subscription fee	0%
Redemption fee	0%
Fixed management fee	1%

Performance related management fee 20% of total return exceeding STIBOR 30 days rate after deduction of fixed fee ("high water mark").

Deposit: Initial minimum SEK 1000.

Risk and reward profile



Important information:

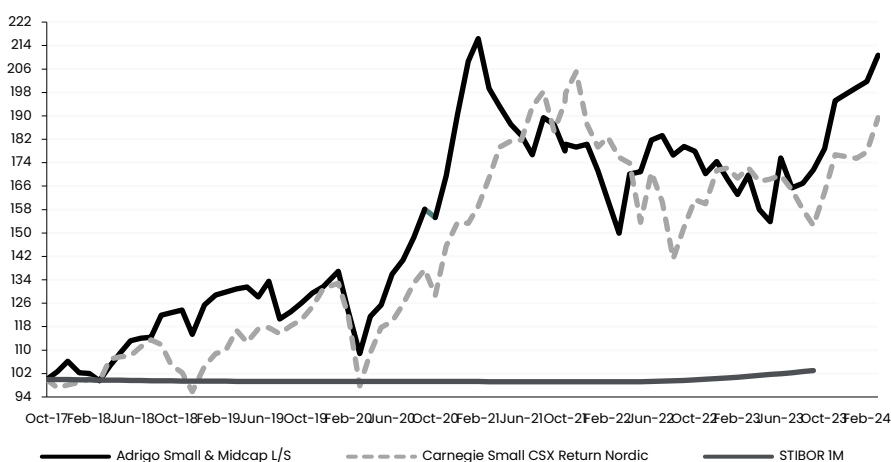
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ADRIGO SMALL & MIDCAP L/S

April 2024

Performance Nov 2017 – Apr 2024



Key and Risk figures	30/04/24	1 M	12 M	Since inception
NAV Class A, SEK	215.37			
NAV Class C, SEK	2 601.83			
Performance, % *		2.23	26.80	115.37
STIBOR 1M, %		0.32	3.97	5.05
Std deviation, % *, **			20.23	18.66
Sharpe ratio *			1.32	0.67
Net exp. to eq. %	>60.0			

*Refers to Class A **Annualized

Performance, %	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2024 Class A	2.30	1.04	4.45	2.23									10.36
2024 Class C	1.92	0.90	3.61	1.87									8.56
2023 Class A	2.48	-3.50	-3.08	4.11	-6.97	-2.65	14.15	-5.81	0.97	2.77	4.17	9.16	14.63
2023 Class C	2.47	-3.50	-3.08	4.11	-6.96	-2.66	14.15	-5.81	0.97	2.77	4.17	8.66	14.11
2022 Class A	0.56	-5.01	-5.90	-7.01	13.56	0.40	6.35	0.85	-3.67	1.71	-0.91	-4.34	-5.05
2022 Class C					13.87	0.32	5.08	0.72	-3.67	1.71	-0.91	-4.34	11.31
2021	9.67	3.71	-7.87	-3.09	-3.15	-2.04	-3.61	7.21	-1.24	-4.86	1.31	-0.57	-5.74
2020	4.04	-9.92	-11.79	11.65	3.21	8.42	3.53	5.51	6.47	-1.81	9.16	12.25	44.53
2019	8.73	2.71	0.74	0.86	0.53	-2.61	4.16	-9.63	2.11	2.40	2.66	1.65	14.09
2018	-3.65	-0.22	-2.53	5.24	4.12	3.86	0.79	0.25	6.61	0.75	0.67	-6.70	8.69
2017											2.65	3.40	6.14

Important information: Adrigo Small & Midcap L/S are Alternative Investment Funds (so called "specialfond") according to the Swedish Act (2013:561) of Managers of Alternative Investment Funds. Investments in funds always involve risks. Past performance is no guarantee for future performance. Fund units may increase or decrease in value and may be affected by changes in exchange rates and other factors. Investors may not get back the amount invested. Before investing, please read the fund regulations and the information memorandum carefully. For full information, such as the information memorandum, key information documents (KID) and financial reports please see www.adrigo.se. The availability of the fund may be limited or restricted in some countries. Detailed information about where the funds are registered and what types of distribution are permitted can be obtained from Adrigo Asset Management. The information about the fund is only directed at those investors located where Adrigo is authorized to make this information available and is not intended for any use which would be contrary to local law or regulation. Consequently, the Adrigo funds may not be offered, sold or distributed in these countries unless such offer, sale or distribution is made in accordance with any applicable exemption from any registration requirements provided by the local securities laws and regulations. Prospective investors should inform themselves as to: (a) the legal requirements within their jurisdictions for the purchase and holding of shares; (b) any foreign exchange restrictions which may affect them; and (c) the income and other tax consequences which may apply in their jurisdictions relevant to the purchase, holding or disposal of shares.

Focus of Investment:

Adrigo Small & Midcap L/S is a hedge fund focusing on investments in Nordic equities and equity-related instruments in the segment of small and medium-sized companies.

Objective

High absolute return at a lower risk than the overall equity market.

Strategy

Adrigo Small & Midcap L/S is long/short hedge fund with a long bias. We put emphasis on fundamental research, stock picking approach.

Trading Day

Fund units of Adrigo Small & Midcap L/S are open for subscription and redemption on the last banking day every month.

NAV

NAV is calculated on the last banking day of each month and published at the latest on the fifth banking day thereafter.

Deposit

Initial minimum SEK 1000.

Custodian

Skandinaviska Enskilda Banken AB (publ)

Portfolio manager

Adrigo Asset Management, a division of East Capital Financial Services AB, corp. identity no. 556988-2086.

Management company

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