

ADRIGO

Half Year Report 2023

Adrigo Small & Midcap L/S

Important Notice

Historic yields are no guarantee for future yields. Fund units can go up or down in value, and investors may not get back the amount invested. Key investor information documents and prospectuses are available at www.adrigo.se.

This Half Year Report is a translation from the original Swedish version, the latter being the official version. In the case of discrepancies between the English translation and the Swedish original, the original takes precedence.

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General market comment

Global stock markets performed strongly in the first half of 2023, with the MSCI World rising 15.5%. The Nasdaq and S&P 500 rose 32.2% and 16.9% respectively. In Europe, the EURO STOXX 50 closed up 19.2% for the period. The Nordic large-cap index OMX N40 rose 5.6%. Development was particularly weak in Finland, where the index fell 3.5%. Small companies underperformed large companies in both the US and the Nordic countries. This trend indicates uncertainty among the management community, where the risk appetite has been relatively low, and the most liquid shares have been favoured. A change could be discerned in June when small caps performed well, in line with large caps.

The expected recovery in China did not materialise and we saw a broad decline in various economic activity indicators. The Chinese stock market fell around 5%. The Chinese government has historically shown an impressive ability to stimulate the economy and, at the time of writing, there are signs that this will now happen.

Price increases, to compensate for increased costs, have remained in focus. Overall, customer acceptance has been good and the results for the first quarter exceeded expectations in most cases. Interest rates were also in focus, and we have seen substantial increases from the world's central banks.

The problems in portions of the banking sector, in particular SVB and Credit Suisse, also affected the perception of Nordic banks. The Swedish banks' share prices were even more affected by the property market, where several players proved to be overly leveraged, as interest rates continued to rise while the assets, i.e., real estate, fell in value due to higher yield requirements.

The price of oil (Brent) fell by 12% during the period, representing a weakening of 35% since the middle of 2022. As a result, OPEC unexpectedly announced production cuts in April.

From the second quarter reports, we can note that the long-awaited decline in demand can now also be discerned among companies.

Note: The information in this report represents historical data and is not an indication of future performance.

Management report

The Fund decreased by 10% in the first half of the year (in SEK). The net asset value was 302m SEK as of 30 June 2023, to be compared to 507m SEK as of 31 December 2022. Net outflows during the period amounted to 166m SEK.

The first quarter started positively with an increase of 2.5% followed by weaker performance in February and March. A write-down of an unlisted asset had a negative impact of 1.6% in March. The second quarter also started well with the Fund rising by 4.1% in April. However, returns in May and June were negative. The Fund's holdings in Online Brands and Pierce had a significant negative impact on returns. During the first half of the year, these two holdings fell by 54% and 24% respectively. In the case of Online Brands, nothing has fundamentally changed and our confidence in the management and business concept remains. As for Pierce, we note that the market has been weaker than we expected. However, the valuation is extremely cautious, with the value of cash and inventory exceeding the market capitalisation.

The best contributor in 2022, Bonesupport, also contributed the most to the return in 1H 2023. The fund has invested in the company since the end of 2017, and we see continued good potential. During the spring, we have seen how the core product, Cerament G, which was launched in the US in the fourth quarter of 2022, has grown significantly. Through the Cerament G and an expanded customer base, sales in the US grew by 100% during the period.

We have owned shares in Kahoot since 2018 and sold our entire holding last year. At the beginning of 2023, we felt that investors' expectations were too pessimistic, and the share price had fallen 90% since its peak. We therefore chose to reinvest, which proved successful. Since then, the company has delivered as expected and the share rose by 51% during the first half.

Other holdings that made good positive contributions to the return are Lundbeck, Attendo, Momentum Group and Initiator Pharma.

New investments in the first half of the year include Himalaya Shipping, Nordic Semiconductor and BHG.

The Fund's risk exposure

During the period, the Fund was mainly exposed to the following risks: market risk, currency risk and liquidity risk. These risks are usually higher, often reflected in higher price volatility, compared to funds that invest their assets in geographies with

larger stock markets and large capitalisation companies. The Fund has been exposed to market risk through movements in market prices. The Fund's returns have been exposed to exchange rate fluctuations as the Fund's assets consist partly of securities denominated in currencies other than the Fund's base currency. Liquidity risk is higher than for a fund investing in large companies. This means that it may be difficult to sell holdings in the market without negative effects on the price. In addition, the Fund's liquidity needs may arise from collateral requirements for the short positions taken by the Fund. The Fund takes long and short positions which, depending on the prevailing market dynamics, may lead to a reduction in risk but also to periods of increased risk.

Objective

Adrigo Small & Midcap L/S is a hedge fund focusing on investments in Nordic equities in the Small & Midcap segment.

Adrigo Small & Midcap L/S is a "Specialfond" according to the Swedish Managers of Alternative Investment Funds Act (2013:561) ("LAIF"), which means that there are fewer investment restrictions compared to a standard mutual fund. The Fund Articles, which are incorporated in the Information Memorandum, have been approved by the Swedish Financial Supervisory Authority, which also supervises the Fund.

Investment Policy of the Fund

The Fund's main investment focus is on listed financial instruments in the Nordic countries, primarily equities and equity related instruments. The Fund may to a lesser extent, but up to 10 % of the Fund's value, invest in unlisted financial instruments issued by companies registered in the Nordic countries.

The Fund may invest in the asset class transferable securities (shares), money market instruments, derivatives, fund units and accounts with credit institutions.

The Fund may sometimes have high liquidity, it may borrow to achieve leverage and it may use short selling strategies, i.e. to sell shares that have been borrowed.

Note: All performance figures in the management report are in SEK unless otherwise stated.

* The annual report and half year report of the Fund are available at the registered address of the Management Company.

Adrigo Small & Midcap L/S

Key figures ¹

Total return	2023 H1	2022	2021	2020	2019	2018	2017
class A SEK	-10%	-5%	-5%	44%	14.09%	8.69%	6.14%
class C SEK	-10%	*10%	-	-	-	-	-
Benchmark ²	-	-	-	-	-	-	-

Net asset value (in '000s SEK)							
class A SEK	122 458	193 296	304 584	496 968	429 706	248 434	141 020
class C SEK	179 622	313 249	-	-	-	-	-
Number of units (without decimal)							
class A SEK	796 093	1 135 581	1 697 976	2 630 205	3 264 859	1 917 699	1 250 792
class C SEK	95 225	150 073	-	-	-	-	-
Unit value (in SEK)							
class A SEK	153.82	170.22	179.38	188.95	131.61	115.36	106.14
class C SEK	1 886.27	2 087.29	-	-	-	-	-
Dividend per unit (in SEK)							
class A SEK	-	-	-	-	-	-	-
class C SEK	-	-	-	-	-	-	-

Balance sheet (in '000s SEK)	30-06-2023	2022	Fund facts
Assets			Management company
Transferable securities	418 306	738 266	East Capital Asset Management S.A.
Money market instruments	0	0	Launch date
OTC derivative instruments with positive market value	0	0	1 November 2017 (class A SEK)
Other derivative instruments with positive market value	443	4 740	2 May 2022 (class C SEK)
Total financial instruments with positive market value (Note 1)	418 749	743 006	Quotation/trade
Bank deposits and other cash equivalents	25 948	24 127	Monthly
Prepaid expenses and accrued income	1 011	0	Dividend
Other assets	44 660	41 505	No (class A SEK and class C SEK)
Total assets	490 368	808 638	Management fee
			1% (class A SEK and class C SEK)
			Subscription fee
			5% (class A SEK)
			0% (class C SEK)
			Redemption fee
			0.2% (class A SEK)
			0% (class C SEK)
			Domicile
			Sweden
			Minimum investment
			Minimum initial investment 50.000 SEK (class A SEK)
			thereafter the minimum additional investment:
			1.000 SEK (class A SEK)
			Minimum initial investment 100.000 SEK (class C SEK)
			NAV currency
			SEK
			ISIN
			SE0010440735 (class A SEK)
			SE0017133366 (class C SEK)
Liabilities			Note 1: Financial instruments
Other financial instruments with negative market value	-162 907	-266 375	See the detail of the financial instruments pages 7-9 "Holdings and positions"
Total financial instruments with negative market value	-162 907	-266 375	
Accrued expenses and pre-paid income	-317	-504	
Other liabilities	-25 064	-35 214	
Total liabilities	-188 288	-302 093	
Net asset value	302 080	506 545	
			Note 2: Collateral
			(in '000s SEK)
			30-06-2023
			2022
			Paid collateral for OTC derivative instruments
			31 859
			31 899
			Other paid collateral
			208 491
			448 196

Notes:
Past performance cannot be used as an indicator for current or future performance. The performance data do not take into account the commission and fees generated each time fund units are issued and purchased.

The reporting principles are available at the end of this report.

* Total return for the period May – December 2022.

¹ Based on the end of year NAV.

² The fund does not use a benchmark.

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Holdings and positions (in SEK)

as at 30 June 2023

Issuer	Security	Number/Nominal	Market value	% of total net assets
Transferable securities listed for trading on a regulated market or the equivalent outside of the EEA				
Shares				
Retailers				
Online Brands Nordic AB	Online Brands Nordic AB (Collateral)	302 149	3 973 259	1.32
Online Brands Nordic AB	Online Brands Nordic AB	1 495 367	19 664 076	6.51
Pierce Group AB	Pierce Group AB (Collateral)	739 064	5 069 979	1.68
Pierce Group AB	Pierce Group AB	3 503 190	24 031 883	7.96
Total Retailers			52 739 197	17.47
Industrial Goods				
Addtech AB	Addtech AB B Reg	-50 000	-11 740 000	-3.89
Alfa Laval AB	Alfa Laval AB	-45 000	-17 685 000	-5.85
Indutrade AB	Indutrade AB	-50 000	-12 145 000	-4.02
Nibe Industrier AB	Nibe Industrier AB	-130 000	-13 312 000	-4.41
Trelleborg AB	Trelleborg AB B	-45 000	-11 763 000	-3.89
Total Industrial Goods			-66 645 000	-22.06
Food & Beverages				
AAK AB	AAK AB Reg	-36 448	-7 391 654	-2.45
Total Food & Beverages			-7 391 654	-2.45
Technology Equipment				
Kitron ASA	Kitron ASA	-120 000	-5 271 417	-1.75
Total Technology Equipment			-5 271 417	-1.75
Automobiles & Auto Parts				
Dometic Group AB	Dometic Group AB (Collateral)	300 000	21 300 000	7.05
Total Automobiles & Auto Parts			21 300 000	7.05
Energy - Fossil Fuels				
Borr Drilling Ltd	Borr Drilling Ltd	150 000	11 907 593	3.94
Dolphin Drilling AS	Dolphin Drilling AS	3 844 265	31 021 392	10.27
Subsea 7 SA	Subsea 7 SA	-83 252	-11 223 327	-3.72
Total Energy - Fossil Fuels			31 705 658	10.49
Healthcare Services & Equipment				
Ambu AS	Ambu AS B Bearer Reg	-36 046	-6 371 917	-2.11
Arjo AB	Arjo AB B Reg	300 000	11 724 000	3.88
Bioservo Technology AB	Bioservo Technology AB (Collateral)	842 944	487 222	0.16
Bioservo Technology AB	Bioservo Technology AB	1 740 915	1 006 249	0.33
Bioservo Technology AB	Bioservo Technology AB Uts	1 722 572	2 635 535	0.87
Getinge AB	Getinge AB B (Collateral)	10 000	1 889 500	0.63
Getinge AB	Getinge AB B (Collateral)	50 000	9 447 500	3.13
OssDsign AB	OssDsign AB Reg (Collateral)	340 740	1 710 515	0.57
OssDsign AB	OssDsign AB Reg	2 736 929	13 739 384	4.55
Vitrolife AB	Vitrolife AB Reg	25 000	5 235 000	1.73
Total Healthcare Services & Equipment			41 502 988	13.74
Food & Drug Retailing				
Axfood AB	Axfood AB	-50 000	-11 410 000	-3.78
Total Food & Drug Retailing			-11 410 000	-3.78
Chemicals				
Arla Plast AB	Arla Plast AB (Collateral)	200 000	6 680 000	2.21
Arla Plast AB	Arla Plast AB	232 381	7 761 525	2.57
Yara Intl ASA	Yara Intl ASA (Collateral)	30 000	11 468 812	3.80
Total Chemicals			25 910 337	8.58
Pharmaceuticals & Medical Research				
Bonesupport Hg AB	Bonesupport Hg AB Reg (Collateral)	160 000	20 416 000	6.76
Calliditas Therapeutics AB	Calliditas Therapeutics AB (Collateral)	140 000	12 138 000	4.02
Calliditas Therapeutics AB	Calliditas Therapeutics AB	10 472	907 922	0.30
Camurus AB	Camurus AB (Collateral)	80 000	22 288 000	7.38
Lidds AB	Lidds AB (Collateral)	129 285	62 574	0.02
Lidds AB	Lidds AB	1 627 621	787 769	0.26
Total Pharmaceuticals & Medical Research			56 600 265	18.74

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Holdings and positions (in SEK) as at 30 June 2023

Issuer	Security	Number/Nominal	Market value	% of total net assets
Industrial & Commercial Services				
Frontline Plc	Frontline Ltd (Collateral)	150 000	23 373 379	7.74
Total Industrial & Commercial Services			23 373 379	7.74
Transportation				
AP Moeller Maersk AS	AP Moeller Maersk AS B	-500	-9 479 814	-3.14
DSV A/S	DSV A/S	-5 000	-11 344 111	-3.76
Golden Ocean Group Ltd	Golden Ocean Group Ltd (Collateral)	183 826	14 982 224	4.96
Himalaya Shipping Ltd	Himalaya Shipping Ltd	270 034	15 634 656	5.18
Hoegh Autoliners ASA	Hoegh Autoliners ASA	-125 000	-7 672 353	-2.54
Total Transportation			2 120 602	0.70
Software & IT Services				
BHG Group AB	BHG Group AB Reg (Collateral)	617 149	9 263 406	3.07
Embracer Group AB	Embracer Group AB	-250 000	-6 740 000	-2.23
Embracer Group AB	Embracer Group AB (Collateral)	256 396	6 912 436	2.29
Fortnox AB	Fortnox AB	-227 510	-14 487 837	-4.80
Howwe Technologies AB	Howwe Technologies AB	885 658	7 501 523	2.48
Kahoot AS	Kahoot AS Reg (Collateral)	500 000	14 767 231	4.89
Opter AB	Opter AB (Collateral)	120 000	8 280 000	2.74
Opter AB	Opter AB	174 025	12 007 725	3.97
Sinch AB	Sinch AB (Collateral)	500 000	12 175 000	4.03
Sinch AB	Sinch AB	-200 000	-4 870 000	-1.61
Total Software & IT Services			44 809 484	14.83
Total shares			209 343 839	69.30
Total transferable securities listed for trading on a regulated market or the equivalent outside of the EEA			209 343 839	69.30
Transferable securities subject to regular trading on another market which is regulated and open to the public				
Shares				
Pharmaceuticals & Medical Research				
Initiator Pharma AS	Initiator Pharma AS	3 430 002	24 353 014	8.06
Initiator Pharma AS	Initiator Pharma AS (Collateral)	254 648	1 808 001	0.60
Total Pharmaceuticals & Medical Research			26 161 015	8.66
Total shares			26 161 015	8.66
Total transferable securities subject to regular trading on another market which is regulated and open to the public			26 161 015	8.66
Other financial instruments				
Shares				
Banking & Investment Services				
Webrock Ventures AB	Webrock Ventures AB	189 759	9 867 468	3.27
Total Banking & Investment Services			9 867 468	3.27
Software & IT Services				
Fishbrain SA	Fishbrain SA	50 000	7 531 643	2.49
G-Loot Global Esports AB	G-Loot Global Esports AB Reg	20 618	412 360	0.14
Total Software & IT Services			7 944 003	2.63
Technology Equipment				
GFJord Invest AS	GFJord Invest AS Reg	32 500	0	0.00
Total Technology Equipment			0	0.00
Food & Beverages				
Lumarine AS	Lumarine AS	4 130 211	2 083 053	0.69
Total Food & Beverages			2 083 053	0.69
Total shares			19 894 524	6.59

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Holdings and positions (in SEK) as at 30 June 2023

Issuer	Security	Number/Nominal	Market value	% of total net assets
Futures contracts				
Financial index				
	OMX Stockholm 30 Index FUT 07/23 OMX	-300	442 500	0.15
Total financial index			442 500	0.15
Total futures contracts			442 500	0.15
Total other financial instruments			20 337 024	6.74
Total financial instruments			255 841 878	84.70
Other net assets/ liabilities			46 237 696	15.30
Total			302 079 574	100.00

*** Exposures by different types of financial assets against one and the same company or against companies in one and the same group**

Issuer	% total net assets
Bioservo Technology AB	1.36

Management Company

East Capital Asset Management S.A.,
a wholly-owned subsidiary of East Capital Holding AB
Corporate identity number: B 136364, incorporated 29 January 2008
Share capital: EUR 1,000,000
Address: 11, rue Sainte-Zithe, L-2763 Luxembourg
Phone: +352 27 860 701
Fax: +352 26684717
E-mail: luxembourg@eastcapital.com
Internet: www.eastcapital.com

Board of the Management Company

Karine Hirn, Chairperson of the Board
Peter Elam Håkansson, Board Member
Albin Rosengren, Board Member
Paul Carr, Board Member (until 30.04.2023)

Senior management of the Management Company

Paul Carr, CEO (until 30.04.2023)
Management Committee:
Paul Carr, CEO and Conducting Officer (until 30.04.2023)
Albin Rosengren, Conducting Officer (since 01.05.2023)
Lucija Devetak, Conducting Officer (since 01.05.2023)
Jean-Christophe Esteve, Conducting Officer (since 14.03.2023)
Max Isaksson, Conducting Officer (until 03.01.2023)
Kevin Wu, Conducting Officer

Depositary

Skandinaviska Enskilda Banken (publ)

Supervisory authority

The Funds are authorised in Sweden and regulated by the Swedish Financial Supervisory Authority, Finansinspektionen. East Capital Asset Management S.A. is authorised in Luxembourg and regulated by the Luxembourg supervisory authority, *Commission de Surveillance du Secteur Financier* (CSSF).

Legal Status of the Funds

The Fund AdriGo Small & Midcap L/S is a "Specialfond" pursuant to the Swedish Managers of Alternative Investment Funds Act (2013:561) ("LAIF"), which means that there are fewer investment restrictions compared to the standard mutual fund.

Auditor

Mårten Asplund, Authorised public accountant KPMG AB.
An agreement concerning the exchange of information and coordination has been entered into between the Funds' auditor and the Master Fund Company's auditor.

Reporting principles

The Half Year report has been prepared in accordance with the Swedish Alternative Investment Fund Manager's Act (2013 :561) and Finansinspektionen's regulation on alternative investment fund managers (FFFS 2013 :10) and complies with the Swedish Investment Fund Association's guidelines where applicable.

ADRIGO