

ADRIGO

Half Year Report 2022

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 fell rapidly during the period at the same time as interest rates moved upwards. Inflation, which over a long period basically has been non-existent in the developed markets, rose. Increased commodity prices and component shortages created production bottlenecks and skyrocketing transportation costs. Russia's invasion of Ukraine fueled the situation, particularly through higher European prices on energy. Central banks have increased policy rates in a move to calm down inflation. The clear message has been for more hikes in the next coming quarters. One of the major factors behind last year's very strong stock market has been the ultra-low interest rate environment. This has boosted valuations of so-called growth companies and the risk appetite was generally high. The situation changed brutally when interest rates started to move upwards. In particular, lossmaking companies with a long way to go before profitability, have been hammered.

Nordic companies have overall reported better-than-expected profitability during the first half. The high inflation has created a climate in which price increases have been largely accepted by customers.

Swedish OMX Stockholm Benchmark Cap declined by 27% during the first six months. Small caps, measured in Carnegie Small Cap Return developed even worse and fell by 33%. Looking at the whole Nordic area, the large cap index OMX Nordic N40 declined by 19% while small caps were down 25%.

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

Management report

The Fund declined 4.7% during the first six months (in SEK). The net asset value was 622m SEK as of 30 June 2022, to be compared to 304m SEK as of 31 December 2021. Net inflows during the year amounted to 282m SEK.

The fund fell by 4.7% during the first half. After a weak first quarter, the tide turned and the fund appreciated by 6% during the second quarter. The annualized return since start November 2017 was 12.16%, well within the targeted range of 8-16%. The stocks that contributed most positively were Bonesupport and Camurus. Urb-it and Online Brands gave the highest negative contribution.

Gladiator, a Swedish hedge fund, was merged into Adrigo Small & Mid Cap L/S at the beginning of May. To accommodate the assets, a new class was created and the AUM rose significantly.

As mentioned above, the first quarter was challenging for the fund. A handful of less liquid holdings (which are very difficult to hedge) were traded down. However, overall, our short book worked as an insurance towards our focused long holdings.

Bonesupport, a Swedish med-tech company, has been a holding of ours since late 2017. In May, FDA approved the marketing of its bestselling product, Cerament G, in the US. According to management, this is the biggest commercial event in the history of the company and we are looking forward to the launch late September. The share immediately rose by some 50% and has since then continued upwards.

Another investment worth mentioning is Camurus, a pharmaceutical company that we have followed for many years. We bought our first shares in the first quarter 2022 and after the incorporation of Gladiator, the holding became the single largest in the fund. The fundamental development in terms of sales and earnings has been strong and the share performed strongly during the period. We continue to have a highly positive view of the company's product, Buvidal (against opioid dependency) and we also see good values in its rather extensive pipeline.

The Fund's risk exposure

During the period the fund was primarily exposed to the following risks: market risk, currency risk and liquidity risk. Given the investment objective of the fund these risks are usually higher, often reflected in higher volatility, compared with funds investing assets in geographies with larger stock markets and large capitalised companies. The fund has been exposed to market risk through movements in market prices. The return of the fund has been

subject to foreign exchange movements as the fund's assets consists partially of securities listed in other currencies than the fund's base currency. The liquidity risk is higher than a fund that invests in large companies. This means that it can be difficult to sell holdings in the market without negative effects on the price. Liquidity needs in the fund may stem additionally from collateral requirements for the short positions the fund takes. The fund takes long and short positions which, depending on prevalent market dynamics, may lead to a risk reduction but can also lead to periods of amplified 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 listed financial instruments in the Nordic countries, primarily equities and equity related instruments. The Fund may to a lesser extent, but to no more than 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 (equities), money market instruments, derivatives, fund units and accounts with credit institutions.

The Fund may at times have high liquidity, it may borrow to achieve leverage and it may use shorting strategies, i.e. to sell shares that have been borrowed.

Important Note

On 30 September 2020, Adrigo Hedge has been merged into Adrigo Small & Midcap L/S.

On May 2, 2022, the special fund Gladiator was merged into Adrigo Small & Midcap L/S.

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	2022 H1	2021	2020	2019	2018	2017
Adrigo Small & Midcap L/S	-5%	-5%	44%	14.09%	8.69%	6.14%
Benchmark ²	-	-	-	-	-	-
Net asset value (in '000s SEK)						
class A SEK	210 061	304 584	496 968	429 706	248 434	141 020
class C SEK	411 798	-	-	-	-	-
Number of units (without decimal)						
class A SEK	1 229 338	1 697 976	2 630 205	3 264 859	1 917 699	1 250 792
class C SEK	193 939	-	-	-	-	-
Unit value (in SEK)						
class A SEK	170.87	179.38	188.95	131.61	115.36	106.14
class C SEK	2 123.33	-	-	-	-	-
Dividend per unit (in SEK)						
class A SEK	-	-	-	-	-	-
class C SEK	-	-	-	-	-	-

Balance sheet (in '000s SEK)	30-06-2022	2021
Assets		
Transferable securities	805 647	341 394
Money market instruments	61 704	0
OTC derivative instruments with positive market value	0	0
Other derivative instruments with positive market value	2 866	0
Fund units	0	0
Total financial instruments with positive market value (Note 1)	870 217	341 394
Bank deposits and other cash equivalents	17 466	19 706
Prepaid expenses and accrued income	223	0
Other assets	82 373	99 056
Total assets	970 279	460 156
Liabilities		
OTC derivative instruments with negative market value	0	0
Other derivative instruments with negative market value	0	0
Other financial instruments with negative market value	-342 814	-154 622
Total financial instruments with negative market value	-342 814	-154 622
Accrued expenses and pre-paid income	-873	-333
Other liabilities	-4 733	-617
Total liabilities	-348 420	-155 572
Net asset value	621 859	304 584

Fund facts

Management company	East Capital Asset Management S.A.
Launch date	1 November 2017 (class A SEK) 2 May 2022 (class C SEK)
Quotation/trade	Monthly
Dividend	No (class A SEK and class C SEK)
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: 10.000 SEK (class A SEK) 100.000 SEK (class C SEK)
NAV currency	SEK
ISIN	SE0010440735 (class A SEK) SE0017133366 (class C SEK)

Note 1: Financial instruments

See the detail of the financial instruments pages 7-10 "Holdings and positions"

Note 2: Collateral (in '000s SEK)	30-06-2022	2021
Paid collateral for OTC derivative instruments	57 418	81 646
Other paid collateral	432 430	127 926

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.

¹ based on the end of year NAV.

² The fund does not use a benchmark.

Adrigo Small & Midcap L/S

Holdings and positions (in SEK)

as at 30 June 2022

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				
Technology Equipment				
Hexagon AB	Hexagon AB	-100 000	-10 625 000	-1.71%
Total Technology Equipment			-10 625 000	-1.71%
Banking & Investment Services				
EQT AB	EQT AB Reg	-70 000	-14 658 000	-2.36%
Total Banking & Investment Services			-14 658 000	-2.36%
Industrial Goods				
Epiroc AB	Epiroc AB A	-220 000	-34 749 000	-5.59%
Indutrade AB	Indutrade AB	-125 000	-23 318 750	-3.75%
Sandvik AB	Sandvik AB	135 000	22 389 750	3.60%
Trelleborg AB	Trelleborg AB B	-30 000	-6 183 000	-0.99%
Total Industrial Goods			-41 861 000	-6.73%
Food & Beverages				
Atlantic Sapphire AS	Atlantic Sapphire ASA	332 089	6 621 771	1.06%
Atlantic Sapphire AS	Atlantic Sapphire ASA	87 043	1 735 616	0.28%
Mowi ASA	Mowi ASA Reg	45 000	10 456 703	1.68%
Total Food & Beverages			18 814 090	3.02%
Energy - Fossil Fuels				
Frontline Ltd	Frontline Ltd Reg	300 000	27 405 490	4.41%
Total Energy - Fossil Fuels			27 405 490	4.41%
Renewable Energy				
Vestas Wind Systems A/S	Vestas Wind Systems A/S	-110 000	-23 753 055	-3.82%
Total Renewable Energy			-23 753 055	-3.82%
Applied Resources				
Svenska Cellulosa SCA AB	Svenska Cellulosa SCA AB B	-250 000	-38 200 000	-6.14%
Total Applied Resources			-38 200 000	-6.14%
Software & IT Services				
Adevinta ASA	Adevinta ASA Reg	30 000	2 213 281	0.36%
Adevinta ASA	Adevinta ASA Reg	100 000	7 377 604	1.19%
Howwe Technologies AB	Howwe Technologies AB	885 658	9 999 079	1.61%
Kahoot AS	Kahoot AS Reg	500 000	9 293 292	1.49%
Opter AB	Opter AB	229 759	11 625 805	1.87%
Total Software & IT Services			40 509 061	6.52%
Automobiles & Auto Parts				
Dometic Group AB	Dometic Group AB	350 000	21 000 000	3.38%
Total Automobiles & Auto Parts			21 000 000	3.38%
Mineral Resources				
Boliden AB	Boliden AB Reg	-5 000	-1 626 750	-0.26%
SSAB AB	SSAB AB B	-450 000	-19 044 000	-3.06%
Total Mineral Resources			-20 670 750	-3.32%
Personal & Household Products & Services				
Essity AB	Essity AB B Reg	50 000	13 355 000	2.15%
Total Personal & Household Products & Services			13 355 000	2.15%
Investment Holding Companies				
Kinnevik AB	Kinnevik AB Class B	-105 000	-17 304 000	-2.78%
Lifco AB	Lifco AB	-130 000	-21 352 500	-3.43%
Storskogen Gr AB	Storskogen Gr AB	-275 000	-3 979 250	-0.64%
Total Investment Holding Companies			-42 635 750	-6.85%
Chemicals				

Adrigo Small & Midcap L/S

Holdings and positions (in SEK) as at 30 June 2022

Issuer	Security	Number/Nominal	Market value	% of total net assets
Arla Plast AB	Arla Plast AB	15 000	627 000	0.10%
Arla Plast AB	Arla Plast AB	469 805	19 637 849	3.16%
Nolato AB	Nolato AB	342 614	18 843 770	3.03%
Total Chemicals			39 108 619	6.29%
Pharmaceuticals & Medical Research				
BioArctic AB	BioArctic AB Reg B	453 662	35 136 122	5.65%
BioArctic AB	BioArctic AB Reg B	242 000	18 742 900	3.01%
Bonesupport Hg AB	Bonesupport Hg AB Reg	471 542	33 290 865	5.35%
Bonesupport Hg AB	Bonesupport Hg AB Reg	623 882	44 046 069	7.08%
Calliditas Therapeutics AB	Calliditas Therapeutics AB	423 524	39 112 441	6.29%
Camurus AB	Camurus AB	167 669	32 594 854	5.24%
Camurus AB	Camurus AB	428 234	83 248 690	13.39%
H Lundbeck AS	H Lundbeck AS	31 226	1 550 539	0.25%
H Lundbeck AS	H Lundbeck AS	250 000	12 413 849	2.00%
Nykode Therapeutics AS	Nykode Therapeutics AS	381 647	11 096 353	1.78%
Total Pharmaceuticals & Medical Research			311 232 682	50.04%
Real Estate				
Castellum AB	Castellum AB	70 000	9 201 500	1.48%
Fabege AB	Fabege AB Reg	90 000	8 692 200	1.40%
K2A Knaust & Andersson Fastigh	K2A Knaust & Andersson Fastigh B Reg	582 907	10 026 000	1.61%
K2A Knaust & Andersson Fastigh	K2A Knaust & Andersson Fastigh B Reg	300 000	5 160 000	0.83%
Total Real Estate			33 079 700	5.32%
Telecommunications Services				
Millicom Intl Cellular SA	Millicom Intl Cellular SA DR	150 000	21 900 000	3.52%
Tele2 AB	Tele2 AB B	-160 000	-18 640 000	-3.00%
Telia Co AB	Telia Co AB	-850 000	-33 303 000	-5.36%
Total Telecommunications Services			-30 043 000	-4.84%
Cyclical Consumer Products				
JM AB	JM AB	-30 000	-5 079 000	-0.82%
Total Cyclical Consumer Products			-5 079 000	-0.82%
Transportation				
AP Moeller Maersk AS	AP Moeller Maersk AS B	-1 600	-38 157 010	-6.14%
DSV A/S	DSV A/S	-23 000	-32 840 843	-5.28%
Total Transportation			-70 997 853	-11.42%
Healthcare Services & Equipment				
Attendo AB	Attendo AB	465 000	10 267 200	1.65%
Attendo AB	Attendo AB	3 192 171	70 483 136	11.33%
Bioservo Technology AB	Bioservo Technology AB	106 481	528 146	0.09%
Bioservo Technology AB	Bioservo Technology AB	1 004 057	4 980 123	0.80%
Getinge AB	Getinge AB B	113 880	26 921 232	4.33%
Getinge AB	Getinge AB B	50 000	11 820 000	1.90%
Total Healthcare Services & Equipment			124 999 837	20.10%
Retailers				
Online Brands Nordic AB	Online Brands Nordic AB	1 513 059	38 878 051	6.25%
Urb-it AB	Urb-it AB Reg	9 818 541	29 553 808	4.75%
Total Retailers			68 431 859	11.00%
Total shares			399 412 930	64.22%
Money Market Instruments - Sovereign bonds				
Central Countries & Governments				
Norway	Norway T-Bill 0% Ser NST 57 144A 21/21.12.22	60 000 000	61 704 348	9.92%
Total Central Countries & Governments			61 704 348	9.92%
Total Money Market Instruments - Sovereign bonds			61 704 348	9.92%

Adrigo Small & Midcap L/S

Holdings and positions (in SEK) as at 30 June 2022

Issuer	Security	Number/Nominal	Market value	% of total net assets
<u>Total transferable securities listed for trading on a regulated market or the equivalent outside of the EEA</u>			461 117 278	74.14%
<u>Transferable securities subject to regular trading on another market which is regulated and open to the public</u>				
Shares				
Pharmaceuticals & Medical Research				
Initiator Pharma AS	Initiator Pharma AS	2 527 725	18 654 611	3.00%
Initiator Pharma AS	Initiator Pharma AS	70 203	518 098	0.08%
Total Pharmaceuticals & Medical Research			19 172 709	3.08%
Total shares			19 172 709	3.08%
<u>Total transferable securities subject to regular trading on another market which is regulated and open to the public</u>			19 172 709	3.08%

Adrigo Small & Midcap L/S

Holdings and positions (in SEK) as at 30 June 2022

Issuer	Security	Number/Nominal	Market value	% of total net assets
Other financial instruments				
Futures contracts				
Financial index				
	OMX Stockholm 30 Index FUT 07/22 OMX	-300	2 865 600	0.46%
Total financial index			2 865 600	0.46%
Total futures contracts			2 865 600	0.46%
Shares				
Banking & Investment Services				
Webrock Ventures AB	Webrock Ventures AB	189 759	10 816 263	1.74%
Total Banking & Investment Services			10 816 263	1.74%
Food & Beverages				
Lumarine AS	Lumarine AS	4 129 211	7 492 824	1.21%
Total Food & Beverages			7 492 824	1.21%
Transportation				
Flyr AS	Flyr AS	7 923 238	8 314 260	1.34%
Total Transportation			8 314 260	1.34%
Software & IT Services				
Fishbrain SA	Fishbrain SA	50 000	16 901 115	2.72%
G-Loot Global Esports AB	G-Loot Global Esports AB Reg	20 618	721 630	0.12%
Total Software & IT Services			17 622 745	2.84%
Technology Equipment				
GFJord Invest AS	GFJord Invest AS Reg	32 500	0	0.00%
Total Technology Equipment			0	0.00%
Total shares			44 246 092	7.13%
Other derivative instruments				
Initiator Pharma AS	Initiator Pharma AS Droits de sousc 30.06.22	2 527 725	506	0.00%
Total other derivative instruments			506	0.00%
Total other financial instruments			47 112 198	7.59%
Total financial instruments			527 402 185	84.81%
Other net assets/ liabilities			94 457 214	15.19%
Total			621 859 399	100.00%

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

Senior management of the Management Company

Paul Carr, CEO
Management Committee:
Paul Carr, CEO and Conducting Officer
Max Isaksson, Conducting Officer
Kevin Wu, Conducting Officer

Depository

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