

PERFORMANCE

Adrigo Small & Midcap L/S Class A rose 0.40% and Class C rose 0.32% in June net of fees.

Our return measured, as monthly data has shown, great variations in recent months, so it is gratifying that we can generate a positive return given the negative stock market sentiment. Active trading among the fund's short positions and solid stock picking among our long holdings have generated the positive result despite broader price falls. We often lean more towards less cyclical sectors e.g., pharma and medtech, which has benefited us in June.

Adrigo Small & Midcap L/S Class A has returned 70.9% since inception, net of fees. In the same period, the benchmark STIBOR IM rate has returned -0.8% and the Carnegie Small Cap Return Index Nordic has a gain of 53.7%.

MARKET COMMENT

Carnegie Small Cap Return Index Nordic fell 11.62 % in June. We noted that Nordic small-caps underperformed its large-cap peers (OMXN40), which fell 6.92%.

Interest rates have continued in an upward trend. We notice that credit risk margins have soared, and it is evident that the market is worried. The spotlight has been on real-estate companies and their ability to refinance at decent terms. Fundamental company research should, have an advantage, in this environment, vs ETF and index-driven funds.

Pharmaceutical stocks are back in focus, after having been overlooked over the past 1-1.5 years. We believe the combination of attractive valuations and good growth, even in economical downturns, should continue to attract investors.

THE COMPANIES

Getinge (medtech) adjusted its full-year forecast for 2022. Organic growth will be non-existent driven by less sales from covid vaccine production (Beta Bags) and advanced heart and lung machines (ECMO). We estimate that these product categories account for some 15-20% of Group sales. 2023 will however once again show growth and the long-term growth forecast for the Group of 4-6% p.a. is maintained. The growth prospects for Getinge are solid as global elective surgery backlogs are at record levels and we believe Getinge has grasped market share thanks to solid product development. Of course, there are short-term risks and uncertainties, but we consider the stock market's reaction of some -20% to have clearly been on the high side. We increased our position during June and Getinge's portfolio weight is now of medium size.

We have had good contributions from our short positions and we work actively with this part of the portfolio. Over time, we have created good alpha compared to if we only had used index futures. We believe the stock market is in a new paradigm, and even though valuations have come down, we find various anomalies where valuations, according to our models, are too high. We also believe that certain sectors, such as transport and logistics, are enjoying profitability levels which are not sustainable in the long-term perspective. We believe sell-side analysts, as a group, are too optimistic and we expect to see downgrades over the coming quarters. Hence, we are still able to find interesting candidates for our short portfolio.

VISITS DURING THE MONTH

Most companies have been in a quiet period during June. We have, however, met with a number of companies (boards and main owners). Among others, we have met with Attendo (CEO and the new Chairman), Initiator Pharma, Kahoot, Millicom and Bonesupport.

The month was characterized by a number of Capital Market Days. We chose to attend the most interesting ones in person. Since the start of the pandemic, companies have been better (and eager) to deliver information digitally. However, we find in person meeting far superior, as it gives so much more flavor.

LARGEST CONTRIBUTORS

- ▶ Bonesupport (medtech)
- ▶ Short – Industrial (SE)
- ▶ Short – Basic Materials (SE)
- ▶ Short – Financial (SE)
- ▶ Short – Index Future (SE)

Portfolio management



Staffan Östlin
Portfolio Manager and CIO
+46 73 337 83 44
staffan.ostlin@adrigo.se
In the industry since 1987



Johan Eriksson
Portfolio Manager
+46 73 337 83 24
johan.eriksson@adrigo.se
In the industry since 2016

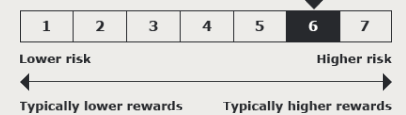
Fund information

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").

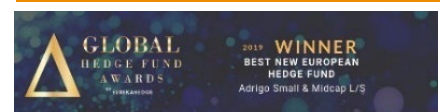
Deposit: Initial minimum SEK 1000.

Risk and reward profile



Important information:

Investment in funds always involves some kind of risk. Past performance is no guarantee for future performance. Fund units may go up or down in value and may be affected by changes in exchange rates. Investors may not get back the amount invested. Full information on Adrigo funds, such as the prospectus, key investor information documents (KIID) and financial reports is available on adrigo.se.

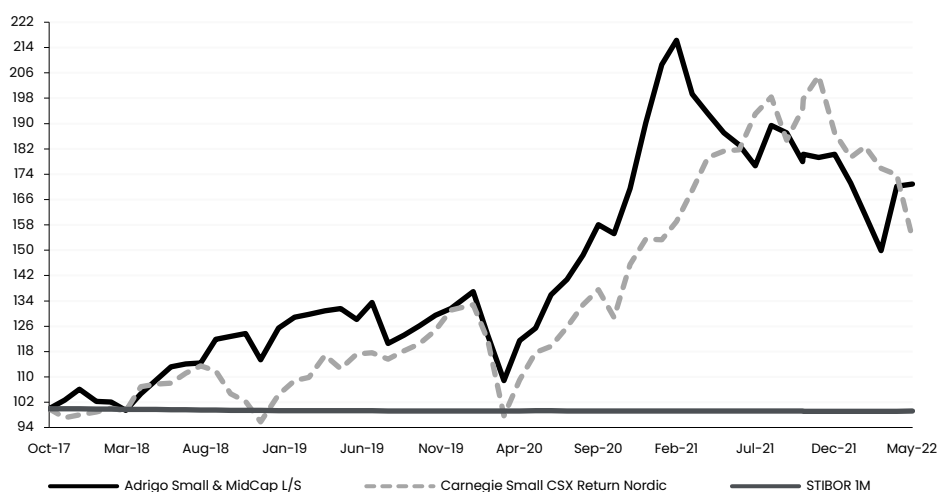


ADRIGO SMALL & MIDCAP L/S

June 2022

Performance

Nov 2017 – June 2022



Key and Risk figures	30/06/22	1 M	12 M	Since inception
NAV Class A, SEK	170.87			
NAV Class C, SEK	2 123.33			
Performance, % *		0.40	-6.77	70.87
STIBOR IM, %		0.04	-0.04	-0.83
Std deviation, % *, **			20.45	19.32
Sharpe ratio *			-0.33	0.63
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
2022 Class C					12.87	0.32							13.23
2022 Class A	0.56	-5.01	-5.90	-7.01	13.56	0.40							-4.70
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

Source: Adrigo Asset Management

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

East Capital Asset Management S.A.

Contact

Kungsgatan 33, 111 93 Stockholm, Sweden
Tel +46 (0)8 505 887 00
www.adrigo.se