

PERFORMANCE

Adrigo Small & Midcap L/S Class A and Class C rose 1.04% and 0.90% respectively in February, net of fees. The Carnegie Small Cap Return Index Nordic rose by 1.2% in February.

Among the fund's larger holdings, **Golden Ocean** (Transportation) and **Pierce Group** (Online retailing) provided good contributions. Among the fund's mid-sized positions, we noted good contributions from **Maven Wireless** (Technology), **Cint Group** (Software) and **Himalaya Shipping** (Transportation). Our short positions had a negative contribution in aggregate.

Adrigo Small & Midcap L/S Class A has returned 101.7% since inception, net of fees. The average compounded return has been 11.7% per year since inception. In the same period, the benchmark STIBOR 1M rate returned 4.0% and the Carnegie Small Cap Return Index Nordic gained 77.7%.

THE MARKET & THE COMPANIES

During January and February, expectations for how rapidly central banks will lower rates has become more and more nuanced. The US 10Y yield has moved from below 3.9% to today's 4.1%. Despite this, the stock markets have continued to perform strongly. The Japanese stock market rose by 8.0% in February. The fact that its Nikkei index reached a new all-time high created lots of headlines – the old all-time high was from 1989! S&P 500 rose by 5.3% while STOXX 50 advanced by 5.1% and MSCI World by 4.6%.

The Danish market was again the strongest in the Nordics and rose by 4.3% followed by the Swedish market which was up by 4.0%. Norway and Finland declined by 1.0% and 2.0% respectively. Large caps led the markets, illustrated by OMXS30, the Swedish large-cap index, which rose by 4.2% compared to the small-cap index CSX Sweden which was up by a mere 1.0%. Small caps tend to significantly outperform large caps over longer periods. However, over the past year, large caps have performed 16% better than small caps. We do not believe that this is a new trend, but rather a notch in the curve. Focusing on valuation instead of only at share prices, we find that the relative valuation of small caps vs large caps in the US today is close to the level of 2001 and hence the lowest in 50 years (source: JP Morgan). Small caps have a 40% potential to reach the median since 1973. This is well in line with our view of significant revaluation potential in certain Nordic small caps.

A large portion of our holdings reported during the month. We saw strong share price reactions in Golden Ocean, Maven Wireless and Cint Group. Sinch and Bonesupport, on the other hand, traded down after reporting. Q4 for Sinch was mixed with stronger than expected cash flow but no organic growth. We believe that the company has to prove its ability to grow before the stock market is willing to re-price the share. Bonesupport delivered very strong growth, but earnings were hampered by some costs of a one-time nature. A few analysts questioned the scalability of the business. At the same time, we heard about some very positive views from US surgeons and KOL's. As we had trimmed our position during Q4 and early 2024, we used the share price weakness to significantly increase the position.

We made our first investment in Maven Wireless in November 2023 and the company delivered a set of very strong numbers for Q4. The company, which is developing and selling products (DAS) that improve wireless coverage indoors and in tunnels, was founded in 2016, and is in the early stages of its growth journey. During 2023, the company for the third year in a row, doubled its sales and profitability was significantly improved. Sales rose by 91% in Q4 while the gross margin rose from 29% to 44%. Increased volumes, a good mix and fewer component shortages were the main reasons. We also note that this led to a sharp improvement in EBIT margin and cash flow. We see it as a good signal that the Board has decided to pay the first dividend in the company's history. We foresee continued high growth for Maven Wireless and see the highest potential from the US market which is also the largest market for the company's products.

Golden Ocean, the largest owner and operator of dry bulk vessels, reported late in the month. Results for Q4 were above expectations. However, even more importantly we believe that bookings for Q2 were at higher levels than expected and a quarterly dividend of USD 0.3 vs USD 0.1 is anticipated. The share price rose sharply after the release, and we have trimmed our position. During the first days of March, our other investment vehicle in the dry bulk sector, Himalaya Shipping, released its monthly update. Although we continue to be very optimistic about the sector, we have also trimmed the position in Himalaya Shipping.

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

Among others we met with Initiator Pharma, Ossdesign, Sinch and Maven Wireless. As usual during the reporting season, we have also been part of a large number of group presentations in small caps as well as in large caps.

LARGEST CONTRIBUTORS

Golden Ocean – Transportation
 Pierce Group – E-commerce
 Initiator Pharma – Biotech
 Maven Wireless – Technology
 Online Brands – E-commerce



Portfolio management



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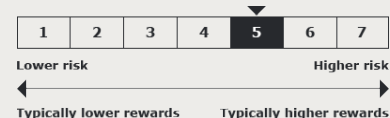
Fund information

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:

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.

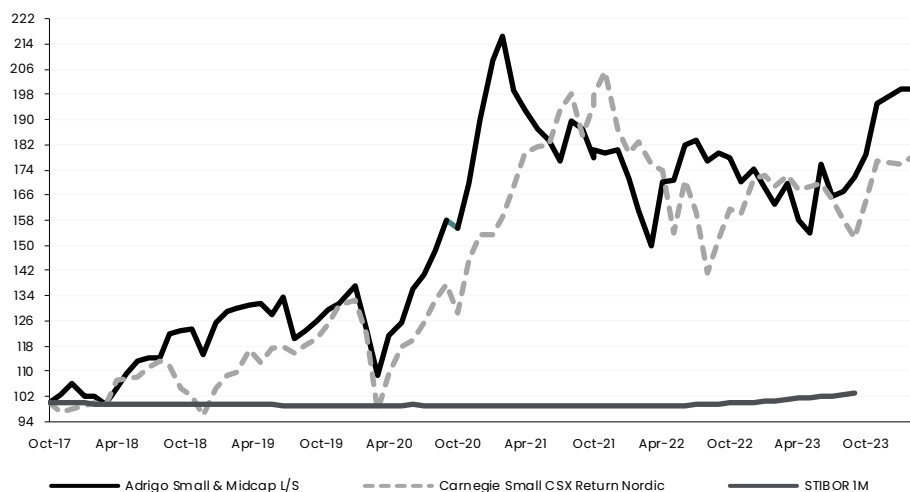


ADRIGO SMALL & MIDCAP L/S

February 2024

Performance

Nov 2017 – Feb 2024



Key and Risk figures	29/02/24	1 M	12 M	Since inception
NAV Class A, SEK	201.71			
NAV Class C, SEK	2 449.98			
Performance, % *		1.04	21.32	101.71
STIBOR 1M, %		0.33	3.50	4.02
Std deviation, % *, **			20.85	18.85
Sharpe ratio *			0.95	0.62
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											3.36
2024 Class C	1.92	0.90											2.84
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

East Capital Asset Management S.A.

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