

PERFORMANCE

Adrigo Small & Midcap L/S Class A and Class C rose 4.11% in April, net of fees. The Carnegie Small Cap Return Index Nordic rose 2.03% in April.

The fund's larger holdings in **Bonesupport** (medtech), **Lundbeck** (pharmaceuticals), and **Online Brands** (ecommerce) provided good contributions as did our mid-sized positions, **Attendo** (elderly care), **Opter** (software), and **Dometic** (leisure products). Our short positions had a slightly negative contribution in aggregate driven by our OMX index future hedge.

Adrigo Small & Midcap L/S Class A has returned 69.9% since inception, net of fees. The compounded return has been 10.1% per year since inception. In the same period, the benchmark STIBOR 1M rate has returned 1.0% and the Carnegie Small Cap Return Index Nordic gained 72.2%.

THE MARKET & THE COMPANIES

The earning season is coming to an end. Nordic industrials continue to report solid order intakes while they continue to work through elevated order books. The previous component shortages that hampered production have eased considerably. Higher output with less under-absorption and pricing has driven margins upwards. Future pricing adjustments will be of importance to track in the coming quarters as input costs have, in general, fallen. Rising interest rates and weaker consumer confidence have pressured consumer discretionary goods' companies. However, we note that Dometic, Thule, and Electrolux rebounded strongly in April. Although partly due to short sellers covering their positions, this might indicate that the pessimism has peaked.

Bonesupport delivered a very strong Q1 report. Focus has been on the sales trajectory for its recently launched Cerament G in the US. Market estimate (and our own estimates), have been high, and the results exceeded projections. We were positively surprised by US surgeons' willingness to reorder Cerament G and not waiting for a long-term follow-up of already treated patients. Our interpretation is that the antibiotic-eluding bone graft provides great value add to patients and hospitals. Alongside increased use among existing hospitals, Bonesupport continues to expand into new sales channels, and we estimate BONEX to currently have access to some 10% of potential hospitals. It is still very early days in the US Launch for Bonesupport, and we estimate that Cerament G has a +1 bn SEK sales potential. An important milestone in Q1 was also that Bonesupport showed positive results for the first time.

In 2023, Bonesupport will apply 510k to broaden Cerament G into the largest indication, trauma. We see the likelihood of approval as good and this would be a catalyst for upward estimate revisions in the coming years. We continue to see significant upside in the share despite strong performance during 2023.

Attendo acts in an environment subject to political risk. Earlier this year, the industry peer Humana had its permit to conduct operations with personal assistance revoked. Attendo does not operate within this area, but the negative industry sentiment has affected the share performance.

Attendo's Q1 report showed a clear shift in the earnings momentum. Pricing adjustments compensated for increased costs and higher occupancy contributed to the earnings momentum. Attendo highlighted further price adjustments will take place in 2Q 23. Its Finnish operations went from loss-making in 1Q 22 to an above 6% margin in 1Q 23, showing the underlying scalability. Besides Finland being proactive in raising prices, the Scandinavian business area still lags, not compensating for cost increases fully. However, occupancy rates are improving and will drive margins higher. We continue to see significant an upside as Attendo nears its 4 SEK earnings per share target in the coming years.

Lundbeck, one of the larger holdings in the fund, has an exciting 2023 ahead. In April, the FDA's advisory committees gave a positive response to the indication of agitation in Alzheimer's disease. A final decision will be taken by the FDA before May 10. A positive outcome would imply that Rexulti will be the first approved drug in this indication.

Finally, we would like to thank you, our co-investors, for your continued trust!

VISITS DURING THE MONTH

Among our positions, we met e.g., Bonesupport, Camurus. In addition, we had a handful of company meetings with new potential holdings.

LARGEST CONTRIBUTORS

Bonesupport – Medtech
 Online Brands – Ecommerce
 Lundbeck – Pharmaceuticals
 Dometic – Leisure products
 Attendo – Elderly care



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



Axel Ekros
 Research Associate
 +46 70 090 61 27
 axel.ekros@adrigo.se
 In the industry since 2022

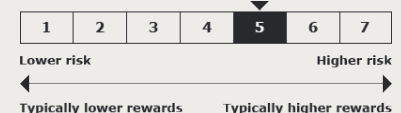
Fund information

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:

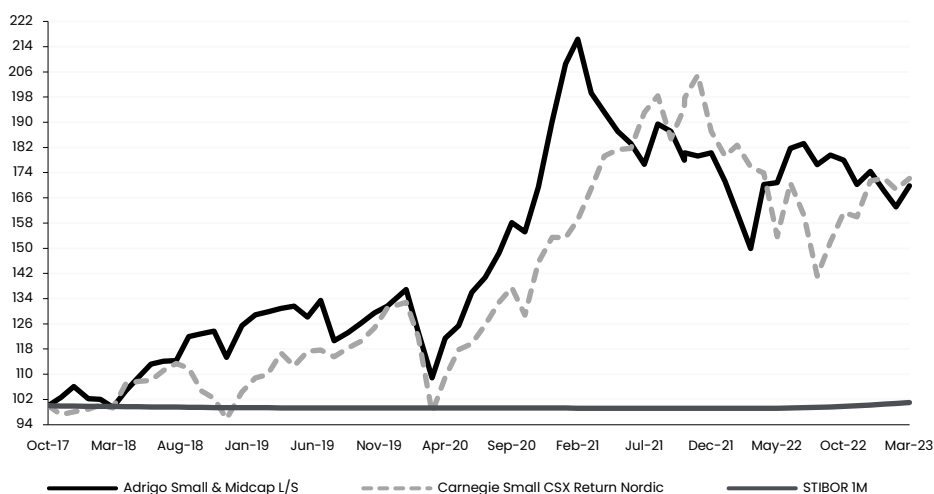
Investment in funds always involves some kind of risk. Past performance is no guarantee for future performance. Fund units may go up or down in value and may be affected by changes in exchange rates. Investors may not get back the amount invested. Full information on Adrigo funds, such as the prospectus,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



ADRIGO SMALL & MIDCAP L/S

April 2023

Performance Nov 2017 – Apr 2023



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

Key and Risk figures	28/04/23	1 M	12 M	Since inception
NAV Class A, SEK	169.85			
NAV Class C, SEK	2 082.79			
Performance, % *		4.11	13.33	69.85
STIBOR IM, %		0.29	1.89	1.04
Std deviation, % *, **			17.78	18.45
Sharpe ratio *			0.75	0.55
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
2023 Class C	2.48	-3.50	-3.08	4.11									-0.22
2023 Class A	2.47	-3.50	-3.08	4.11									-0.22
2022 Class C					12.87	0.32	5.08	0.72	-3.67	1.71	-0.90	-4.34	11.31
2022 Class A	0.56	-5.01	-5.90	-7.01	13.56	0.40	6.36	0.85	-3.67	1.71	-0.91	-4.34	-5.05
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

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 investor information documents (KIID) 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 own 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 own jurisdictions relevant to the purchase, holding or disposal of shares.