

## PERFORMANCE

Adrigo Small & Midcap L/S Class A and Class C rose 4.45% and 3.61% respectively in March, net of fees. The Carnegie Small Cap Return Index Nordic rose by 6.57% in March.

Among the fund's larger holdings, **Ossdsign** (Medtech) and **Opter** (Software) provided good contributions. Among the fund's mid-sized positions, we noted good contributions from **Cint Group** (Software) and **Maven Wireless** (Technology). Our short positions had a negative contribution in aggregate.

Adrigo Small & Midcap L/S Class A has returned 110.7% since inception, net of fees. In the same period, the benchmark STIBOR 1M rate returned 4.0% and the Carnegie Small Cap Return Index Nordic gained 89.4%. The average compounded return for the fund has been 11.7% per year since inception.

## THE MARKET & THE COMPANIES

Global stock markets continued to perform well during March. The S&P 500 and the MSCI World rose by 3.2% and 4.4% respectively. The Nordic markets enjoyed a comeback after having performed weaker than the large global markets during the first two months of the year. The Danish market was again the strongest with the Copenhagen Benchmark index rising 6.0%, closely followed by the Swedish Stockholm Benchmark which rose by 5.0%. The Norwegian Benchmark was up by 4.9% while Finland (again) lagged with an increase of 1.8%. Small-caps, which underperformed large-caps during the beginning of the year, developed strongly with CSX Sweden increasing 7.7%. The large-cap index OMX S30 rose in line with European large-caps and was up by 4.2%. Thereby, Nordic small-caps have performed in line with large-caps YTD. However, looking two years back, large-caps are up by some 22% while small-caps have delivered a mere 1%.

In early April, Ossdsign was awarded a long-term agreement with Premier Inc. Premier is one of the largest GPO's (Group purchasing organization) in the U.S, with around 4,350 member hospitals. The agreement has no guarantee of volumes, but it makes Ossdsign's marketing process towards the individual hospitals easier. Ossdsign's sales of Catalyst, its nanosynthetic bonegraft for spinal surgeries, rose sequentially by 60% in the fourth quarter. We expect to see continued strong growth over the next years, although one should expect certain fluctuations between the quarters. Moreover, the growth opportunities have improved significantly since the loss-making and margin-diluting cranial business ceased end of 2023. This gives additional resources for clinical studies and to the marketing organisation at the same time as management resources can be used more effectively.

We have been investors in Opter since the IPO in late 2021. The company has an impressive track record of growth and profitability and ARR rose by 20% during 2023. The EBIT-margin rose from 18.3% to 22.6% and we expect it to move towards the 30%-level in the longer perspective. The company's product is a complete transport planning software. The company was founded in 2002 and the founders are still active in the company and are also the largest shareholders. The annual growth since 2002 has been around 25%. After having been active on the domestic Swedish market, Opter expanded to all Nordic countries and Estonia. We believe that Opter has good prospects to grow further geographically into the DACH-area. Hence, we believe the company has good possibilities for continued double-digit organic growth with high profitability. Its accounting standards are conservative with no capitalized R&D costs, it has a net cash position, generates strong cash flows and the dividend will be hiked by 47% this year. The share has given us more than 20% annual returns and is a good example that our long-term strategy of investing in small, niche-oriented growth companies is highly rewarding.

We have seen signs of increased optimism among consumers during the first quarter. We have also seen that the Swedish housing market has turned the corner. The district Östermalm in Stockholm is a good bellwether and there was a clear change in the market during February and March. We expect to hear slightly upbeat tones from consumer-related companies in the upcoming earnings season. Our portfolio, characterised by pure stock-picking, has today some 30% weighting towards this segment of the market.

During the first quarter, we have initiated new positions in Nanoform Finland, Lindex Group, Smarteye, Karnell and Proact. The positions in Aker Carbon Capture, Calliditas, Dolphin Drilling, Balder and Hafnia have been divested. We continue to see very good opportunities in the Nordic small- and midcap sector.

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

The number of company visits has been limited during the month due to silent periods in many companies. However, we met with Karnell, Elekta and Ossdsign.

## LARGEST CONTRIBUTORS

- › Ossdsign – Medtech
- › Opter – Software
- › Cint Group – Software
- › Brinova – Property
- › Maven Wireless – Technology



## Portfolio management



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In the industry since 1987

## Fund information

<b>Launch date</b>	2017-11-01
<b>ISIN</b>	SE0010440735
<b>Subscription fee</b>	0%
<b>Redemption fee</b>	0%
<b>Fixed management fee</b>	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](http://adrigo.se).

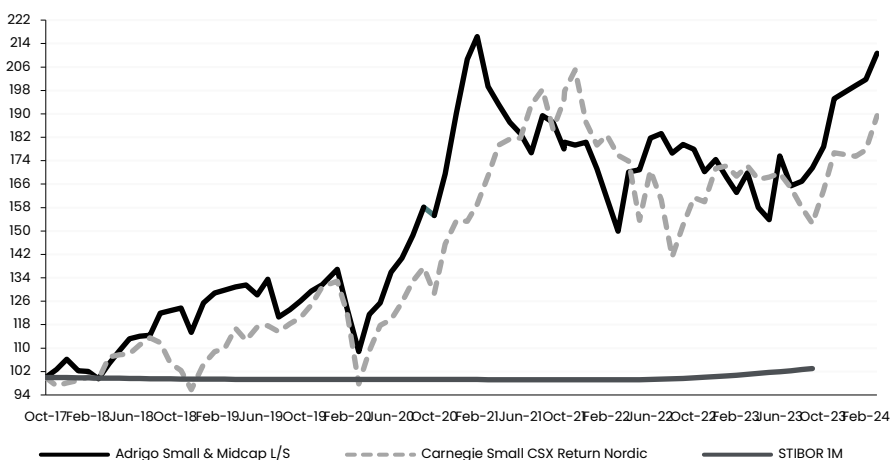


# ADRIGO SMALL & MIDCAP L/S

March 2024

## Performance

Nov 2017 – Mar 2024



### 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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Key and Risk figures	31/03/24	1 M	12 M	Since inception
NAV Class A, SEK	210.68			
NAV Class C, SEK	2 538.53			
Performance, % *		4.45	26.84	110.68
STIBOR IM, %		0.33	3.24	4.02
Std deviation, % *, **			20.32	18.78
Sharpe ratio *			1.43	0.66
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	4.45										7.96
2024 Class C	1.92	0.90	3.61										6.56
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](http://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.