

Adrigo Small & Midcap L/S

Monthly Report July 2024



Performance

Adrigo Small & Midcap L/S Class A and Class C fell 6,43% and 6,43% respectively in July after fees. Carnegie Small Cap Return Index Nordic rose 4,43% in July. Year to date in 2024, Adrigo Small & Midcap L/S Class A and C are up by 8,28% and 5,31% respectively after fees. The Carnegie Small Cap Return Index Nordic is up 16,04% so far this year.

Among the Fund's largest holdings, **Bonesupport** (medtech), **Sinch** (technology) and **Enea** (software) made good contributions. Among the Fund's smaller and medium-sized companies, we noted good contributions from **Getinge** (medtech) and **Lerøy Seafood** (salmon farming). As a group, the Fund's short positions had a negative impact on returns.

Adrigo Small & Midcap L/S Class A has since inception, and after fees, returned 111.3%. During the same period, the benchmark STIBOR 1M has returned 6.03% and Carnegie Small Cap Return Index Nordic has returned 105.1%. The average annual return for the fund since inception is 11.7%.

The Market and the Companies

Global stock market performance was mixed in July. The MSCI world rose by 1,19%, the S&P 500 rose by 1,21% while the EURO STOXX 50 fell by 0,43%. Emerging markets performed slightly more positively with a gain of 0,43%. India's BSE and Brazil's Bovespa rose, while China's MSCHI recorded declines. In the Nordic region, the Swedish market was the best performer, rising 2,7%. The Danish market fell by 4,3%, while the Finnish and Norwegian markets rose by 0,9% and 2,6% respectively.

Maven Wireless (technology) was the holding that had the most negative impact on our performance in July. After rising 34% in the first half, the stock fell 26% in July. The company's report was clearly below expectations and the share price fell by 16% on the reporting day. The company has been growing rapidly since it was founded in 2016. Sales rose by 126% and 134% in 2022 and 2023 respectively. Growth slowed to 31% in the first quarter while sales fell by 19% in the second quarter. Order intake increased by 14%. The gross margin amounted to 41% (35%) while operating margin fell from 15% to 2%. Maven Wireless has a very ambitious global growth strategy which implies increased marketing efforts in markets such as North America, India and the UK which impacted margins. In addition, start-up costs for a new production unit (with EMS company Vexos Inc) and investments in type approval for the US products had a negative impact on the earnings. As mentioned above, Maven is still a young and small company. Sales cycles are often quite long, and it is not surprising to see large swings between quarters. We initiated the position in November 2023 and have a long horizon for this investment. We continue to have trust in the management, products and growth and see significant potential in the stock.

Bonesupport continues to perform better than expected, with organic sales growth of 55% in the second quarter. Sales of Cerament G in North America jumped by 111% with existing clients increasing their usage at the same time as new users are being



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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 information documents (KID) and financial reports is available on adrigo.se.

Visits during the month

The month has been characterized by second quarter reports. Our focus has been on the follow-up of existing holdings, but we have also, as usual, spent lots of time on companies outside our investment universe.

Largest contributors

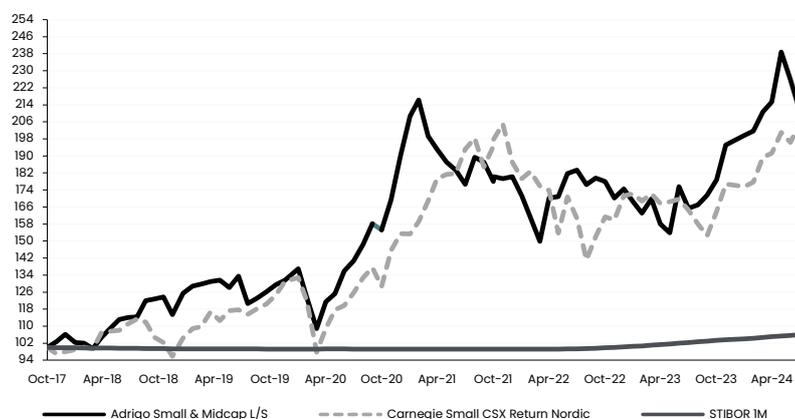
- > Bonesupport – Medtech
- > Enea – Software
- > Sinch – Technology
- > Short position – Industrials
- > Getinge – Medtech

added. During the fall, the company will officially launch Cermanet G in the trauma indication. Although the product is currently used off-label, we believe that the launch will accelerate growth. We have been invested in Bonesupport since the start of the fund in November 2017 and look forward to many more years of profitable growth.

We received good quarterly earnings from Enea, Getinge, Sinch and Proact. Sinch's sales and earnings were very much in line with expectations while cash flow was well above expectations. The stock was one of the most volatile on reporting day and rose by 12%. Management reiterated its guidance for a stable second half with organic growth taking off in 2025.

Finally, as always, we would like to thank you, our co-investors, for your continued trust. Please do not hesitate to contact us with any comments or questions.

Performance



November 2017 – July 2024 (Class A)

Key & Risk figures

Key & Risk figures	7/31/2024	1 M	12 M	Since inception
NAV Class A, SEK	211.30			
NAV Class C, SEK	2 508.74			
Performance, %*		-6.43	20.34	111.30
STIBOR 1M, %		0.2993	3.64	6.03
Std deviation, %*			18.96	19.09
Sharpe ratio*			1.07	0.61

*Refers to Class A

General information

Focus of Investment

Adrigo Small & Midcap L/S is a hedge fund focusing on investments in Nordic equities and equityrelated 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.

NAV

NAV is calculated on the last banking day of each month and published at the latest on the fifth banking day thereafter.

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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Awards



Monthly performance (Class A)

%	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2024	2.3	1.04	4.45	2.23	10.87	-5.44	-6.43						8.28
2023	2.47	-3.5	-3.08	4.11	-6.96	-2.66	14.15	-5.81	0.97	2.77	4.17	9.16	14.63
2022	0.56	-5.01	-5.9	-7.01	13.56	0.4	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	2.4	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	-6.7	8.69
2017											2.65	3.4	6.14

Monthly performance (Class C)

%	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2024	1.92	0.9	3.61	1.87	9.63	-5.43	-6.43						5.31
2023	2.48	-3.5	-3.08	4.11	-6.97	-2.65	14.15	-5.81	0.97	2.77	4.17	8.66	14.11
2022					12.87	0.32	5.08	0.72	-3.67	1.71	-0.91	-4.34	11.31

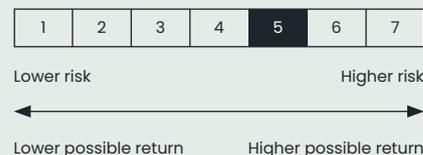
Fund facts

Fund type	Equity hedge fund
Launch date	Class A: 2017-11-01 Class C: 2022-05-02
ISIN	Class A: SE0010440735 Class C: SE0017133366
Subscription fee	0%
Redemption fee	0%
Fixed management fee*	1%
Benchmark	The fund does not follow any benchmark index
Deposit	Initial minimum SEK 1000.
Custodian	Skandinaviska Enskilda Banken AB (publ)
Trading day	Fund units of Adrigo Small & Midcap L/S are open for subscription and redemption on the last banking day every month.

*Performance related management fee 20% of total return exceeding STIBOR 30 days rate after deduction of fixed fee ("high water mark").

Risk indicator

The fund has risk class 5 out of 7, which means that it can decrease/increase sharply in value. The risk indicator assumes you keep the product for 5 years.



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