



Fund strategy

Origo Quest 1 is an alternative investment fund (AIF) that invests primarily in Nordic small and medium-sized companies, with an emphasis on Sweden. In addition, the fund takes short positions in individual stocks and indices to optimize returns and risk.

Our investment approach is based on an active, long-term, fundamental strategy in order to identify value-creating opportunities in small and medium-sized companies. The fund's portfolio is concentrated and could therefore deviate from the general market direction. The fund will have a long bias (net exposure) over time. The goal is to deliver competitive risk-adjusted return over rolling five years.

Manager Comment

Quest gained roughly 0.4% in October during a very weak month for the world equity markets. Fear of escalating trade war and rising US inflation contributed to lowering the world indices. MSCI World lost 7.6%, US 10-year bond rate, which started the year at 2.5%, rose further and reached 3.1%. Both the Nordic Index (VINX30) and Small Cap Index (CSRX) also fell about 7%.

Several companies reported Q3 figures during the month and created even more volatility and drama. About half of the companies have reported, and so far we have seen earnings rise approximately in line with expectations. However, the market sentiment shifted towards fear leading to a sharp fall in prices for part of the reporting companies.

Overall, the fund's long holdings have delivered strong quarterly reports at the same time as the fund has benefited from the fact that low valued companies have performed better than highly valued growth companies. **Cherry** contributed the most during the month after having delivered a very strong report with e.g. 46% organic growth and a substantial margin improvement. Unfortunately, we found out that nothing new was presented

regarding our appeal to the Cherry Board to focus the company's operation (read the letter here: origocapital.se).

Lindab and Alimak were two other major holdings in the fund that beat expectations. The report from Lindab confirms our view that the company has begun an interesting journey towards becoming a more focused ventilation company with a strong market position, better profitability and thus increased shareholder value.

The fund's short holdings contributed positively. Cyclical companies like **Hexpol** and **Ahlsell** contributed the most.

We have continued to increase the fund's holdings in **Hoist** during the month. We have a long-term positive view of the company's growth potential and we are starting to see signs that operational efficiency has turned upwards.

We have sold our entire holding in hearing technology company **Invisio**. Since our first investment in 2013, the development has been fantastic. Invisio has been one of the fund's best performers with more than a tenfold return, but now we have chosen to take profit, almost exactly on the 5th anniversary day.

Fund Managers



Stefan Roos

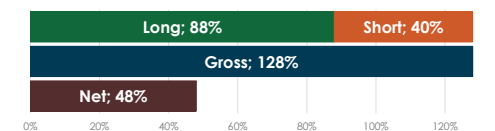


Carl Rydin

Return¹

Class	NAV	1 mth	2018	Start
A	175,56	0,35%	-5,99%	82,4%
B	148,97	0,35%	-5,99%	58,7%
C	180,06	0,34%	-6,07%	43,9%

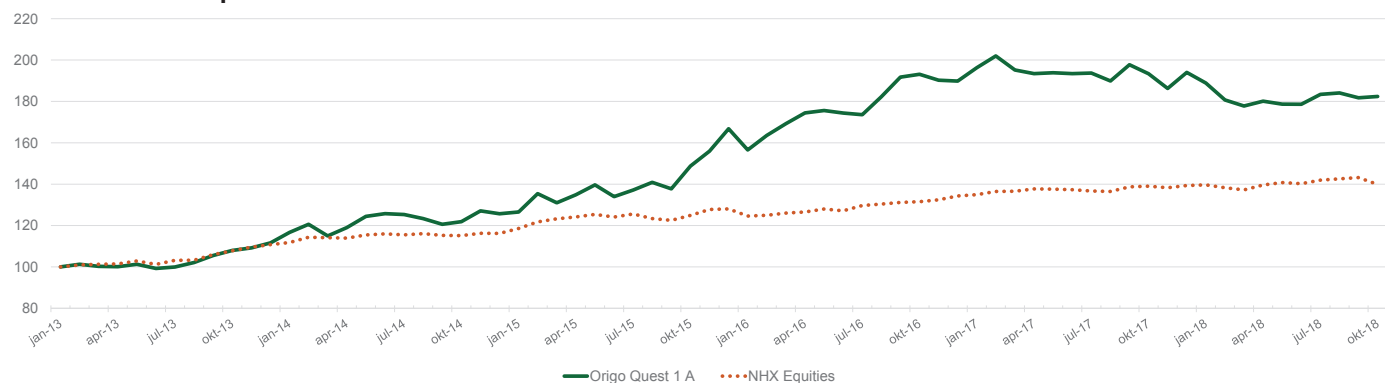
Exposure



Top five holdings

Company	Value driver	% of fund
Alimak Group	Differentiate	11,7%
Cherry	Transform/expand	10,7%
Lindab	Transform	10,4%
Qliro Group	Transform/expand	9,8%
Hoist Finance	Expand	9,7%
Total		52,3%

Return since inception





October 2018

0,35%

Five years

68,90%

ORIGO QUEST 1

Monthly Report October 2018

The fund in brief

- Focus on Nordic Small Caps being in/or entering a phase of change
- Engaged owners and active management approach
- Has historically provided a good return to a lower risk
- Alternative strategy that can contribute to diversification and thus less market dependent

Value Creation Model



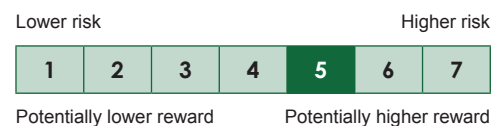
Detailed return (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2018	-2,64	-4,34	-1,62	1,32	-0,81	-0,03	2,67	0,40	-1,28	0,35			-5,99
2017	3,41	2,89	-3,37	-0,89	0,22	-0,21	0,12	-1,96	4,15	-2,20	-3,68	4,15	2,21
2016	-6,15	4,48	3,46	3,08	0,69	-0,70	-0,46	4,98	5,21	0,73	-1,48	-0,24	13,80
2015	0,66	7,02	-3,25	2,94	3,54	-4,05	2,37	2,73	-2,23	7,97	4,86	6,94	32,70
2014	4,54	3,38	-4,68	3,49	4,57	1,08	-0,34	-1,60	-2,23	1,09	4,26	-1,10	12,63
2013	-	1,28	-0,99	-0,17	1,18	-2,00	0,71	2,19	3,31	2,34	1,09	2,23	11,61

Key Figures²

36 months	Annual return	Volatility	Beta	Sharpe	Treynor
Origo Quest 1 A	7,0%	10,5%	0,3	0,7	0,3
Risk-free interest	-0,7%	0,1%	-0,0	0,0	0,0
Equity Hedge Fund Index (NHX Equities)	3,8%	3,6%	0,3	1,2	0,2
Swedish Equity Index (OMXSIG)	7,5%	10,8%	1,0	0,8	0,1
Swedish Small Cap Index (CSRX)	11,1%	12,4%	1,0	0,9	0,1

Risk / Reward Profile



More information

Further information about the Fund's characteristics and risks as well as the conditions to invest in the fund can be found in the prospectus and fund rules, which are available at www.origocapital.se.

If you have questions, please contact us at: kundservice@origocapital.se

Origo Quest 1 is a Swedish special fund under the Swedish Act (2013:561) on Alternative Investment Fund Managers, which means that it has somewhat more free investment rules than ordinary UCITS funds. The fund is managed by Origo Capital AB, which is licensed by the Swedish Financial Supervisory Authority to manage alternative investment funds, and is thus under the supervision of the Authority.

Sustainability

Origo Capital AB is a member of Swesif. Read more about our sustainability work on hallbarhetsprofilen.se.



Risk Information

Past performance does not guarantee future performance. The value of your investment may rise as well as fall and there is no guarantee you will recover your original investment. An investment in Origo Quest 1 should be seen as a long-term investment.

How to invest

Investments in Origo Quest 1 can be made in any of the Share Classes A, B or C. **Class A** suits larger investors and requires a minimum initial investment SEK 500 000. **Class B** normally distributes an annual dividend and therefore fits foundations and others who prefer an annual direct return. **Class C** is targeted to smaller investors and those who want to invest in the fund through our partners.

If you want to invest in Class A or B, you need to fill in and submit subscription documents directly to us. If you want to invest in Class C you can either contact any of the financial institutions where the fund is available or submit subscription documents directly to us. Our partners enable investment in the class through e.g. ISK, unit-linked insurance and ordinary fund account. More information on www.origocapital.se.

The fund is open for trading on the last banking day of each month. To be able to handle your order, we must have your order no later than five banking days and payment no later than two banking days before the last banking day of the month.

Fees

We charge fixed and performance-based management fees from the fund to cover the costs for the administration. The fixed fee is 1.25% for Classes A and B and 1.35% for share class C. The variable fee corresponds to 20% of the fund's excess return relative to a return threshold defined as 90 days Swedish Treasury Bills plus 5 percentage points. Underperformance for previous periods must be recovered before performance fee is paid (High Watermark Principle).

The calculations of the fund's return, risk, holdings etc. relate to the conditions in SEK as of the last banking day of the month, unless otherwise stated. Historical returns are calculated from a fictional unit owner which have entered the fund by the start of the fund, taking into account possible dividends etc. See www.origocapital.se for additional description and detailed glossary.

1) The return table shows the NAV, the development over time and the development since start for each share class (2013-01, 2014-03 and 2014-12, respectively).

2) The key figures compares the fund with some selected indexes and is calculated in 36 months. Volatility shows how returns vary over time. Beta shows adherence to each market. Sharpe and Treynor are measures that show risk-adjusted returns.