



August 2021

2.7%

Five years

32.1%

ORIGO QUEST 1

Monthly Report August 2021

Fund Strategy

Origo Quest 1 is an alternative investment fund (AIF) that primarily invests 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 return and risk.

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

Manager Comment

August's news flow was dominated by increasing pandemic risks with the spreading of the delta mutation and the Federal Reserve's conference in Jackson Hole. The nervousity was obvious, but just as so many times before, the risk appetite increased by the end of the month as the profit forecasts on a global basis remain positively revised.

World index closed 2% up, while the Swedish market was down marginally. Origo Quest 1 gained 2.7%, and 10.9% over the last 12 months. Coor, Catena and Beijer Ref were the top contributors. Our spread between long and short positions remained positive.

Looking closer at our portfolio, we notice the continued bid interest in the fund's holdings. Over the last two years, a considerable share of the portfolio has been acquired from the market. Private equity firms, industrial buyers and others are obviously attracted by the same attributes on which the Origo model is firmly founded upon – underrated companies in a positive transition phase.

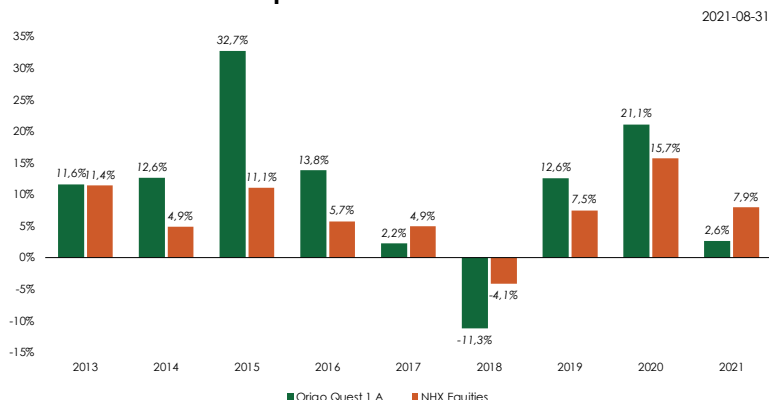
Following the ongoing bidding war in the automotive safety firm **Veoneer**, the pharmaceutical company **Swedish Orphan Biovitrum (Sobi)** has emerged as the next bidding target in the portfolio. The private equity firm Advent and GIC has recently placed a recommended cash bid of SEK 235 per share. Considering the potential in Sobi's research

portfolio as well as cash flow-profile, it cannot be ruled out that more offers will be presented. We are currently evaluating the situation.

Another potential buy-out candidate is **Hoist Finance**. The debt resolution company has been a long-time disappointment and the headwinds are clearly visible in the share performance. However, there are changes in progress, both in the management and the board of directors. In the shorter perspective, we keep our eye on the ongoing European review of risk weight guidelines for NPLs, that runs until the end of September. This could be the vitamin injection that Hoist needs. The low forward-looking valuation in conjunction with the open ownership structure, make Hoist to one of the most likely takeover targets on the market.

Clear potential is also visible in **Munters**. Consolidation has so far been the trend of the share price in 2021, but lately, senior management and the largest shareholder have increased their holdings in the company. Munters is positioned within several structurally growing market niches and following several internal improvement programs, the firm is ready for a new and more growth-oriented phase. Although the pandemic is still a short-term issue, long-term organic growth opportunities as well as bolt-on acquisitions are clear drivers of future value creation.

Annual return since inception²



Fund Managers



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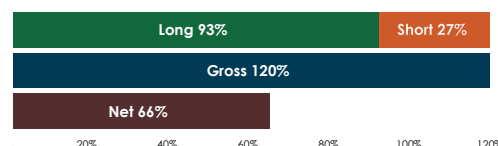


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Fund Manager
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Return

Class	NAV	1 mo	2021	Start
A	219,48	2,7 %	2,6 %	140,8 %
B	168,42	2,7 %	2,6 %	109,4 %
C	237,03	2,7 %	2,5 %	89,4 %

Exposure¹



¹ The chart visualises the relation between the fund's long and short positions in equity and equity-like financial instruments in relation to the assets under management.

Top five holdings

Company	Value driver	% of fund
Coor	Expand & Execute	11,7 %
Fabege	Differentiate & Execute	9,0 %
Catena	Expand	6,8 %
Beijer Ref	Expand	5,7 %
Telecom Services	Execute	4,7 %
Total		37,9%



² The return chart shows the annual return in share class A compared with the NHX Equities index (current month's index figures are preliminary). The fund launched on 31 January 2013. The figure for 2013 and the current year does not represent a full calendar year.



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The Fund in Brief

- Focus on Nordic Small Caps in 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

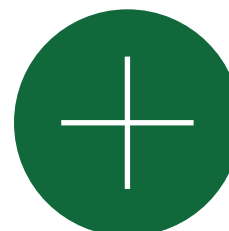
Value Creation Model

Differentiate

Business model
Technology
Service

Transform

Transformation
M&A, Spin-offs
Capital structure



Expand

Expansion
Geography, Products
Organic, M&A

Execute

Management / Board
Strategy / Targets
Sustainability

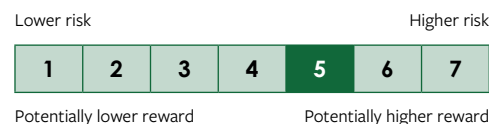
Detailed return

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2021	-0.6%	-0.7%	-4.1%	2.8%	0.4%	-0.4%	2.6%	2.7%					2.6%
2020	-3.5%	-2.1%	-13.1%	11.7%	6.4%	4.9%	6.8%	2.4%	3.5%	-5.6%	3.8%	6.6%	21.1%
2019	5.2%	3.1%	-2.4%	5.5%	0.2%	-1.3%	5.1%	-2.4%	-2.0%	-1.6%	1.0%	2.1%	12.6%
2018	-2.6%	-4.3%	-1.6%	1.3%	-0.8%	0.0%	2.7%	0.4%	-1.3%	0.4%	1.4%	-6.9%	-11.3%
2017	3.4%	2.9%	-3.4%	-0.9%	0.2%	-0.2%	0.1%	-2.0%	4.1%	-2.2%	-3.7%	4.1%	2.2%
2016	-6.1%	4.5%	3.5%	3.1%	0.7%	-0.7%	-0.5%	5.0%	5.2%	0.7%	-1.5%	-0.2%	13.8%
2015	0.7%	7.0%	-3.3%	2.9%	3.5%	-4.1%	2.4%	2.7%	-2.2%	8.0%	4.9%	6.9%	32.7%
2014	4.5%	3.4%	-4.7%	3.5%	4.6%	1.1%	-0.3%	-1.6%	-2.2%	1.1%	4.3%	-1.1%	12.6%
2013		1.3%	-1.0%	-0.2%	1.2%	-2.0%	0.7%	2.2%	3.3%	2.3%	1.1%	2.2%	11.6%

Key Figures³

36 months	Annual return	Volatility	Beta
Origo Quest 1 A	9,4 %	15,8 %	0,55
Risk-free interest (OMRXTBILL90)	-0,4 %	0,1 %	0,00
Equity Hedge Fund Index (NHX Equities)	8,1 %	7,9 %	0,38
Swedish Equity Index (OMXSGI)	20,5 %	18,0 %	1,00
Swedish Small Cap Index (CSRX)	26,6 %	20,7 %	1,06

Risk / Reward Profile



³ The key figures compare the fund with some chosen indices. The fund does however not have an official benchmark index. Volatility shows how returns vary over time. Beta shows adherence to each market.

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, which is available at www.origofonder.se.

If you have questions, please contact us at: info@origofonder.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 Fonder 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

We consider sustainability factors in the management of the fund and are members of Swesif. Read more about our sustainability work on www.origofonder.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 Classes A, B or C. **Class A** suits larger investors and requires a minimum first investment of SEK 500 000. **Class B** normally distributes an annual dividend and therefore fits foundations and others who prefer a 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 submit subscription documents directly to us. If you want to invest in Class C you can contact a distributor 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.origofonder.se.

The fund is open for trading on the last banking day of each month. We must have received 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 administration costs. The fixed fee is 1.25% for Classes A and B and 1.35% for Class C. The variable fee corresponds to 20% of the fund's excess return relative to the return threshold (90 days Swedish Treasury Bills + 5%). Under-performance for previous periods must be recovered before performance fee is paid (High Watermark Principle).

The calculations of the fund's return, risk, holdings etc. represent class A in SEK as per the last business day of the current calendar month, unless otherwise stated. When calculating past performance in Class A and B, we consider the applicable model for individual calculation of performance fee, which may result in investors being allotted compensatory fund units in connection with payment of performance fees. NAV may therefore not be representative of past performance for these share classes. The share classes are presented from the respective start: 2013-01-31 (A), 2014-03-31 (B) and 2014-12-30 (C), which means that the first year for each class does not represent a full calendar year. See www.origofonder.se for more information and a glossary.