

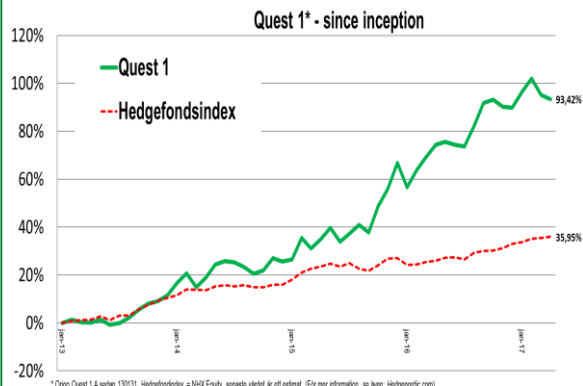


## Origo Quest 1 Monthly Update April 2017

### Monthly update

Quest lost 0.89% in April. The market trend has been rising, driven by strong interim reports and the reactions have been relatively large in both directions. **One of our companies that we think delivered a really interesting Q1 report was Invisio.** Quarterly revenue grew by 11% up to a record level of SEK 88 million, and the **gross margin recorded a new all-time high of 54.9% (53.1%).** Although the operating margin decreased to 25.8% (29.6%), we estimate that it is about **new "offensive costs" which will boost growth further.** CEO Lars Højgård Hansen writes in the quarterly report that developments are proceeding according to plan and that the expansion in the US operations continues. Invisio, who has been in an investment phase since a year back, will **soon enter a new phase; launching new smart communication and hearing protection solutions.** We believe that the timing of this will be in the autumn **and we have recently increased our holdings.**

\*Quest 1 Class A



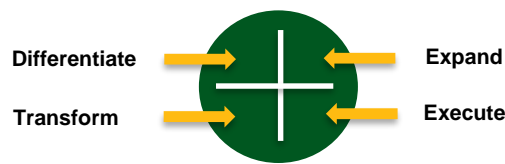
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	3,41	2,89	-3,37	-0,89									1,90%
2016	-6,15	4,48	3,46	3,08	0,69	-0,70	-0,46	4,98	5,21	0,73	-1,48	-0,24	13,80%
2015	0,66	7,02	-3,25	2,94	3,54	-4,05	2,37	2,73	-2,23	7,97	4,86	6,94	32,70%
2014	4,54	3,38	-4,68	3,49	4,57	1,08	-0,34	-1,60	-2,23	1,09	4,26	-1,10	12,62%
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%

Return, %	Price	Month	YTD	Since incept. 130131
Quest 1 – Class A	186,60	-0,89	1,90	93,42
Quest 1 – Class B	175,24	-0,89	1,90	-
Quest 1 – Class C	191,24	-0,90	1,88	-
Hedgefund-index <sup>1</sup>	209,65	0,33	2,12	35,95
Risk-free interest <sup>2</sup>	353,99	-0,06	-0,28	0,22

Risk	%	Exposure	%
Volatility, 24m <sup>3</sup>	11,90	Long positions	90,82
Annual return <sup>4</sup>	16,79	Short positions	60,49
Sharpe ratio <sup>5</sup>	1,63	Gross exposure <sup>8</sup>	151,31
Beta <sup>6</sup>	0,41	Net exposure <sup>9</sup>	30,33
VaR <sup>7</sup>	1,15		

Top 5 Holdings	Valuedriver	% of Fund
B&B Tools	Expand	10,63%
Cherry	Expand	10,35%
NKT Holding	Transform	9,75%
Catena	Expand	7,65%
Enea	Expand	7,33%
<b>Total:</b>		<b>45,71%</b>

### Origo Capital – Value creation model



1) Hedge Fund Index Equities (latest monthly figure is an estimate). See [www.hedenordic.com](http://www.hedenordic.com) for more info. 2) OMRX-T bill 90 d (T-bill index) 3) The funds overall measure of risk. Shows how returns vary in annual terms over time. 4) The Fund's annualized return since inception (Class A). 5) Important measure of whether the manager has been paid for the risk taken (risk-adjusted return). 6) A measure of how responsive the return has been vs the market (Small Cap Index). 7) Value-at-Risk is a probability based measure of the size of the risk over a certain period of time. (Origo Capital use 1 day with 95% confidence) 8) The market value of the long positions (holdings of securities) + short positions (short sold shares and negative exposure, % of Fund). 9) Market value of the long positions minus short positions and negative exposure, % of fund. NOTE: Risk figures are usually based on a 24 month history, and in some cases have a one month lag.

## Short on Origo Quest 1

Quest 1 is an equity-oriented hedgefund with a focus on small-cap companies that are in a period of change. The companies will mainly be denominated in the Nordic countries and have a market capitalization that is smaller than SEK 10 billion at the time of investment.

The investment philosophy is based on the following cornerstones:

- Specialized in small caps
- Engaged and active owners
- Long-term investors
- Focus on development of portfolio companies

The core of the fund consists of long-term holdings (12-20 companies), where the team has identified significant potential, while the level of risk is deemed reasonable. The management team often takes an active role in the change process.

The portfolio is supplemented periodically with a varying degree of short positions (short selling), interest-bearing-investments and various derivatives, with the aim to achieve the desired risk profile. Gross exposure (long + short positions) may vary between 0-200%. The goal is to create absolute return of 10-15% per year and that the risk will be lower than the stock market risk, measured as an average over 3-5 years.

Investors who are considering investing in Quest 1 should take into account that funds of this type can both increase and decrease in value. The investment horizon should be at least 3-5 years.

## The investment team

Fund managers are Stefan Roos and Staffan Östlin. Stefan is a specialist in small-cap companies and has received several awards for his fund management. Stefan has worked at, among others, Handelsbanken Funds and SEB Funds as investment manager, shareholder-representative and team leader. Staffan Östlin has a solid equity background as capital goods-analyst, head of equity sales, equity strategist and private investor. Staffan has worked at, among others, Enskilda Securities, New York and Handelsbanken Markets, New York. Together the team has more than 50 years of professional experience in the stock market.

## Risk Information

This monthly update is produced by Origo Capital. Advice and information are based on sources that Origo assessed as reliable. Information on taxes is based on the rules that apply today. The tax rules may change over time. Tax consequences for you depends on your individual situation. In terms of funds and other financial instruments as described above, historical return is no guarantee of future returns. The value of your fund units and other financial instruments can both rise and fall in value and there is no guarantee that you will get back the amount invested. For funds that invest in foreign markets or instruments in foreign currency, changes in currency exchange rates can cause the value of fund shares or other instruments to rise or fall. Explanations and definitions of terminology and abbreviations are found on the first page of this document. Additional information, including fact sheets and information brochure for the Fund, can be obtained from your contact at Origo Capital or downloaded at [www.origocapital.se](http://www.origocapital.se).

## Fund facts

<b>CLASS A</b>	
Date of inception	130131
Fee structure	Fixed fee 1,25% + ev. performance fee
Performance fee	20% of the fund's excess return
High Water Mark	Yes, individually calculated
Threshold-rate	90 d SSVX + 5%
Currency	SEK
ISIN	SE 0005 003 134
Minimum investment	SEK 500.000, thereafter SEK 100.000
Dividend	No
Subscription, redemption/NAV	Monthly
<b>CLASS B</b>	
Date of inception	140331
Fee structure	Fixed fee 1,25% + ev. performance fee
Performance fee	20% of the fund's excess return
High Water Mark	Yes, individually calculated
Threshold-rate	90 d SSVX + 5%
Currency	SEK
ISIN	SE 0006 452 959
Minimum investment	SEK 500.000, thereafter SEK 100.000
Dividend	Yes
Subscription, redemption/NAV	Monthly
<b>CLASS C</b>	
Date of inception	141231
Fee structure	Fixed fee 1,35% + ev. performance fee
Performance fee	20% of the fund's excess return
High Water Mark	Yes, collectively calculated
Threshold-rate	90 d SSVX + 5%
Currency	SEK
ISIN	SE 0006 452 967
Minimum investment	SEK 1.000, thereafter SEK 1.000
Dividend	No
Subscription, redemption/NAV	Monthly
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<b>SUBSCRIPTION/REDEMPTION/NAV</b>	
Subscription, redemption	Last banking day each month
Subscription application	5 banking days before month-end
Request for redemption	20 banking days before month-end
NAV	Monthly + weekly indicative NAV
Subscription documents etc.	<a href="http://origocapital.se">origocapital.se</a>