



East Capital Acquires Adrigo

Stockholm (HedgeNordic) – Stockholm-headquartered **East Capital** has agreed to acquire hedge fund firm **Adrigo Asset Management** to strengthen its fund offering. Adrigo manages two hedge funds – [Adrigo Hedge](#) and [Adrigo Small & Midcap L/S](#) – and oversees approximately SEK 1.5 billion in assets under management.

[Staffan Östlin](#), Adrigo’s chief investment officer, and Johan Eriksson will remain with the company following the acquisition and will continue to manage Adrigo Small & Midcap L/S, a stock-picking hedge fund searching for long and short opportunities among small- and mid-cap companies in the Nordics. In consultation with Östlin, East Capital will add new resources to the management of Adrigo Hedge, Adrigo’s first hedge fund that was launched in December of 2006.

“This acquisition ensures investors in Adrigo’s funds can look forward to continued opportunities for stable and attractive returns,” [Håkan Filipson](#) (*pictured*), Chairman of Adrigo Asset Management, said in a press release. “For Adrigo Small & Midcap L/S, there is continuity with the current management team, while the new resources for Adrigo Hedge will rapidly put it back on course to delivering the strong, low-risk returns that have been a feature since the fund’s inception 13 years ago,” he added.

Adrigo Hedge delivered an annualized return of 4.1 percent since inception, but

the performance has been relatively weak in the recent past. The fund is currently experiencing its second-worst drawdown since inception. Adrigo Hedge is down 6.6 percent year-to-date through October, whereas the fund lost only 3.5 percent in 2008 – the fund’s worst year on record. Adrigo Small & Midcap L/S, meanwhile, returned 26.2 percent since launching in late 2017 and is up 9.3 percent in the first ten months of 2019. The fund was recently named the “Best New European Hedge Fund” at the 2019 Eureka Hedge Global Hedge Fund Awards.

“East Capital has a very established market position and investor base, combined with a clear strategy for the continued development of our funds. We are very pleased to hand over the baton to East Capital Holding, in whose management we have great confidence,” said Filipson.

“Adrigo Asset Management is a welcome addition to the East Capital Group and brings absolute return-focused investing to the range of solutions that we offer clients,” Peter Elam Håkansson, Chairman of East Capital Holding, commented on the deal. “We see great opportunities arising from the expertise and the funds that are coming over when the management team and brand join us. I also believe that East Capital Group’s experience in institutional management and the additional resources in the investment team can make a major contribution to Adrigo’s development, especially in the areas of sustainability and corporate governance.”

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