ODIN Sverige 30/11/2025

The fund has share classes in SEK, NOK and EUR: A, B, C and D

FUND COMMENTARY

The stock market moved sideways in November. ODIN Sweden underperformed its benchmark index during the month and gave back the positive relative return from October, which had been driven by the fund's holdings performing significantly better during the reporting season. We note that, in general, large-cap stocks have done better this year (particularly banks), while risk appetite for small-cap stocks has been limited. As an all-cap fund with a quality focus, we are primarily concerned with identifying the fundamentally best companies at reasonable pricing and risk, regardless of size.

Portfolio company activity was low during the month, with the exception of **Munters**. However, several companies held capital markets days: **ABB, Assa Abloy, Atlas Copco**, and **Thule**, where we physically attended the latter two. ABB and Thule presented new or updated financial targets, while Assa Abloy and Atlas Copco's capital markets days were more educational in nature.

ABB chose to raise its margin target from the range of 16–19% to 18–22%. Our thesis is that the company will likely reach the upper end of the range over time, as ABB: i) is exposed to structural trends (electrification, energy efficiency, data centers); ii) holds strong positions, ranked 1–3 in respective market segments; and iii) is now further decentralizing its operations.

Thule decided to change its growth target from the previous goal set in spring 2022 of reaching SEK 30 billion in revenue by 2030, to a target of 7% organic growth over time – which the market had been waiting for. Strategically, the new target is to be achieved through more efficient capital allocation, focusing on product categories where Thule holds the strongest positions in smaller niche markets (such as bike racks), which we consider a sound focus.

Munters announced that they had received a large order in the data center segment worth approximately SEK 2 billion from a hyperscaler customer, for use in both "traditional" and AI data centers.

The strongest share price performance during the month came from **AstraZeneca, Axfood**, and **Thule**. AstraZeneca delivered a solid report at the beginning of the month, followed by positive news regarding its development portfolio, while the stock market now likely expects less involvement from the Trump administration after the agreement AstraZeneca signed in October.

The weakest stocks of the month were **Hemnet, Addnode**, and **Medicover**. Hemnet continued to decline due to a persistently weak property market, concerns about competitor Booli, and uncertainty about how its business model will hold up in an AI-driven world with increasing search activity via, for example, ChatGPT or Gemini. We previously sold a large part of our position and have not added further. Medicover reported in line with expectations, but looking ahead, the CEO was somewhat defensive in his communication, which the market may have reacted to. Nothing company-specific occurred in Addnode.

We have not made any significant portfolio changes during the month. We continue to build the portfolio based on our investment philosophy – the Odin model – which focuses on the three Ps: performance, position, and price. We are convinced that this methodology will generate long-term excess returns for our unit holders.

Portfolio Managers:

Peter Nygren

Philip Mesch

Jonathan Schönbäck

Why invest in this fund?

There are many good companies in Sweden. Several of these are niche players with small home markets, which have gradually built-up solid positions in Europe and the rest of the world. We aim to invest in companies that show good results, are in a strong competitive position for the future and are attractive pricewise.

How is the fund positioned?

75% of ODIN Sverige is made up of small and medium-sized companies and 25% of large companies. At the sector level, the fund has significant exposure to manufacturing and consumer goods. The fund has little exposure to real estate and property developers, and limited exposure to construction-related companies. We also have little exposure to the banking sector. We are a long-term stock-picker with few companies in the portfolio to maximize our investment ideas, and we know that value creation takes time. That is why it is important to find the companies that are well positioned in the long term, rather than those delivering good figures in the short term.