

ODIN Sverige 28/02/2026

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

FUND COMMENTARY

February was another month of strong performance for the broad equity market index. The upturn continues to be driven primarily by large-cap companies, while small caps once again showed significantly weaker share price performance. The difference is striking: year-to-date, the “large-cap index” is outperforming the “small-cap index” by roughly 15 percentage points. ODIN Sverige is an all-cap mandate with substantially greater exposure to small caps than its benchmark index. This overweight towards small-cap companies largely explains why ODIN Sverige has continued to underperform the benchmark through the month.

The reporting season for the fourth quarter of 2025 was completed in February for the fund’s 27 holdings. Overall, results were neutral to slightly positive, with continued stability in the companies’ operating performance, although organic growth remains low. As in prior reporting periods, the pattern is clear: our companies continue to deliver solid fundamental development.

As mentioned earlier, larger companies have continued to show significantly stronger share price performance than smaller companies. This stands in contrast to the underlying results during the reporting period, where both large and small companies have delivered broadly similar outcomes, and where earnings revisions following the reports have been relatively even across segments. The discrepancy in share price reactions means that large-cap companies are now trading at increasingly higher valuation multiples — both in absolute terms and relative to their own historical levels. The valuation gap compared to smaller companies has also widened.

In February, EQT, Addnode and Hemnet were the weakest contributors to the fund’s performance. The common denominator behind the declines is increased market concern related to AI and the potential impact on the companies’ business models. For EQT, the concern is particularly tied to the valuation of software companies within the firm’s underlying funds. However, it is important to put this into perspective: software exposure represents roughly 10%, while the EQT share price has fallen around 20%. We therefore believe the market reaction is exaggerated and maintain EQT as one of the fund’s larger positions. Addnode is impacted by the same sentiment. The company generates significant customer value by adapting and integrating software solutions. Valuations across the software sector have generally been compressed, and we have so far chosen not to go against the current. Still, we maintain Addnode as a relatively large position in the fund. For Hemnet, the share price decline is the result of three interacting factors: AI concerns, a continued weak housing market, and worries about increasing competition. Hemnet represents the fund’s smallest position, and we are awaiting a more stable housing market situation before reassessing the next step for this holding.

The strongest contributors to performance during the month were ABB and Munters, without any company-specific news, as well as Lagercrantz, which raised its financial targets.

During the month, we chose to reduce our positions in several larger companies, including ABB and Epiroc. The decision is primarily based on the significant increase in valuation multiples within the large-cap segment. In parallel, we increased our positions in a number of smaller companies. The largest weight increase was made in Addlife, and we also strengthened our position in Hexagon. All adjustments were valuation-driven and intended to enhance the fund’s long-term return potential by reducing exposure to the elevated valuations of the largest companies while increasing exposure to attractive opportunities among smaller companies. Valuations for small caps — and for the portfolio as a whole — remain at attractive levels, and leverage across portfolio holdings is low. We therefore do not believe the fundamental situation is as weak as the recent share price performance suggests, and we view the portfolio as well positioned for strong future returns.

We continue to build the portfolio based on our investment framework, the Odin model, which focuses on the three P’s — performance, position, and price.

Portfolio Managers:



Peter Nygren



Philip Mesch



Jonathan Schönback

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.