

# ODIN Emerging Markets 31/03/2025

The fund has share classes in SEK, NOK and EUR: A, B, C, D, D2, F, G, H, I

## FUND COMMENTARY

In March, we traveled around India with the aim of diving deeper into the market, understanding the people, and exploring the companies. India's growth is driven by a young and ambitious population ready to work hard to realize their dreams. Combined with rapid technological development and increasing purchasing power, this provides a solid foundation for further growth.

Outside Pune, we visited Garware Technical Fibres, considered one of India's best workplaces according to "Great Place To Work" (GPTW). The company supplies products within nets and ropes to various industries, including the Norwegian aquaculture industry and tennis nets to Wimbledon. Garware has a strong focus on quality and continuous product development, inspired by the precision and reliability that characterize the Japanese automotive industry. They are ranked among the top 25 of over 4000 Indian industrial companies in terms of job satisfaction according to GPTW.

Next, we traveled to Bangalore where we met the management of one of India's largest amusement park companies, Wonderla, and got to test one of India's largest amusement parks. The park in Bangalore can be compared to Tusenfryd or Liseberg, but Wonderla owns and operates not just one, but four large amusement parks in India and plans to expand to 10 parks over the next 8 years. Unlike Tusenfryd, the park is not closed during winter, and some of the cities they are connected to have over 10 million inhabitants. In an industry characterized by poor governance and poor working conditions, Wonderla stands out as the only player operating its parks according to international standards with strong profitability. We also saw great employee satisfaction during our visit, and the company is also certified by GPTW.

In Hyderabad, we visited the packaging manufacturer Mold-Tek Packaging. The company made its mark with paint buckets but has over the past few years expanded into packaging for the food industry as well as the pharmaceutical industry. The company's focus area within pharmaceutical packaging demonstrates its ability to expand into new business areas, which helps diversify the company while increasing profitability. When we visited one of the new factories, we were very impressed by the transition to a new and more demanding industry. The company's dedicated management and good working conditions, supported by GPTW certification, are important drivers for success.

We also met our fourth portfolio company in Hyderabad, Vijaya Diagnostics, a private health clinic offering a wide range of diagnostic services. With large scale and efficient utilization of equipment, they manage to compete on price while attracting the best doctors and radiographers. They can do this because they are recognized in the industry as a leading player in new technology, while their business model creates higher turnover on the equipment, allowing them to pay higher salaries. The model is very profitable, and Vijaya is expanding to several areas in India.

In March, there have been significant market movements where the Indian stock market has fallen, dragging down the stock prices of the companies mentioned above. These companies continue to deliver underlying performance, and we have used the market decline to increase our holdings in these companies.

### Portfolio Managers:



Dan Erik Glover



Håvard Opland

### Why invest in this fund?

ODIN Emerging Markets targets long-term growth drivers in emerging economies, such as increased purchasing power among consumers and technological development. We have a "defensive" fund for those customers who want to participate in the growth and rising prosperity in emerging markets, but do not want too much risk.

### How is the fund positioned?

ODIN Emerging Markets currently consists of companies in emerging markets with strong market positions, high returns on capital and what we judge to be good corporate governance. Many of our companies sell their products directly to the consumer and will thus benefit from growth in the middle classes while being largely shielded from political influence. With a focus on stable business models with good growth potential, the fund is well positioned to generate good returns in the years ahead. We want companies that operate in different markets and sell different products to different customers.