

MARKET COMMENT

Link Mobility beat expectations

This August we noted that long-term interest rates rose somewhat after the spring dip. The US Fed meeting in Jackson Holes was high on everyone's news agenda but did not have a big impact on the market.

The Fed chairman gave a well-balanced speech in which he mentioned the possibility of reducing support purchases this side of year-end if the economy allows, while clearly separating any decision on this from potential interest rate increases. At the same time, a vigilant eye is being kept on the march of covid mutations and their impact on the economy.

The Nordic credit market awoke from its summer slumber in mid-August as companies from the entire risk scale seeking capital led to primary market intensity. The summer's inflows and low secondary trading meant that deep investor pockets were awaiting the starter's pistol, and Nordic credit margins therefore slipped a little.

August is the month when most of the portfolio's holdings in the high-yield segment report, and

although there was some concern about high commodity prices most companies delivered stable numbers from a credit perspective.

It is worth highlighting that high yield holding Link Mobility reported above expectations and upped its profitability targets for 2021. The company's growth, profitability and stable cash flows, together with the bond's pricing, meant that we chose to increase the position slightly during the month and it is now a well-placed top-10 holding in the portfolio.

European Energy, which is also in the top 10, chose to extend and expand an existing bond so we stretched our position slightly. With its operations in solar and wind energy, the company is very interesting both from a sustainability perspective and from the growth potential in this sector.

We saw one of the fund's holdings, Axactor, gain official credit ratings from both S&P and Moody's, which benefited the company's bonds and, ultimately, also the portfolio.

MONTHLY REPORT

AUGUST 2021



NIKLAS EDMAN

Manager since 2013.

MARIA ANDERSSON

Manager since 2016.

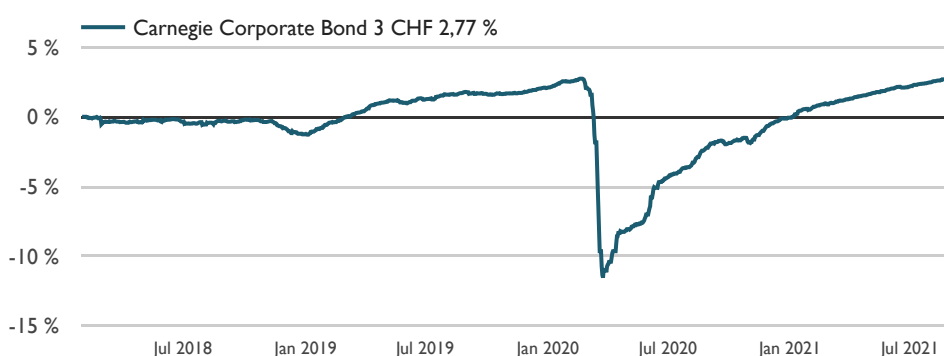
Carnegie Corporate Bond is a fixed income fund that invests in Nordic corporate bonds.

| | |
|----------------------------|--------------|
| Start date | 02/02/2018 |
| Pricing | Daily |
| Morningstar rating | - |
| Risk level | 3 of 7 |
| ISIN | LU1697511969 |
| Ongoing charges | 1.09 % |
| Performance fee* | 20 % |
| Minimum initial investment | 0 CHF |
| Assets under management | 1 921 MCHF |
| Dividend | No |
| NAV per share | 102.77 CHF |

CUMULATIVE PERFORMANCE %

| YTD | 1 year | 3 years | 5 years | 10 years | Since inception |
|------|--------|---------|---------|----------|-----------------|
| 2,84 | 5,01 | 3,07 | | | 2,77 |

PERFORMANCE SINCE START %



FOR SWISS INVESTORS:
The Company is established as a SICAV under Luxembourg law and the Sub-Funds are authorised by FINMA. The Swiss representative is Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva. The Swiss paying agent is Banque Cantonale de Genève, 17, quai de l'Île, 1204 Geneva. Investors in Switzerland can obtain the documents of the Company, such as the Prospectus, the KIIDs, the Articles of Incorporation and the semi-annual and annual reports, each in their latest version as approved by FINMA, in German, and further information free of charge from the Swiss representative.

MONTHLY PERFORMANCE %

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Full year |
|------|------|-------|--------|------|-------|------|------|------|-------|------|------|------|-----------|
| 2021 | 0,58 | 0,37 | 0,38 | 0,36 | 0,34 | 0,19 | 0,30 | 0,30 | | | | | 2,84 |
| 2020 | 0,46 | -0,44 | -12,59 | 3,03 | 1,14 | 2,86 | 0,77 | 1,56 | 0,22 | 0,06 | 1,25 | 0,56 | -2,08 |
| 2019 | 0,69 | 0,50 | 0,48 | 0,63 | -0,02 | 0,22 | 0,38 | 0,17 | -0,13 | 0,02 | 0,11 | 0,27 | 3,37 |

CARNEGIE CORPORATE BOND 3 CHF

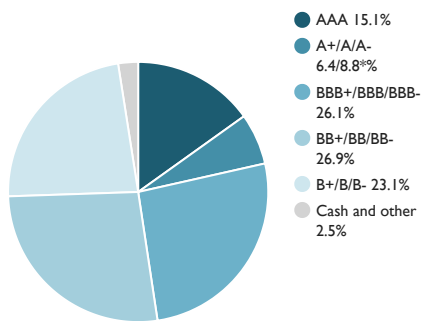
CREDIT RATING

| Category | Credit Rating | Share |
|------------------|---------------|----------------|
| Investment Grade | AAA | 15,1 % |
| | AA+/AA/AA- | 0,0 % |
| | A+/A/A- | 6,4 / 8,8* % |
| | BBB+/BBB/BBB- | 26,1 % |
| Sum | | 47,6 / 50,1* % |
| High Yield | BB+/BB/BB- | 26,9 % |
| | B+/B/B- | 23,1 % |
| | CCC/CC/C | 0,0 % |
| Sum | | 49,9 % |
| Default | D | 0,0 % |
| Cash and other | | 2,5 % |

*Incl cash and other

**The share of the portfolio's fixed-income securities with an official credit rating was 67,1 %

CREDIT RATING ALLOCATION



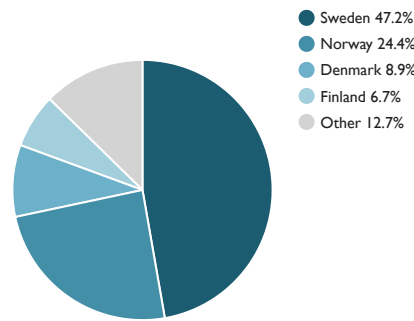
LARGEST ISSUERS

| | |
|-----------------|-------|
| Heimstaden | 3,2 % |
| SBB | 2,6 % |
| Storebrand | 2,4 % |
| Nordea Bank | 2,1 % |
| SEB | 2,0 % |
| Telia | 1,8 % |
| Link Mobility | 1,7 % |
| Verisure | 1,7 % |
| European Energy | 1,6 % |

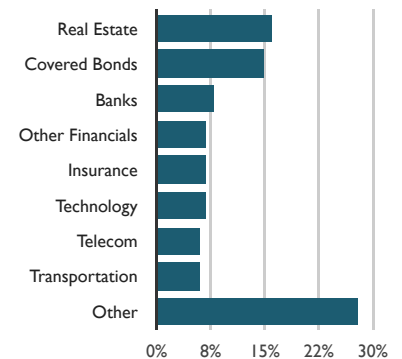
KEY STATISTICS

| | |
|------------------------------------|-------|
| Yield to worst (currency adjusted) | 1,7 % |
| Yield to maturity | 2,6 % |
| Current yield | 3,4 % |
| Duration (years) | 1,0 |
| Credit duration (years) | 2,9 |
| Standard deviation, 2 years | 9,6 % |
| Standard deviation, 3 years | 7,8 % |
| Sharpe ratio, 2 years | -0,19 |
| Sharpe ratio, 3 years | 0,17 |

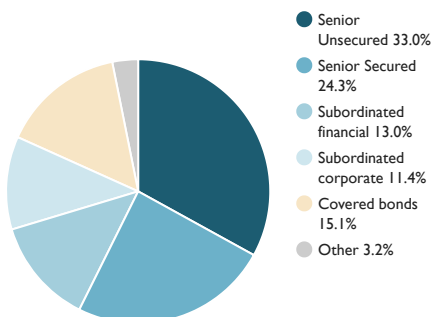
GEOGRAPHICAL ALLOCATION



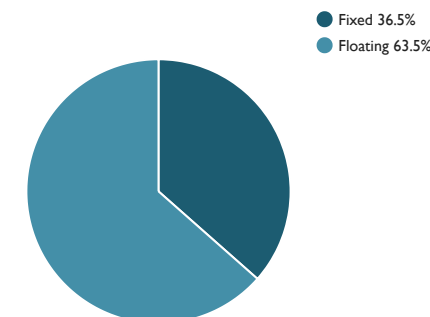
SECTOR ALLOCATION



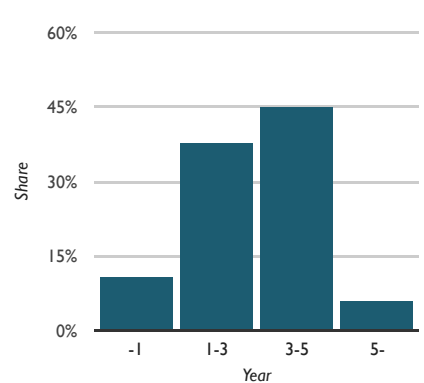
CAPITAL STRUCTURE



RATE DISTRIBUTION



DURATION



CARNEGIE FONDER - SUSTAINABLE INVESTMENTS IN VALUE COMPANIES

Carnegie Fonder is an independent fund management company that was founded in 1988. Our mission is to create long-term good returns for our unit holders. By combining modern sustainability analysis with traditional financial analysis, we identify undervalued companies that are properly equipped for the challenges of the future. We call these value companies.

CONTACT INFORMATION

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