

MARKET COMMENT

IPOs are now expected to join bids and mergers

Real estate companies performed well this month, both operationally (Q2 results) and on the stock exchange. The strong upward trend for real estate that began on the stock exchange in April continued during the first half of August. The second half of the month was more variable.

Bidding and merger activity in the sector has been very intense over the past six months. As mentioned before, there are several reasons: 1) Multiple companies were traded well below NAV at the start of the year, 2) The difference in valuation between sector companies has increased significantly, which means share-based bids from higher valued companies benefit, 3) Larger companies can finance themselves more cheaply in the bond market, and 4) It is not easy to find attractive properties on the direct market. Several of our holdings are still likely to be targets for larger buyers. Corem is an obvious candidate in the longer run (Castellum), and Stendörren and Amasten are likely attractive. Among the larger companies, acquisitions of Fabège and Hufvudstaden (Lundbergs) could take place. Given

the strong price trend for the sector during the spring and summer, we will now probably see new issues and IPOs, while bids and mergers will continue to be frequent. The IPOs apply to companies where owners do not currently want to sell to or merge with any of the majors, but still want to diversify the ownership and gain access to new capital via the stock exchange. Our feeling is that most of the potential new real estate companies may be of interest to the fund.

The laggard real estate companies this month published their Q2 reports. In summary, they reported strong results. Underlying cash flow (CEPS) for Q2 increased 10 percent year on year. Aggregate net leasing was positive and amounted to SEK 88 million, the highest level since the second quarter of 2020. All companies reported positive net leasing. Rental income in comparable holdings increased by an average of 1 percent year on year this quarter, a figure that is likely to improve during the second half of the year.

MONTHLY REPORT

AUGUST 2021



JONAS ANDERSSON

Manager since 2016.

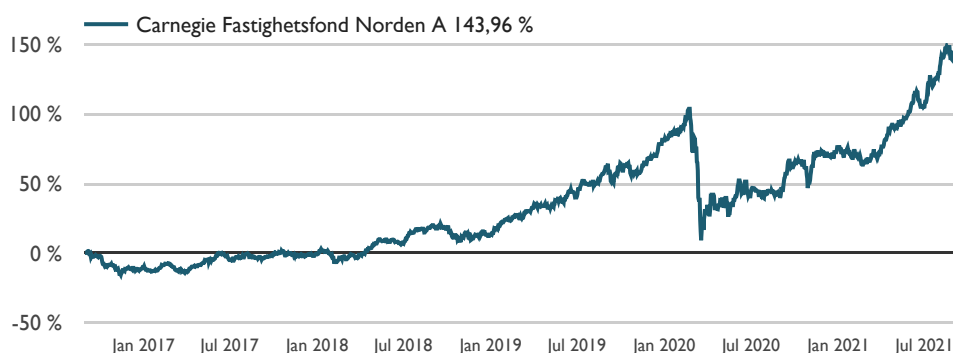
Carnegie Fastighetsfond Norden invests in real estate shares in the Nordic stock market.

Start date	21/11/2011
Pricing	Daily
Morningstar rating	-
Risk level	6 of 7
ISIN	SE0004296515
Ongoing charges	1.63 %
Minimum initial investment	0 SEK
Assets under management	3 795 MSEK
Dividend	No
NAV per share	754.30 SEK

CUMULATIVE PERFORMANCE %

YTD	1 year	3 years	5 years	10 years	Since inception
38,54	74,77	103,46	143,96		654,30

FIVE YEAR PERFORMANCE %



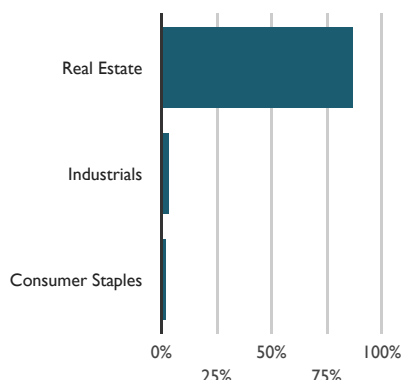
MONTHLY PERFORMANCE %

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full year
2021	-4,49	-1,88	4,91	9,45	6,39	1,17	12,41	6,41					38,54
2020	4,40	-7,95	-22,55	2,99	1,52	0,77	1,46	-2,94	17,67	-8,31	14,65	1,98	-2,58
2019	9,63	1,12	5,67	0,04	3,10	2,39	7,17	7,82	1,79	-3,97	6,09	7,86	59,90

LARGEST HOLDINGS

Corem Property Gr AB B Reg	9,4 %
Fastighets Balder AB B	8,5 %
Samhallsbyggnadsbolag i AB B Reg	7,5 %
Kungsleden AB	5,8 %
Platzer Fastigheter Hg AB B	5,6 %
Fabege AB Reg	4,7 %
Wihlborgs Fastigheter AB Reg	4,6 %
Atrium Ljungberg B	4,5 %
Castellum AB	4,5 %
FastPartner AB A Reg	4,1 %

SECTOR ALLOCATION

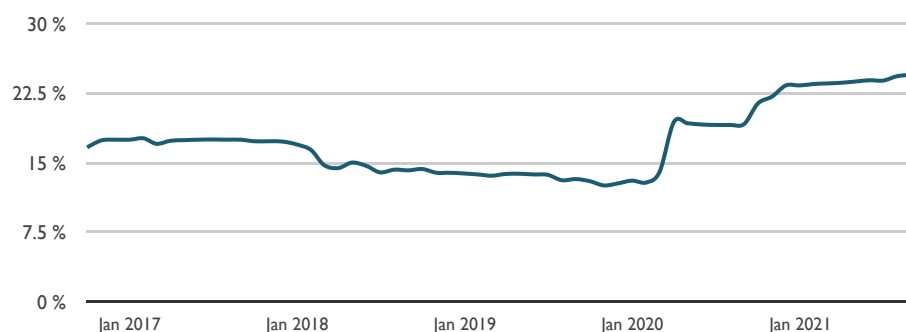


KEY STATISTICS

Number of holdings	34
Turnover rate, tms/year	0,78
Active share *	38 %
Standard deviation, 2 years	28,5 %
Standard deviation, 3 years	24,5 %
Standard deviation, 5 years	20,6 %
Sharpe ratio, 2 years	0,83
Sharpe ratio, 3 years	1,11
Sharpe ratio, 5 years	0,98
Tracking error, 2 years *	3,5 %
Tracking error, 3 years *	3,6 %
Tracking error, 5 years *	3,2 %

* Benchmark: Carnegie Real Estate Return

STANDARD DEVIATION %



TOP CONTRIBUTORS YTD

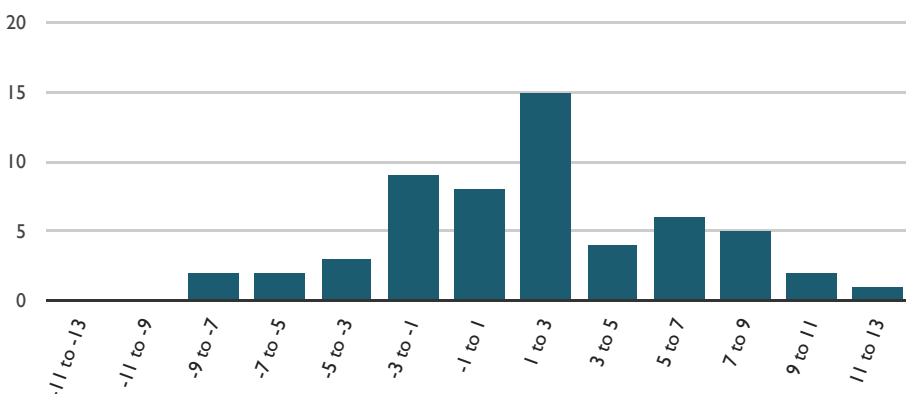
Samhallsbyggnadsbolag i AB B Reg	3,8 %
Corem Property Gr AB B Reg	3,7 %
Fastighets Balder AB B	3,1 %
Kungsleden AB	2,8 %
Platzer Fastigheter Hg AB B	2,8 %

BOTTOM CONTRIBUTORS YTD

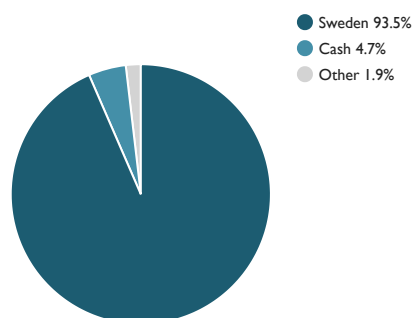
Klovern AB B	-0,2 %
Carnegie Sverigefond A	0,0 %
FastPartner AB Droits de sousc 06.09.21	0,0 %
Akelius Residential Prop AB D Reg	0,0 %
Offentliga Hus I Norden AB Reg	0,0 %

DISTRIBUTION OF MONTHLY PERFORMANCE %

As of 01/09/2016 to 31/08/2021



GEOGRAPHICAL ALLOCATION



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.

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