

MARKET COMMENT

KKR is undervalued

The biggest winners were Ryman Healthcare, The New York Times and Salesforce, and the biggest losers were Mastercard, Qualitas and Unilever.

August was another month of great reports, and all eight companies that posted beat expectations. Disney has started opening its amusement parks, and sales from the segment increased four-fold compared to the same period last year. That said, sales are still only half what they were before Covid. Disney+ continues to do well and the segment reached 116 million subscribers at the end of July, twice as many as a year ago.

Salesforce grew by 22 percent compared to a year ago. The valuation has risen slightly since we invested, but we still think that the company is undervalued. It expects to reach USD 50 billion in sales within four years. If it then stops investing in growth (which must be considered a very conservative assumption), it will generate about USD 16 billion in free cash flow. It should then be worth at least 400 billion, or 50 percent more than today.

KKR now manages USD 429 billion, which means it has grown organically by 42 percent compared to a year ago and manages 5 times more capital than Swedish EQT. It is therefore very strange that KKR is worth less (when adjusted for cash and investments) than EQT. I am not sticking my neck out very far when I say that KKR is undervalued.

I mentioned Prosus last month. The drama in the Chinese technology industry continued in August, and the government has now decided that people under 16 are not allowed to play more than 3 hours of computer games a week, and then only on Fridays and weekends. This sounds like a disaster for Prosus, which owns nearly 30 percent of Tencent, China's largest games company. But if we look closer, it is not particularly serious. Less than 3 percent of Tencent's sales come from the group concerned. The market realised this and the stock was even up a bit this month.

We made minor changes to portfolio weightings but made no new investments during August.

MONTHLY REPORT

AUGUST 2021



MIKAEL TARNAWSKI-BERLIN

Manager since 2014.

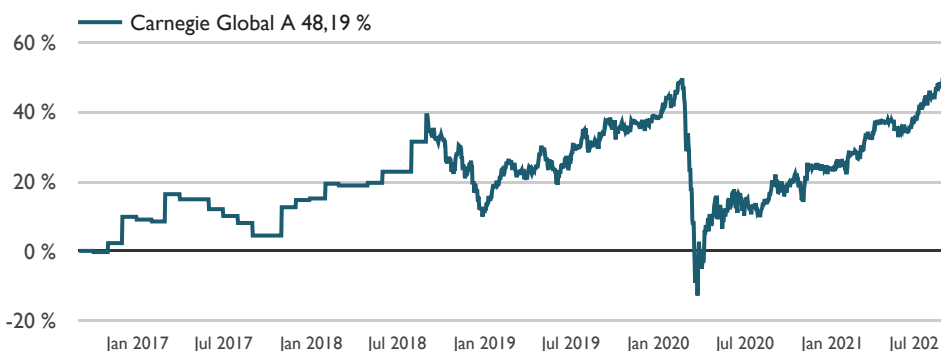
Carnegie Global is an equity fund that invests globally, focusing on established stock exchanges such as the US.

Start date	17/02/2014
Pricing	Daily
Morningstar rating	★★
Risk level	6 of 7
ISIN	SE0005703766
Ongoing charges	1.61 %
Minimum initial investment	0 SEK
Assets under management	217 MSEK
Dividend	No
NAV per share	203.36 SEK

CUMULATIVE PERFORMANCE %

YTD	1 year	3 years	5 years	10 years	Since inception
20,15	24,52	6,60	48,19		103,36

FIVE YEAR PERFORMANCE %



MONTHLY PERFORMANCE %

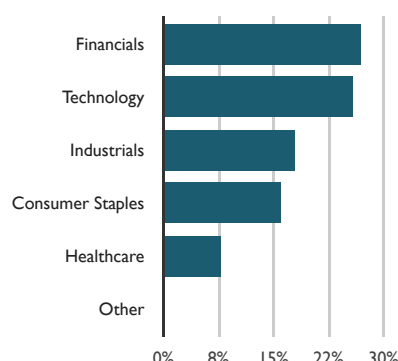
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full year
2021	-0,66	3,60	6,91	1,30	-1,20	2,46	3,69	2,69					20,15
2020	2,79	-9,03	-22,34	14,94	-2,50	-0,51	-1,51	8,00	0,28	-3,97	7,80	-0,17	-10,74
2019	7,70	2,77	-1,82	7,23	-7,71	4,86	6,84	-0,39	1,47	-0,79	1,73	0,96	24,07

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LARGEST HOLDINGS

Alphabet Inc C	5,2 %
Salesforce.com Inc	5,0 %
Microsoft Corp	4,5 %
KKR & Co Reg	4,3 %
Roper Technologies Inc	4,3 %
Ryman Healthcare Group Ltd	4,2 %
HCA Healthcare Inc	4,2 %
Moody's Corp	4,2 %
New York Times Co A	4,2 %
Intercontinental Exchange Inc	4,2 %

SECTOR ALLOCATION

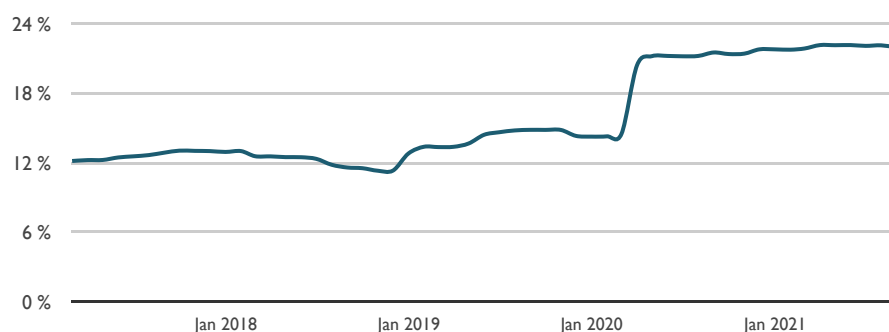


KEY STATISTICS

Number of holdings	26
Turnover rate, tms/year	0,21
Active share *	92 %
Standard deviation, 2 years	22,8 %
Standard deviation, 3 years	22,0 %
Standard deviation, 5 years	18,2 %
Sharpe ratio, 2 years	0,26
Sharpe ratio, 3 years	0,12
Sharpe ratio, 5 years	0,48
Tracking error, 2 years *	10,7 %
Tracking error, 3 years *	9,3 %
Tracking error, 5 years *	8,3 %

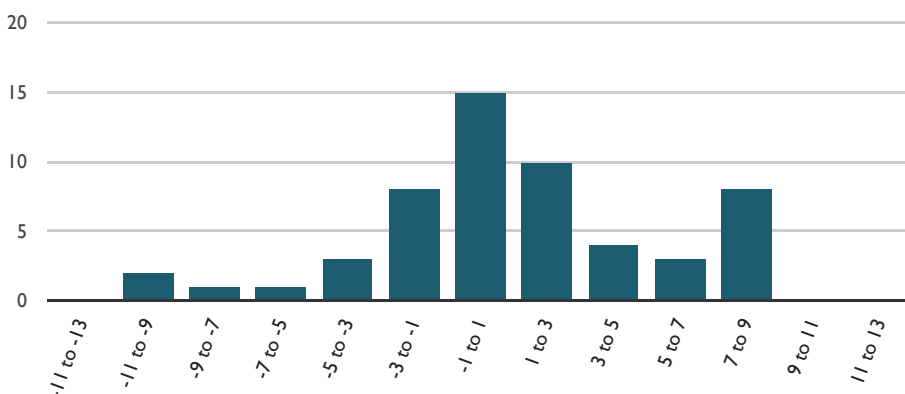
* Benchmark: MSCI World Net Total Return

STANDARD DEVIATION %



DISTRIBUTION OF MONTHLY PERFORMANCE %

As of 30/09/2016 to 31/08/2021



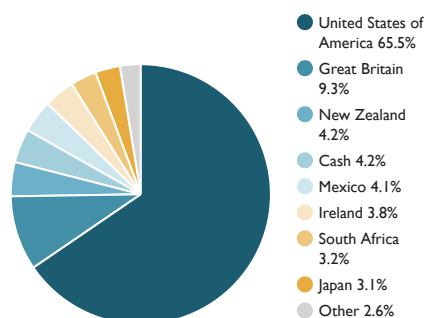
TOP CONTRIBUTORS YTD

Alphabet Inc C	2,8 %
KKR & Co Reg	2,3 %
HCA Healthcare Inc	2,3 %
Charles Schwab Corp	1,5 %
Microsoft Corp	1,5 %

BOTTOM CONTRIBUTORS YTD

Hikari Tsushin Inc	-0,8 %
Prosus NV N Reg	-0,5 %
Qualitas Control SAB de CV I Reg	-0,2 %
Unilever Plc Reg	-0,2 %
Unilever Plc Reg	0,0 %

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.

CONTACT INFORMATION

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