

**SUMMARY**  
**PART I**  
**OF THE PROSPECTUS FOR THE INITIAL PUBLIC OFFERING (SUBSCRIPTION) OF**  
**41 000 000 UNITS OF NDF "ADVANCE ALTERNATIVE FUND" AND FOR THEIR ADMISSION TO**  
**TRADING ON A REGULATED MARKET**

*Section A – Introduction and warnings*

A.1.	<p><b>Name and international unit identification number (ISIN) of the securities</b>  The name of the issuer is NDF Advance Alternative Fund in Latin Advance Alternative Fund  The Fund will receive an International Unit Identification Number (ISIN) upon completion of the subscription and registration of the subscribed units.</p>
A.2.	<p><b>Identification and contact details of the issuer, including its legal entity identification code (ICPS)</b>  NDF "Advance Alternative Fund" - in the process of establishment  The issuer is to receive identification codes after its registration  Registered address: Sofia 1303, Vazrazhdane district, 57 Hristo Botev Blvd.  Address for correspondence, administration and investors service: Sofia, Lozenets district, 1 Zlatovrah Str., tel.: +359 2 4008 300, email: AAF@ karoll.bg  Contact person: Daniel Ganev - Executive Director of the offeror</p>
A.3.	<p><b>The identification and contact details of the offeror, including his ICPS, if the offeror has legal personality, or that of the person requesting the admission of securities to trading on a regulated market</b>  Karoll Capital Management EAD  UIC: 131134055, LEI Code 259400MZ26PMTB5ZSQ73  Registered address: Sofia 1303, Vazrazhdane district, 57 Hristo Botev Blvd.  Address for correspondence, administration and servicing of investors: Sofia, Lozenets district, 1 Zlatovrah Str., tel.: +359 2 4008 300, email: kcm@karoll.bg  Contact person: Daniel Ganev - Executive Director</p>
A.4.	<p><b>The identification and contact details of the competent authority approving the prospectus</b>  Financial Supervision Commission of the Republic of Bulgaria (FSC)  Address: 1000 Sofia, 16 Budapest Street  tel.: +359 2 9404 999, fax: +359 2 9404 606, email: bg_fsc@fsc.bg</p>
A.5.	<p><b>The date of approval of the prospectus</b>  This prospectus for initial public offering (subscription) of units of the capital of NDF "Advance Alternative Fund" and for their admission to trading on a regulated market was approved by the Financial Supervision Commission by Decision № 225-NIF dated 29.03.2022</p>
A.6.	<p><b>Warnings</b>  This summary should be seen as an introduction to the prospectus for the public offering of units for subscription of the capital of NDF Advance Alternative Fund and for their admission to trading on a regulated market. Any decision to invest in securities should be based on the investor's examination of the entire prospectus. The price of the units may fall and the investor may lose all or part of the invested capital. Where an action is brought before a court concerning the information contained in the prospectus, the applicant investor may, under national law, be liable for the costs of translating the prospectus before the legal proceedings are initiated. Civil liability is borne only by the persons who prepared the summary, including its translation, but only when it is misleading, inaccurate or inconsistent with the other parts of the prospectus, when considered together with the other parts of the prospectus, or when - considered together with the other parts of the prospectus. prospectus - does not provide essential information, which is to help investor to decide whether to invest in these securities.</p>

*Section B - Basic information about the issuer*

B.1.	<p><b>Who is the issuer of the securities?</b>  <b>Name of the issuer :</b> NDF Advance Alternative Fund  <b>Country of establishment:</b> Republic of Bulgaria;  <b>Headquarters and address of management:</b> Sofia 1303, 57 Hristo Botev Blvd .;  <b>Legal form:</b> A closed-end national contractual fund;  <b>ICPS:</b> not applicable - in the process of establishment;  <b>Law according to which the issuer exercises its activity:</b> The law of the Republic of Bulgaria; <b>Main activity:</b>  The Fund invests funds raised through public offering of its units in transferable securities or other liquid financial</p>
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	<p>assets on a risk-sharing basis. A national closed-end contractual fund “Advance Alternative Fund” (“the Fund”) is organized and managed by the Management Company “Karoll Capital Management” EAD, after obtaining permission from the FSC with Decision № 225-NIF dated 29.03.2022 and will be considered established after its entry in the Register under Art. 30, para. 1 of the FSC Act. Contributions to the Fund's assets can only be in cash. All assets acquired for the Fund are the common property of the investors. The profits and losses of the Fund are borne by the investors in proportion to their share in the assets of the Fund. NDF Advance Alternative Fund has a high risk profile.</p> <p>The Fund is not part of an economic group and as of the date of this document there are still no unitholders. It is managed by Karol Capital Management EAD. All decisions regarding the Fund - its establishment, operation, transformation and termination are taken by the Management Board of Karoll Capital Management EAD (the “Management Company”, “MC”), which acts in its own name and on behalf of the Fund.</p> <p>According to the Articles of Association of the Management Company, the bodies of the company are: sole owner of the capital and Board of Directors. The management company is managed by the Board of Directors, whose members are: Stanimir Marinov Karolev - Chairman, Konstantin Vassilev Prodanov - Deputy Chairman and Daniel Yovchev Ganey - Executive Director.</p> <p>Karoll Capital Management EAD is represented before third parties together by the Executive Director Daniel Yovchev Ganey and the Procurator Bistra Stoyanova Kotseva.</p> <p>It is planned to appoint as the auditor of the Fund: Grant Thornton OOD, UIC 831716285 Address: Sofia 1421, 26 Cherni Vrah Blvd., ICPA member under № 032.</p> <p>A contract with the auditor may be concluded after the establishment of the Fund as a result of the subscription.</p>
B.2.	<p><b>What is the main financial information about the issuer?</b></p> <p>The fund is in the process of establishing and raising initial capital, which is why there is no financial information for it to present.</p>
B.3.	<p><b>What are the main risks specific to the issuer?</b></p> <p><b>Risks related to the financial condition of the issuer</b></p> <ul style="list-style-type: none"> <li>- credit risk - the possibility of reducing the value of a position in a financial instrument in the Fund's portfolio in case of unexpected events of a credit nature related to the issuers of financial instruments, the counterparty on exchange and OTC transactions, and the countries in which they operate;</li> <li>- liquidity risk - the possibility of losses from forced sales of assets in adverse market conditions to meet unexpected short-term liabilities.</li> </ul> <p><b>Risks related to the economic activity of the issuer and the industry</b></p> <ul style="list-style-type: none"> <li>- market risk - the probability of incurring losses due to adverse changes in the prices of financial instruments, market interest rates and exchange rates, or low trading volumes;</li> <li>- government credit risk - the likelihood of deterioration of international credit ratings;</li> <li>- currency risk - risk of change in the exchange rate of the lev (fixed against the euro) to foreign currencies and its impact on the return of foreign investors in the country. With regard to the Fund's investments, which will be mainly in financial instruments denominated in BGN and EUR, it has been minimized;</li> <li>- operational risk - the possibility of realizing losses related to errors or imperfections in the organization's system, insufficiently qualified staff, adverse external events of a non-financial nature ;</li> <li>- risk related to attracting and retaining qualified personnel - the inability of the Management Company to retain key employees in certain positions;</li> <li>- risk of occurrence of extraordinary events of pandemic nature - risk of difficulties both in the operational management of the Fund and with the risk of poor performance of issuers of financial instruments in which the Fund invests .</li> </ul> <p><b>Legal and regulatory risk</b></p> <ul style="list-style-type: none"> <li>- regulatory risk - risk of change in the regulatory framework under which the Fund operates;</li> <li>- risk related to non-compliance with the investment objectives and restrictions - risk of non-compliance by the Management Company with the statutory investment restrictions and objectives;</li> <li>- risk of changing the tax regime of investments in securities - the possibility to change the tax status of income from securities to increase the tax burden for unitholders and reduce their profits .</li> </ul>

*Section C - Basic information on securities*

C.1.	<p><b>What are the main characteristics of securities?</b></p> <p><b>The subject of the public offering</b> are 41,000,000 (forty-one million) units - all of them: registered, dematerialized, unprivileged, with the right to vote in the General Meeting of Unitholders, with the right to</p>
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	<p>dividend and the right to liquidation share, freely transferable .</p> <p>The International Identification Number (ISIN) of the issue of units will be issued after the completion of the subscription and registration of the subscribed units.</p> <p><b>The currency of the issue</b> is the euro (EUR). <b>The nominal value of one unit</b> is 1 (one) euro. <b>The issue value of one unit</b> is equal to the nominal one and is 1 (one) euro. <b>The total nominal value</b> of the units in full subscription of the proposed units will be equal to <b>their total issue value</b> and the total capital of the Fund, which in subscription of capital with the full amount of the proposed units will amount to 41,000,000 (forty one million) euros.</p> <p><b>The offer is considered successful</b> if at least 10,000,000 (ten million) new units of the Fund's capital are subscribed and paid.</p> <p>The units are issued for a <b>period of 8</b> (eight) years from the establishment of the Fund with the possibility of extension for another 2 (two) or more years by decision of the Board of Directors of the Management Company.</p> <p>The units of the Fund's capital give their holders the following <b>rights</b> :</p> <ul style="list-style-type: none"> <li>- <u>right to a liquidation share</u> of the Fund's assets, proportional to the number of units held;</li> <li>- <u>right to trade in units</u> of the Fund - any holder of units in the Fund may trade with them on a regulated or non-regulated market;</li> <li>- <u>right to vote</u> in the general meeting of unit-holders;</li> <li>- <u>right to dividend</u> - the Fund's profit is distributed in the form of a dividend, as each holder of units in the Fund receives a dividend proportional to the number of units held;</li> <li>- <u>right to information</u> about the Fund from the Management Company;</li> <li>- <u>right to subscribe</u> for units of a new issue of units in case of increase of the Fund's capital, corresponding to the unitholder's share of the capital before the increase;</li> <li>- <u>right to appeal</u> - investors have the right to file complaints without paying a fee, and the received complaints are entered, processed, reviewed and receive a response from the MC in accordance with the law and policy of the MC for handling complaints;</li> <li>- <u>rights of minority</u> unit-holders - unit-holders holding together or separately at least 5% of the Fund's capital may: in case of inaction of the Management Company, which endangers the Fund's interests, bring the Fund's claims against third parties; to file a claim before the district court at the seat of the Fund for compensation of damages caused to the Fund by actions or inactions of the Management Company; to request from the general meeting or from the district court the appointment of controllers to check all the accounting documentation of the Fund and to prepare a report on their findings; to request from the district court to convene a General Assembly or to authorize their representative to convene a General Assembly according to an agenda determined by them; to include new issues and to propose solutions to already included issues on the agenda of an already convened general meeting. Unitholders who hold units representing at least 5% of the Fund's capital for more than three months may, after announcing the invitation, include other issues in the agenda of the General Meeting, pursuant to Art. 223a of the Commercial Code.</li> </ul> <p>issued by the Fund <b>are transferred freely, without restrictions</b> , according to the will of the holder and in accordance with the procedure provided for in MFIA, Ordinance № 38 of 21.05.2020 on the requirements for investment intermediaries, the Rules of Central Depository AD and the Rules of the Bulgarian Stock Exchange AD (the latter - after the admission of the trading units). The transfer of the units is considered to have taken place from the moment of registration of the transaction in Central Depository AD.</p> <p>The Fund envisages implementing a policy of regular distribution of dividends, distributing at least 90% of the net realized profit, in the form of an annual dividend, whereby net realized profit includes the result of financial instruments only in the cases when for the period selling the same.</p>
C.2.	<p><b>Where will the securities be traded?</b></p> <p>Currently, the Fund's units are not registered for trading on a regulated market, but the Management Company will apply for their admission within the statutory 6-month period from the entry of the Fund in the register kept by the FSC. The Fund will request admission of the units of the Fund for Trading on a <b>Regulated Market</b> - Bulgarian Stock Exchange AD (BSE) on the basis of this Prospectus. Trading on a regulated market will be carried out through a licensed investment intermediary, a member of the BSE.</p> <p>Trading in units of the Fund may also be carried out outside a regulated market in compliance with the requirements of the applicable regulations and the Regulations of Central Depository AD.</p>
C.3.	<p><b>Is there a guarantee provided for the securities?</b></p> <p>No</p>

**C.4. What are the main risks inherent to the securities?**

**Risks related to the nature of the securities**

- price risk - after admission to a regulated market, the price of the Fund's units is determined depending on the supply and demand of units on the stock exchange, the financial results of the Fund, the announced news and events. As a result of these factors, the unit price may increase or decrease;
- interest rate risk - the risk of adverse changes in interest rates, which would lead to difficulties in financing the companies in which the Fund invests;
- concentration risk - the possibility of loss due to improper diversification of exposures to issuers, groups of related issuers, issuers from the same economic sector or geographical area or arising from the same activity, as well as the risk associated with large indirect credit exposures;
- risks for investors in units - are associated with uncertainty and the inability to accurately predict the return on investment;
- risk of carrying out a significant number of securities transactions at the expense of the Fund - this would lead to an increase in the Fund's costs and a corresponding decrease in its results;
- reinvestment risk - the inability of free cash flows to be invested at the current or more favorable for investors rate of return;
- sustainability risks - events or conditions of an environmental, social or managerial nature which, if they occur, may cause actual or potentially significant adverse effects on the value of the investment;

**Risks related to the public offering and / or admission of securities to trading on a regulated market**

- risk of unsuccessful public offering of units - failure to reach the minimum amount for raising capital of 10,000,000 (ten million) units, where the subscription is considered successful. Investors will not be able to receive the units they have subscribed to, and although all payments will be reimbursed to them, they will not receive additional compensation for the period during which they did not have the funds provided to pay for the units ;
- risks for investors in units - the uncertainty and the inability to accurately predict the return on investment ;
- price risk - the possibility of realizing losses due to fluctuations in unit prices;
- liquidity risk - uncertainty for having an active market demand for the units of the Fund for a certain period of time , as a result of which the price may fall down and the investors may not be able to sell all or part of the units at a desired by them price;
- lack of guarantee for payment of dividends - the payment of dividend depends on the financial condition of the Fund and the realization of a positive financial result from the activity;
- risk of dilution of capital - additional financing through the issuance of subsequent issues of units may have a "dilution effect" for unit holders;
- significant transactions with units of the Fund may affect their market price.

The fund could not and does not guarantee that the price of its units will increase over time.

*Section D - Basic information on the public offering of securities and / or admission to trading on a regulated market*

**D.1. Under what conditions and on what schedule can an investor invest in these securities?**

The subject of public offering are 41,000,000 (forty-one million) units of the initial capital raising of NDF Advance Alternative Fund. The units are ordinary, registered, dematerialized, with the right to one vote in the general meeting of the unitholders, the right to dividend and liquidation share. Each unit has a nominal value equal to 1 (one) euro and an issue value equal to the nominal 1 (one) euro. The subscription is considered successful if at least 10,000,000 (ten million) of the offered units are subscribed.

The minimum investment of one investor is 100,000 (one hundred thousand) euros.

All persons wishing to subscribe for units of the initial issue of the Fund shall submit an application to Karoll Capital Management EAD. Investors indicate the number of units they wish to acquire and transfer the issue value of the subscribed units to the Fund's subscription account until the expiry of the set deadline. After the expiration of the deadline, the Management Company issues confirmations for the acquired units to the unitholders. If the total number of units offered is subscribed before the end date of the public offering, the Management Company shall stop accepting new requests for subscription of units from investors. Upon early subscription of the issue, the Management Company publicly announces that the issue has been raised and the public offering has been suspended.

**Expected subscription schedule:**

Action	Date
Approval of the Prospectus by the FSC	29.03.2022
Publication of the announcement under Art. 89t, para. 1 LPOS (start of the offering)	30.03.2022
Start of subscription	07.04.2022
Deadline for subscription of new units	26.04.2022
Deadline for payment of new units	29.04.2022
Registration of the Fund in the BULSTAT register	12.05.2022
Registration of the issue in Central Depository AD	18.05.2022

Note: The above dates are indicative and estimates are based on the assumption that: 1) the deadlines will not be changed, 2) the deadlines are met without delay, and 3) the procedures at the relevant institutions will take place in the most short deadlines, according to their practice. The exact date can be before or after the specified date.

Estimated total cost of the issue:

Estimated costs associated with the current issue of units	Value when subscribing to the maximum number of units (in BGN)	Value when subscribing to a minimum number of units (in BGN)
Fee for permission for organization and management of the Fund and entry of the Fund in the register of the FSC	4,500	4,500
Fee for approval of the Prospectus by the FSC	10,000	10,000
Fee for registration of the issue of units in Central Depository AD *	500	500
Fee for assignment of ISIN code to the issue by Central Depository AD	72	72
Fee for entry in the BULSTAT register	10	10
Fees for opening and servicing a fundraising account for the first 2 months	45	45
Total cost	15 127	15 127
Allocation of estimated costs related to the current issue of units per unit **	Value when subscribing to the maximum number of units (in EUR)	Value when subscribing to a minimum number of units (in EUR)
Gross inflows	41,000,000	10,000,000
Net inflows	40,992,265.57	9,992,265.57
Issue value of 1 unit	1.00	1.00
Costs of offering per 1 unit	0.0002	0.0008
Net income per 1 unit	0.9998	0.9992

\* The fee for Central Depository AD also includes a fee for registration of newly issued units, adding to the minimum of BGN 500 the number of the holders' accounts multiplied by BGN 1 for each account. The fee is limited to BGN 5,000. Due to the impossibility at this stage to estimate the number of future unitholders, the fee is recorded at its minimum.

\*\* When calculating the distribution, the total amount of the approximate costs related to the current issue of units in BGN is calculated in EUR according to the BNB fixing, namely 1 EUR = 1.9558 BGN.

Note: All costs listed in the table are at the expense of the issuer. At the expense of the investors are the expenses for concluding the transactions with units on a regulated market, after the admission of the units for trading, incl. investment intermediary commissions and other fees, if they are not included in the intermediary's commission (fees on the BSE, Central Depository, etc.).

**Dilution of capital:** The issue value of the new units is equal to the nominal value and since the subscription is constituent for the Fund, there is no financial statement with book value of one unit and net asset value per unit to be calculated, respectively there is no dilution of capital of the Fund.

D.2. **Who is the offeror and / or who is the person requesting the admission of securities to trading?**

**Advance Alternative Fund is managed by:**

Karoll Capital Management EAD, UIC: 131134055, LEI Code 259400MZ26PMTB5ZSQ73;

Legal form: sole proprietorship joint stock company; Country of establishment: Bulgaria;

Law according to which it exercises its activity: the law of the Republic of Bulgaria;

Address of management: Sofia 1303, Vazrazhdane district, 57 Hristo Botev Blvd.

Address for correspondence, administration and customer service: Sofia, Lozenets district, 1 Zlatovrah Str.,

	tel. : +359 2 4008 300, email: AAF@ karoll.bg Contact person: Daniel Ganev - Executive Director Authorized investment intermediary servicing the issue: none The issue is offered directly by the issuer through the Management Company.												
D.3.	<p><b>Why was this prospectus drawn up?</b></p> <p>The estimated net value of the proceeds, provided that the entire amount of the issue from the initial public offering of units of the initial issue of the Fund's capital is recorded, amounts to 40,992,265.57 (forty million nine hundred ninety-two thousand two hundred sixty-five whole and fifty-seven) euros.</p> <p>The estimated net value of the proceeds, provided that the issue of the initial public offering of units of the Fund's capital is recorded in the minimum amount at which the offering will be considered successful, is 9,992,265.57 (nine million nine hundred and ninety-two). one thousand two hundred sixty-five whole and fifty-seven) euros.</p> <p>Proceeds , whether or not the entire issue is subscribed, will be used to structure and manage an investment portfolio, with the amount of proceeds being invested in accordance with the Fund's investment constraints.</p> <p><b>Main limitations of the investment activity of NDF Advance Alternative Fund:</b></p> <table border="1" data-bbox="207 604 1490 877"> <thead> <tr> <th data-bbox="207 604 1075 667">Types of assets</th> <th data-bbox="1075 604 1490 667">Relative share in the assets of the Fund</th> </tr> </thead> <tbody> <tr> <td data-bbox="207 667 1075 709">Shares and stakes of Bulgarian issuers</td> <td data-bbox="1075 667 1490 709">Up to 100%</td> </tr> <tr> <td data-bbox="207 709 1075 741">Shares and stakes of foreign issuers</td> <td data-bbox="1075 709 1490 741">Up to 100%</td> </tr> <tr> <td data-bbox="207 741 1075 804">Rights and similar instruments for participation in the capital increase of issuers, quasi-equity and hybrid instruments</td> <td data-bbox="1075 741 1490 804">Up to 40%</td> </tr> <tr> <td data-bbox="207 804 1075 846">Debt instruments issued by Bulgarian and foreign issuers</td> <td data-bbox="1075 804 1490 846">Up to 20%</td> </tr> <tr> <td data-bbox="207 846 1075 877">Bank deposits</td> <td data-bbox="1075 846 1490 877">Up to 100%</td> </tr> </tbody> </table> <p>The investment strategy of the Fund is based on the selection of shares and stakes of Bulgarian and foreign companies with high growth potential from various sectors of the new economy, mainly at an early stage of development or growth phase. Companies with strong teams, a solid business model, an ambition for rapid expansion and serious competitive advantages will be selected. These investments can be both stand-alone and joint (co-investments) in companies from the portfolios of the equity funds in which the Fund will participate. The issuers will be mainly from the region of Eastern Europe - Bulgaria, Romania, Serbia, Croatia, Slovenia, Hungary, Slovakia, the Czech Republic and others.</p> <p>The Fund also plans to invest in private equity funds with different specializations - those with a focus on early stage companies (Venture Capital), growth (Growth Equity), or late stage (Buyout). These funds may be based in other jurisdictions than Bulgaria, including Western Europe, but their investment orientation would be in the Eastern European region. Participation in these funds may take the form of equity participation in limited liability companies or other forms of equity participation in capital companies.</p> <p>To a lesser extent, if necessary, investments in other financial instruments are eligible, including those that have already acquired public status, in order to achieve the investment objectives of the Fund, to generate additional income in the form of dividends and interest, and to manage liquidity.</p> <p>The proposed units are not and will not be subject to a Firm Commitment Agreement.</p> <p>There is no potential conflict of interest related to the Offering.</p>	Types of assets	Relative share in the assets of the Fund	Shares and stakes of Bulgarian issuers	Up to 100%	Shares and stakes of foreign issuers	Up to 100%	Rights and similar instruments for participation in the capital increase of issuers, quasi-equity and hybrid instruments	Up to 40%	Debt instruments issued by Bulgarian and foreign issuers	Up to 20%	Bank deposits	Up to 100%
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The summary prepared by:

Daniel Ganev, Executive Director  
 Karoll Capital Management EAD

Bistra Kotseva, Procurator  
 Karoll Capital Management EAD

**The representatives of Karoll Capital Management EAD declare that the prospectus complies with the requirements of Regulation (EU) 2017/1129, Chapter Six of the POSA and the acts on their implementation.**

For Karoll Capital Management EAD:

Daniel Ganev, Executive Director  
 Karoll Capital Management EAD

Bistra Kotseva, Procurator  
 Karoll Capital Management EAD