

ADVANCE EASTERN EUROPE class A

Investment Objective

The goal of the fund is to ensure high investment results in the long-term by investing in Eastern European equities in 7 regional markets.

*This is marketing material

31 August 2025



Fund Manager's Comment

Despite the seemingly positive market sentiment, global equities visibly lost momentum in August. Investors' focus shifted to the Jackson Hole Economic Symposium, where Chair Jerome Powell opened the door wide to a rate cut in September, against the backdrop of an unprecedented attack on the institution's independence from the White House. MSCI World Index was almost flat (+0.2%). Despite the exceptionally strong performance of Chinese equities, MSCI EM declined by 1.0%, while the regional MSCI EFM Europe + CIS fell by 1.5%.

The Greek ASE index advanced by 1.4%. Industrials led the gains (+10.0%). Other cyclical sectors such as energy, materials, and consumer discretionary also played catch-up. Bank stocks climbed to new highs before ceding leadership, after a more than 75% rally since early April, with investors eager to take some profits at relatively fair valuations.

Turkish equities maintained their positive momentum in August, supported by expectations of further rate cuts by the TCMB in September. The BIST 100 index rose by 5.1% in local currency terms, led by industrials, while financials lagged significantly. The lira remained under pressure, weakening by 1.3% against the USD and 3.5% against the euro. International investors continued to favor Turkish bonds, with net inflows of USD 1.5bn into government bonds versus USD 153 mn into equities. On the macroeconomic front, inflation eased marginally to 33.0% in August, slightly above the median forecast of 32.5%. Core CPI slowdown, especially in services, was more pronounced, supporting the case of further monetary easing.

Romania's BET index rose by 1.8%. Investor interest in the energy sector persisted, with energy stocks retaining their leadership for a second consecutive month (+4.9%). Excluding Transgaz (+14.4%), utilities (+0.4%) and banks (-0.6%) lagged. Outside the main index, smaller privatization funds (formerly SIFs) also recorded double-digit gains, though they continue to trade at a deep discount to NAV (around 50% on average).

Class A fund shares advanced by 2.1%. Bulgarian holdings accounted for just over half of the return, followed by Greek positions, where stock selection had a positive effect. Sector-wise, tech companies contributed the most to monthly performance, with industrials and consumer discretionary names also posting solid gains. Meanwhile, financials and utilities were a slight drag.

Fund Facts

Fund type	open-end
Fund Manager	Georgi Raykov, Konstantin Prodanov
Fund size	EUR 2.14 M
NAV/share	EUR 1.0065
Launch date	04.10.2006
Benchmark*	MSCI EFM Europe&CIS
Benchmark**	MSCI EFM Europe&CIS
Currency of account	Euro
Subscription fee	up to 1.50%
Management fee	1.5 % NAV p.a.
Redemption fee	none
Minimum investment	none

Fund Identifiers

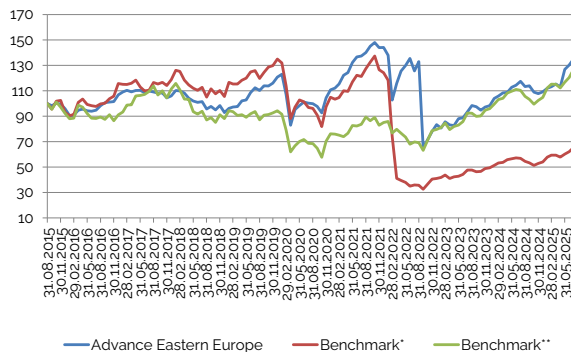
ISIN	BG9000016063
Bloomberg Code	ADVEAEU.BU
Reuters Lipper	65095316
Valor	3079269
WICN-German	AOMXVY
Past performance does not predict future returns.	

Fund Results (31.08.2025)

	Fund	Benchmark*	Benchmark**
1 month	2.12%	-1.53%	-1.53%
1 year	21.72%	18.28%	18.28%
Year to Date	26.32%	19.26%	19.26%
Since Launch (annualized)	0.03%	-5.27%	-0.92%

Fund Performance 10Y

Past performance does not predict future returns.



Annual Performance

	Fund	Benchmark*	Benchmark**
2024	11.08%	9.27%	9.27%
2023	20.64%	20.55%	20.55%
2022(indicative)	-42.12%	-66.97%	-6.49%
2021	30.09%	18.34%	11.71%
2020	-8.31%	-22.29%	-19.20%
2019	29.88%	27.68%	6.91%
2018	-12.25%	-10.96%	-20.91%
2017	-0.73%	2.66%	22.39%
2016	11.90%	24.40%	-1.29%
2015	-2.29%	-8.32%	-22.13%

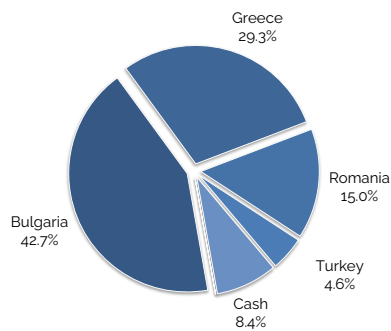
*Annual performance since 03.01.2023 when class A was started

Source: The calculated yield is based on net asset value per unit and does not include issuance and redemption costs, according to the Fund's Rules and Prospectus. *Benchmark information is based on official data from www.msci.com

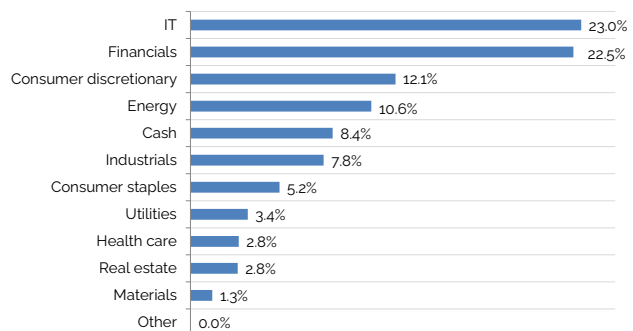
The risks of investing in shares of the contract fund are market, interest, liquidity, currency, operational, settlement risk, legislative, concentration risk, etc. More information about the risks can be found in the fund's prospectus.

Portfolio Breakdown

Market Breakdown



Sector Breakdown



TOP 5 HOLDINGS

Shelly Group, Bulgaria, IT

Sirma Group, Bulgaria, IT

GREEK ORGANISATION OF FOOTBALL PROGNOSTICS S.A., Greece, Consumer discretionary

Eurobank Ergasias Services and Holdings SA, Greece, Financials

Motor Oil Hellas Corinth Refineries S.A., Greece, Energy

This is a marketing message. Please review the prospectus and key information document of the relevant fund before making an investment decision. The information is valid at the date of issue of the marketing material and may change in the future. The information provided does not constitute investment advice, advice, investment research or investment recommendation and should not be construed as such. The value of the Fund's units and the income from them may decline, profit is not guaranteed and investors bear the risk of not recovering their investment in full. Investments in funds are not guaranteed by a guarantee fund created by the state or by any other type of guarantee. Previous results of the activity have no connection with the future results of an investment company. Future results are subject to taxation depending on the personal circumstances of each investor and may change in future periods. The documents are available in Bulgarian on the website www.karollcapital.bg, and upon request they can be obtained free of charge in paper form at the office of the Management Company. The fund is actively managed and does not follow an index. A summary of shareholder rights is available at https://karollcapital.bg/uploads/2023/Prava_na_privetatelite.pdf