

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

30 September 2025

Fund Manager's Comment

Contrary to seasonal pattern of weakness, global equities rallied strongly in September. Beyond the AI theme, investor interest spilled over into previously lagging market segments with higher rate sensitivity. Regionally, MSCI World gained 2.7%, driven by stronger performance in North America (+3.2%) compared to Europe (+1.5%). Emerging markets outperformed, with the MSCI EM rising 6.6%, led by Asian equities and in particular Chinese technology names. The regional MSCI EFM Europe + CIS Index trailed with a modest gain of 1.0%.

The Greek ASE Index edged up 0.6%. Bank stocks stabilized and regained their leadership (+6.2%), while the industrial (-6.8%) and consumer (-7.1%) sectors came under more pronounced pressure. On the macro front, Prime Minister Mitsotakis announced a broad €1.6 bn fiscal package—including tax cuts and income support measures—aimed at the middle class and set to take effect in 2026.

Turkish equities were highly volatile during the month. Domestic political risks triggered sharp sell-offs in the first half of September, followed by a swift recovery after a constructive meeting between Erdogan and Trump. The BIST 100 ended the month down 2.4% in local currency, while the lira weakened 1.1% and 1.5% against the U.S. dollar and the euro, respectively. Foreign investors continued to focus on Turkish bonds, with net inflow of USD 400 mn into government bonds. TCMB cut its policy rate by 250 bps in September but expressed concern over sticky services inflation. CPI growth unexpectedly accelerated to 33.3% YoY last month, suggesting the pace of monetary easing may slow for the remainder of the year.

The Romanian BET was among the region's top performers, advancing 3.8%. Among the key sectors, energy maintained its leading position for a third consecutive month (+3.6%), followed by financials (+3.3%). Utilities once again lagged (+1.4%), with the notable exception of Transgaz (+14.4%), which was the strongest performer within the index.

Class A fund shares declined by 1.1. The main drag on performance came from Bulgarian positions, where the selection effect proved negative. Sector-wise, energy and financials had the largest positive contribution, whereas losses were concentrated in industrials, tech and consumer staples.

Fund Facts

Fund type	open-end
Fund Manager	Georgi Raykov, Konstantin Prodanov
Fund size	EUR 2.12 M
NAV/share	EUR 0.9958
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

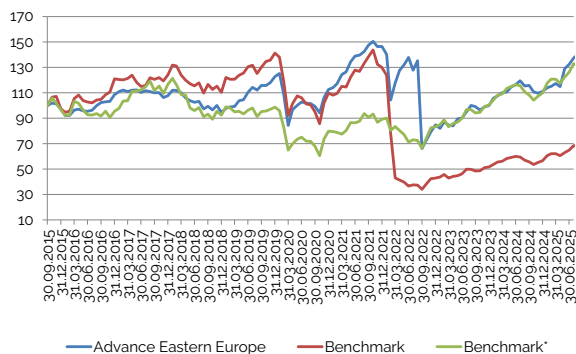
ISIN	BG9000016063
Bloomberg Code	ADVEAEU.BU
Reuters Lipper	65095316
Valor	3079269
WICN-German	AOMXVY
Past performance does not predict future returns.	

Fund Results (30.09.2025)

	Fund	Benchmark*	Benchmark**
1 month	-1.06%	0.99%	0.99%
1 year	19.83%	22.13%	22.13%
Year to Date	24.97%	20.44%	20.44%
Since Launch (annualized)	-0.02%	-5.20%	-0.86%

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%

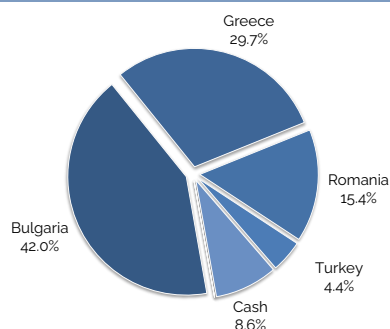
*Annual performance since 03.01.2023 when class A was started

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

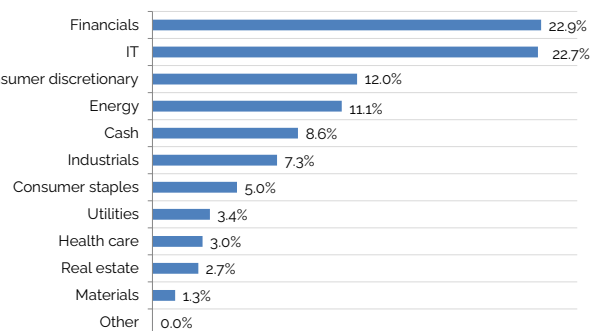
The risks of investing in shares of the contract fund are market, interest, liquidity, currency, operational, settlement risk, legislative, concentration risk, etc. More information about the risks can be found in the fund's prospectus.

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

ALPHA BANK SA, Greece, Financials

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_pritejatelitel.pdf