



FUND OBJECTIVE

The fund implements an active investment policy by investing mainly in shares of large cap companies included in the main stock indices of the regulated markets in Eastern Europe. The fund's strategy is mainly based on a top-down approach where the main decision is regarding the allocation of assets among the different markets. For class A, the main markets for the fund's scope at the moment are Greece, Turkey, Romania and Bulgaria.

FUND MANAGER'S COMMENT

Global equities recovered in August, supported by strong tech sector earnings and a relative improvement in sentiment toward the AI theme following the sharp July deleveraging. The MSCI World Index gained 1.5% in euro terms, with US equities (+1.7%) outperforming European stocks (+0.3%). The MSCI Emerging Markets Index posted a stronger gain of 2.2%, led by Taiwanese and South Korean chipmakers. The regional MSCI EFM Europe + CIS again stood out, gaining 2.7%.

The Greek ASE Index rose 4.2%. Energy once again led the market (+19.3%). The global shortage of refined products continued to support record-high refining margins, with Motor Oil Hellas reporting an almost threefold increase in its refining margin in Q2 compared with a year earlier. Banks also outperformed the broader index (+5.6%), supported by upward revisions to analysts' estimates.

Sentiment toward Turkish equities improved sharply, with local stocks among the region's strongest performers. The broad BIST 100 Index gained 6.7% in lira terms, led by banks and industrials, despite the Central Bank signaling a more restrictive monetary policy stance amid upward revision of its year-end inflation target. For the first time in several months, foreign investors were net buyers of Turkish equities to a greater extent than bonds, with net inflows of USD 657mn versus USD 152mn into debt instruments.

After a prolonged period of outperformance, Romanian equities lost momentum. The BET Index declined 6.5%, with all three key sectors underperforming. In contrast to their European peers, energy stocks fell 7.0%, while banks declined 7.3%. Utilities were the weakest-performing sector (-7.6%), with Hidroelectrica shares ultimately coming under pressure from deteriorating hydrological conditions of the Danube. Although the issue was raised by analysts during the Q2 earnings call, the management failed to provide sufficient detail on the negative impact.

Class A shares gained 4.2%. Bulgarian holdings accounted for half of the Fund's return but lagged the local market, while Greek and Turkish positions outperformed their respective benchmarks. Sector-wise financials made the largest contribution, followed by healthcare and energy.

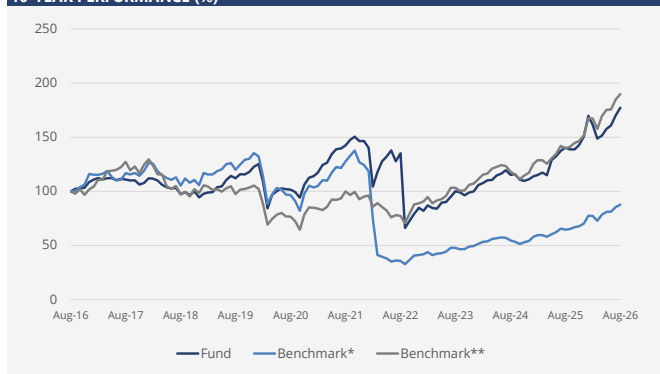
FUND FACTS

Fund Type	open-end
Fund Manager	Georgi Raykov
Fund Size	EUR 3.08 M
NAV per Share	EUR 1.2719
Fund Launch Date	04.10.2006
Benchmark*	MSCI EFM Europe&CIS
Benchmark**	MSCI EFM Europe + CIS ex RU
Currency	EUR
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

10-YEAR PERFORMANCE (%)



Past performance is not a guarantee of future results.

PERFORMANCE*	Fund	Benchmark*	Benchmark**
1 month	4.19%	2.73%	2.73%
YTD	17.91%	25.21%	25.21%
1 year	26.37%	35.90%	35.90%
3 years p.a.	21.01%	22.50%	22.50%
5 years p.a.	4.48%	-7.22%	13.69%
10 years p.a.	5.90%	-1.30%	6.62%
Since Inception p.a.	1.21%	-3.54%	0.67%

Past performance is not a guarantee of future results.

CALENDAR YEAR PERFORMANCE*	Fund	Benchmark*	Benchmark**
2025	35.38%	29.43%	29.43%
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%

*Annual performance since 03.01.2023 when class A was started

*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.

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.

TOP 5 HOLDINGS

Holding name	Sector	Country
Shelly Group AD	IT	Bulgaria
HR Capital AD Sofia (bonds)	Financials	Bulgaria
EUROBANK SA	Financials	Greece
Motor Oil Hellas Corinth Refineries S.A.	Energy	Greece
HR Capital AD Sofia	Financials	Bulgaria

COUNTRY ALLOCATION

Bulgaria	44.91%
Greece	34.47%
Romania	10.31%
Cash	6.64%
Turkey	3.66%
Other	0.01%

SECTOR ALLOCATION

Financials	30.60%
IT	17.37%
Energy	12.96%
Industrials	11.50%
Consumer discretionary	7.86%
Cash	6.64%
Consumer staples	3.88%
Health care	3.32%
Utilities	2.21%
Real estate	1.97%
Materials	1.69%
Other	0.01%
Communication services	0.00%

Disclaimer: 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

For further information visit: <https://karollcapital.bg/en/funds/2-advance-eastern-europe>