



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

The AI build-out theme showed signs of fatigue in June against the backdrop of the record-breaking SpaceX IPO, whose unprecedented size and valuation dried up market liquidity. The developed markets index MSCI World gained 1.3% in euro terms, with European equities outperforming (+2.9%), supported by a sharp decline in energy prices. Elevated tech sector volatility in Taiwan and South Korea weighed on MSCI EM (+0.4%). The regional MSCI EFM Europe + CIS was flat on the surface (0.2%) amid diverging performance of key individual markets.

The Greek ASE Index advanced 3.7%. Consumer staples were the best-performing sector (+15.6%) and made the had the largest contribution to the index's gains, followed by utilities and banks.

Turkish equities responded positively to the Middle East ceasefire but ultimately finished the month with a more modest gain of 3.4% in local currency. Portfolio flows diverged, with Turkish bonds attracting net inflows of USD 939mn, while equities recorded net outflows of USD 305mn. Market sentiment was also weighed down by MSCI, which warned that Turkey could lose its emerging market status unless it improves transparency around shareholder ownership structures.

The Romanian BET index was the best-performing market in the region, gaining 8.7% in local currency despite continued political uncertainty and slowing economic activity. All major sectors advanced, led by utilities (+13.8%). Bank stocks rose 8.9%, reaching critically overvalued levels, while energy names (+6.6%) continued to outperform the broader European energy sector, which declined during the month.

The Fund's Class A shares rose by 2.01%. Greek stocks accounted for nearly half of the monthly return, while Romanian positions were the best performing. Sector-wise, energy names had the highest positive contribution, followed by financials and consumer discretionary. On the other hand, industrials were a slight drag on overall performance.

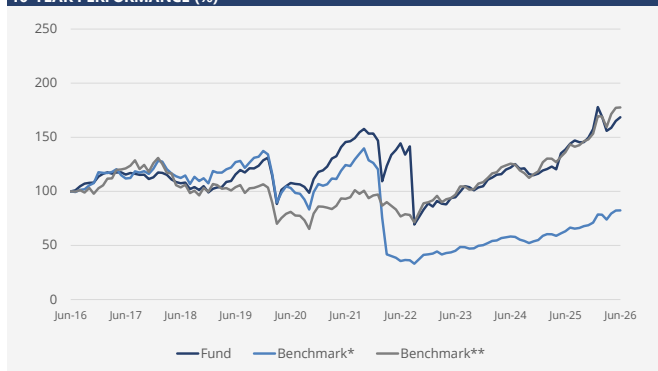
FUND FACTS

Fund Type	open-end
Fund Manager	Georgi Raykov
Fund Size	EUR 2.78 M
NAV per Share	EUR 1.1535
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	2.01%	0.17%	0.17%
YTD	6.93%	15.79%	15.79%
1 year	21.46%	30.37%	30.37%
3 years p.a.	21.27%	22.34%	22.33%
5 years p.a.	2.97%	-7.91%	13.78%
10 years p.a.	5.36%	-1.92%	5.91%
Since Inception p.a.	0.73%	-3.95%	0.28%

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

COUNTRY ALLOCATION

Bulgaria	45.25%
Greece	33.96%
Romania	10.85%
Cash	5.36%
Turkey	4.18%
Other	0.40%

SECTOR ALLOCATION

Financials	30.18%
IT	18.47%
Energy	12.94%
Industrials	11.71%
Consumer discretionary	7.40%
Cash	5.36%
Consumer staples	3.97%
Health care	3.12%
Utilities	2.64%
Real estate	2.08%
Materials	1.73%
Other	0.40%
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_pritejatelite.pdf

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