

ADVANCE EMERGING EUROPE OPPORTUNITIES

Investment Objective

The Fund invests in stocks of companies in the CEE region, and has long-term investment horizon.



*This is marketing material

30 September 2025

Fund Manager's Comment

September delivered widespread gains across global developed and emerging markets, propelled primarily by the ongoing enthusiasm for artificial intelligence and anticipated AI-related investments. The reduction in U.S. interest rates, coupled with expectations of further rate cuts and potential fiscal stimulus, further amplified this rally. Against this backdrop, Central and Eastern European (CEE) equities lagged behind relative to global peers.

Nevertheless, the fund achieved yet another consecutive month of positive returns, posting a +0.9% gain for September, contributing to a robust YTD total return of 30.6%. The monthly performance closely aligned with the regional benchmark, MSCI EFM Europe + CIS ex RU Index, which recorded a 1% gain.

Polish equities returned to growth in September, with the WIG20 Index advancing by 1.2%. However, the financial sector remained under pressure due to the expected introduction of additional taxes announced in the prior month, constraining the index's overall performance. Within the fund, the highest return came from the recently added mining company KGHM, which surged by 25%. KGHM benefited significantly from the widespread rally in precious metals, further supported by numerous incidents at global mining companies that disrupted copper supply, thereby enhancing prospects for higher copper prices.

Discretionary retailers also contributed strongly to the month's return. Conversely, InPost shares (-15.8%) were the largest drag on performance, experiencing a sharp sell-off following the announcement of Q2 results. Investors reacted to Allegro's aggressive strategy to reduce its dependence on InPost, leading to lower delivery volumes in Poland, as well as higher-than-expected Q2 costs tied to InPost's ambitious international expansion strategy.

During our September visit to Warsaw, our meeting with InPost's founder, Rafat Brzozka, reaffirmed our view that these risks are overstated. Consequently, we capitalized on the recent sell-off to increase our position in InPost. Additionally, we initiated a new position in Dom Development, a leading Polish residential real estate developer, to capture the promising growth in Poland's real estate market, fueled by the expected monetary policy easing.

In the Czech Republic, shares of the utility CEZ (-1.5%) paused their rally ahead of the October parliamentary elections, as uncertainties surrounding potential nationalization remained high. Meanwhile, strong performance in the banking sector drove the PX Index up by 2.8%. In Hungary, the BUX Index declined by 3.6%, with the majority of its components ending the month in negative territory.

Smaller markets within the fund, including Austria, Slovenia, and Greece, emerged as positive contributors, with our positions outperforming their respective local indices.

Fund Facts

Fund type	open-end
Fund Manager	Emil Yanchev, CFA, Konstantin Prodanov
Fund size	EUR 77.72 M
NAV/share	EUR 1.7072
Launch date	23.11.2007
Currency of account	Euro
Subscription fee	up to 0.9%
Management fee	15 % NAV p.a.
Redemption fee	none
Minimum investment	none
Benchmark	MSCI EFM Europe + CIS ex RU

Fund Identifiers

ISIN	BG9000023077
Bloomberg Code	ADVIPOF.BU
Reuters Lipper	68417298

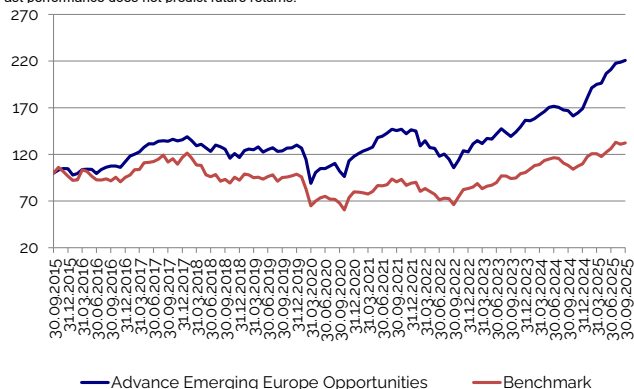
Past performance does not predict future returns.

Fund Results (30.09.2025)

	Fund	Benchmark
1 month	0.87%	0.99%
1 year	32.33%	22.13%
Year to Date	30.59%	20.44%
Since Launch (annualized)	3.04%	-2.24%

Fund Performance 10Y

Past performance does not predict future returns.



Annual Performance

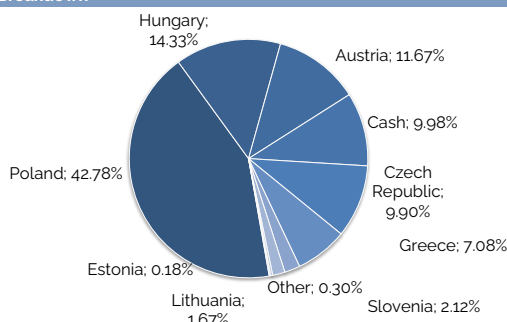
	Fund	Benchmark
2024	8.02%	9.27%
2023	27.62%	20.55%
2022	-16.20%	-6.49%
2021	24.13%	11.71%
2020	-9.35%	-19.20%
2019	11.31%	6.91%
2018	-13.89%	-20.91%
2017	20.96%	22.39%
2016	7.76%	-1.29%
2015	-2.27%	-22.13%

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

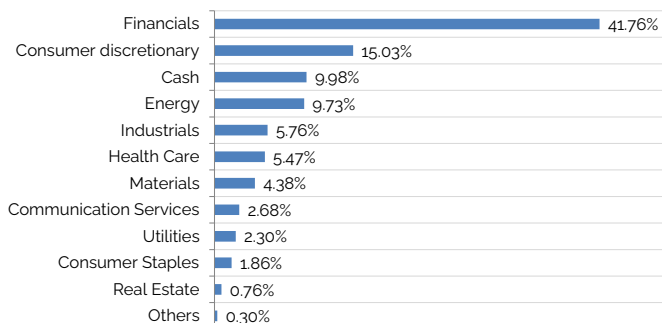
The risks of investing in shares of the contract fund are market, interest, liquidity, currency, operational, settlement risk, legislative, concentration risk, etc. More information about the risks can be found in the fund's prospectus.

Portfolio Breakdown

Market Breakdown



Sector Breakdown



5 Largest Holdings

OTP BANK, Hungary, Financials	LPP SA, Poland, Consumer discretionary	KOMERCNI BANKA, Czech Republic, Financials	ORLEN, Poland, Energy	ERSTE GROUP BANK AG, Austria, Financials
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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.karolcapital.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://karolcapital.bg/uploads/2023/Prava_na_pritejatelitel.pdf