



FUND OBJECTIVE

Advance Emerging Europe Opportunities is a sub-fund of the Luxembourg umbrella Karoll SICAV. The Fund invests in shares of companies across Central and Eastern Europe, primarily in Poland, Czechia, Hungary, Austria, Slovenia and the Baltics. The Fund seeks long-term capital appreciation at a moderate to high level of risk, targeting opportunities in a region that combines structural growth potential with attractive relative valuations. Key drivers include economic convergence with Western Europe, faster economic and earnings growth, resilient domestic consumption, near-shoring and the growing international expansion of regional companies.

FUND MANAGER'S COMMENT

Global equity markets remained resilient in September despite rising bond yields and renewed pressure from higher energy costs. Strong earnings momentum helped offset the drag from tighter rate expectations, with S&P 500 3Q26 EPS forecasts pointing to around 30% YoY growth and solid earnings growth also expected in Europe, particularly in Energy and Technology. Central Europe held up relatively well, with MSCI EFM Europe + CIS ex Russia declining by 0.60% in EUR terms, compared with a sharper 2.47% drop for MSCI Europe. MSCI World gained 0.92%, while MSCI Emerging Markets rose 1.41% (both in EUR). Against this backdrop, the Fund's unit value decreased by 0.38% during the month.

The month was also marked by severe turmoil in Turkey, which once again validated our disciplined focus on core CEE markets. The BIST-100 fell 16.7% in September after authorities ordered the liquidation of 131 investment funds, affecting more than 500,000 retail investors and around \$20bn of assets, following allegations of manipulation and severe liquidity mismatches in small-cap stocks. While the liquidation process may take months, we expect the longer-lasting impact to be on investor trust, retail participation and confidence in market governance - reinforcing the value of transparency and institutional quality in our investment universe.

We ended the month in Poland, attending the PKO by the Sea conference in Sopot, where we met with 15 companies from across the region. The discussions confirmed our constructive view on core CEE equities, particularly banks, which continue to benefit from solid loan growth, low credit risk and attractive dividend potential. We also see a supportive outlook for oil & gas, helped by stronger-for-longer refining margins, and for selected consumer names, where higher customs duties and declining market share of Chinese competitors should improve the competitive backdrop for local champions. In addition, the conference gave us the opportunity to meet with several smaller-cap companies, which continue to offer attractive idiosyncratic opportunities beyond the most widely covered names in the region.

Poland was among the strongest-performing markets in CEE in September, with the WIG20 gaining 4.0%. The rally was led by banks and consumer names, as the key themes discussed above continued to provide support across both sectors. Within oil & gas, Orlen declined by 5.3%, as refining margins narrowed somewhat during the month. The newly introduced windfall tax was clearly negative, although the expected PLN 4bn impact on the company's results had already been largely priced in by the market.

Hungarian and Czech equities underperformed during the month, with the BUX declining by 2.7% and the PX falling by 4.4% amid a broad-based correction.

At the same time, Greece, Austria and Lithuania made a modest positive contribution to the Fund's performance.

COUNTRY ALLOCATION

Poland	44.41%
Hungary	15.06%
Austria	12.33%
Greece	9.60%
Czech Republic	8.52%
Cash	6.61%
Slovenia	1.94%
Lithuania	1.30%
Others	0.23%

SECTOR ALLOCATION

Financials	40.03%
Consumer Discretionary	15.29%
Energy	8.44%
Industrials	7.60%
Cash	6.61%
Health Care	5.68%
Consumer Staples	3.89%
Real Estate	3.24%
Materials	3.24%
Communication Services	3.08%
Utilities	1.42%
IT	1.25%
Others	0.23%

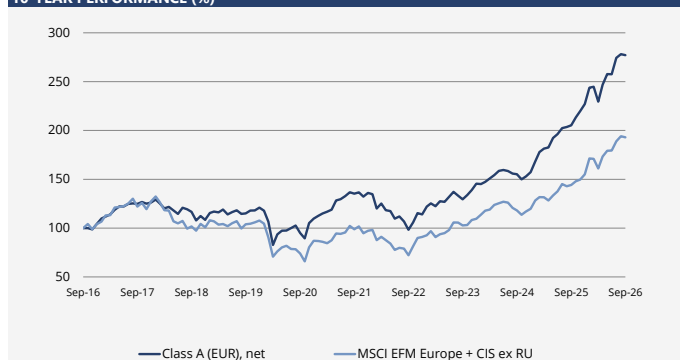
FUND FACTS

Fund Type	UCITS V, Luxembourg SICAV
Management Company	Waystone Management Company (Lux) S.A.
Investment Manager	Karoll Capital Management EAD
Fund Manager	Emil Yanchev, CFA
Fund's Total Net Assets	EUR 109.73 M
NAV per Share	EUR 2.304
Domicile	Luxembourg
Currency	Euro
NAV Frequency	Daily
Fund Launch Date	23.11.2007
Auditor	Deloitte Audit, Luxembourg
Depository	Quintet Private Bank (Europe) S.A.
Fund Administrator	UI efa S.A., Luxembourg
Countries for Distribution	BG, LU, CH, DE, AT, BE, NL, SE, NO

FUND DETAILS

Unit class	Class A EUR	Class C EUR
Investor Type	All	Institutional
Min. Subscription	Not applicable	EUR 1m
Management Fee	1.50%	1.00%
Subscription Fee	Up to 0.9%	None
Redemption Fee	None	None
ISIN	LU3221847190	LU3221847356
Bloomberg Code	KARAEOLX	KARAEOLX
WKN Code	A426BF	A426BG
Luxembourg Launch Date	15.01.2026	28.01.2026

10-YEAR PERFORMANCE (%)



Past performance is not a guarantee of future results.

PERFORMANCE*	Class A (EUR)	MSCI EFM Europe + CIS ex RU
1 month	-0.38%	-0.60%
YTD	22.03%	24.46%
1 year	34.96%	33.75%
3 years p.a.	28.85%	23.39%
5 years p.a.	15.41%	14.32%
10 years p.a.	10.73%	6.79%
Since Inception p.a.	4.53%	-0.60%

CALENDAR YEAR PERFORMANCE*	Class A (EUR)	MSCI EFM Europe + CIS ex RU
2025	44.43%	29.43%
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%

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*The calculation is based on net asset value per unit and does not include issuance and redemption costs, according to the Fund's Rules and Prospectus.

TOP 5 HOLDINGS

Holding name	Sector	Country
OTP BANK PLC	Financials	Hungary
LPP	Consumer Discretionary	Poland
ERSTE GROUP BANK	Financials	Austria
BENEFIT SYSTEMS	Industrials	Poland
RICHTER GEDEON	Health Care	Hungary

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A summary of shareholder rights is available at https://karollcapital.bg/uploads/Advance%20Emerging%20Europe%20Opportunities/_Karoll_.pdf

For further information visit: <https://karollcapital.bg/en/funds/3-karoll-advance-emerging-europe-opportunities>