

## ADVANCE INVEST

### Investment Objective

To seek long term capital appreciation through investments in stocks listed on the Bulgarian & Romanian markets. The fund is actively managed through bottom-up selection of undervalued stocks with high growth potential as determined by fundamental measures.



\*This is marketing material

30 April 2025

### Fund Manager's Comment

The stock indices of Bulgaria and Romania both declined by 2.0% in April, deepening their underperformance relative to the broader CEE region. This placed SOFIX second-to-last in the region YTD, ahead of only Turkey's BIST 100. At the Bulgarian Stock Exchange, the number of trades increased by 10% MoM, though total equity turnover declined by 4.6%. In contrast, trading volumes in Bucharest rose by 20%.

Smart Organic, an OW position in the Fund's portfolio, was the top-performing SOFIX stock, rising 7.9%. Revenue grew by 26% YoY in 1Q25, reaching BGN 27 mn, with the newly established production facility yet to be fully utilized. The company also announced the acquisition of the UK-based LoveRaw through an administration procedure. The deal is expected to accelerate entry into the UK market via a recognizable brand, with management targeting annual sales of GBP 6-9 mn in the mid-term, corresponding to approx. 15%-20% of FY2024 revenue. The transaction is likely to mirror the success of Naughty Nuts deal two years ago, acquired out of insolvency for EUR 150 000, which generated sales of EUR 665 000 in March alone. Other notable outperformers included Doverie Holding (+3.3%) and Sopharma (+1.1%), with the latter reporting a strong 16.7% YoY increase in non-consolidated 1Q sales. On the downside, Shelly Group declined by 11.5%, heavily hit by deteriorating global risk sentiment amid the trade war. Nevertheless, the outlook remains positive and the investment case intact. Our meeting with management at the end of April reinforced confidence in the guidance, supported by robust demand in core DACH markets, a very strong launch of smart locks, and entry into a key product category (cameras) expected in 4Q.

In Romania, banks were relatively resilient (-1.3%), while energy (-2.4%) and utilities (-2.8%) underperformed. Banca Transilvania's AGM approved a dividend of RON 1.73 (ca. 6% DY), while BRD's 1Q25 results showed continued double-digit loan growth, albeit accompanied by higher provisions.

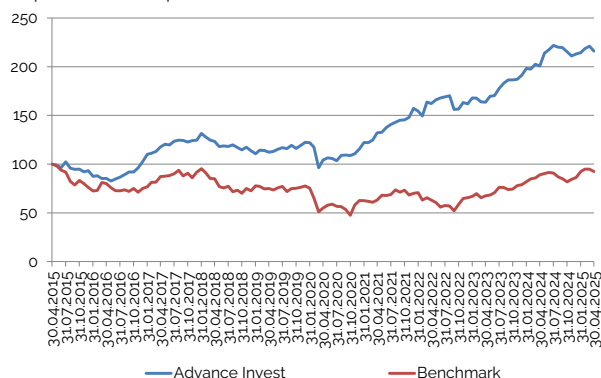
Fund shares declined by 2.3%. The broad-based panic-driven sell-off on April 7th provided an attractive window of opportunity to tactically increase the exposure to Greek banks, adding a new position. Sector wise, Bulgarian and Greek consumer names, both staples and discretionary, recorded the largest gains, followed by relatively resilient health care stocks. On the other hand, tech and industrials were the biggest drag on return.

### Fund Facts

Fund type	open-end
Fund Manager	Georgi Georgiev
Fund size	BGN 17.48 M
NAV/share	BGN 2.3465
Launch date	10/05/2004
Benchmark	MSCI EFM Europe + CIS ex RU
Currency of account	BGN (1EUR = BGN 1.95583)
Subscription fee	up to 1.50%
Management fee	2.5 % NAV p.a.
Redemption fee	none
Minimum investment	none

### Fund performance vs Benchmark

Past performance does not predict future returns.



### Fund Identifiers

ISIN	BG9000014134
Reuters Lipper	68417296
Код в Bloomberg	ADVIMFD BU

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### Fund Results ( 30.04.2025)

	Fund	Benchmark
1 month	-2.27%	-2.49%
1 year	7.63%	3.73%
Year to Date	143%	7.13%
Since Launch (annualized)	4.23%	2.27%

### Annual Performance

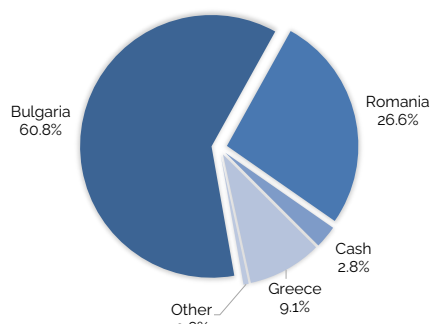
	Fund	Benchmark
2024	11.33%	9.27%
2023	18.25%	20.55%
2022	2.84%	-6.49%
2021	36.06%	11.71%
2020	-5.56%	-19.20%
2019	7.62%	6.91%
2018	-8.79%	-20.91%
2017	21.56%	22.39%
2016	10.02%	-1.29%
2015	-6.26%	-22.13%

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](http://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

Financials	22.00%
IT	18.26%
Health Care	11.12%
Industrials	10.86%
Energy	9.46%
Real Estate	9.15%
Consumer Discretionary	6.42%
Utilities	4.72%
Consumer Staples	3.90%
Cash	2.79%
Materials	0.69%
Other	0.63%

### 5 Largest holdings

Sopharma, Bulgaria, Health Care	Shelly Group, Bulgaria, IT	Sirma Group Ad, Bulgaria, IT	OMV PETROM, Romania, Energy	Bulgarian Real Estate Fund Inc, Bulgaria, Real estate
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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.karollcapital.bg](http://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](https://karollcapital.bg/uploads/2023/Prava_na_pritejatelite.pdf)