

## 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.



Best Emerging  
Markets Fund  
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Markets Fund  
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\*This is marketing material

31 August 2025

### Fund Manager's Comment

Bulgarian and Romanian equities continued to advance in August. SOFIX gained 4.0%, while BET reached new record highs, adding 1.8%. Trading activity on both exchanges remained seasonally subdued, with equity turnover down 48% MoM in Sofia and 27% MoM in Bucharest.

The main drivers of SOFIX's performance were its two heaviest constituents – Shelly and Sopharma. Shares of the smart-home device manufacturer rose 12.7%, lifting its market capitalization above EUR 1bn. The tone of the 1H2025 earnings call was moderately optimistic. Sales growth in the key DACH region showed a slight acceleration in Q2, while the operating margin declined to 24.9% from 26.0% a year earlier, with half of the drop attributable to adverse FX effects from USD prepayments. Management, however, expects a positive impact from a weaker dollar on the gross margin in 2H25, with a sensitivity of 3–4 p.p. for every 10% depreciation in USD. Sopharma gained 8.6% on the back of elevated trading volumes and continued sales of treasury shares to related company Doverie United Holding. The pharmaceutical group reported a 27.4% increase 1H25 revenue, largely driven by the newly acquired product portfolio at the end of last year, alongside a slight improvement in EBIT margin (5.6% vs. 5.0% in 1H24). Double-digit gains were also seen in BSE shares (+11.1%), where investors are anticipating (likely in vain) a sizeable interim dividend, spurred by the widening state budget deficit.

Investor interest in the Romanian energy sector persisted, with energy stocks retaining their leadership for a second consecutive month (+4.9%). Excluding Transgaz (+14.4%), utilities (+0.4%) and banks (-0.6%) lagged. Outside the main index, smaller privatization funds (formerly SIFs) also recorded double-digit gains, though they continue to trade at a deep discount to NAV (around 50% on average).

Fund shares were up by 2.6%. Sector wise, tech stocks accounted for almost half of the monthly return, followed by financials, health care and energy. At the same time, industrials and Bulgarian REITs underperformed.

### Fund Facts

Fund type	open-end
Fund Manager	Georgi Georgiev
Fund size	BGN 24.79 M
NAV/share	BGN 2.8651
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 Identifiers

ISIN	BG9000014134
Reuters Lipper	68417296
Код в Bloomberg	ADVIMFD BU

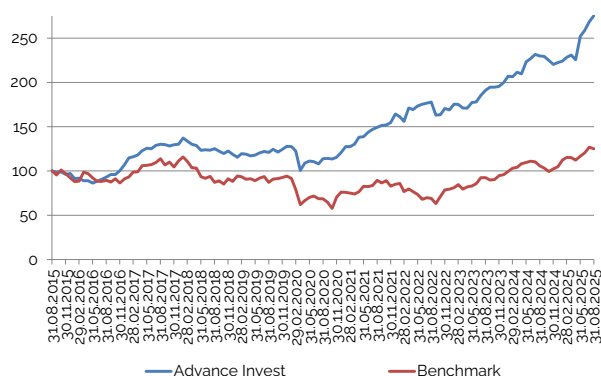
Past performance does not predict future returns.

### Fund Results ( 31.08.2025 )

	Fund	Benchmark
1 month	2.59%	-1.53%
1 year	19.80%	18.28%
Year to Date	23.84%	19.26%
Since Launch (annualized)	5.16%	2.76%

### Fund performance vs Benchmark

Past performance does not predict future returns.



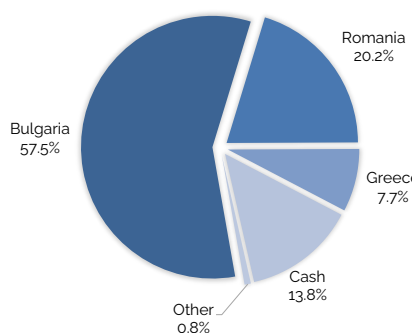
### Annual Performance

	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.

### Market Breakdown



### Portfolio Breakdown

### Sector Breakdown

Financials	20.15%
IT	18.51%
Cash	13.78%
Health Care	10.77%
Energy	8.97%
Real Estate	7.84%
Industrials	7.73%
Consumer Discretionary	4.68%
Utilities	3.72%
Consumer Staples	2.58%
Other	0.77%
Materials	0.50%

### 5 Largest holdings

Shelly Group, Bulgaria, IT	Sopharma, Bulgaria, Health Care	Sirma Group Ad, Bulgaria, IT	Bulgarian Real Estate Fund Inc, Bulgaria, Real estate	OMV PETROM, Romania, Energy
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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)