

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

28 February 2025

Fund Manager's Comment

Bulgarian and Romanian equities remained among the underperformers in the CEE region in February. SOFIX was modestly up 1.3%, while BET added 3.1%. Trading activity was higher compared to January on both exchanges, with average daily equity turnover up 38% in Sofia and by 35% in Bucharest.

Among SOFIX constituents, AGH was best performing stock, up by 6.3%. Even though 4Q2024 financial results did not provide grounds for significant optimism, investors seem to expect that the substantial accumulated inventories of finished goods (particularly sunflower seeds) will be sold at higher market prices during the current year. A positive impact on the company's net income in FY2025 will also come from the decline in interest rates in Europe. Shelly Group ranked second with a 5.6% gain, as management reaffirmed strong guidance for FY2025 - revenue growth of between 35%-45% with a stable operating margin of ca. 25% in the middle of the projected range. The third best performer was BSE, up 4.1%, on expectations of a high dividend payout. Under the 100% payout ratio set for all SOEs in this year's government budget, BSE is expected to distribute DPS of BGN 0.50 from its individual profit (which was the basis for last year's payout) or BGN 1.32 from its consolidated earnings. During the earnings season, outside the blue-chip index, Wiser Technology and Smart Organic made a strong impression, and both stocks are likely to be included in SOFIX in the upcoming rebalancing later this month.

Among key sectors in Romania, energy outperformed for a second consecutive month (+3.6%), followed by banks (+2.7%), while utilities lagged slightly (+2.0%). Banks 4Q2024 earnings showed continued robust loan growth (nearly 30% YoY) and high ROEs, reaching 30% for TLV and 17% for BRD. OMV Petrom's management announced a regular dividend proposal of approximately 6%.

Fund shares rose by 1.9%. Sector-wise, energy companies had the highest positive contribution to the monthly performance, followed by consumer staples and real estate stocks. In terms of total return, consumer staples were a clear outperformer, posting double-digit gains.

Fund Facts

Fund type	open-end
Fund Manager	Georgi Georgiev
Fund size	BGN 17.71 M
NAV/share	BGN 2.3736
Launch date	10/05/2004
Benchmark	MSCI EFM Europe + CIS ex RU
Currency of account	BGN (1EUR = BGN 1.95583)
Subscription fee	up to 150%
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

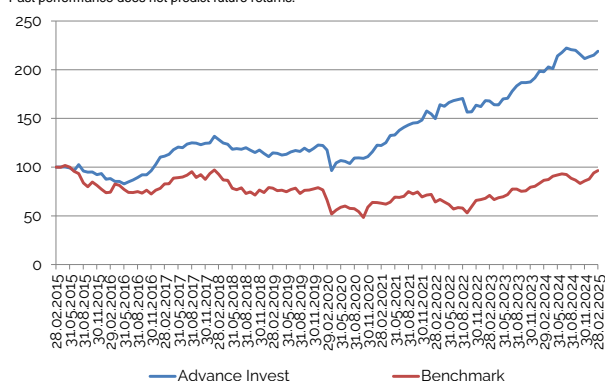
Past performance does not predict future returns.

Fund Results (28.02.2025)

	Fund	Benchmark
1 month	1.86%	2.68%
1 year	10.60%	11.72%
Year to Date	2.60%	9.97%
Since Launch (annualized)	4.33%	2.42%

Fund performance vs Benchmark

Past performance does not predict future returns.



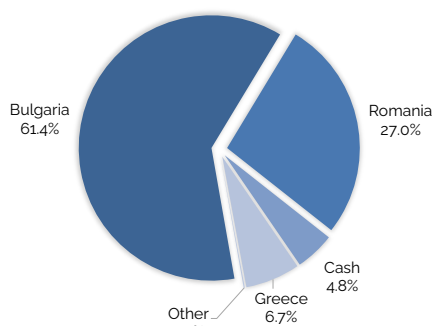
Annual Performance

Year	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.mscl.com

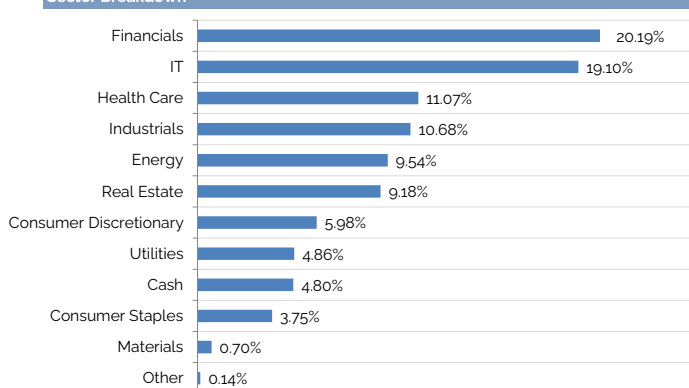
The risks of investing in shares of the contract fund are market, interest, liquidity, currency, operational, settlement risk, legislative, concentration risk, etc. More information about the risks can be found in the fund's prospectus.

Market Breakdown



Portfolio Breakdown

Sector Breakdown



5 Largest holdings

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