

KEY INVESTOR INFORMATION

This document provides you with key investor information about this fund. This is not a marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision whether to invest.



ADVANCE INVEST MUTUAL FUND

ISIN BG9000014134 Fund's units denominated in: BGN

The Fund is managed by Karoll Capital Management EAD Management Company

Objectives and Investment Policy

The main objective of the Fund is to provide unitholders with an increase of the real value of their investment through capital gains by assuming moderate to high risk in the long run, through investment in shares traded on the Bulgarian and the Romanian market due to their growth potential. The Fund is actively managed through selection of undervalued stocks with high positive potential, determined according to fundamental and technical parameters.

The Fund's policy provides for active portfolio management of financial instruments and cash and stipulates investing in financial assets that can easily and without any significant loss of value be purchased or sold, respectively, while achieving sustainable and optimal growth at a limited risk. The investment strategy includes capital income. The Fund does not pursue a specific objective with regard to a given industrial sector. The investments of the Fund are directed to companies whose securities are traded on the Bulgarian and the Romania market. The Fund does not pursue an objective for achieving results, which are linked to a certain market index. This Fund might not be suitable for investors who plan to withdraw their funds within 3 years.

Karoll Capital Management EAD Management Company has adopted a policy of integrating the sustainability risk in its process of making investment decisions and takes into account the main adverse influences of the investment decisions on the sustainability factors, while applying the principles of responsible investing and sustainability in asset management, and it believes that the factors related to environment protection, social responsibility and good corporate governance (ESG) influence to a great extent the risk of the investments and their return, respectively.

The above notwithstanding, the investments underlying this financial product do not conform to the EU criteria for ecologically sustainable economic activities, including the following environmental goals: mitigation of and adaptation to climate change.

The main categories of eligible financial instruments and other assets that are the object of investment by the Fund are as follows:

1. Transferable securities and financial market instruments admitted to or traded at regulated markets as per Art. 152, para. 1 and 2 of the Markets in Financial Instruments Act (MFIA) in the Republic of Bulgaria or in another Member State;
2. Transferable securities and money market instruments traded at a regulated market, other than the one under Art. 152, para. 1 and 2 of the MFIA in the Republic of Bulgaria or in another Member State, regularly functioning, accepted and publicly accessible, as well as securities and money market instruments issued in the Republic of Bulgaria or in another Member State;
3. Transferable securities and money market instruments admitted to trading at an official Stock Exchange market or traded at other regulated markets in a third country, regularly functioning, accepted and publicly accessible, which are included in a list approved by the FSC at the proposal of the Deputy Chairperson, or are stipulated in the Mutual Fund Rules;
4. Recently issued transferable securities, the issue of which includes a condition for assuming liability for requesting admission and within a term not longer than a year after their issuance to admitted to trading at an official stock exchange market or another regulated market, regularly functioning, accepted and publicly accessible, which are included in a list approved by the FSC at the proposal of the Deputy Chairperson or are stipulated in the By-Laws;
5. Units of collective investment schemes and/or other undertakings for collective investment that meet the provisions of Art. 4, Para. 1 of the LACISOUCI, regardless of whether they are incorporated in a Member State, provided that their Statutes or Rules stipulate that they can invest not more than 10 per cent of their assets in other collective investment schemes or in other undertakings for collective investment where the other undertakings for collective investment shall meet the provisions of Art 38, para 1, item 5, letter a) of LACISOUCI;
6. Deposits with credit institutions, payable on demand or which carry the right to be withdrawn at any time and with a maturity date not more than 12 months ahead; the credit institutions in a third country shall follow rules and be subject to supervision that the FSC, at the proposal of the Deputy Chairperson, considers equivalent to the ones contained in the EU legislation;
7. Derivative financial instruments, including their equivalents, on which the liabilities can be performed through cash payment, traded at regulated markets as per Art. 38, Para. 1 item 1 - 3 of LACISOUCI;
8. Derivative financial instruments traded over the counter while observing the legal provisions;
9. Money market instruments other than those traded at a regulated market and stated in § 1, item 6 of the supplementary provisions of LACISOUCI while observing the legal restrictions;
10. Cash resources;
11. Other financial instruments, in addition to those mentioned above, while observing the legal restrictions.

Each unitholder may request their units to be repurchased by the Fund on demand, the unit redemption prices being calculated and announced every business day. The amounts for subscriptions of units are accepted in BGN or in EUR as per the fixing of the Bulgarian National Bank for the day. The amounts under the requests for redemption of units are paid in EUR or BGN as per the fixing of the Bulgarian National Bank for the day.

The Fund shall not distribute income under the issued units and shall not pay the unitholder such income or dividends. The Fund's income is being reinvested in assets in accordance with its investment strategy and policy. The net income from the Fund's investments is accumulative and it is included in the Fund's net asset value and hence in the prices of its units.

Risk and Reward Profile

Lower risk ← Higher risk
Typically lower rewards ← Typically higher rewards

1	2	3	4	5	6	7
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The above synthetic indicator shows the position of the Fund on a scale measuring risk and return. In general, the Fund's category is based on historical data for the deviation of the Fund's returns as compared to its average return over the last 5 years (i.e. volatility of returns of the Fund). The data for previous periods used to calculate the above indicator may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed and hence the Fund category may change over time. The lowest category, indicated as 1, does not mean 'risk free'.

The risks, which are materially relevant to the Fund and which are not adequately covered by the synthetic indicator are:

- Market risk – the possibility of incurring losses due to unfavourable changes in the prices of financial instruments held by the Fund, market interest rates, exchange rates, etc.;
- Credit risk – the possibility that the value of the Fund's position in a financial instrument may fall due at unexpected credit events relating to the issuers of financial instruments held by the Fund, the counterparty in stock exchange and OTC transactions, as well as the countries, in which they operate. This risk reflects also the possibility of bankruptcy of a credit or financial institution, in which Fund's resources are kept and/or in whose deposits investments have been made. Credit risk includes: Counterparty risk – the risk of non-performance of the obligations by the counterparty in off-exchange and repurchase transactions; Settlement risk – the risk that an expected and due payment or supply of financial instruments may not occur on time or may not be performed at all; investment credit risk – risk of decreasing the value of the investment in a security due to a specific event, comprising announcement of bankruptcy, insolvency, material change of the capital structure, reduction of the credit rating, etc.
- Operational risk – includes internal and external operational risks. Internal operational risks: ▪ Risks related to personnel - the risk of suffering loss as a result of

employees' mistakes, negligent/malicious conduct by employees, insufficient qualification; ▪ Risk of performing transactions with persons related to the Management Company, the terms of which differ from the market terms and cause harm to the interests of the Fund and of its unitholders; ▪ Technological risk - risk of suffering loss caused by imperfections of the used technologies, operations, data, etc. External operational risks; these are the risks, which exist outside of the Fund and can have material impact on its activity. The Fund is not able to influence external risks but accounts for their impact on its activity. These include: ▪ Legislation risk – risk of unexpected amendments of laws and regulations that may limit the Fund activities and development.; ▪ Risk of physical interference – risk of suffering losses because of robbery, unauthenticated intrusion in the information systems of the Fund or of the Management Company.

▪ Liquidity risk – the risk stemming from the possibility of incurring losses as a result of urgent sale of assets under adverse market conditions so as to meet unexpected short-term obligations.

▪ Concentration risk – the possibility of incurring losses due to improper diversification (allocation of assets among different financial instruments and markets made for the purposes of reducing the risk of the investment);

▪ Risk related to the specific techniques and tools used for efficient management of the Fund's portfolio. There is no certainty that the concluded transactions with derivative financial instruments and repurchase transactions will be successful if executed. Their usage may be limited by the market conditions and by the regulatory provisions and requirements. In cases when the derivative instruments are used with hedging purpose, the Fund may appear to be incapable of achieving its investment objectives. If the derivative instruments are used with investment purpose, this will not affect the Fund's risk profile. In all cases the total value of the Fund's exposition related to derivative financial instruments cannot exceed the net value of its assets. The concluded repurchase transactions may not lead to a change of the investment objectives and restrictions or to worsening of the Fund's risk profile. The Fund may conclude repurchase transactions only with regard to financial instruments, in which it has the right to invest.

More information about the risks and the other investment strategies, techniques and instruments employed by the Fund is available in the respective parts of the prospectus which can be found at the Management Company's website www.karollcapital.bg

Charges

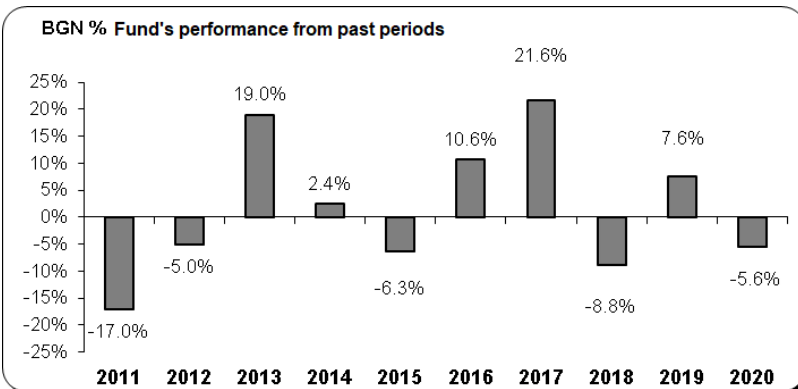
One-off charges taken before or after you invest	
Entry charge	1.5% *1
Exit charge	0%
<i>This is the maximum that may be taken out of your money before it is invested or before the proceeds of your investment are paid out. You can learn more about the current subscription fees and redemption fees from your personal financial advisor or intermediary</i>	
Charges covered by the Fund over a year	
Ongoing Charges	2.91%
Remuneration for the Management Company:	2.50%
Charges covered by the Fund under certain specific conditions	
Performance fee	none

Investors pay a fee of up to 1,5% when purchasing units of the Fund. Investors pay no charges on redemption of the Fund's units.

In general, the Ongoing Charges are based on the Fund's expenditures over the previous year ending 31 December and this figure may vary from year to year. The Ongoing Charges do not include the costs necessarily incurred in connection with the acquisition or disposal of any asset of the Fund's investment portfolio. The transaction expenses stated in the preceding sentence do not include the charges paid by the Fund to the custodian bank in cases when the latter acts as the Fund's custodian but not as its investment intermediary. The charges paid by the investors are used to cover the expenditures of running the Fund, including the expenses for distributing the Fund, and they reduce the potential growth of the investment.

More information about the charges and expenses is available in the respective parts of the prospectus, which can be found at the Management Company's website www.karollcapital.bg

Past Performance



* The performance is expressed as percentage values and is calculated on the basis of the annual change in net asset value per unit (NAVU).

* The NAVU reflects the charges covered by the Fund during the respective year but it does not include the expenses related to issue or redemption of units.

Past performance of the Fund does not guarantee and is not necessarily indicative of its future results. The value of the Fund's units and the income from them can decrease, the profits are not guaranteed and there is a risk that investors may not receive the full amount of the invested funds.

The Fund commenced the public offering of units on 10 May 2004.

Practical Information

▪ The Fund's custodian bank is Eurobank Bulgaria AD, UIC 000694749
 ▪ Further information as well as the Fund's prospectus, rules, latest annual report and subsequent half-yearly report can be obtained free of charge each working day 10 AM - 5 PM (Bulgarian time) at the head office of Karoll Capital Management at the following address: Sofia, 1 Zlatovrah Str., tel.: (+359 2) 4008 300 These documents, the current version of the Key Investor Information Document and the details on the current remuneration policy are available in Bulgarian language on the Management Company's web site www.karollcapital.bg

▪ Current information about the net asset value, the issue price and the redemption price of the Fund shall be published on the web site of the Management Company www.karollcapital.bg The information under the preceding sentence shall be announced at the offices of the Management Company in the Republic of Bulgaria. Investors in the Fund must take into account that the Bulgarian tax legislation may have an impact on their individual tax position.

▪ Karoll Capital Management may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Fund's prospectus.

This fund is authorised in the Republic of Bulgaria and is regulated by the Bulgarian Financial Supervision Commission. The present Fund was initially established as an investment company under the name of "Advance Invest AD" by virtue of a Licence by the Financial Supervision Commission No. 561 of 22.12.2003 and was re-licensed by deed No. 06-ИД/06.01.2006. Subsequently, by virtue of decision No. 479-ИД of 26.06.2013, the FSC issued a licence for establishment of the Advance Invest Mutual Fund following a transformation of the company from an investment entity into a mutual fund. Karoll Capital Management EAD Management Company is authorized in the Republic of Bulgaria and is regulated by the Bulgarian Financial Supervision Commission.

The present Key Investor Information is current and accurate as of the date of this document - 11.02.2022.

¹ The subscription fee shall not be payable by institutional investors and clients that have concluded a contract for management of an individual portfolio with Karoll Capital Management EAD. The Management Company may apply lower subscription fees than the maximum amount specified in the Fund Rules for certain periods of time.