

# 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

31 May 2024

### Fund Manager's Comment

The stock indices of Bulgaria and Romania were among the best performers in the region over the past month. SOFIX increased by 6.4%, while the Romanian BET added 3.1%. The holiday cluster in May weighed on trading activity on the Bulgarian Stock Exchange, with equity turnover noticeably lower, down 42% MoM. Meanwhile, the average daily liquidity on the Bucharest Stock Exchange was 18% higher compared to April.

The frenetic trading in Fibank continued in May, with shares soaring by 62.9% amid rumors of a potential acquisition of the business. According to a publication by "Capital" on May 20, the candidates to acquire the bank are UniCredit Bulbank and Eurobank Bulgaria, with an indicative price in the range of EUR 0.5 billion (approx. 0.6x P/B). Both Fibank and Eurobank denied the information. The second best performer was Sirma Group Holding (+24.1%), supported by the ongoing optimization the corporate structure and the announced dividend from FY2023 earnings (ca. 2.2% DY). Other strong performers included Central Cooperative Bank (CCB, +11.3%), likely due to sentiment spill over from FIB, as well as Agria Group (AGH, +9.7%) in line with the strong rise in wheat prices over the past month. Shelly Group (SLYG, +9.4%) also contributed significantly to the growth of SOFIX, as its 1Q24 financial results met high expectations.

Among the index-heavy sectors in Romania, energy (+8.7%) and the financials (+6.1%) performed better, while utility companies lagged (+2.3%). Banks' 1Q24 financial reports demonstrated stable NIMs and continued strong net lending growth for both public names – Banca Transilvania (+13.6% YoY) and BRD (+12.3% YoY).

The fund's NAV per share soared 6.5%. Sector-wise, information technology and financials had the highest positive contribution to the monthly return (ca. 2/3 of total), with energy and industrials also posting solid gains. Only materials, which have negligible weight in the portfolio, were slightly in the red (+2.6%).

### Fund Facts

Fund type	open-end
Fund Manager	Georgi Georgiev
Fund size	BGN 15.93 M
NAV/share	BGN 2.322
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

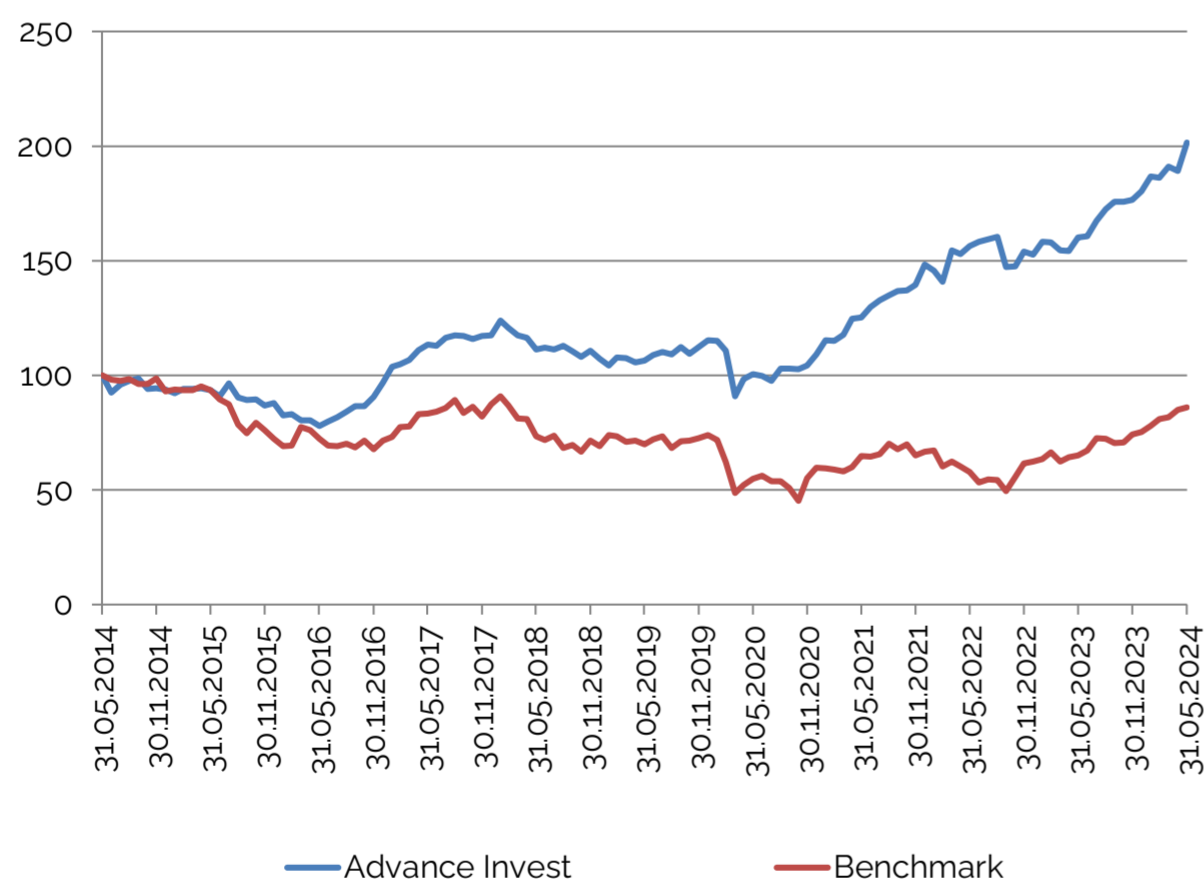
### Fund Identifiers

ISIN	BG9000014134
Reuters Lipper	68417296
Код в Bloomberg	ADVIMFD BU

### Fund Results

	Fund	Benchmark
1 month	6.50%	1.35%
1 year	25.93%	32.15%
Year to Date	11.74%	14.38%
Since Launch (annualized)	4.38%	2.26%

### Fund performance vs Benchmark

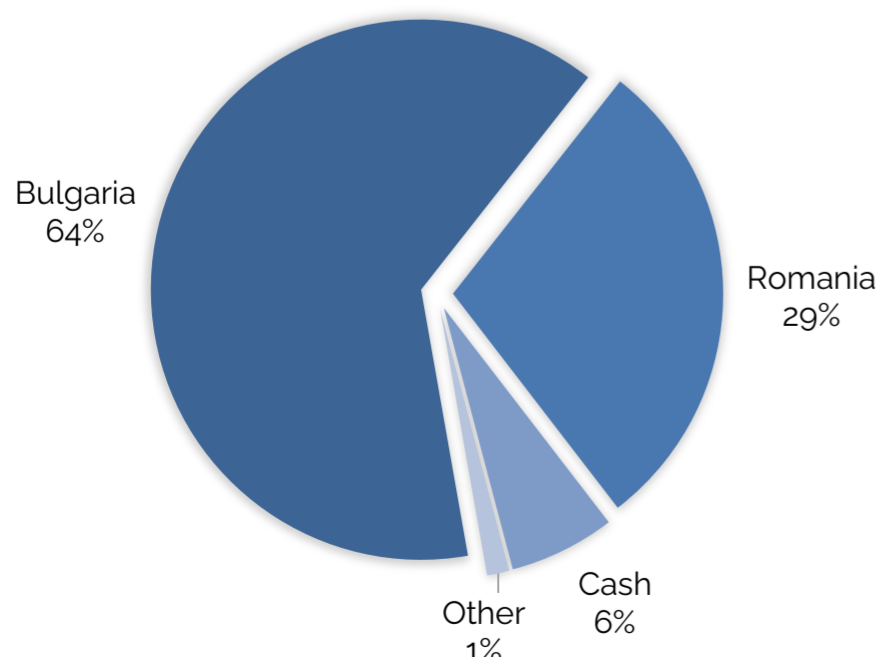


### Annual Performance

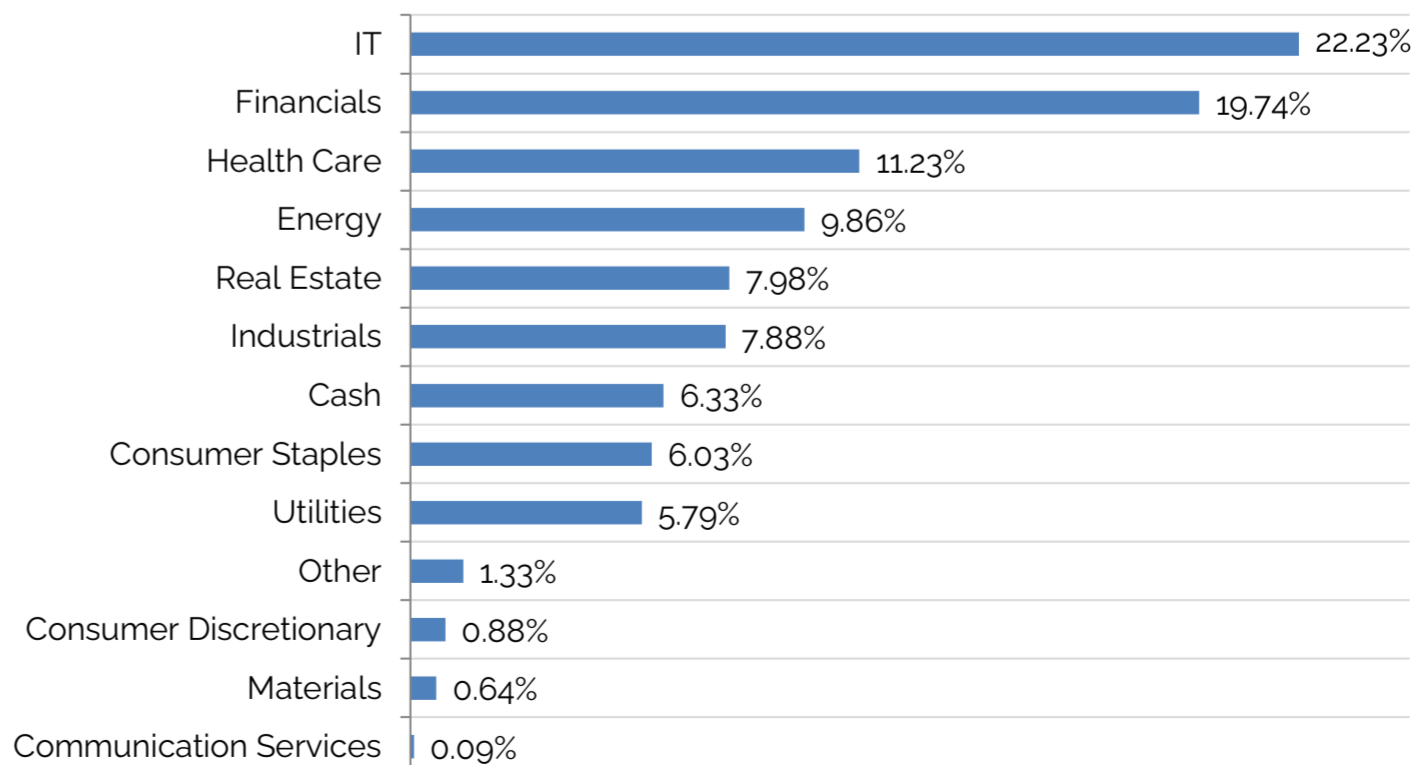
Year	Fund	Benchmark
2023	18.25%	20.55%
2022	2.84%	-6.49%
2021	36.06%	11.71%
2020	-5.56%	-19.20%
2019	7.62%	6.91%
2018	-8.79%	-20.91%
2017	21.56%	22.39%
2016	10.02%	-1.29%
2015	-6.26%	-22.13%
2014	5.61%	2.24%
2013	18.95%	-16.81%
2012	-5.02%	34.08%
2011	-17.02%	-29.75%
2010	-11.73%	16.29%
2009	2.20%	51.49%
2008	-66.57%	-56.45%
2007	55.37%	20.71%
2006	31.20%	9.97%
2005	32.60%	51.04%
2004	38.00%	-17.05%

### Portfolio Breakdown

#### Market Breakdown



#### Sector Breakdown



### 5 Largest holdings

Shelly Group, Bulgaria, IT	Sopharma, Bulgaria, Health Care	Sirma Group Ad, Bulgaria, IT	OMV PETROM, Romania, Energy	Agria Group Holding AD, Bulgaria, Consumer Staples
----------------------------	---------------------------------	------------------------------	-----------------------------	--