

ADVANCE EMERGING EUROPE OPPORTUNITIES

Investment Objective

The Fund invests in stocks of companies in the CEE region, and has long-term investment horizon.

*This is marketing material

31 October 2025

Fund Manager's Comment

Advance Emerging Europe Opportunities fund rose by 3.9% in October, marking its tenth consecutive month of positive gains amid favourable tailwinds from global emerging markets. Investor hopes for a US-China trade truce materialised in the final days of the month, providing substantial relief and propelling high-risk assets higher, with developed markets (MSCI World) advancing 3.8% in EUR and broader emerging markets (MSCI EM) surging 6.0%. The MSCI EFM Europe + CIS ex-Russia Index (+2.6% in EUR) underperformed, dragged lower predominantly by declines in Turkey and Greece. Central European equities, by contrast, delivered strong gains. The early Q3 earnings season in CEE proved relatively encouraging. Banks posted resilient results despite the interest-rate easing cycle, as accelerating loan growth largely offset margin pressure. Energy companies benefited from elevated refining margins amid reduced Russian diesel supply. At the same time, Polish retailers were hampered by unfavourable summer weather that weighed on sales.

Polish equities posted broad-based gains in October, with large-caps continuing to outperform as the WIG20 index surged 5.7%. The fund's positions performed well overall. Energy giant Orlen (+15.6%) provided the largest positive contribution to the fund's return (+0.6pp), supported by a favourable environment for oil and gas companies. The ongoing rally in copper and precious metals continued to bolster shares of mining company KGHM, which soared 21.2% after a 25% gain in the previous month. In contrast, shares of retailer CCC (-16.9%) weighed most heavily on performance (-0.3pp), as sentiment deteriorated sharply following the publication of a short-seller report.

In the Czech Republic, the key event was the parliamentary elections, which were won by opposition leader Andrej Babiš's ANO party, in line with pre-election polls. The outcome triggered no major repercussions for the local stock exchange, and the main PX index finished the month higher by 2.8%. Banks were at the forefront, while utility CEZ (+0.5%), most directly impacted by elections due to potential nationalisation of the company, remained almost unchanged amid a lack of new information on any buyout.

Hungarian equities delivered the strongest performance during the month, with the BUX index surging 8.5%. Shares of OTP, the fund's largest position, soared 11.9%, buoyed by improving lending growth prospects in Hungary following encouraging initial uptake of subsidised loans. Oil and gas company MOL (+9.8%) also performed strongly despite a fire at its Danube refinery in Hungary that forced a temporary shutdown. The incident triggered no significant sell-off, as investors anticipated full insurance compensation for the damages, which was later confirmed.

After a strong rally in the first nine months, Greek equities paused for breath, with the main index closing 1.9% lower as the FTSE announcement of Greece's reclassification to Developed Market status, effective September 2026, provided no support.

Fund Facts

Fund type	open-end
Fund Manager	Emil Yanchev, CFA, Konstantin Prodanov
Fund size	EUR 80.77 M
NAV/share	EUR 1.7743
Launch date	23.11.2007
Currency of account	Euro
Subscription fee	up to 0.9%
Management fee	15 % NAV p.a.
Redemption fee	none
Minimum investment	none
Benchmark	MSCI EFM Europe + CIS ex RU

Fund Identifiers

ISIN	BG9000023077
Bloomberg Code	ADVIPOF.BU
Reuters Lipper	68417298

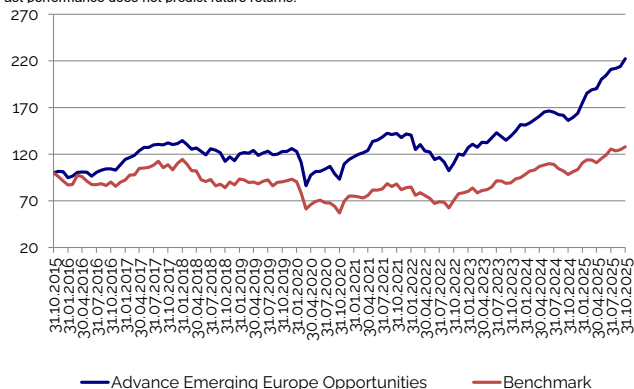
Past performance does not predict future returns.

Fund Results (31.10.2025)

	Fund	Benchmark
1 month	3.93%	2.59%
1 year	42.33%	30.21%
Year to Date	35.72%	23.56%
Since Launch (annualized)	3.25%	-2.09%

Fund Performance 10Y

Past performance does not predict future returns.



Annual Performance

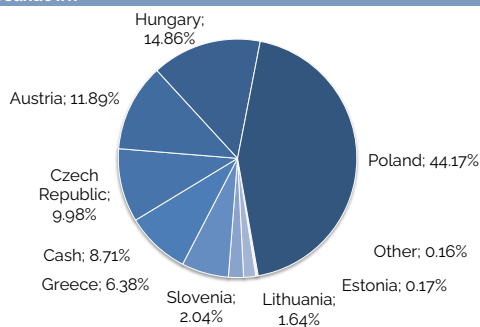
	Fund	Benchmark
2024	8.02%	9.27%
2023	27.62%	20.55%
2022	-16.20%	-6.49%
2021	24.13%	11.71%
2020	-9.35%	-19.20%
2019	11.31%	6.91%
2018	-13.89%	-20.91%
2017	20.96%	22.39%
2016	7.76%	-1.29%
2015	-2.27%	-22.13%

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

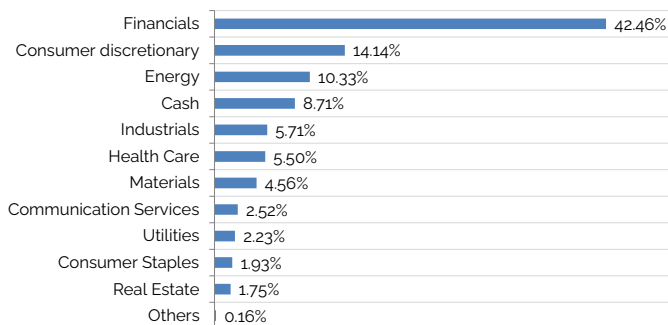
The risks of investing in shares of the contract fund are market, interest, liquidity, currency, operational, settlement risk, legislative, concentration risk, etc. More information about the risks can be found in the fund's prospectus.

Portfolio Breakdown

Market Breakdown



Sector Breakdown



5 Largest Holdings

OTP BANK, Hungary, Financials	LPP SA, Poland, Consumer discretionary	ORLEN, Poland, Energy	KOMERCNI BANKA, Czech Republic, Financials	ERSTE GROUP BANK AG, Austria, Financials
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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_pritejatelitel.pdf