

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 December 2025

Fund Manager's Comment

Bulgarian and Romanian equities closed the year on a strong note. In the final stretch ahead of the euro adoption, SOFIX rose by 6.3%, ending the year with a total return of 29.5%. Romania's BET gained 7.0%, ranking among the regional leaders in 2025 (+46.2%). Equity turnover on the Bulgarian Stock Exchange surged by 101% MoM, while total trading volume for 2025 (equities and bonds) reached a 12-year high of BGN 1.2bn (EUR 611m). Trading activity in Romanian equities was lower compared to November, with average daily volumes down 27%.

Among SOFIX constituents, financials outperformed, with holding company DUH posting a sharp increase from deeply undervalued levels (+35.3%). FIB (+13.7%) and CCB (+12.9%) ranked second and third in December, respectively. Shares of the two publicly listed Bulgarian banks are among the cheapest in the euro area based on price-to-book multiples. The extended Christmas holiday on the BSE, due to the transition to the euro, created an arbitrage opportunity in SLYG, which rose by 8.3% on the Frankfurt Stock Exchange.

Among the key sectors in Romania's BET index, banks performed best (+9.1%) despite the slowdown in economic activity, evident in the 3Q GDP print. They were followed by energy companies (+8.3%), while utilities lagged the broader index (+4.4%).

Fund shares rose by 5.0%. The annual gain stood at 31.0%, marking the fifth consecutive year of positive returns. The main driver of the strong performance was stock selection in Bulgaria, where holdings gained 32.4% versus 29.5% for the local SOFIX index, supported by positions such as SLYG, SGH, SFA, SO, BREF and the BSE. With an increase of 46.3%, the Fund's Romanian holdings slightly outperformed the BET index, while stock selection in Greece stood out with a rise of 55.6% compared to 44% for the ASE index. Sector-wise, gains were broad-based (with the exception of industrials). Tech stocks made the largest positive contribution, accounting for around one third of the overall return, followed by financials and pharma companies. Financials, real estate and consumer discretionary stood out for the highest positive selection effect.

Fund Facts

Fund type	open-end
Fund Manager	Georgi Georgiev
Fund size	BGN 26.31 M
NAV/share	BGN 3.03
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

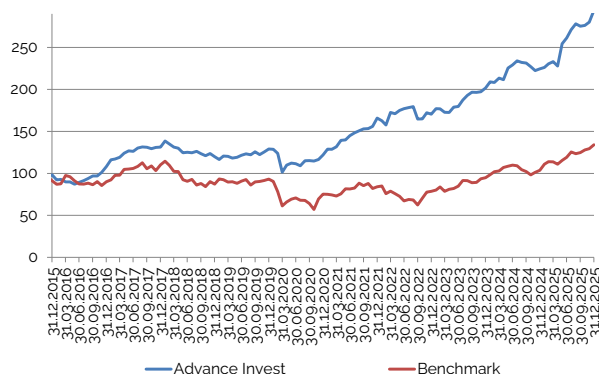
Past performance does not predict future returns.

Fund Results (31.12.2025)

	Fund	Benchmark
1 month	4.99%	3.59%
1 year	30.97%	29.43%
Year to Date	30.97%	29.43%
Since Launch (annualized)	5.35%	3.11%

Fund performance vs Benchmark

Past performance does not predict future returns.



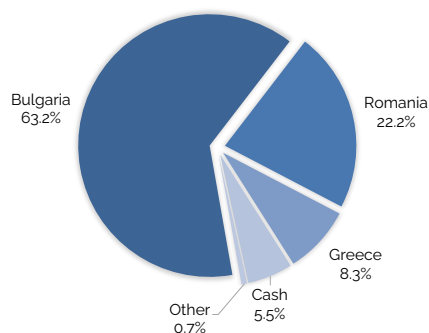
Annual Performance

	Fund	Benchmark
2025	30.97%	29.43%
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%

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.

Market Breakdown



Portfolio Breakdown

Sector Breakdown

Financials	24.50%
IT	20.34%
Health Care	10.72%
Energy	10.43%
Real Estate	8.83%
Industrials	6.87%
Cash	5.55%
Consumer Discretionary	5.11%
Utilities	3.97%
Consumer Staples	2.55%
Other	0.67%
Materials	0.48%

5 Largest holdings

Shelly Group, Bulgaria, IT	Sopharma, Bulgaria, Health Care	Sirma Group Ad, Bulgaria, IT	Bulgarian Stock Exchange AD	Bulgarian Real Estate Fund Inc. Bulgaria, Real estate
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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_pritejatelite.pdf