

## 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.



28 February 2022

### Fund Manager's Comment

The markets in Central and Eastern Europe suffered significant declines caused by the unilateral recognition of the independence of pro-Russian regions in eastern Ukraine and Russia's subsequent military aggression in Ukraine. As a result, in the last days of February, the markets in Sofia and Bucharest remained under heavy selling pressure, but were still relatively stable amid a significant decline of 39% of the CEE regional market index (MSCI EM Europe).

The main index of the Bulgarian Stock Exchange (SOFIX) recorded a monthly drop of 3.8% and reported a new four-month low, reaching a level of 595.22 points. The decline of the index was due to the selling pressure on Doverie United Holding (-11.5% MoM), Chimimport (-8.4% MoM) and Eurohold Bulgaria (-3.4%).

The main index of the Bucharest Stock Exchange (BET) fell to 8948 points, a monthly decline of 3.6%. That was driven by the shares of Nuclearelectrica (-9.5% MoM), Banca Transilvania (-3.04% MoM) and Fondul Proprietatea (-2.8% MoM). The Bucharest Stock Market Index, which tracks energy companies, fell more than 4.1%, driven by declines in Transgaz (-10.7%) and Transelectrica (-10.4%).

The growth in the share price of Agria Group Holding (+12.2% MoM), Neochim (+12.6% MoM) and Sirma Group Holding (+18.0% MoM) contributed to the good performance of the fund's portfolio. Although in the last two weeks of the month a number of leading companies from both markets announced better-than-expected preliminary financial results for 2021, their impact on stock market developments was overshadowed by geopolitical tensions in the region. Looking ahead, the markets in Sofia and Bucharest retain their long-term potential and will offer a good dividend return to investors based on the forthcoming distribution of annual profits to shareholders.

In February, the value of the fund's units declined by 3.2% while the benchmark index (MSCI EFM Europe + CIS ex RU) had a significantly larger drop of 10.7%. The fund maintained its outperformance against the benchmark index both for the last year and for the last 3 and 5 years.

### Fund Facts

Fund type	open-end
Fund Manager	Tihomir Kaundzhiev
Fund size	BGN 9,85 M
NAV/share	BGN 1,6237
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

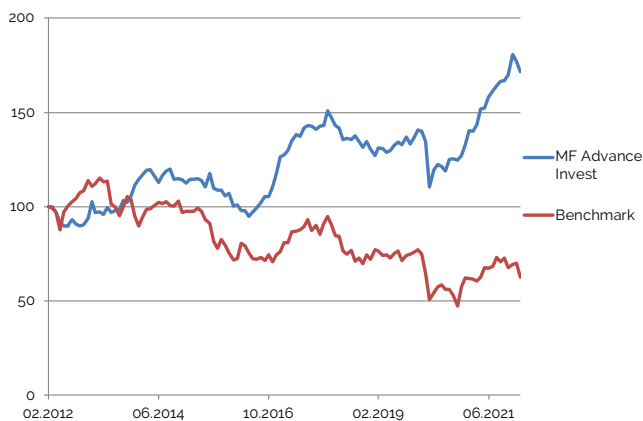
### Fund Identifiers

ISIN	BG9000014134
Reuters Lipper	68417296
Код в Bloomberg	ADVIMFD BU

### Fund Results

	Fund	Benchmark
1 month	-3,16%	-10,66%
1 year	22,52%	2,11%
Year to Date	-4,97%	-9,79%
Since Launch (annualized)	2,76%	0,46%

### Fund performance vs Benchmark

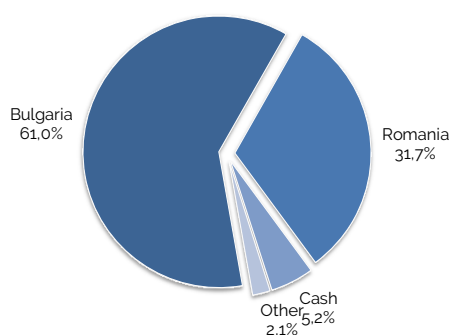


### Annual Performance

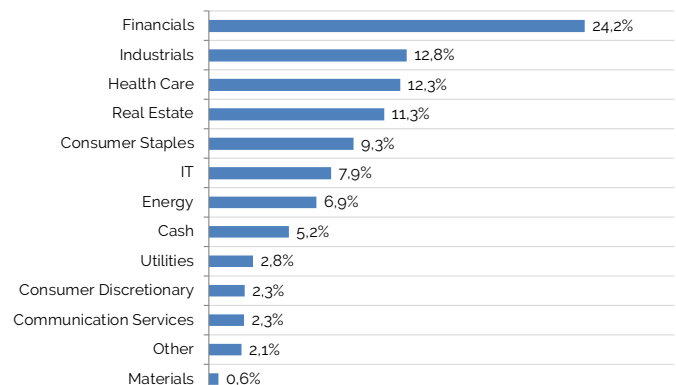
	Fund	Benchmark
2021	36,06%	11,71%
2020	-5,56%	-19,20%
2019	7,62%	6,91%
2018	-8,79%	-20,91%
2017	21,56%	22,39%
2016	10,02%	-1,29%
2015	-6,26%	-22,13%
2014	5,61%	2,24%
2013	18,95%	-16,81%
2012	-5,02%	34,08%
2011	-17,02%	-29,75%
2010	-11,73%	16,29%
2009	2,20%	51,49%
2008	-66,57%	-56,45%
2007	55,37%	20,71%
2006	31,20%	9,97%
2005	32,60%	51,04%
2004	38,00%	-17,05%

### Portfolio Breakdown

#### Market Breakdown



#### Sector Breakdown



### 5 Largest holdings

Advance Terrafund REIT (Bulgaria), Real Estate

SOPHARMA AD (Bulgaria), Health Care

Agria Group Holding Jsc (Bulgaria), Industrials

ELEVEN CAPITAL (Bulgaria), Information technology

FONDUL PROPRIETATEA SA (Romania), Financials