

FFBH Vostok

August 2021

Data as per 31 August 2021

NAV	
NAV	BGN 824,440
NAV per share	BGN 0.7574

Return (%)	
Monthly (MoM)*	2.99%
Annual (YoY)*	19.81%
Year-to-date 2021*	15.95%
Since Inception (annualized)	-2.41%

Statistics (%)	
Standard Deviation*	15.53%
Monthly Alpha – MSCI Russia*	0.35%
Beta (β) – MSCI Russia*	0.53
R ² – MSCI Russia*	32.17%
Sharpe Ratio (0%)*	0.36

* see notes

Investment objective overview

FFBH Vostok is a high-yield, actively managed, open-end mutual fund with regional focus on Russia & CIS, incepted on Apr 16, 2010. The Fund's investment objective is to achieve high long-term growth, bearing medium to high level of risk. The Fund may have up to 95% in equities and up to 50% invested in bonds.

We assume further recovery of the Russian economy in 2021, supported by several key rate cuts and relatively stable oil prices, and prefer higher allocation to equities and cyclical sectors. The portfolio remains comprised mainly of blue chip companies with leading and stable market positions.

FFBH Vostok vs. MSCI Russia 10/40 EUR

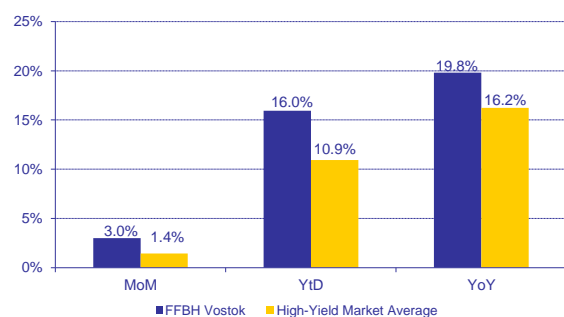


Source: Bloomberg, FFBH Asset Management

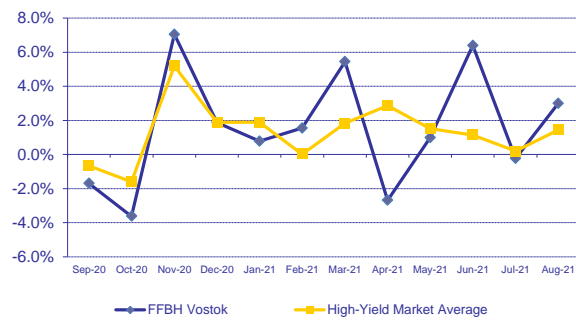
Fact sheet and fee information

Type	Open-end equity fund	Subscription*	up to BGN 100,000	more than BGN 100,000
Classification	High-yield fund	Entry fee	0.50%	0.00%
Manager	FFBH Asset Management	Holding Period	up to 24 months	over 24 months
Custodian	First Investment Bank	Redemption fee	0.50%	0.00%
Subscriptions/ Redemptions	Every Business Day	Management fee (annual % of average AUM)	2.50%	
Incorporation	Bulgaria	* Minimum subscription is BGN 50		

MoM, YoY and YtD return to HY market average*

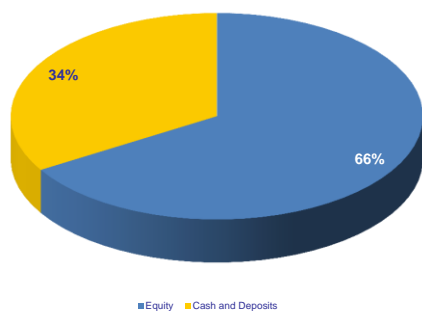


MoM return to HY market average*



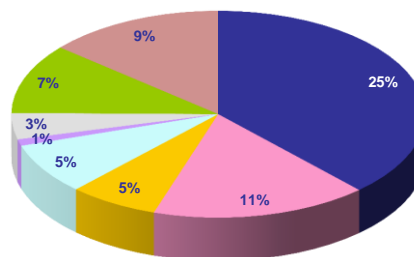
Source: BAAMC, FFBH Asset Management calculations

Asset Allocation



■ Equity ■ Cash and Deposits

Equity Portfolio (% of total assets)



■ Oil&Gas ■ Financials ■ Metals&Mining ■ Retail ■ Construction ■ Agriculture ■ Others (ETFs) ■ Others

Source: FFBH Asset Management

FIB Avangard

August 2021

Data as per 31 August 2021

NAV		Return (%)		Statistics (%)	
NAV	BGN 1,178,457	Monthly (MoM)*	1.87%	Standard Deviation*	11.55%
NAV per share	BGN 0.5036	Annual (YoY)*	19.67%	Monthly Alpha – MSCI ACWI*	-0.94%
		Year-to-date 2021*	15.25%	Beta (β) – MSCI ACWI*	0.46
		Since Inception (annualized)	-4.85%	R ² – MSCI ACWI*	43.29%
				Sharpe Ratio (0%)*	0.04

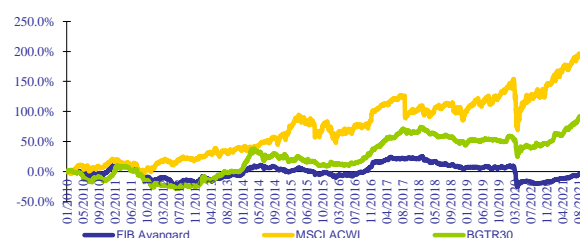
* see notes

Investment strategy

FIB Avangard is a high-yield, actively managed, mutual fund, inception on Nov 11, 2007, whose investment objective is to achieve high long-term growth, bearing medium to high level of risk. Its portfolio is allocated into global equity with regional focus on Bulgaria. Tactically, most of its funds might be invested in capital markets outside Bulgaria that are expected to be among top performing world regions.

FIB Avangard's investment strategy for 2021 includes allocation to export-oriented, financially stable and dividend-paying Bulgarian companies and allocation to developed markets blue chips based on favourable macroeconomic conditions and attractive valuations. We will increase exposure to companies with competitive positions in disruptive industries. The overall risk of the portfolio will be mitigated through sector and company diversification.

FIB Avangard vs. MSCI ACWI

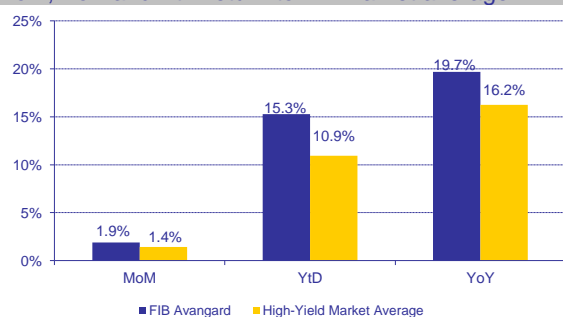


Source: Bloomberg, BSE-Sofia, FFBH Asset Management

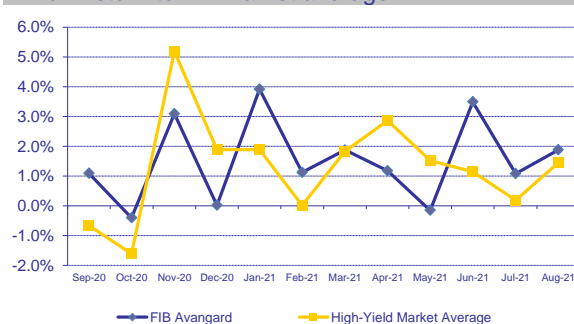
Fact sheet and fee information

Type	Open-end equity fund	Subscription*	up to BGN 100,000	more than BGN 100,000
FSC Classification	High-yield fund	Entry fee	0.50%	0.00%
Manager	FFBH Asset Management	Holding Period	up to 24 months	over 24 months
Custodian	First Investment Bank	Redemption fee	0.50%	0.00%
Subscriptions/ Redemptions	Every Business Day	Management fee (annual % of average AUM)		3.00%
Incorporation	Bulgaria	* Minimum subscription is BGN 50		

MoM, YoY and YtD return to HY market average*

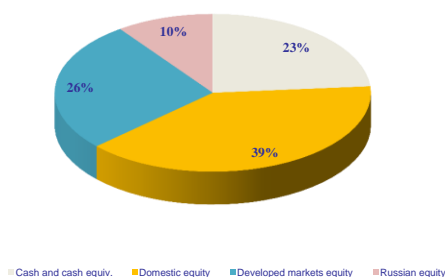


MoM return to HY market average*

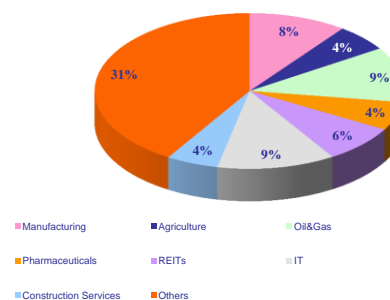


Source: BAAMC, FFBH Asset Management calculations

Asset Allocation



Equity Portfolio (% of total assets)



Source: FFBH Asset Management

FIB Classic

August 2021

Data as per 31 August 2021

NAV	
NAV	BGN 1,252,276
NAV per share	BGN 0.8600

Return (%)	
Monthly (MoM)*	1.35%
Annual (YoY)	11.33%
Year-to-date 2021*	10.05%
Since Inception (annualized)	-1.09%

Statistics (%)	
Standard Deviation*	5.88%
Monthly Alpha – MSCI ACWI*	-1.46%
Beta (β) – MSCI ACWI*	0.22
R ² – MSCI ACWI*	38.55%
Sharpe Ratio (0%)*	0.22

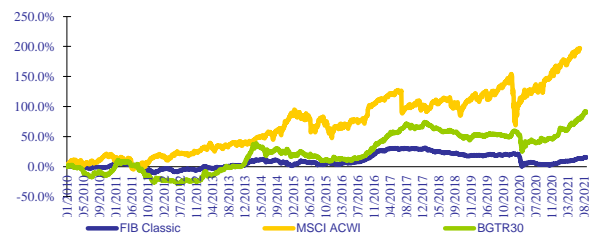
* see notes

Investment strategy

FIB Classic is a balanced mutual fund, inception on Nov 11, 2007, whose investment objective is to achieve medium to high long-term growth of its assets, bearing medium level of risk. The Fund invests in equities and bonds, as the equity-bond proportion depends on the stage of the economic cycle and macro conditions in covered regions and the expected central banks' monetary policy decisions.

FIB Classic's investment strategy for 2021 remains equity-focused, which includes holding equity allocation close to the fund's limits. Equities will be concentrated in Bulgaria and Western Europe with preference to dividend-paying value companies. Bond portfolio would comprise of domestic and foreign corporate bonds.

FIB Classic vs. MSCI ACWI



Source: Bloomberg, BSE-Sofia, FFBH Asset Management

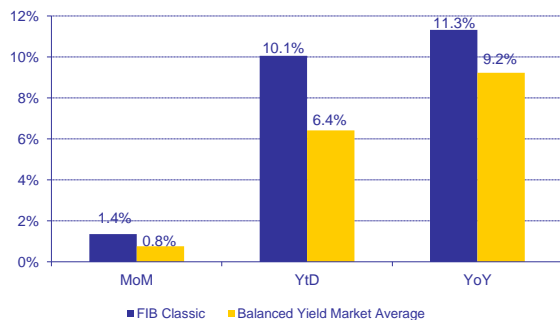
Fact sheet and fee information

Type	Open-end equity fund
Classification	Balanced fund
Manager	FFBH Asset Management
Custodian	First Investment Bank
Subscriptions/ Redemptions	Every Business Day
Incorporation	Bulgaria

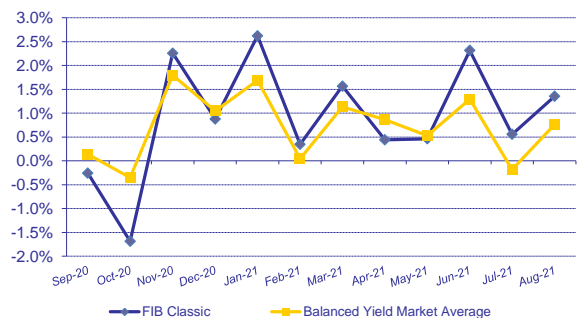
Subscription*	up to BGN 100,000	more than BGN 100,000
Entry fee	0.35%	0.00%
Holding Period	up to 24 months	over 24 months
Redemption fee	0.35%	0.00%
Management fee (annual % of average AUM)	2.50%	

* Minimum subscription is BGN 50

MoM, YoY and YtD return to BY market average*

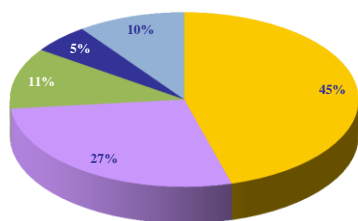


MoM return to BY market average*



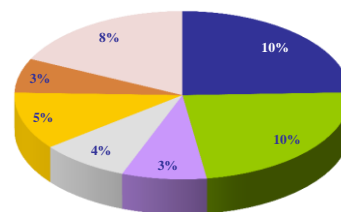
Source: BAAMC, FFBH Asset Management calculations

Asset Allocation



■ Cash and cash equiv. ■ Domestic equity ■ Corporate bonds ■ Developed markets equity ■ Russian equity

Equity Portfolio (% of total assets)



■ REITs ■ Oil&Gas ■ Communications Equipment ■ Financials ■ IT ■ Pharmaceuticals ■ Others

Source: FFBH Asset Management

FIB Garant

August 2021

Data as per 31 August 2021

NAV	
NAV	BGN 981,998
NAV per share	BGN 1.2264

Return (%)	
Monthly (MoM)*	0.68%
Annual (YoY)*	3.76%
Year-to-date 2021*	2.42%
Since Inception (annualized)*	1.49%

Statistics (%)	
Standard Deviation*	2.57%
Sharpe Ratio (0%)*	- 0.11
Interest rates (%)	
3 months	-0.54%
12 months	-0.37%

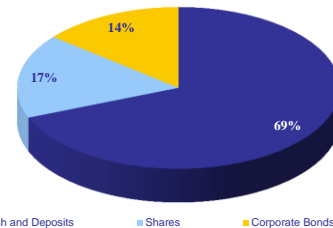
* see notes

Yield on selected Bulgarian treasuries (%)

Type	Coupon	Maturity (dd/mm/yyyy)	Currency	Yield
Eurobond	2.000%	26/03/2022	Euro	-0.44%
Eurobond	1.875%	21/03/2023	Euro	-0.39%
Eurobond	2.950%	03/09/2024	Euro	-0.31%
Eurobond	2.625%	26/03/2027	Euro	-0.05%
Eurobond	0.375%	23/09/2030	Euro	0.29%
Eurobond	1.375%	23/09/2050	Euro	1.36%

Source: Bloomberg

Asset Allocation



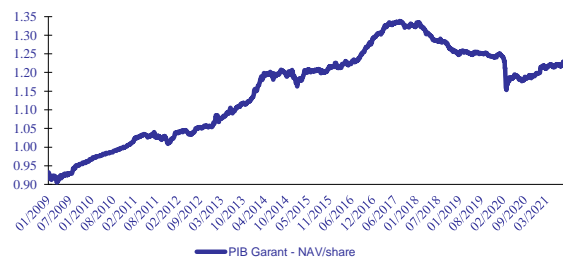
Source: FFBH Asset Management

Investment objective

FIB Garant is a conservative mutual fund, inception on Nov 11, 2007, whose investment objective is to achieve medium long-term growth of its assets, bearing low level of risk. The Fund invests mainly in fixed-income and money market instruments, but it may have up to 20% exposure to equity used to improve its risk-return profile.

FIB Garant's 2021 investment strategy includes significant allocation to Bulgarian equities on valuations and sentiment improvement on the BSE. At certain points investments in foreign large cap dividend-paying blue chips can be made but currency risk should be controlled. Low local deposit rates would also lead to an increase in the Fund's exposure to foreign corporate and sovereign bonds.

FIB Garant



Source: FFBH Asset Management

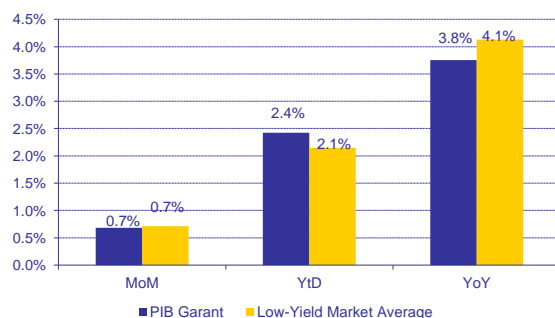
Fact sheet and fee information

Type	Open-end equity fund
Classification	Balanced-conservative
Manager	FFBH Asset Management
Custodian	First Investment Bank
Subscriptions/ Redemptions	Every Business Day
Incorporation	Bulgaria

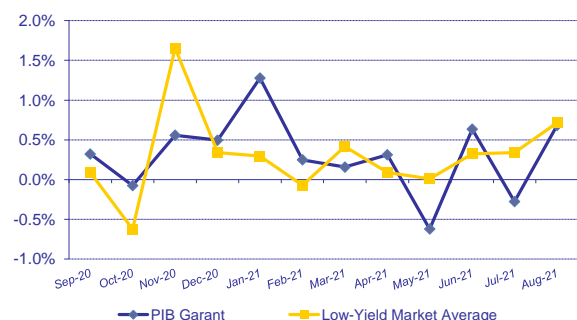
Subscription*	up to BGN 100,000	more than BGN 100,000
Entry fee	0.15%	0.00%
Holding Period	up to 24 months	over 24 months
Redemption fee	0.15%	0.00%
Management fee (annual % of average AUM)	1.50%	

* Minimum subscription is BGN 50

MoM, YoY and YtD return to LY market average*



MoM return to LY market average*



Source: BAAMC, FFBH Asset Management calculations

PORTFOLIO MANAGER'S COMMENT August 2021

MARKET OVERVIEW:

In August 2021 the financial markets rose moderately due to the expectations for solid economic recovery with advancing vaccination of the population and improving economic data. The new and more contagious variant of COVID19 continued to spread and led to more restrictive measures in some parts of the world.

The final withdrawal of US and ally troops from Afganistan increased the geopolitical tensions in the region.

US: S&P 500 increased by 2.90% MoM and NASDAQ 100 increased by 4.16% MoM in USD, with similar changes in EUR (increase of 3.45% MoM and increase of 4.72% MoM). The GDP rose by 6.6% in Q2 2021. The core inflation decreased slightly to 4.3% YoY in July. The unemployment rate decreased to 5.2% in August.

The Senate passed a 1 trillion dollars bipartisan infrastructure bill including new funding for transportation, broadband and utilities. In addition the Senate approved a budget resolution as a first step towards passing a 3.5 billion dollars spending plan on climate initiatives, paid leave, child care, education and health care.

The minutes from the July Federal Reserve meeting indicated the willingness to start reducing asset purchases before the end of the year whereas the central bankers stated clear that the reduction of asset purchases was not a precursor to an imminent rate hike. Most quarterly results published by the companies were better than expected confirming the economic recovery. The manufacturing and services PMI data remained in expansion territory but were worse than expected. The retail sales declined whereas the industrial production increased during the month.

The government bond market fell due to the increased inflation expectations and the 10y Treasury yield rose to 1.31%. The US dollar appreciated slightly against the major currencies and closed around 1.1807 against the euro.

EUROPE: MSCI Europe increased by 1.72% MoM. The GDP in the Eurozone rose by 2.2% in Q2 2021. The core inflation increased substantially to 1.6% YoY in August. The unemployment rate fell to 7.6% in July.

The European economies operated under loosening pandemic restrictions and the companies restored their operations. On the energy market the prices of natural gas and electricity rose significantly leading to inflation pressures. The manufacturing and services PMI indices were weaker. The retail sales and the industrial production decreased.

The demand for risk-free assets decreased and the 10y German Bund yield rose, closing around -0.38%.

RUSSIA: MSCI Russia increased by 3.58% MoM in USD and increased by 4.13% in EUR. The GDP rose by 10.3% YoY in Q2 2021. The inflation rate increased to 6.78% YoY in July. The unemployment rate fell to 4.5% in July. The Brent oil price decreased to USD 72.99 per barrel (decrease of 4.38% MoM).

The economy continued to recover due to the general increase of the commodities prices on the international markets whereas the industrial production increased substantially.

The Russian currency was little changed and closed around 73.23 rubbles per dollar.

BULGARIA: SOFIX decreased by 0.84% and BGTR30 increased by 2.35%. The GDP rose by 0.6% in Q2 2021. The inflation rate (HICP) decreased to 2.2% YoY in July. The seasonally-adjusted unemployment decreased to 5.9% in July.

The economy continued to operate under loosening of the restrictions whereas the preventive measures led to positive results in the pandemic management. The industrial production decreased whereas the retail sales increased slightly.

OUTLOOK:

The global economy continues to recover from the pandemic related decline. The recovery depends on the path of the virus and the vaccination process. The financial markets are expecting strong corporate financial results and the beginning of a new cycle in the economic growth where the cyclical sectors remain preferred by the investors. The governments and central banks are firmly committed to maintaining the fiscal and monetary stimulus aiming at sustainable economic recovery.

PORTFOLIO ALLOCATIONS:

Mutual fund	Return MoM, %	Equity allocation, %	MoM change in allocation
FFBH Vostok	2.99%	66.25%	No significant changes
FIB Avangard	1.87%	74.71%	Increased equity exposure to the diversified holdings sector, reduced equity exposure to the construction services sector
FIB Classic	1.35%	42.24%	No significant changes
FIB Garant	0.68%	16.86%	No significant changes

NOTES

Monthly return /MoM/ is calculated as the ratio between the NAV/share as per the report date and the NAV per share on the last working day of the previous month.

Annual return /YoY/ is calculated as the ratio between the NAV/share as per the report date and the NAV per share on the last working day of the same month a year ago.

Year-to-date return /YtD/ is calculated as the ratio between the NAV/share as per the report date and the NAV per share on the last working day of the previous year.

Standard deviation is the annualized standard deviation of the weekly return over the last five years or since inception, whichever is smaller.

FIB Avangard: Monthly Alpha – MSCI ACWI is the difference between the monthly return of NAV per share of FIB Avangard and the monthly return of MSCI All Country World Index.

FIB Classic: Monthly Alpha – MSCI ACWI is the difference between the monthly return of NAV per share of FIB Classic and the monthly return of MSCI All Country World Index.

FFBH Vostok: Monthly Alpha – MSCI Russia is the difference between the monthly return of NAV per share of FFBH Vostok and the monthly return of MSCI Russia 10/40 Total Return EUR Index.

FIB Avangard: Beta (β) – MSCI ACWI has been calculated using the weekly returns of NAV per share of FIB Avangard and MSCI All Country World Index over the last five years.

FIB Classic: Beta (β) – MSCI ACWI has been calculated using the weekly returns of NAV per share of FIB Classic and MSCI All Country World Index over the last five years.

FFBH Vostok: Beta (β) – MSCI Russia has been calculated using the weekly returns of NAV per share of FFBH Vostok and MSCI Russia 10/40 Total Return EUR Index over the last five years.

FIB Avangard: R2 – MSCI ACWI has been calculated using the weekly returns of NAV per share of FIB Avangard and MSCI All Country World Index over the last five years.

FIB Classic: R2 – MSCI ACWI has been calculated using the weekly returns of NAV per share of FIB Classic and MSCI All Country World Index over the last five years.

FFBH Vostok: R2 – MSCI Russia has been calculated using the weekly returns of NAV per share of FFBH Vostok and MSCI Russia 10/40 Total Return EUR Index over the last five years.

Returns of all indices presented in the bulletin or used in the calculations above are converted in BGN.

Sharpe Ratio for all funds has been calculated using the weekly returns of NAV per share of each fund over the last five years or since the inception of the fund, whichever is smaller, and using 0% as risk-free return.

FIB Avangard: High-yield market average is calculated through equal weighting of the returns of all high-yield mutual funds, offered on the Bulgarian market by asset management companies - members of the Bulgarian Association of Asset Management Companies (BAAMC).

FIB Classic: Balanced yield market average is calculated through equal weighting of the returns of all balanced mutual funds, offered on the Bulgarian market by asset management companies - members of BAAMC.

FIB Garant: Low-yield market average is calculated through equal weighting of the returns of all conservative mutual funds, offered on the Bulgarian market by asset management companies - members of BAAMC. Money market funds are not included in the calculation.

FFBH Vostok: High-yield market average is calculated through equal weighting of the returns of all high-yield mutual funds, offered on the Bulgarian market by asset management companies - members of BAAMC.

Returns are calculated using the net asset values of the mutual funds reported on the web site of BAAMC on the first working day of the month, following the month of performance presentation.

The market average points are calculated in a standardized way, using the MoM, YoY and YtD returns of each fund (R_i , $i=1$ to n), based on formula: $\sum (1/n \cdot R_i)$, where n is the number of mutual funds.

DISCLAIMER

ALL DATA AND CONTENT PUBLISHED IN THIS RELEASE HAVE INFORMATION PURPOSE ONLY AND SHOULD NOT BE CONSIDERED AS COUNSEL, OFFER OR RECOMMENDATION FOR ACQUISITION OR DISPOSITION WITH ANY INVESTMENT OR CONCLUSION OF ANY OTHER DEAL.

THE INVESTMENTS IN MUTUAL FUNDS ARE ASSOCIATED WITH SIGNIFICANT RISK. THERE ARE NO RISK-FREE SECURITIES AND NOBODY CAN CLAIM THAT THE INVESTMENT PURPOSE OF ANY GIVEN MUTUAL FUND WILL BE ACHIEVED. THE NET ASSET VALUE PER SHARE AND ITS RETURN MAY DECREASE, THE RETURN IS NOT GUARANTEED AND THERE IS A RISK THAT THE POTENTIAL INVESTOR CAN NOT RECOVER THE INVESTED AMOUNT. THE INVESTMENTS IN MUTUAL FUNDS IN BULGARIA IS NOT GUARANTEED BY GUARANTEE FUND, CREATED BY THE STATE, OR ANY OTHER TYPE OF GUARANTEE.

PAST PERFORMANCE IS NOT NECESSARY INDICATIVE OF FUTURE RESULTS.

WE NOTE THAT ANYONE WHO WANTS TO SUBSCRIBE UNITS IN FIB AVANGARD, FIB CLASSIC, FIB GARANT AND/OR FFBH VOSTOK SHOULD MAKE A DECISION BASED ON THE INFORMATION PUBLISHED IN THE MOST RECENT RESPECTIVE PROSPECTUSES. THE PROSPECTUSES AND BY-LAWS ARE AVAILABLE IN FFBH ASSET MANAGEMENT OFFICE - 2 ENOS STREET, 5TH FLOOR, SOFIA, 1408, BULGARIA, TEL: +359 (2) 460 6400, WWW.FFBHAM.BG AND FIBANK BRANCHES, EXPLICITLY LISTED AT WWW.FFBHAM.BG.