

FFBH Vostok

December 2021

Data as per 31 December 2021

NAV	
NAV	BGN 852,143
NAV per share	BGN 0.7744

Return (%) / Statistics (%)	
Monthly (MoM)*	2.62%
Annual (YoY)*	18.56%
Year-to-date 2021*	18.56%
Since Inception (annualized)	-2.16%
Standard Deviation*	15.34%

TOP 5 POSITIONS	
NOVATEK	7.10%
LUKOIL	5.97%
GAZPROM	4.67%
MOSCOW EXCHANGE	4.63%
ROSNEFT	4.55%

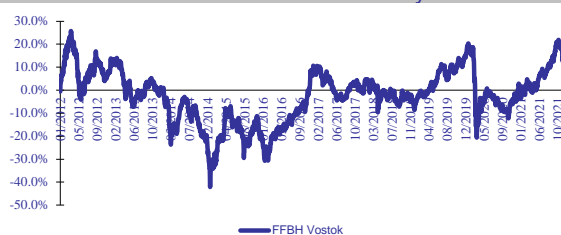
* see notes

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 90% in equities and up to 50% invested in bonds.

We assume further recovery of the Russian economy in 2021, supported by 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 Cummulative Return 10y



Source: FFBH Asset Management

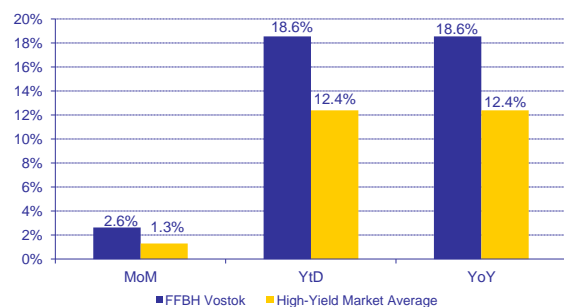
Fact sheet and fee information

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

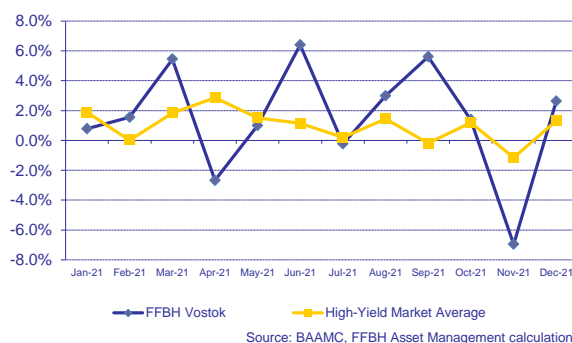
Subscription* Entry fee	0.00%
Redemption fee	0.00%
Management fee (annual % of average AUM)	2.00%

* Minimum subscription is BGN 50

MoM, YoY and YtD return to HY market average*

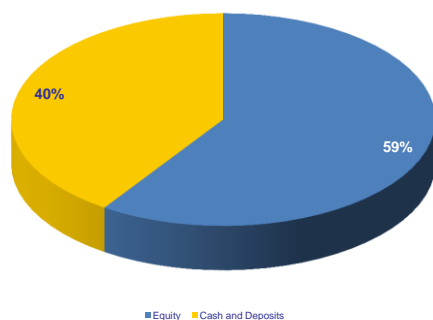


MoM return to HY market average*

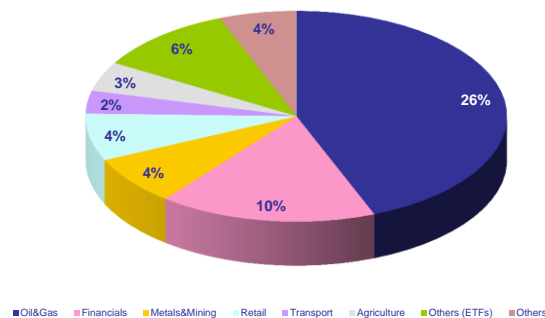


Source: BAAMC, FFBH Asset Management calculations

Asset Allocation



Equity Portfolio (% of total assets)



Source: FFBH Asset Management

FIB Avangard

December 2021

Data as per 31 December 2021

NAV	
NAV	BGN 1,452,438
NAV per share	BGN 0.5218

Return (%) / Statistics (%)	
Monthly (MoM)*	1.55%
Annual (YoY)*	19.43%
Year-to-date 2021*	19.43%
Since Inception (annualized)	-4.50%
Standard Deviation*	11.05%

TOP 5 POSITIONS	
ROSNEFT	4.96%
TELELINK BUSINESS SERVICES GROUP AD	4.21%
BULGARIAN REAL ESTATE FUND REIT	4.10%
DEUTSCHE BANK AG	3.54%
DOVERIE UNITED HOLDING PLC	4.96%

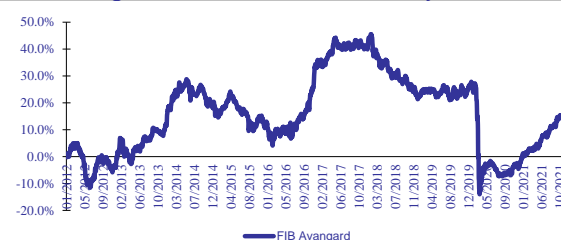
* see notes

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 Cummulative Return 10y



Source: FFBH Asset Management

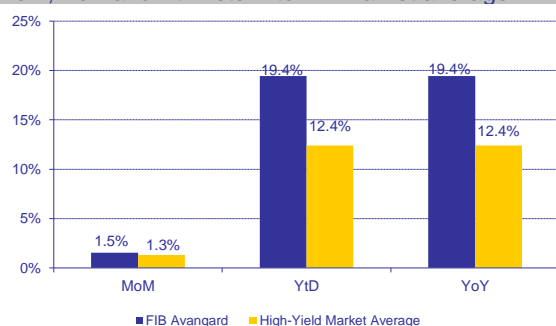
Fact sheet and fee information

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

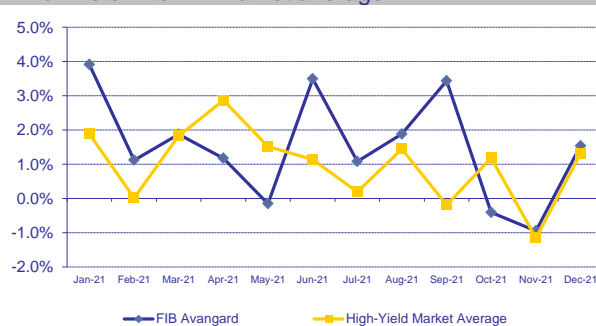
Subscription*	0.00%
Entry fee	0.00%
Redemption fee	0.00%
Management fee (annual % of average AUM)	2.00%

* Minimum subscription is BGN 50

MoM, YoY and YtD return to HY market average*

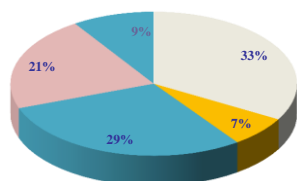


MoM return to HY market average*



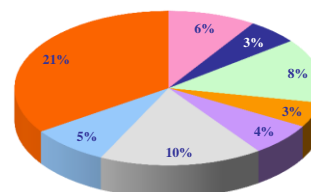
Source: BAAMC, FFBH Asset Management calculations

Asset Allocation



■ Cash and cash equiv. ■ Bonds ■ Domestic equity ■ Developed markets equity ■ Russian equity

Equity Portfolio (% of total assets)



■ Manufacturing ■ Auto ■ Oil&Gas ■ Pharmaceuticals ■ REITs ■ IT ■ Financials ■ Others

Source: FFBH Asset Management

FIB Classic

December 2021

Data as per 31 December 2021

NAV	
NAV	BGN 1,614,067
NAV per share	BGN 0.8980

Return (%) / Statistics (%)	
Monthly (MoM)*	1.84%
Annual (YoY)	14.91%
Year-to-date 2021*	14.91%
Since Inception (annualized)	-0.76%
Standard Deviation*	5.80%

TOP 5 POSITIONS	
DEUTSCHE BANK AG	6.37%
UKRAINE GOVERNMENT BONDS	5.99%
GAZPROM	5.43%
TELELINK BUSINESS SERVICES GROUP AD	3.79%
BULGARIAN REAL ESTATE FUND REIT	3.28%

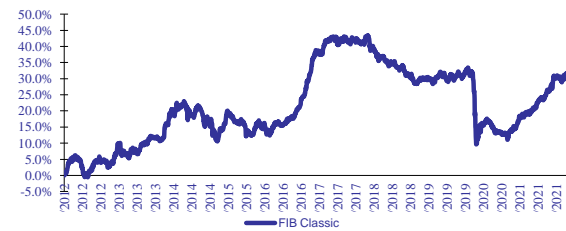
* see notes

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 Cumulative Return 10y



Source: FFBH Asset Management

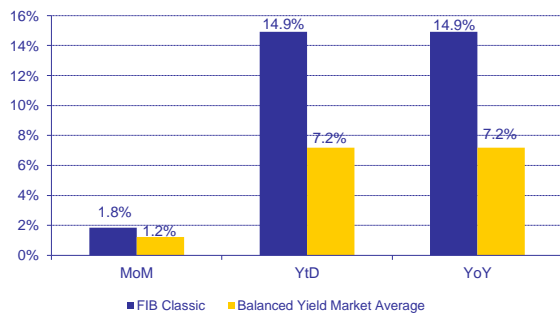
Fact sheet and fee information

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

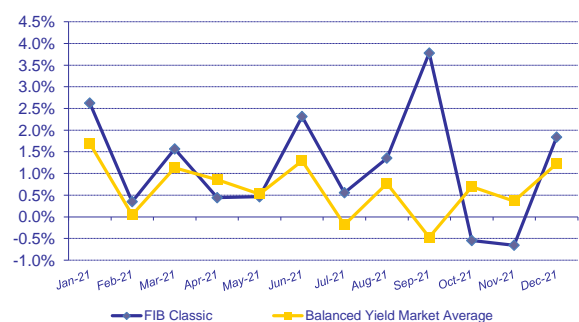
Subscription*	
Entry fee	0.00%
Redemption fee	0.00%
Management fee (annual % of average AUM)	1.50%

* Minimum subscription is BGN 50

MoM, YoY and YtD return to BY market average*

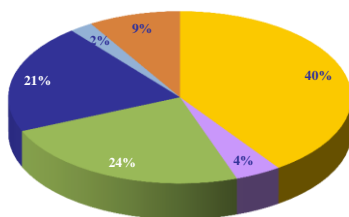


MoM return to BY market average*



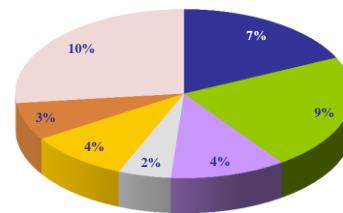
Source: BAAMC, FFBH Asset Management calculations

Asset Allocation



■ Cash and cash equiv. ■ Shares ■ Domestic equity ■ Bonds ■ Developed markets equity ■ Russian equity

Equity Portfolio (% of total assets)



■ REITs ■ Oil&Gas ■ Shares ■ Financials ■ IT ■ Pharmaceuticals ■ Others

Source: FFBH Asset Management

FIB Garant

December 2021

Data as per 31 December 2021

NAV	
NAV	BGN 1,024,322
NAV per share	BGN 1.2243

Return (%) / Statistics (%)	
Monthly (MoM)*	0.17%
Annual (YoY)*	2.25%
Year-to-date 2021*	2.25%
Since Inception (annualized)*	1.44%
Standard Deviation*	2.56%

TOP 5 POSITIONS	
DEUTSCHE BANK AG	5.02%
ENERGO-PRO AS CORPORATE BONDS	4.78%
UKRAINE GOVERNMENT BONDS	4.72%
TUNISIA GOVERNMENT BONDS	4.06%
FOUR FINANCE SA, CORPORATE BONDS	4.02%

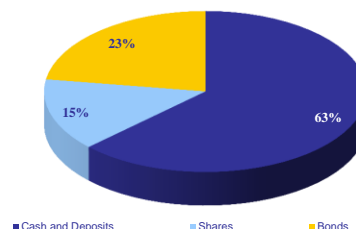
* see notes

Yield on selected Bulgarian treasuries (%) / Interest rates (%)

Type	Coupon	Maturity (dd/mm/yyyy)	Currency	Yield
Eurobond	2.000%	26/03/2022	EUR	-0.87%
Eurobond	1.875%	21/03/2023	EUR	-0.42%
Eurobond	2.950%	03/09/2024	EUR	-0.14%
Eurobond	2.625%	26/03/2027	EUR	0.19%
Eurobond	0.375%	23/09/2030	EUR	0.50%
Eurobond	1.375%	23/09/2050	EUR	1.55%
3 months			BGN	0.12%
12 months			BGN	0.19%

Source: Bloomberg

Asset Allocation



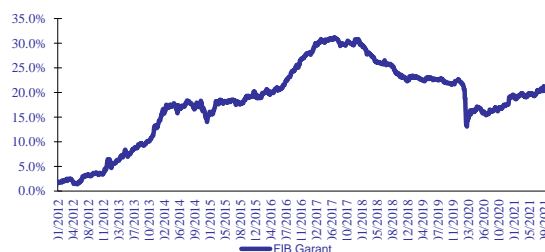
Source: FFBH Asset Management

Investment objective

FIB Garant is a conservative mutual fund, incepted 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 Cummulative Return 10y



Source: FFBH Asset Management

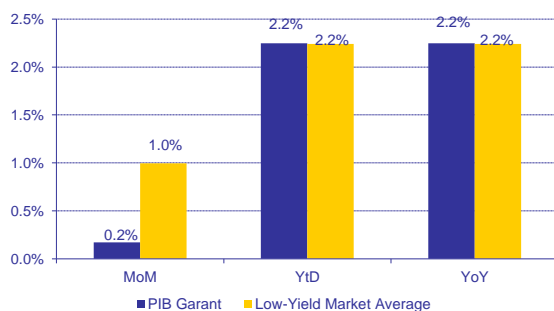
Fact sheet and fee information

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

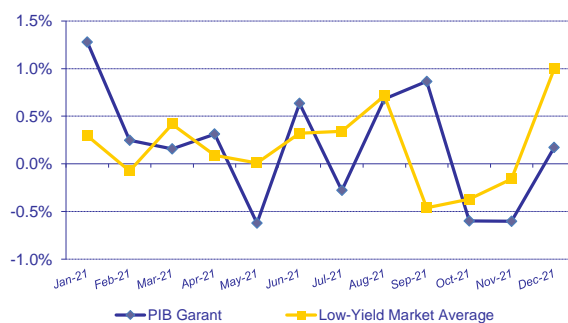
Subscription*	
Entry fee	0.00%
Redemption fee	0.00%
Management fee (annual % of average AUM)	1.00%

* 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

COMMENT - December 2021

MARKET OVERVIEW:

In December 2021 the financial markets traded sideways due to the new COVID19 mutation and the related restrictive measures but managed to finish the month and the year in positive territory. The US Congress approved an increase of the debt ceiling allowing the normal functioning of the administration. In Europe the natural gas and energy prices remained volatile due to the increasing tensions between Russia and Ukraine and the uncertainties around the Nord Stream 2 gas pipeline.

US: S&P 500 increased by 4.36% MoM and NASDAQ 100 increased by 1.14% MoM. The GDP rose by 2.3% QoQ in Q3 2021. The CPI inflation rate increased to 6.8% YoY. The unemployment rate decreased to 4.2%.

The higher inflation readings in the last months led to the decision to accelerate the tapering of the pandemic related stimulus. The labor market was stable and the economic activity in the manufacturing and services sectors decreased. The retail sales and the industrial production rose slightly. The government bond market fell due to the intention of the central bank to hike the interest rates in the coming year and the 10y US Treasury yield rose to 1.51%. The US dollar depreciated against the major currencies and closed around 1.1368 against the euro.

EUROPE: MSCI Europe increased by 5.47% MoM. The GDP in the Eurozone rose by 2.2% QoQ in Q3 2021. The CPI inflation rate increased to 4.9% YoY. The unemployment rate fell to 7.3%.

The European economies operated under increasing number of infections and implementation of various restriction measures in some member-states. The ECB continued to taper its pandemic related stimulus program but confirmed a slight increase in the pace of its asset purchase program in order to provide for smoother economic adaptation to the new circumstances. The labor market was stable and the economic activity in the manufacturing and services sectors decreased. The retail sales and the industrial production rose. The government bond market fell due to the rising inflation and the 10y German Bund yield rose to -0.18%.

RUSSIAN FEDERATION: MSCI Russia decreased by 3.19% MoM. The GDP rose by 4.3% YoY in Q2 2021. The CPI inflation rate increased to 8.4% YoY. The unemployment rate fell to 4.3%. The Brent oil price increased by 10.91% to USD 77.78 per barrel.

Oil prices rose sharply on the international markets forcing the OPEC+ countries to agree on increasing their oil output by 400 thousand barrels per day early next year. The Central Bank raised aggressively the base interest rate by 100 bps to 8.50% due to the rising inflation. The industrial production rose strongly. Fitch rating agency confirmed Russia's BBB credit rating. The Russian currency depreciated and closed around 74.65 rubbles per dollar.

BULGARIA: SOFIX increased by 2.08% and BGTR30 increased by 2.05%. The GDP rose by 0.9% QoQ in Q3 2021. The CPI inflation rate increased to 6.3% YoY. The unemployment rate decreased to 5.3%.

The Bulgarian capital market rose moderately due to fresh inflows and a couple of successful IPOs. The country was affected by a new pandemic wave. The economy operated under partial restrictions due to the increased number of infections. The industrial production and the retail sales increased.

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 slowing of the economic growth and higher inflation resulting from the increased demand for goods and services and the disruptions in the global supply chains.

PORTFOLIO ALLOCATIONS:

Mutual fund	Return MoM, %	Equity allocation, %	MoM change in allocation
FFBH Vostok	2.62%	59.10%	Reduced equity exposure to the information technology sector
FIB Avangard	1.52%	59.89%	Increased equity and fixed income exposure to the financial, transportation, automobile, information technology sectors. Reduced equity exposure to the diversified holdings and exchange-traded products sectors
FIB Classic	1.84%	39.15%	Increased equity and fixed income exposure to the financial and transportation sectors. Reduced equity exposure to the REIT's sector
FIB Garant	0.17%	14.54%	Increased equity and fixed income exposure to the financial, transportation and exchange-traded products sectors.

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: 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 using the MoM, YoY and YtD returns of each fund ($R_i, i=1$ to n), based on formula: $\sum (R_i)/n$, where n is the number of mutual funds.

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