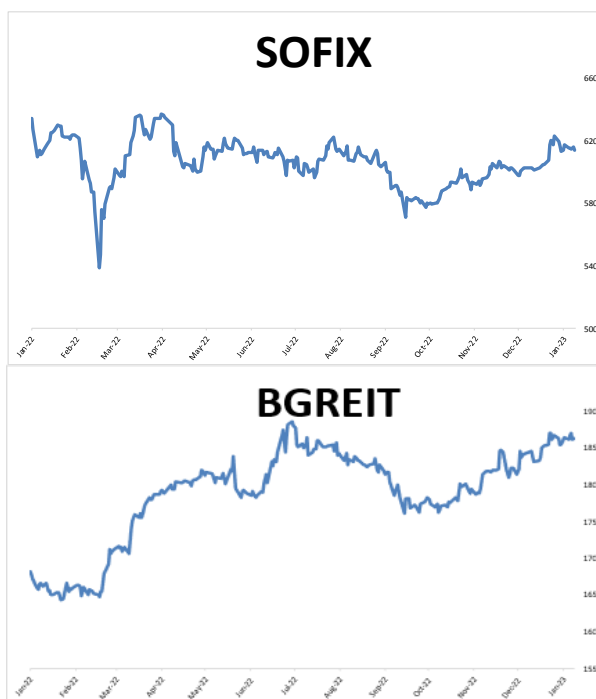


BG Indexes 12-month performance


Index	Close	Weekly Chg.%	YTD
SOFIX	614.80	0.58	2.21
BGBX 40	141.82	0.38	1.82
BGREIT	187.47	0.12	2.35

Index	P/E	EV/S	P/BV
SOFIX	5.33	0.03	1.81
BGBX 40	6.92	0.23	2.06
BGREIT	15.40	n/a	1.40

BSE Weekly Gainers & Losers

Top Gainers		Price	Chng %
A4L	Alterco AD	23.00	9.52
ZHBG	Zarneni Hrani Bulgaria AD	0.17	8.50
T57	Trace Group Hold AD	3.90	5.41
IHB	Industrial Holding Bulgaria AD	1.89	5.00
SFT	Sopharma Trading AD	5.96	4.56

Top Losers		Price	Chng %
LOMP	Lomsko pivo AD	0.18	-23.73
BRP	Bulgarian River Shipping AD	0.74	-17.42
ELHIM	Elhim Iskra AD	1.05	-4.55
11C	Eleven Capital AD	22.60	-4.24
ALT	Alteron REIT	24.00	-4.00

Market Overview (6th February – 10th February)

The main Bulgarian index **SOFIX** increased this week by 0.58% to 614.80 points. The broad index **BGBX40** increased by 0.38% to 141.82 points and **BGREIT** increased this week to 187.47 points, up by 0.12%.

Corporate News

Albena (ALB) called an EGM on 15 March. The only item on the agenda is the authorization of a share buyback procedure of up to 20 000 shares (0.47%) at a price range between BGN 15.00 – BGN 29.00. The buyback is proposed to be in place up to 31.12.2025. The last closing price of Albena is BGN 26.20

First Investment Bank (FIB) replaced its most expensive AT1 perpetuity with nominal amount of EUR 40 mln and interest rate of 12.75% with the new issue of EUR 40 mln AT1 instrument carrying 8% interest rate. Recall that the old issue was placed in two tranches back in 2011 and 2012 while the new issue was placed in four tranches between December 2021 and August 2022. We estimate that the annual savings as a result of the replacement would be BGN 3.7 mln.

Sopharma (SFA) reported 33% YoY increase of Jan'23 unconsolidated sales as a result of 174% YoY surge of exports, while domestic sales decreased 27% YoY. Recall that on stand-alone basis, 2022 net sales were up 15% YoY due to 19% YoY growth of exports and 10% increase of domestic sales.

Telematic Interactive (TIB) – The BoD called extraordinary general meeting on 14 March to seek permission by the shareholders to manage the short-term liquidity of the company. The proposal is for the creation of an investment portfolio primarily consisting of government and corporate bonds as well as other fixed income instruments with rating of A, AA or AAA and maturity of no more than 18 months. Up to 15% of the portfolio could include fixed income instruments rated at BBB. The maximum amount of the portfolio is to be set at BGN 30m, while the minimum at BGN 1m. The idea behind the proposal is to counterbalance the effects of inflation and generate income, while at the same time maintaining adequate liquidity by establishing regular maturity schedule within the portfolio.

Economic News

➤ Bulgaria's trade deficit widened slightly to BGN 1,436 million in December 2022 from BGN 1,318 million in the corresponding month of the previous year, preliminary estimates showed. Exports rose by 14.5% YoY to BGN 6,920 million, helped by higher sales to the EU (16.3%) and non-EU countries (11.2%). At the same time, imports grew 13.5% to BGN 8,356 million, driven by purchases from non-EU countries (20.3%) and the EU (9.1%). For the whole of 2022, the country's trade deficit increased sharply to BGN 13.9 billion, compared to BGN 8.3 billion in 2021.

Disclaimer

Guarantees

The analyst (s) responsible for the preparation of this document shall ensure that: (1) they take all necessary care to accurately reflect the information contained in this document; (2) no part of the analyst's remuneration is, has been or will be linked, directly or indirectly, to the recommendation or opinions expressed in this document.

Financial interest: *Sofia International Securities may trade or own the financial instruments specified in this document. Sofia International Securities does not own more than 5% of the financial instruments in circulation, subject to analysis or comment in this document. The analyst (s) do not own any shares of the companies, unless explicitly mentioned.*

Disclosure of information

Due care has been taken to ensure the accuracy of the facts cited, the reliability of the sources of information and the clear definition of the assumptions, predictions, forecasts and expected prices in this document. The information presented in this document is based on publicly available information, which is considered reliable, but for which no responsibility is taken for completeness and accuracy. Neither Sofia International Securities nor the company's employees should be held responsible for the publicly available information used. The opinion expressed in this document may differ from the disclosed views in other departments and divisions of Sofia International Securities or from other employees. Additional information on this document is available upon request. The sources of information in the tables and graphs in this document are calculations by Sofia International Securities, unless otherwise stated.

Risks for investors

This document has been prepared and presented for the purpose of summary and informational purposes only and does not constitute a study within the meaning of Art. 13 of Commission Delegated Directive (EU) 2017/593 of 7 April 2016. The information in this document should not be considered as an offer to buy or sell financial instruments or an independent investment council within the meaning of Directive 2014/65 / EU of The European Parliament and the Council of 15 May 2014, Sofia International Securities AD has not assessed the appropriateness in relation to the financial instruments mentioned in this document. The investment opportunities discussed in this document may not be appropriate for certain investors depending on their investment objectives and time horizon or in the context of their overall financial condition. The risks associated with investing in the financial instruments mentioned in this document are not fully explained. The price or value of the investment may decrease or increase. Securities or investments can lead to losses for the investor. A previous achievement is not a guarantee of future performance. Changes in exchange rates may have an adverse effect on the value, price or return on investment in securities. Sofia International Securities AD assumes no responsibility for losses incurred in connection with investments made on the basis of information contained in this document.

Copyright

The analyzes of Sofia International Securities are the exclusive property of the investment intermediary and any publication, distribution, reprinting and citation of content is possible only after the explicit written consent of the "Research and Analysis" department of the company. It is not allowed to use the analyzes of the investment intermediary from a third party for commercial purposes.