

BG Indexes 12-month performance
SOFIX

BGREIT


Index	Close	Weekly Chg.%	YTD
SOFIX	673.67	1.55	12.00
BGBX 40	149.03	1.57	7.00
BGREIT	190.18	0.94	3.83

Index	P/E	EV/S	P/BV
SOFIX	6.20	0.18	1.28
BGBX 40	7.80	0.31	1.90
BGREIT	8.80	n/a	1.37

BSE Weekly Gainers & Losers

Top Gainers		Price	Chng %
BRP	Bulgarian River Shipping AD	0.89	27.14
SFB	Sopharma Buildings	5.50	25.00
ELHM	Elhim Iskra	13.13	13.13
HIKA	Industrialen Capital Holding	2.84	9.23
LAND	Bulland Investment REIT	0.88	8.64
Top Losers		Price	Chng %
BDT	Biodit AD	1.55	-7.19
KBG	Korado Bulgaria	4.94	-5.00
11C	Eleven Capital	20.80	-4.59
FZLS	Fazerles AD	16.50	-2.94
CHIM	Chimimport AD	0.71	-2.75

Market Overview (29th May – 2nd June)

The main Bulgarian index **SOFIX** increased this week by 1.55% to 673.67 points to mark the highest value for the last 6 years. The broad index **BGBX40** changed similarly this week with 1.57% to 149.03 points and **BGREIT** increased this week to 190.18 points, up by 0.94%.

Corporate News

Trace Group (T57) announced their Q1 results where consolidated revenue grew 176% YoY. The greatest contributor (93.5% of all revenue) came from construction contracts, which grew 192% compared to the same time last year. A major reason is the ability of the company to land state contracts, as well as their participation in the construction of Corridor 8 in Serbia and the Ploesti-Busau highway in Romania.

Telematic Interactive Bulgaria (TIB) announced their Q1 2023 results, where revenues grew 22.8% YoY to reach BGN 28.8mln. The growth offset the rising external and personnel costs associated with their investments in Peru and Kenya and kept a healthy Net Profit of BGN 6.5mil.

Telelink Business Services (TBS) posted the Q1 results, where sales decline 14% YoY. Leading factor for that are the decreased sales in Serbia, Montenegro, Bosnia, Slovenia and Croatia. TBS's subsidiaries in the region seem to not be able to catch up with the market after the strong results in Q1 2022.

Monbat (MONB) showed their Q1 results, where revenues increase 10.8% YoY. The increases in opex (mostly materials, personnel, amortization) accounts and financial expenses lead to a significant decrease in PBT from BGN 8.1mln to 2.3mln. The sale of their German subsidiary, however, resulted in additional BGN 5.2mln profit, leading to Net Profit of BGN 6.5mln, an increase from BGN 5.8mln last year.

Elana Agrocredit (EAC) announced a new loan that they took from EBRD for EUR 10mln. It consists of 2 equal parts, where the first one has interest of 3M Euribor + 3.25% and the interest on the second one will be determined between the parties upon disbursement.

Sopharma (SFA) announced a new dividend for BGN 0.6 per share for a total of BGN 72.8mln.

Economic News

➤ The number of visitors to Bulgaria rose 21.36% YoY to 784.4 th in April 2023, accelerating from a 12.39% increase in the previous month. The growth was mainly led by trips with other purposes (52.69%), followed by holiday & recreation purposes (33.59%) and professional purposes (13.72%). The EU accounted for 50.35% of total visits to Bulgaria, with Romania (41.4%) as the largest contributor. Meanwhile, arrivals from other European countries accounted for 40.23%, mainly led by Turkey (47.78%)

➤ The benchmark interest (Leonia+) was last recorded at 2.47%.

➤ The annual producer inflation dropped to 3.5% in April 2023, shifting from a 2% increase in the previous month. It was the first decline since December 2020, mainly due to a decrease in electricity, gas, steam & air-conditioning supply (-19% vs -7.1% in March).

➤ Bulgaria's business confidence indicator rose to 26.7 in May 2023 from 24.8 in the previous month. It was the highest reading since May 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.