

## BG Indexes 12-month performance

### SOFIX



### BGREIT



Index	Close	Weekly Chg. %	YTD
SOFIX	727.72	3.00	20.99
BGBX 40	154.31	1.63	10.79
BGREIT	191.52	0.85	4.56

Index	P/E	EV/S	P/BV
SOFIX	6.53	0.09	1.42
BGBX 40	8.24	0.27	1.98
BGREIT	9.26	n/a	1.35

## BSE Weekly Gainers & Losers

Top Gainers		Price	Chng %
SFB	Sopharma Buildings REIT	23.00	29.94
SLYG	Shelly Group AD	41.00	14.85
FPP	FairPlay Properties REIT	0.80	8.11
TCH	TK-Hold AD	7.50	7.14
FIB	CB First Investment Bank AD	2.28	6.54

Top Losers		Price	Chng %
PET	Petrol AD	0.20	-16.67
ETR	Etropal AD	5.10	-8.93
SPH	Stara Planina Hold AD	9.85	-7.94
ZHZA	Zaharni Zavodi AD	5.65	-5.83
CCB	CB Central Coop Bank AD	1.55	-5.49

## Market Overview (14 Aug – 18 Aug)

The main Bulgarian index **SOFIX** increased this week by 3.00% to 727.72 points. The broad index **BGBX40** increased by this week by 1.63% to 154.31 points and **BGREIT** increased this week to 191.52 points, up by 0.85%.

## Corporate News

**Telematic Interactive (TIB)** called an EGM on Sep 18, where the shareholders will vote to empower the BoD to acquire 5 000 shares with nominal value of BGN 1 000 (50% equity stake) in Palms Merkur Casino. While the exact price of the deal is not clear yet, the EGM will vote to set a lower limit of BGN 43.9m and an upper limit of BGN 52.1m. The transaction should be paid by a mix of cash and shares of Telematic Interactive with the proportion between the two being on discretion of the BoD. Note, that the EGM will also vote on a share buyback procedure in the range of BGN 14.00-17.00/share. According to data from the Commercial Register, Palms Merkur Casino has BGN 20.7m (+21.3% YoY) of revenue in 2021, net income of BGN 3.0m (+378.0% YoY) and BV of BGN 31.1m.

**Sopharma Trading (SFT)** announced that it has reached an agreement to acquire 9 pharmacies from the Royal Pharmacy chain. The units are located in the area of Sofia, Pernik, Dupnitsa and Radomir. The CEO of Sopharma Trading, Ventsislav Marinov, commented that the deal is part of the strategy to expand the Group's presence in the retail sub-segment of the pharmacy market. The acquisition is subject to approval by the Commission for Protection of Competition. If the transaction is given a green light, Sopharma Trading intends to integrate the newly acquired units under the SOPharmacy brand. Recall, that throughout the years Sopharma Trading has acquired multiple pharmacies with the most notable transaction including 150 units from SCS Franchise in 2020. As of 2023, over 200 pharmacies are operating under SOPharmacy brand.

**Advance Terrafund (ATER)** purchased 514 daa new land in July'23 at an average price of BGN 1 865/daa (-2.6% MoM). The fund didn't sell directly any land during the month. As a result, the land portfolio increased to 174 180 daa (+0.3% MoM). The expected revenue for 2022-2023 agricultural year is BGN 8 018.9k (+31.6% YoY) with 34.5% of it already collected. Currently, the fund has rented out 142 825 daa, or 86.0% of its rentable portfolio at an average price of BGN 56.14/daa (+34.9% YoY).

**Bianor (BNR)** called an EGM on Sep 18, where the shareholders will vote to increase the company's capital, currently consisting of 1 145 919 shares, to 6 875 514 shares through the issuance of 5 729 595 new shares with nominal value of BGN 1.00 each. The procedure will be carried out with funds from retained earnings. The new shares will be allocated to the existing shareholders on pro-rata basis as shareholders would receive 5 new shares for every existing one. The agenda also include expansion of the company's BoD with three new members.

## Economic News

✓ The Bulgarian economy rose 1.8% YoY in the second quarter of 2023, following a 2.3% expansion in the previous three-month period, preliminary estimates showed. It marked the slowest pace of economic growth since the fourth quarter of 2020, as final consumption eased (1.3% vs 1.8% in Q1). In contrast, fixed investments accelerated (3.4% vs 2.8%). On external demand, imports shrank sharply by 6.7% (vs -2.3%), while exports fell at a softer 0.8% (vs 2.2%). On a quarterly basis, the GDP grew 0.4%, slightly down from a 0.5% expansion in the prior period.

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