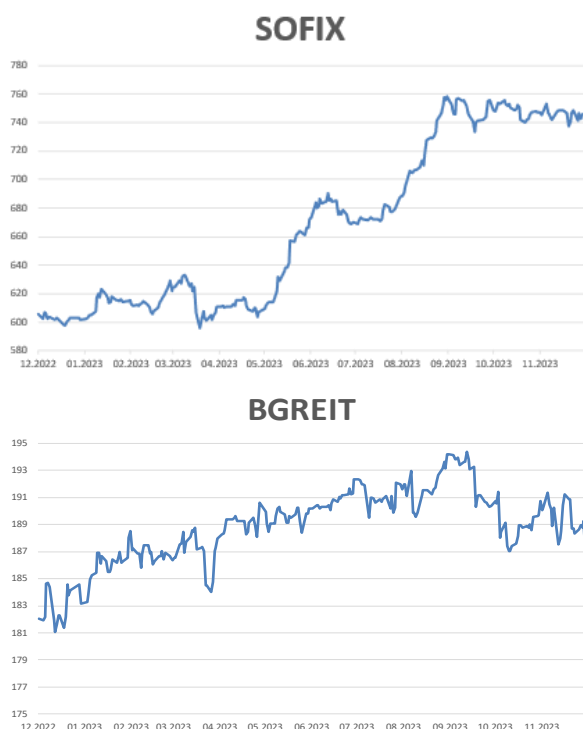


BG Indexes 12-month performance


Index	Close	Weekly Chg.%	YTD
SOFIX	745.97	-0.38	24.02
BGBX 40	156.98	-0.26	12.71
BGREIT	186.87	-0.78	2.02

Index	P/E	EV/S	P/BV
SOFIX	7.07	0.07	1.59
BGBX 40	9.84	0.32	1.67
BGREIT	10.14	n/a	2.87

BSE Weekly Gainers & Losers

Top Gainers		Price	Chng %
HIKA	Industrialen Capital Holding	2.80	7.69
TIB	Telematik Interactive Bulgaria	15.00	5.63
BREF	Bulgarian Real Estate FD	2.38	3.48
CHIM	Chimimport AD	0.67	3.40
T57	Trace Group Hold AD	4.02	3.08

Top Losers		Price	Chng %
SFB	Sopharma Buildings REIT	17.20	-16.50
PET	Petrol AD	0.39	-14.22
ZHZA	Zaharni Zavodi AD	4.50	-10.00
AROM	Aroma AD	1.03	-9.65
ZHBG	Zarneni Hrani Bulgaria AD	0.12	-8.40

Market Overview (27 Nov – 01 Dec)

The main Bulgarian index **SOFIX** decreased this week by 0.38% to 745.97 points. The broad index **BGBX40** decreased this week by 0.26% to 156.98 points and **BGREIT** decreased this week to 186.87 points, down by 0.78%.

Corporate News

Bulgarian Stock Exchange (BSE) reported Q3 2023 revenue of BGN 5.1m, up by 19.4% YoY. The breakdown revealed that Stock exchange trading segment's revenue jumped 76.8% YoY to BGN 0.4m, due to 63.9% higher market turnover during the quarter, while Energy exchange segment advanced 7.9% YoY to BGN 3.7m. Total operating expenses grew to BGN 2.5m (+18.7% YoY) on hired services costs (BGN 1.5m; +20.6% YoY). As a result, third-quarter cons EBITDA grew by 20.2% YoY to BGN 2.6m. At the same time, BSE realised substantial net interest income of BGN 2.6m. This brought Q3 net profit up by 143.3% YoY to BGN 4.1m. It's worth noting not only the interest income during the quarter, but the improved operating leverage due to the prudent cost management and strong performance of Energy exchange. 9mo 2023 consolidated revenue amounted to BGN 13.6m, +3.6% YoY. OPEX increased to BGN 7.4m (+18.2% YoY) due to compensations increase (+21.9% YoY; BGN 2.9m). Hence, cons EBITDA registered 9.9% YoY decrease to BGN 6.1m. With accumulated BGN 5.7m interest income since the beginning of the year, BSE reported BGN 9.3m net profit for the period, an increase of 75.6% YoY. 9mo TTM EPS amounted to BGN 1.30.

Sopharma's (SFA) Q3'23 consolidated sales marked 10.1% YoY growth to BGN 458.1m, coming 1.2% above our forecast. Sales of own products (the higher margin segment) rose 22.7% YoY while sales of goods (distribution business) added 7.7% YoY. Total revenue grew by 10.9% YoY to BGN 465.4m. EBITDA decreased 13.4% YoY to BGN 29.6m, on lower gross margin in the distribution segment and growth of compensations and hired services. Net financial cost also came higher on substantial growth of interest cost. The income from associated companies (Doverie and Sopharma Properties) witnessed a second consecutive decline, down by 28.9% YoY to BGN 5.6m. The consolidated net income after minority interest came to BGN 14.3m, down by 41.8% YoY. Q3'23 EPS amounted to BGN 0.12. 9m'23 revenue came to BGN 1.4bn, +13% YoY while EBITDA improved by 16.3% YoY on better performance in the first half of the year. The net financial cost surged 75.4% on growth of interest cost. The income from associated companies added 2.8% YoY to BGN 18.3m. Net profit was up by 14.5% YoY to BGN 77.7m (EPS of BGN 0.64). 9m'23 CAPEX amounted to BGN 40.4m, while debt increased by BGN 127.8m YtD, financing the BGN 107.5m increase of working capital as well as the increased investments in associated companies such as Sopharma Buildings.

Economic News

✓ Producer prices in Bulgaria fell for the seventh consecutive month to 20.1% YoY in October 2023, from a 24.3% drop in the previous month, driven by ongoing reductions in prices for electricity, gas, steam & air-conditioning supply (-48.8% vs -56.7% in September) and mining & quarrying (-4.9% vs -4.5%). Cost also declined in manufacturing sector (-1.7% vs 0.4%). On a monthly basis, producer prices slumped by 0.9% in October, after a 1.6% gain in September.

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