Key Investor Information

This document provides you with key investor information about this fund. The document is not for advertising purposes. The information is required by law in order to facilitate understanding of the nature and risks associated with investing in this fund. We advise that you read it so that you can make an informed decision about whether to invest.

Exchange-traded fund "Expat Macedonia MBI10 UCITS ETF"

ISIN: BGMACMB06181,UIC 177241399

This Exchange Traded Fund is managed by

Management Company "Expat Asset Management" EAD, UIC 175431340

Objectives and Investment Policy

The objective of the exchange-traded fund Expat Macedonia MBI10 UCITS ETF is to track the performance of the MBI10 index ("Index"), which consists of the 10 most liquid companies traded on the Skopje Stock Exchange. The index is based on the market capitalization of the issues of ordinary shares included, corrected with the free-float coefficient of each one of them. The index is rebalanced quarterly. For more information: http://www.mse.mk

Expat Macedonia MBI10 UCITS ETF is a passively managed fund and follows the method of full physical replication of an index. The fund fully complies with the EU UCITS directive. The fund invests solely in MBI10 index constituents. The Fund may invest up to 20% of its assets in deposits payable on demand at banks headquartered in the Republic of Bulgaria or in another EU Member State or in a third country with rules equivalent to the EU law.*

Expat Macedonia MBI10 UCITS ETF does not pay dividends. The profit is reinvested, and this increases the net asset value of the fund to the benefit of investors. The Fund may use techniques for risk management, expenses minimization and performance improvement. Such techniques may include the use of repo deals and money-market transactions. The main influencing factor on the Fund's performance is the movements of the Index constituents.

Orders for purchase or redemption of units are accepted every working day between 9:00am and 5:00pm Bulgarian time. Orders for purchase or redemption of units of the Fund are executed at the price for the day on which the order is made if the order is submitted before 3:00pm. In the order, the client must explicitly specify if they wish to buy or sell the units for delivery versus payment (DVP) and/or a basket of securities at the corresponding depositary institution, and the settlement instructions of the respective depository institution. Investors may buy and sell units of the Fund on the stock exchanges where the ETF units are traded.

**Temporarily and only under certain market conditions, the Fund may invest without limit up to 100% of its assets in securities and money-market instruments issued by EU Member States or a third country included in a list approved by the Deputy Chairperson of the Bulgarian Financial Supervision Commission.*

Risk and Return Profile

Lower risk — Higher risk

Lower potential return — Higher potential return

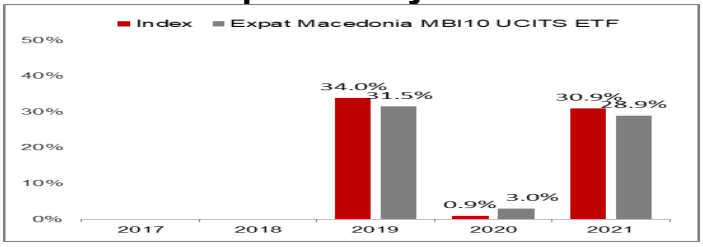
1	2	3	4	**5**	6	7

- The specified risk category and return are not guaranteed and are subject to change.
- The lowest category does not mean risk-free.
- The Fund falls within category 5 of the 7-point indicator scale due to the high volatility of the Reference Index which the Fund tracks.
- Market and currency risk – the possibility of incurring losses due to adverse changes in the value of the Reference Index and the unhedged exposition of the Index currency to the euro.
- Investments in the exchange-traded fund are not guaranteed by a guarantee fund and past performance may not be a reliable indication of future results of the exchange-traded fund.

Other risk factors relating to the exchange-traded fund that are not covered by the indicators:

- The net asset value of the shares and their returns may fall, the returns are not guaranteed, and the investors take the risk that they may get back less than they originally invested.
- Unusual circumstances such as trading obstruction on the stock exchange, surcharges, extremely volatile markets and others can lead to significant differences between the performance of the Fund and the performance of the Index.
- Liquidity – the risk under certain conditions that it becomes difficult or impossible to sell portfolio holdings.
- Other risks – credit risk, interest risk, tax risk, regulatory risk, political risk, operational risk, price risk, currency risk, concentration risk, systemic risk, risk of the passive fund management, risk of corporate events, tracking error risk, events that affect the Reference Index, etc. More information about risks can be found in the Prospectus of the Fund.

Results from previous years



- Expat Macedonia MBI10 UCITS ETF started issuing shares in 2018 and thus the Fund does not have enough data for reliable indication of past performance.
- Previous performance has limited usage in forecasting future returns.
- The annual costs of the Fund are included when calculating returns. Fees for subscription and redemption are revenues of the Management Company.
- Returns for previous years are calculated in EUR.

Charges

The charges paid are meant to cover operating costs of the ETF, including those for marketing and distributing the units. These costs reduce the potential growth of your investment. Only institutional investors or qualified investors with a primary market participation agreement with the Management Company can take part in the primary market for issuance and redemption of the ETF's units.

One-off charges in purchase and redemption of units on the primary market	
Entry charge (unit issue)*	2.00% (two percent)
Exit charge (unit redemption)*	2.00% (two percent)
This is the maximum fee that can be charged to investors admitted to the primary market. This charge is included in the issue price and the redemption price for orders on the primary market. For investors with a primary market participation agreement with Expat Asset Management EAD Management Company, the charges are specified in that Agreement. More information can be found in the Prospectus of the Fund.	
Min. contract size for units purchase*	**Min. contract size for units redemption**
100,000 (one hundred thousand) units	100,000 (one hundred thousand) units
This is the minimum lot size for purchase or sale of units on the primary market (number of units should be in multiples of 100,000). For investors with a primary market participation agreement with Expat Asset Management EAD, the lot size may vary as specified in the Agreement and within the requirements of the law. More information can be found in the Rules of the Fund.	

- Fees for purchase and redemption are a percentage of the net asset value per share at the date of its determination.
- Purchase or redemption charges are due to the MC and are included in the issuing price and redemption price per unit, respectively, and paid directly by investors.

**The fees for the purchase and redemption and the minimum lot sizes are applicable only to the purchase and redemption of units directly from the ETF and will not be applied when investors buy or sell shares on a stock exchange (on the secondary market). Investors who trade on exchanges will pay fees charged by their brokers. Information on these fees can be obtained from their brokers.*

Annual expenses deducted from the ETF's assets*	
Fixed remuneration for the Management Company	1.00%
Other operating expenses	2.10%
Total operating expenses (annual costs deducted from the assets of the ETF which are indirectly borne by all investors)	3.10%
Fees taken from the Fund under certain specific conditions	
Floating remuneration fee for the Management Company	None

- The value of operating costs is calculated as a percentage of the average annual net asset value of the exchange-traded fund and it changes as absolute value. "Other operating expenses" include depositary remuneration, fees charged by investment firms,the Exchange, Central Depository fees, supervision fees charged by the FSC, fees for using the MBI10 trademark etc.
- Additional information on costs can be found in the Rules of the Fund, which is available at www.expat.bg.

**The data in the table above is calculated based on the data for the last financial year ending on 31st December 2021. Thus, the data may vary for the different years.*

Useful Information

- Custodian: Eurobank EFG Bulgaria AD.
- Further information: Prospectus, Rules, Key Investor Information, periodic reports, net asset value and portfolio structure of the ETF are published at www.expat.bg/bg/funds/ExpatMacedoniaMBI10
- Prospectus, Rules, Key Investor Information and periodic reports in Bulgarian can be obtained free of charge at:
  For Bulgarian investors – in Bulgarian at the address of the Management Company: Sofia, 96A, Georgi S. Rakovski Street, every working day from 9:00am to 6pm Bulgarian time.
  For German investors – in English and Key Investor Information in German at Zeidler Legal Services Rechtsanwaltsgesellschaft mbH, Bettinastrasse 48, 60325 Frankfurt, Germany, Email: contact@zeidlerlegalservices.com.
  For Slovenian investors – in English and Key Investor Information in Slovene at ILIRIKA borzno posredniška hiša d.d., Slovenska cesta 54A, 1000 Ljubljana, Slovenija, Email: info@ilirika.si..
- Issuing and redemption price of the units are quoted on the Management Company's website at www.expat.bg and are also reported to the Financial Supervision Commission. The needed documents, information for the procedure and conditions for depositing buying or redemption orders can be found in the ETF's Rules document.
- The Fund does not charge fees and does not have additional expenses to the Management Company, its employees or its Management Board deriving from the Remuneration Policy of Expat Asset Management EAD. The full text of the Remuneration Policy of Expat Asset Management EAD is published at www.expat.bg/bg/documents and can be obtained free of charge at the MC address: Sofia, 96A, Georgi S. Rakovski Street, every working day from 9:00am to 6pm Bulgarian time.
- The taxation law of the member state of the Management Company's origin may affect the investor's individual tax conditions.
- Information on the unit price of Expat Macedonia MBI10 UCITS ETF on the secondary market can be found on the websites of the Bulgarian Stock Exchange, and of Frankfurter Wertpapierbörse, Frankfurt am Main, Germany, as well as the corresponding market makers. Information about its indicative net asset value per share can be found on the website of the Bulgarian Stock Exchange, www.bse-sofia.bg, and Frankfurter Wertpapierbörse, http://www.boerse-frankfurt.de/. The spread between the prices of buying or selling is regulated and monitored by the Exchange.
- The purchase and redemption on the primary market, i.e. directly from the Fund is permitted in the cases described above under the Exchange-Traded Fund Fees item and in Art. 20, para. 1 of the Rules of the Fund. Investors on the secondary market, ie through stock exchange, should buy and sell shares through an investment intermediary and may owe taxes. There is no requirement for a minimum amount of shares other than what the exchange itself may require.
- The Management Company "Expat Asset Management" EAD may be held liable solely on the basis of information provided in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus of the Fund.

The Exchange-Traded Fund Expat Macedonia MBI10 UCITS ETF has been granted License No 174-DF / 12.01.2018 by the Financial Supervision Commission for the Republic of Bulgaria and is subject to regulation by the Financial Supervision Commission of Bulgaria. The Management Company Expat Asset Management EAD has been granted license by the Financial Supervision Commission No 33 UD / 31.07.2008 for the Republic of Bulgaria and is subject to regulation by the Financial Supervision Commission of Bulgaria. Key investor information is accurate as at 08.03.2022.