



Open-end and close-end investment funds management company KB Invest AD Skopje

Open-end investment fund
KB Invest – Obvrznici

Date
30.6.2024

Key Information for Investors

This document contains key information for the investors in this fund. This does not represent promotional material. The information contained in this document are prescribed by law and bylaws in order to assist the investors in understanding the nature of this fund and the risks associated with investing in it. Our advice is to read this document carefully in order to be able to make an informed decision about the potential investment.

Title and Seat of the Investment Fund and the Fund Management Company

Open-end investment fund KB Invest – Obvrznici
Fund ID:
9120000000130

Open-end and close-end investment funds management
company KB Invest AD Skopje
Kiril i Metodij 50, Skopje, RN Macedonia

The fund is approved in RN Macedonia and is regulated by the Security and Exchange Commission. The Fund is approved with Decision by SEC no. UP1 08-167 dated 08.03.2011. The expressed key information for the investors is accurate on 30.6.2024.

Objectives and Investment Policy

The aim of the Fund is to invest in bank deposits, money market instruments, and government and corporate fixed income securities. It is intended for investors who want to invest in fixed income instruments (government and corporate bonds denominated in foreign currencies in the "high-yield" market segment). With this type of fund, the growth of the asset value is usually slower but continuous, while the fluctuation of share price is usually low.

The Company shall invest the Fund assets in the following instruments:

- **Asset Class A** (min. 80% - max. 90%) investments in short-term and long-term debt securities with a recommended investment rating and without a recommended investment rating of issuers that have their headquarters in countries belonging to the group of developing markets according to the categorization of the fund: bonds (basic category), developing markets/geographic exposure - Europe (subcategory); Investments in fixed income securities issued by the Republic of Macedonia, EU member countries and the OECD can exceed 35% of the Fund assets;
- **Asset Class B** (min. 0% - max. 20%) investments in deposits with banks in the Republic of Macedonia with maturity of less than a year;
- **Asset Class C** (min. 0% - max. 10%) investments in open-end investment funds which are mainly investing in debt securities with a specific maturity, credit quality, currency or geographic specialization provided that they do not charge management costs higher than 1,0% of the net asset value of the fund.

The income from instruments in which Fund assets are invested, such as capital gains, dividends, foreign exchange gains, and interest income, will not be distributed to the owners of shares; but they will be automatically reinvested in order to increase the price of the Fund shares. The Fund investment strategy and the financial instruments selection suggest investment in medium term with pre-defined term of investment, that is, this Fund is intended for investors who want to invest their assets for at least 1 year.

Risk and Success Profile

The synthetic risk indicator indicates a moderate level of risk that is characteristic for this type of funds. The main factor that affects the volatility of the fund is the movement of interest rates which in the past 12 months have increased after a prolonged period of relative stability and very low level.

Low risk			High risk			
<Low proceeds			High proceeds>			
1	2	3	4	5	6	7

The following risks may have significant impact to the proceeds:

- **Credit risk** – risk that the issuer of security, will not be able to meet its obligations, in time and/or in full;
- **Liquidity risk** – risk that the Fund will have difficulties for finding adequate amount of cash to meet its obligations arising from withdrawal of shares in the Fund as a result of inability to sell financial instruments fast at the price close to their fair value;
- **Counterparty risk** – risk that the entity with which the Company, on behalf of the Fund, concludes transactions in the financial markets, will not be able to meet its obligations, in time and/or in full.

The proceeds from the buyout of shares are transferred directly to the investor's transaction account. The payments are scheduled the next working day for all Request that are submitted until 14:00 within the current working day. The prices for sale of new shares or buyout of the existing ones are calculated every working day until 16:00 and are published on the Company's website. The historical data used for the calculation of the synthetic indicator should not be considered as a reliable indicator of the future risk profile of the Fund. The category of risk and success profile is not a guarantee that they will remain unchanged, i.e. the categorization of the Fund may change over time. The lowest category does not mean that the investing is risk-free.

Costs

One-time costs that occur before or after your investment

Entry fee	1,50%
Exit fee	0,75%

Entry and exit fees are always expressed in the highest amount, i.e. in certain situations the investor may pay a lower amount. The entry fee depends on the type of payment (one-time/plan or scheduled payments), as well as the amount of funds stated in the Request for purchase of shares. The exit fee is not charged if six months from the moment of investment have passed.

Costs to the Fund during the year

Current fees

0,7557%

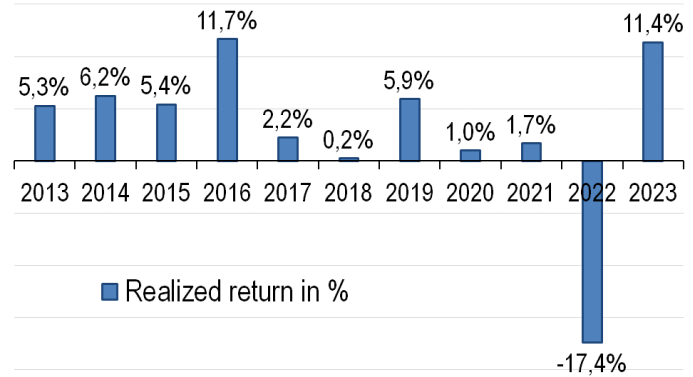
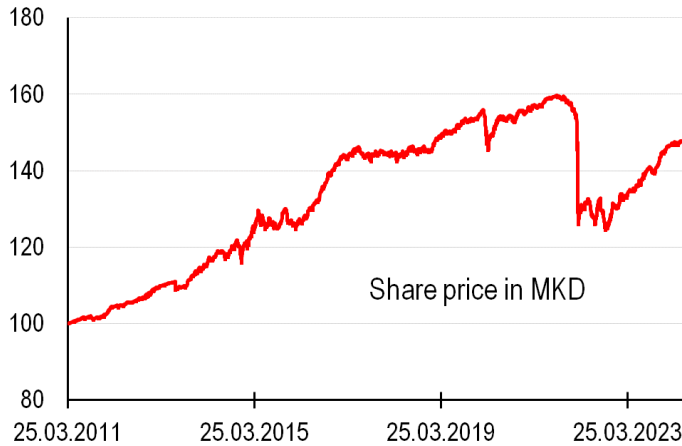
Fund costs in certain special circumstances

Operating fees

None

The investor can find out the real amount of entry and exit fees from the investment advisor or investment agent. The costs borne by the investor are used to cover the costs of the day-to-day operations of the Fund, including the costs of marketing and distribution, and these costs may reduce the potential growth of the investments. More detailed information on costs, including operating fees and how they are calculated, is available in Part I) point 6 of the Fund Prospectus.

Historical returns



The fund was established on March 25, 2011, with an initial price of 100 MKD per share. The minimum investment amount is 1,000 MKD. Proceeds are calculated in domestic currency. The share price is shown since inception on a net basis, after calculating all fees and expenses. The data on the realized profit in % is presented for the whole calendar year. Past returns are for informational purposes only and do not represent an indication of possible returns in the future. Data for all categories is expressed as % of NAV.

10 largest investments		Currency exposure		Asset Class	
MACEDO 1,625	18,03%	EUR	75,90%	Bonds	83,43%
MACEDO 6,96	10,26%	MKD	20,50%	Cash	7,54%
NOVALJ 6 7/8	5,19%	USD	5,23%	Fund shares	6,66%
DO2023/23-1238	5,08%			Term deposits	2,23%
Deposit, Halk banka AD Skopje	4,93%			Receivables	0,30%
ROMANI 6 5/8	4,76%				
DO2023/23-0139	4,06%				
ROMANI 2.124	4,00%				
TVLRO 7 ¼	2,62%				
TLT	2,60%				
Geographical exposure		Sectoral exposure			
Macedonia	58,66%	Government			76,18%
Romania	14,51%	Banking			16,81%
Slovenia	6,19%	Investment funds			6,36%
USA	4,56%	Financials			1,17%
Hungary	4,49%	Basic materials			1,10%
Albania	3,62%	Energy			0,01%
Montenegro	3,29%				
Other Data					
Net asset value	506.654.221,76 MKD	Average monthly yield (last 12m.)			0,6083%
Share price	147,6748 MKD	Average monthly yield (last 24m.)			0,6086%
Return since inception	47,52%	Average monthly yield (last 60m.)			-0,0283%
Standard deviation	7,7211%				

Practical Information

Custody bank of the Fund is Komercijalna banka AD Skopje.

Additional information about the Fund, a free copy of the prospectus and the last semi-annual and annual report, published in Macedonian, as well as other practical information, including information on the latest share prices, can be obtained at the Company's headquarter or downloaded from its website.

Tax regulations can affect the personal tax position of investors.

KB Invest AD Skopje is responsible for the authenticity, completeness and accuracy of the data contained in the document with key information and may be considered responsible only if some parts of the document are misleading, inaccurate, or inconsistent with the Prospectus of the Fund.

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