



expat capital



COMPANY OVERVIEW

Nicola Yankov

Nikolay Vassilev, CFA

Harri Tilev

Managing Partners

WHO WE ARE

- A company based in downtown Sofia, Bulgaria, offering asset management and financial advisory services
 - Management of a variety of mutual funds, REITs, and individual portfolio accounts
 - Fund raising, IPOs, capital markets
 - Mergers and acquisitions, corporate due diligence
 - Specialized investment projects advisory services

OUR MISSION

- We aspire to be an innovative business group with talented and energetic people able to provide our customers with state-of-the-art service in asset management, investments, corporate finance/M&A, and real estate development
- We do business with integrity, following the standards of good business ethics

OUR TEAM

- 3 managing partners
- Currently 13 highly skilled professionals
 - Academic background in finance, economics, law, real estate, accounting, advertising
 - Extensive experience in the financial and industrial sectors, as well as in government
 - Highest professional standards and a broad mix of investment skills, including portfolio management, corporate finance, private equity, research, and trading
 - Personal connections to the owners and directors of the top 100 companies and banks in Bulgaria



**NICOLA
YANKOV**

**NIKOLAY
VASSILEV, CFA**

MANAGEMENT

- **Managing Partner and Chairman of Expat Capital (since 2006)**
- Deputy Minister of Transport and Communications (2003-05), Deputy Minister of Economy (2001-03)
- Over 10 years of management experience in the industrial sector, private equity, and corporate finance, holding a number of senior management positions at Lukoil Neftochim AD, Naftex Bulgaria Holding AD, CEO of Naftex Petrol AD, Solvay-Sodi, Kraft Jacobs Suchard BG
- BS degree in Consumer Economics from Cornell University (USA)

- **Managing Partner and CEO of Expat Capital (since 2009)**
- Minister of State Administration and Administrative Reform (2005-09), Deputy Prime Minister and Minister of Transport and Communications (2003-05), Deputy PM and Minister of Economy (2001-03)
- 6 years of experience in investment banking and consulting in Budapest, Tokyo, New York, and London: Coopers & Lybrand, UBS, Lazard
- Degrees in Economics and Finance from Brandeis University (USA), Keio University (Tokyo, Japan), State University of New York (USA), Budapest University of Economic Sciences (Hungary)
- Chartered Financial Analyst (CFA) charterholder since 1999



HARRI TILEV

MANAGEMENT

- **Managing Partner and a board member at Expat Capital (since 2010)**
- Managing Partner at Bullet Finland (since 2008) – a Helsinki-based real estate consultancy and investment company
- Significant experience in in the fields of real estate and capital markets – advisor to the Capital Markets team at Jones Lang LaSalle Finland (2006-08); partner in the consultancy business at T&T Nordcap (2005-06); Investment Director at A Company Finland (2001-04); has worked for BMW Finland, Sweden and the USA
- M.Sc. degree in Management and Organizations from the Hanken School of Economics (Helsinki)

BUSINESS LINES

- Asset management
 - Mutual funds
 - Private investment accounts
- Real estate investment trusts
- Corporate finance
- Capital markets/IPOs
- Private equity

INVESTMENT VEHICLES

Mutual funds with daily/periodic quotes

1. Expat New Europe Stocks
2. Expat New Europe Properties
3. Expat Bonds

Real estate investment trusts – listed

4. Expat Beta REIT
5. Expat Development Fund REIT

Private equity vehicles

6. Expat Alpha

Private investment accounts

7. Customized

1. EXPAT N.E. STOCKS (1)

- An open-ended mutual fund with daily quotes
- Primarily intended for investments in stocks in New Europe and the CIS countries

1. EXPAT N.E. STOCKS (2)

- **Securities Portfolio Constraints**
 - Stocks – up to 90%
 - Corporate bonds – up to 40%
 - Mortgage bonds – up to 50%
 - Derivatives – up to 30%
 - Funds – up to 10%
 - No limitations for government backed securities
- **Liquidity Constraints**
 - Up to 30% in less liquid/less actively traded securities
- **Investment Constraints**
 - Up to 5% of the portfolio in one issuer
 - Up to 5% in derivatives per issuer
 - Up to 20% in total exposure to one issuer
 - Up to 35% in assets issued/backed by the government
 - Up to 10% in other collective investment schemes

1. EXPAT N.E. STOCKS (3)

- **Administrator** – Expat Asset Management EAD
- **Minimum Investment** – BGN 100
- **Fixed management fee** – 1.9% per year
- **Performance fee** – 15%, charged only on the realized positive profit on a daily basis (“high watermark” rule)
- **Other operating expenses** – limited to 1.5%
- **Custodian** – UniCredit Bulbank
- **Prime Broker** – First Financial Brokerage House; Sofia International Securities; UniCredit Bulbank; Emporiki Bank Bulgaria; BenchMark Finance
- **Currency** – Bulgarian lev (BGN)

1. EXPAT N.E. STOCKS (4)

- **Subscription Fee**
 - 1.0% for investments up to BGN 100,000
 - 0.5% for investments between BGN 100,000 and 500,000
 - 0.2% for investments between BGN 500,000 to 2 mln.
 - 0.0% for investments above BGN 2 mln.
- **Redemption Fee**
 - 1.0% for an investment period up to 12 months
 - 0.5% for an investment period between 12 and 24 months
 - 0.0% for an investment period above 24 months

2. EXPAT N.E. PROPERTIES (1)

- An open-ended mutual fund with daily quotes
- Primarily intended for investments in REITs, other real estate related products, and stocks in CEE, SEE and the CIS countries

2. EXPAT N.E. PROPERTIES (2)

- **Securities Portfolio Constraints**
 - Stocks – up to 90%
 - Corporate bonds – up to 25%
 - Mortgage bonds – up to 25%
 - Derivatives – up to 10%
 - Funds – up to 90%
 - No limitations for government backed securities
- **Liquidity Constraints**
 - Up to 10% in less liquid/less actively traded securities
- **Investment Constraints**
 - Up to 5% of the portfolio in one issuer
 - Up to 5% in derivatives per issuer
 - Up to 20% in total exposure to one issuer
 - Up to 35% in assets issued/backed by the government
 - Up to 10% in other collective investment schemes

2. EXPAT N.E. PROPERTIES (3)

- **Administrator** – Expat Asset Management EAD
- **Minimum Investment** – BGN 100
- **Fixed management fee** – 2.5% per year
- **Other operating expenses** – limited to 1.5%
- **Custodian** – UniCredit Bulbank
- **Prime Broker** – First Financial Brokerage House; Sofia International Securities; UniCredit Bulbank ; Emporiki Bank Bulgaria; BenchMark Finance
- **Currency** – Bulgarian lev (BGN)

2. EXPAT N.E. PROPERTIES (4)

- **Subscription Fee**
 - 1.0% for investments up to BGN 100,000
 - 0.5% for investments between BGN 100,000 and 500,000
 - 0.2% for investments between BGN 500,000 to 2 mln.
 - 0.0% for investments above BGN 2 mln.
- **Redemption Fee**
 - 1.0% for an investment period up to 12 months
 - 0.5% for an investment period between 12 and 24 months
 - 0.0% for an investment period above 24 months

3. EXPAT BONDS (1)

- An open-ended mutual fund with quotes twice per week
- Primarily intended for investments in low risk and liquid money market instruments, fixed income securities, and deposits in New Europe and the CIS countries

3. EXPAT BONDS (2)

- **Securities Portfolio Constraints**
 - Government securities – up to 95%
 - Corporate bonds – up to 90%
 - Municipal bonds – up to 50%
 - Mortgage bonds – up to 50%
 - Derivatives – up to 20%
 - Funds – up to 10%
 - Stocks – up to 30%
- **Liquidity Constraints**
 - Up to 10% in less liquid/less actively traded securities
- **Investment Constraints**
 - Up to 5% of the portfolio in one issuer
 - Up to 5% in derivatives per issuer
 - Up to 20% in total exposure to one issuer
 - Up to 35% in assets issued/backed by the government
 - Up to 10% in other collective investment schemes

3. EXPAT BONDS (3)

- **Administrator** – Expat Asset Management EAD
- **Minimum Investment** – BGN 100
- **Fixed management fee** – 0.9% per year
- **Other operating expenses** – limited to 3.0%
- **Custodian** – UniCredit Bulbank
- **Prime Broker** – First Financial Brokerage House; Sofia International Securities; UniCredit Bulbank ; Emporiki Bank Bulgaria; BenchMark Finance
- **Currency** – Bulgarian lev (BGN)

3. EXPAT BONDS (4)

- **Subscription Fee**
 - 0.10% for investments up to BGN 100,000
 - 0.05% for investments between BGN 100,000 and 500,000
 - 0.00% for investments above BGN 500,000
- **Redemption Fee**
 - 0.20% for an investment period up to 12 months and investments up to BGN 100,000
 - 0.15% for an investment period up to 12 months and investments between BGN 100,000 and 500,000
 - 0.10% for an investment period up to 12 months and investments above BGN 500,000
 - 0.10% for an investment period above 12 months and investments up to BGN 100,000
 - 0.00% for an investment period above 12 months and investments above BGN 100,000

4. EXPAT BETA REIT

- A Real Estate Investment Trust (REIT)
- Listed on the Bulgarian Stock Exchange – Sofia
- Intended for investments in already developed (completed) real estate projects or empty land plots in Bulgaria
- Speculative buy-hold-sell strategy
- Focus on assets in prime locations, experiencing financial distress

5. EXPAT DEVELOPMENT FUND

- A Real Estate Investment Trust (REIT)
- To be listed on the Bulgarian Stock Exchange – Sofia (listing expected Summer 2010)
- Intended for developing real estate projects in Bulgaria

6. EXPAT ALPHA

- A private equity investment vehicle
- Intended for investments in special situations, private equity deals, as well as grossly undervalued listed instruments
- Open to EXPAT CAPITAL clients only

7. PRIVATE ACCOUNTS

- Individuals can open private investment accounts with us
- We will create tailor-made solutions according to their individual needs and preferences, including investment horizon, risk tolerance, and return expectations

CONTACTS

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RISK DISCLOSURE

Under no circumstances should any part of this document be construed as an offering or solicitation for a trade or investment in any class of investments. Past performance is no guarantee of future performance, and the value of investments can go down as well as up, leading to a significant loss of funds as a result.

Expat Asset Management, a subsidiary of Expat Capital, is an asset management company which provides advisory and investment management services to a number of regulated collective investment schemes. Expat Asset Management is authorized and regulated by the Bulgarian Financial Supervision Commission.