



STK Emergent Monthly NAV report

September 2020

Fund profile: closed-end fund listed on the Bucharest Stock Exchange

Fund objectives: invested capital increase, a 25% return per year on the managed assets and a return higher than the BET market index (1.3 x return of the BET index), distributing dividends to investors of the realised profit

Number of fund units in circulation: 609,753

CNVM notice: CSC08FIIR/120004 from 02/07/2008

Depository: BRD- GSG

1. Fund assets

RON	August 2020	September 2020
Unlisted shares	29,916,388	29,916,388
Tradeable shares portfolio	28,051,050	27,622,009
Shares	5,225,050	4,551,395
Cash	22,338,175	22,583,813
Collective undertaking titles	693,980	692,956
Other net assets	-206,155	-206,155
Other liabilities	133,371	132,697
Net assets	57,834,067	57,405,699
NAV per share	94.85	94.15

Tradeable shares portfolio represents 48.1% of the total net assets at the end of September.

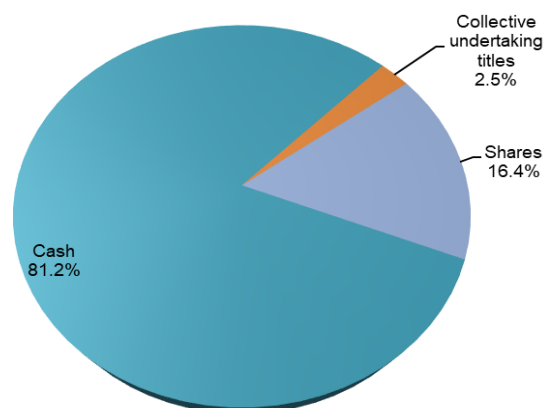
Fund holdings are recorded using the reference price of the shares traded on the last day of the month, and for the unlisted companies a fair value is used, from a valuation report made by an ANEVAR certified external valuator.

At the end of September, the tradeable shares portfolio was composed of 81.2% cash, 16.4% shares and 2.5% collective undertakings. *Other net assets* category includes the dividends payable by the Fund from previous years.

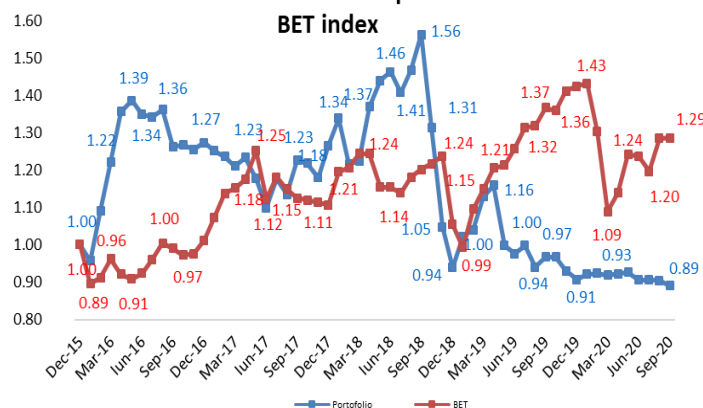
The number of cases of coronavirus infection increased to 34.2 million globally at the end of September, an increase of 33% compared to the number of cases at the end of August. As for the financial markets, this growth has diminished investors' hope for an economic recovery, because as many countries reimpose restrictions, the economic recovery stalls and the risk of prolonging the economic crisis caused by the pandemic increases.

2. Stock portfolio

Tradeable portfolio holdings



Performance of tradeable portfolio and BET index



Given the high volatility of assets and the uncertainty about their duration, we also opted in September to maintain higher liquidity while waiting for a more favorable context.

At the end of September, the Fund's net assets are valued at about RON 57.41 million, *slightly down by 0.74%* compared to the value reported at the end of August, reflecting the changes in the prices of the companies in the portfolio.

Past fund performance is no guarantee of future results!

Read the documents of incorporation before investing in this fund!



3. Changes in the NAV per share

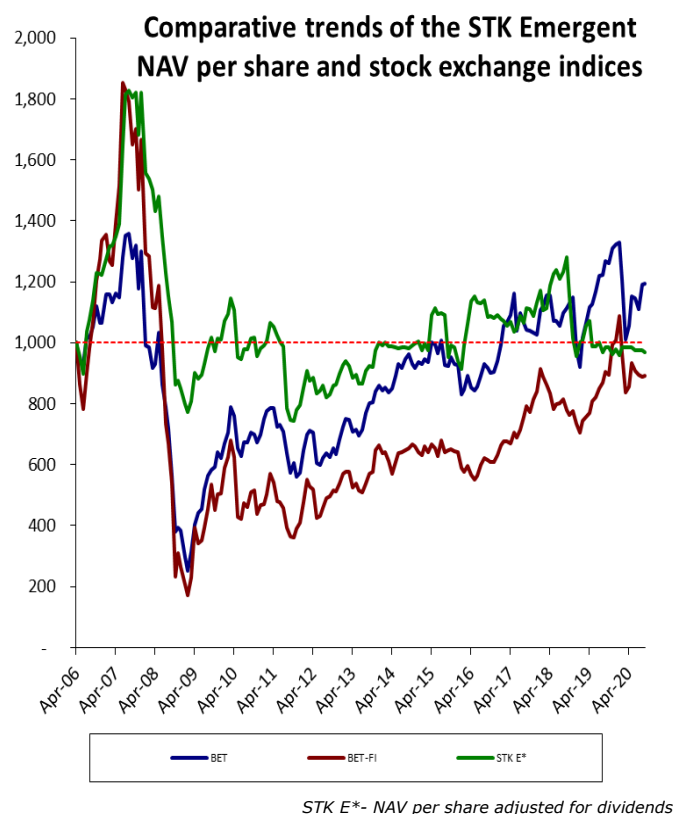
The net asset value per share varied by -0.74% last month

On September 30, 2020, the STK Emergent net asset value per share stands at RON 94.15, slightly down compared to the level of the previous month.

The BET index of the Bucharest Stock Exchange reached the level of 9,007.20 points at the end of the month, varying by + 0.11% in September; the highest increases were registered by the shares of TRP + 12.0%, BRD + 8.3% and FP + 4.9%, while the shares of DIGI, ALR and EL registered during the month decreases of -8.5%, -8.4%, and respectively -8.1%.

The BET-FI index of the financial sector registered in September a decrease of 0.39%, the five Financial Investment Companies and FP posting returns of between -5.9% and +8.3%.

Comparative chart of STK Emergent and the Bucharest Stock Exchange Indices between start-up and September 2020:



From launch to the end of September, the net asset value per share registered a *negative variation of 2.99%*, the BET index increased by 20.71%, and the BET-FI index decline by 9.34% over the same time frame.

4. Performance of the world stock exchanges

September was characterized by declines in financial markets

The developed financial markets fell in September by an average of 3.27%, the mature capital market indexes recording the following returns: the Austrian ATX index and the Polish WIG20 index, -4.9%, the American S&P500 index -3.9%, the French CAC40 index -2.9%, the British FTSE100 index -1.6%, the German DAX index -1.4%

On 9 September, the British Prime Minister introduced a draft bill that goes back on commitments already made under the Withdrawal Agreement, increasing the likelihood of a hard Brexit at the end of the year.

Starting with September 21, 2020, the Romanian capital market was included in the Emerging Markets indices of the global index provider FTSE Russell, through the companies Banca Transilvania (TLV) and Nuclearelectrica (SNN).

Emerging and frontier stock exchanges registered an average decline of 1.67% in September, the stock exchanges in Hungary and China registered substantial decreases of -5.5% and -5.2%, while the stock exchanges in Turkey and Romania registered positive returns of 6.2% and 0.1% respectively.

Index	Country	2018*	2019**	YTD 2020***	Sep - 20****
ATX	Austria	-19.7%	16.1%	-33.8%	-4.9%
SOFIX	Bulgaria	-12.3%	-4.4%	-24.7%	-1.5%
PX	Czech Republic	-8.5%	13.1%	-22.2%	-3.9%
SSEC	China	-24.6%	22.3%	5.5%	-5.2%
CAC40	France	-11.0%	26.4%	-19.6%	-2.9%
FTSE	UK	-12.5%	12.1%	-22.2%	-1.6%
DAX	Germany	-18.3%	25.5%	-3.7%	-1.4%
BSE SENSEX	India	5.9%	14.4%	-7.7%	-1.5%
WIG 20	Poland	-7.5%	-5.6%	-20.3%	-4.9%
BET	Romania	-4.8%	35.1%	-9.7%	0.1%
BET-FI	Romania	-12.6%	37.3%	-11.6%	0.4%
SP 500	USA	-6.2%	28.9%	4.1%	-3.9%
BUX	Hungary	-0.6%	17.7%	-28.6%	-5.5%
MOEX	Russia	11.8%	29.1%	-4.6%	-2.0%
ISE 100	Turkey	-20.9%	25.4%	0.1%	6.2%

*return between 12/29/2017-12/31/2018
** return between 12/31/2018-12/31/2019
*** return between 12/31/2019-09/30/2020
****last month return: 08/31/2020-09/30/2020