

STK Emergent Monthly NAV report

August 2021

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

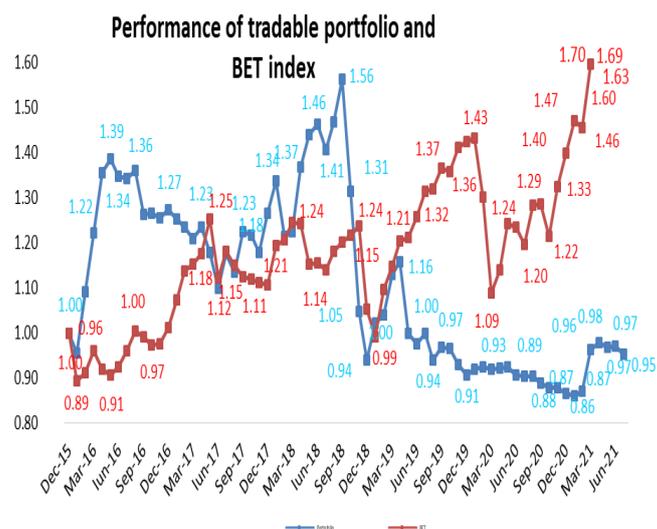
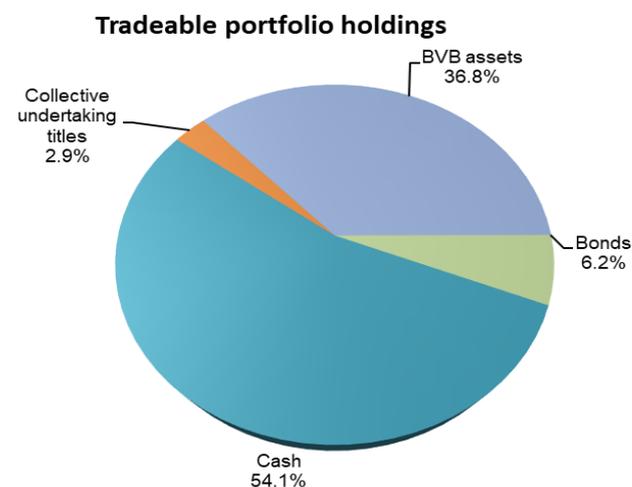
RON	July 2021	August 2021
Unlisted shares	32,979,223	32,979,223
Tradeable shares portfolio	29,563,441	29,412,781
Shares	11,031,536	12,799,939
Cash	18,018,487	16,109,590
Collective undertaking titles	863,806	849,140
Other net assets	-350,388	-345,888
Other liabilities	140,478	145,990
Net assets	62,402,187	62,246,013
NAV per share	102.34	102.08

Tradeable shares portfolio represents 47.3% of the total net assets at the end of August.

At the end of the month the tradeable shares portfolio was composed of 54.1% cash, 36.8% shares, 6.2% bonds and 2.9% collective undertakings. *Other net assets* category includes the dividends to be received minus the dividends payable by the Fund from previous years for which no payment claims have been submitted.

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 updated in February with data from the end of 2020.

2. Stock portfolio



At the end of August, the Fund's tradeable portfolio holdings are valued at about RON 29.41 million *slightly decreasing* by 0.51% compared to the value reported at the end of July, reflecting the changes in the prices of the companies in the portfolio.

In August, the fund continues to invest in shares and also in bonds on the local market. As a short-term strategy, the companies to be listed on the stock exchange are followed for the subscription in the previous private placement.

Past fund performance is no guarantee of future results!

Read the documents of incorporation before investing in this fund.

STK FINANCIAL AFIA SA

400423 Cluj-Napoca, Mihai Veliciu nr. 3, tel./fax 0264591982, www.stk.ro, office@stk.ro

Operator date cu caracter personal nr. 30711, Autorizația ASF nr. 94/28.03.2018

Nr. Reg. ASF PJR07¹AFIAA/120008, CIF 17772595, J12/2600/2005, Capital social: 913.724 lei

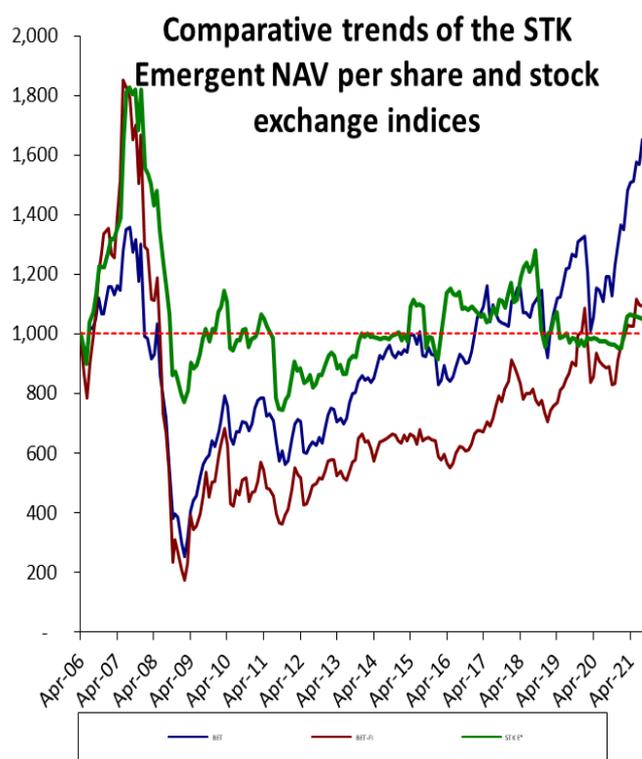
3. Changes in the NAV per share

On August 31, 2021, the STK Emergent net asset value per share stands at RON 102.08, decreasing by 0.25% compared to the level of the previous month.

The BET index of the Bucharest Stock Exchange reached the level of 12,436.67 points at the end of the month, varying by +5.19% in August; the highest increases were registered by the shares of TRP +22.7%, SNN +7.4%, SNP +6.3% and TLV +5.9%, while the shares of TGN and EL registered decreases of -5.9% and -8.3% during the month.

The BET-FI index of the financial sector registered in August a decrease of -0.48%, the five Financial Investment Companies and FP posting returns of between -5.80% and +5.20%.

Comparative chart of STK Emergent and the Bucharest Stock Exchange Indices between start-up and August 2021:



STK E*- NAV per share adjusted for dividends

From launch to the end of August, the net asset value per share registered a positive variation of 5.19%, the BET index increased by 67.04% and the BET-FI index by 11.23% over the same time frame.

4. Performance of the world stock exchanges

August was characterized by increases in the financial markets

The developed financial markets increased in July by an average of 4.05%, the mature capital market indexes recording the following returns: the Austrian ATX index +6.4%, the Polish WIG20 index, +6.7%, the American S&P500 index +5.4%, the French CAC40 index +2.6%, the British FTSE100 index +1.2%, the German DAX index +2.0%.

New maximum on the S&P500, of ~4500 points. Short positions on the S&P500 (median) are ~1.5% of the total number of shares, comparable only to those in the dot-com bubble. Analysts have raised the S&P 500 target price by 3.5% in the past month to about 4,900 points. Even if almost anything is possible, this scenario would involve a risk premium of only 2.3% compared to a range considered normal of 3-5%.

Emerging and frontier stock exchanges rose by an average of 5.88% in August, the stock exchanges in Czech Republic, India and Hungary registered substantial increases, of +11.4%, +9.7% and respectively +9.2%, while stock exchange in China fell by -1.3%.

Index	Country	2019*	2020**	YTD 2021***	August - 21****
ATX	Austria	16.1%	-12.8%	30.2%	6.4%
SOFIX	Bulgaria	-4.4%	-21.2%	27.9%	2.7%
PX	Czech Republic	13.1%	-7.9%	25.0%	11.4%
SSEC	China	22.3%	14.8%	1.2%	-1.3%
CAC40	France	26.4%	-6.3%	19.3%	2.6%
FTSE	UK	12.1%	-13.1%	8.6%	1.2%
DAX	Germany	25.5%	3.5%	15.4%	2.0%
BSE SENSEX	India	14.4%	15.7%	20.5%	9.7%
WIG 20	Poland	-5.6%	-7.7%	19.4%	6.7%
BET	Romania	35.1%	-1.7%	27.1%	4.7%
BET-FI	Romania	37.3%	-9.4%	19.8%	-2.1%
SP 500	USA	28.9%	15.5%	21.3%	5.4%
BUX	Hungary	17.7%	-8.6%	22.5%	9.2%
MOEX	Russia	29.1%	8.0%	19.4%	2.3%
ISE 100	Turkey	25.4%	29.3%	-0.5%	8.5%

*return between 12/31/2018-12/31/2019

** return between 12/31/2019-12/30/2020

*** return between 12/30/2020-08/31/2021

****last month return: 07/30/2021-08/31/2021

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