

STK Emergent monthly NAV report

March 2022

Fund profile: alternative investment fund (AIF) 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

ASF authorization: 232/15.11.2021, Reg.no. CSC09FIAIR/120013

Depository: BRD - GSG

1. Fund assets

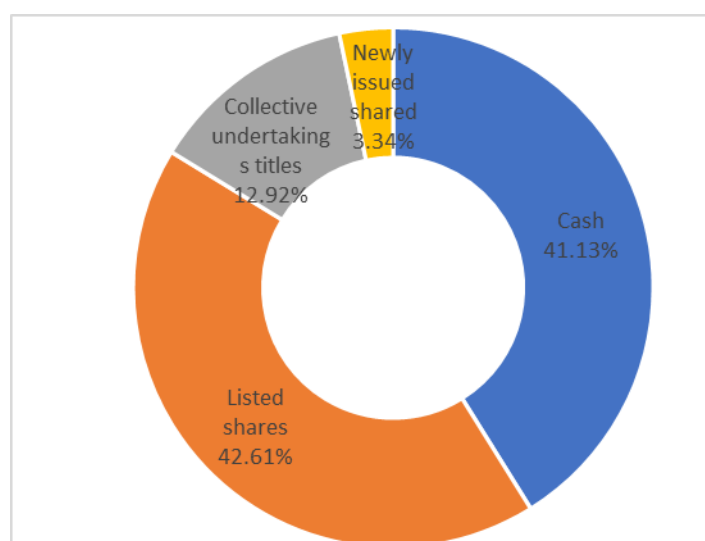
RON	February 2022	March 2022
Unlisted shares	37,840,961	37,840,961
Tradeable portfolio	31,793,121	30,460,526
<i>Listed shared</i>	19,139,261	12,773,552
<i>Bonds</i>	510,083	480,290
<i>Newly issued securities</i>	1,000,000	1,000,000
<i>Cash</i>	7,279,728	12,332,099
<i>Collective undertakings titles</i>	3,864,048	3,874,585
Payable dividends	351,171	351,171
Other liabilities	147,034	145,340
Net assets	69,135,877	67,804,976
NAV per unit	113.38	111.20

Fund holdings are recorded using the reference price of the traded shares on the last day of the month. 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 2021.

The unlisted shares stand for the 2 companies STK Properties and Emergent Real Estate, whose main asset is the approx. 2ha land in Buna Ziua where we intend to develop a real estate project, which is in the process of obtaining the PUZ (Zonal Urban Plan).

In March, STK Properties increased its share capital by 20% (approx. RON 3.5 mln) by means of a private offering that had been successfully concluded. In May, STK Properties shares (ticker: STKP) will be listed on the Bucharest Stock Exchange.

2. Tradeable portfolio



At the end of March, the Fund's tradeable portfolio holdings were valued at RON 30.46 mln, a decrease of 4% compared with February 2022. The weight of cash holdings (current accounts and deposits) has risen within the tradeable portfolio to 40% from 22% in February.

In March the stock exchange reached the 12-months low with the BET index as low as 10,964 points, down by 18% compared with the February high of 13,481 points. We interpreted the positive trend of the market in the second part of March as a *bear market rally* and, consequently, we reduced the exposure on shares.

Synchronizing with the market might bring about risks but, given the general market context (high prices in commodities, high inflation, successive interest rate increases by central banks and, on the top of all, the FED's plan to reverse the monetary policy by withdrawing USD 1.1 trillion from the market in the next 12 months), we see the risk of a downside trend on the stock exchanges as high.

3. Changes in the NAV per share

Compared with the previous month the NAV per unit fell by 1.9% to RON 111.2.

The BET index of the Bucharest Stock Exchange reached the level of 12,712 points by the end of the month, a slight decrease compared with February.

The BET-FI index of the financial sector fell by 2.83% to 50,612 points.

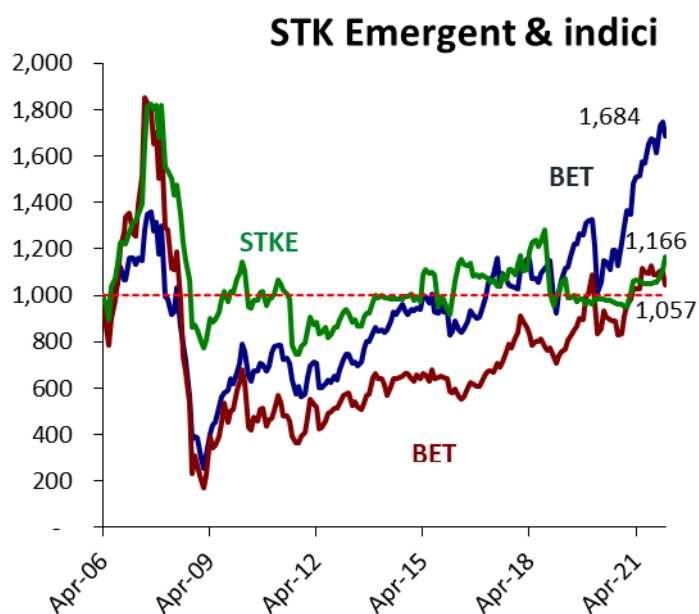
STK FINANCIAL AFIA SA

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

Comparative chart of STK Emergent and the Bucharest Stock Exchange Indices between start-up and March 2022:



STK E*- NAV per unit adjusted for dividends

From launch to the end of March the net asset value per unit registered a positive variation of 14.4%, the BET index increased by 68.4% and the BET-FI index by 7.3% over the same time frame.

Past fund performance is no guarantee of future results!
Read the documents of incorporation before investing in this fund.