

Board of Directors Report

3rd Quarter 2025

STK Emergent

1st Quarter Report in accordance with the **Law no. 24/2017, Regulation no. 15/2018**

Date of the report: **N o v e m b e r 1 4 , 2 0 2 5**

Issuing entity: **The STK EMERGENT alternative investment fund managed by STK FINANCIAL AFIA SA**

Headquarters: **Romania, 400423 Cluj - Napoca, 3 Mihai Veliciu Street, County of Cluj**

Telephone number: **0264 591 982**

Decision of the Financial Supervisory Authority (ASF): **no. 232/15.11.2021**

Registration number in the ASF Registry: **CSC09FIAIR/120013**

Subscribed and paid-in share capital: **RON 186,681,000**

The regulated market on which the issued securities are traded: **The Bucharest Stock Exchange**



1. Events with significant impact on Fund`s performance

The STK Emergent's financial results were impacted by the process of implementation of the Green Square real estate project, which represents the Fund's strategic investment.

In the 3rd quarter, more precisely in September, we obtained the building permit for the mixed project that will have a total built area of 58,000 sqm, out of which 36,500 are mixed overground building comprising a commercial center of 19,500 sqm built area (approximately 15,000 leasable) and 17,000 sqm residential area (209 dwelling units).

The process of obtaining the building permit was a complex one, quite long and dependent on external factors outside our control, so that its finalization is a turning point which gives us a clearer time horizon for the materialization of its economic potential in investors' interest. We estimate that horizon in 3 years time, namely at the end of 2028.

The prices on the real estate market are a factor which influences the economic results. According to the public data on the website **imobiliare.ro** the trend is constantly upward:



From July 2012 to October 2025 the sales prices of new apartments have been growing from 952 EUR/sqm to 3,205 EUR/sqm, at an annual average rate of 9.58%. At the same time, the BET index of the Bucharest Stock Exchange had an annual average return of 11.7% in EUR, slightly higher, but against a background of higher volatility.



2. Fund's Financial Position and Performance

The financial statements as of September 30, 2025 have been prepared in accordance with the Financial Supervisory Authority (ASF) Norm 39/2015 for the approval of the Accounting Regulations pursuant to the International Financial Reporting Standards (IFRS), applicable to entities authorized, regulated and supervised by the ASF in the Sector of Financial and Investment Instruments. The financial statements of STK Emergent fund have not been consolidated.

The financial statements as of September 30, 2025 have not been audited.

The Fund's Statement of Financial Position as of **September 30, 2025** compared with December 31, 2024 is as follows:

RON

In accordance with IFRS:	09/30/2025	Weighting (%)	12/31/2024	Weighting (%)	Var (%)
Non current assets					
Non-current financial assets measured at fair value through other comprehensive income	46,942,072	49.77%	48,339,067	54.56%	-2.89%
Current assets					
Current financial assets at fair value through profit or loss mandatorily measured at fair value	10,898,796	11.56%	8,082,296	9.12%	34.85%
Receivables from trading operations	-		-	-	
Cash and cash equivalents	36,471,902	38.67%	32,179,717	36.32%	13.34%
TOTAL ASSETS	94,312,770	100.00%	88,601,079	100.00%	6.45%
Equity	94,065,116	99.74%	88,365,726	99.73%	6.45%
Total current liabilities	247,654	0.26%	235,353	0.27%	5.23%
TOTAL LIABILITIES	94,312,770	100.00%	88,601,079	100.00%	6.45%

The post *Non-current financial assets measured at fair value through other comprehensive income* includes Fund's holdings in STK Properties SA and Emergent Real Estate SA. The price changes in STK Properties stock are recorded here.

The post *Current financial assets at fair value through profit or loss mandatorily measured at fair value* rose by 34.85% versus the end of the last year. The *Cash and cash equivalents* increased by 13.34% also due to the capital raise from January 2025.

The total assets of the Fund amounted to RON 94.3 million as of September 30, 2025, on the rise by 6.45% compared to the end of 2024.

The financial performance of the Fund as of September 30, 2025 compared to the same period of the last year is as follows:

In accordance with IFRS:	09/30/2025	09/30/2024	Var (%)
Net gains from current financial assets at fair value through profit or loss, mandatorily measured at fair value		1,112,393	n.a.
Dividend income	16,021	150,287	-89%
Interest income	754,459	609,084	24%
Net gains from foreign exchange differences	719,268	1,248	57544%
Total net Revenues	1,489,749	1,873,012	-56%
Net loss from disposed financial assets at fair value through other comprehensive income		-	n.a.
Net loss from disposed financial assets at fair value through other comprehensive income	201,819	-	n.a.
Management fees, bank charges, fees	1,969,895	1,813,750	8%
Net loss from foreign exchange differences			n.a.
Total net Expenses	2,171,713	1,813,750	8%
Net result of the 3rd quarter	-681,966	59,261	n.a.

The breakdown of net revenues is as follows: 48% net gains from foreign exchange differences, 51% interest income and 1% dividend income.

Management fees, bank charges and other fees, amounting to RON 1.9 million increased versus the first nine months of the previous year due to the rise in assets and the costs incurred by raising additional capital. The net losses from current financial assets come from the sale off of some Fund's investments and the net gains from foreign exchange differences are the result of exchanging an important part of Fund's financial resources into euros against the tensions and risks perceived by us during the elections.

The operational activity of the Fund in the first nine months of 2025 ended with a net loss of RON 682 thousand.

Attached to this report are:

Statement of Financial Position as of 09/30/2025

Statement of Profit or Loss and Other Comprehensive Income as of 09/30/2025

Notes to the Accounts

Chairman of the Board,
PASCU Nicolae