

STK Emergent Monthly NAV report

January 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	December 2020	January 2021
Unlisted shares	29,916,388	29,916,388
Tradeable shares portfolio	26,724,294	26,731,444
Shares	3,287,410	3,171,953
Cash	23,150,763	23,213,677
Collective undertaking titles	650,973	710,667
Other net assets	-364,853	-364,853
Other liabilities	131,277	122,265
Net assets	56,509,405	56,525,567
NAV per share	92.68	92.70

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

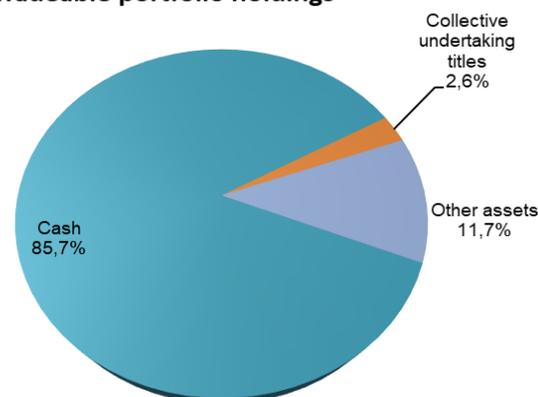
Fund holdings are recorded using the reference price of the shares traded on the last day of the month, and for the unlisted companies a fair value is used, from a valuation report made by an ANEVAR certified external valuator.

At the end of January, the tradeable shares portfolio was composed of 85.7% cash, 11.7% shares and 2.6% collective undertakings. *Other net assets* category includes the dividends payable by the Fund from previous years.

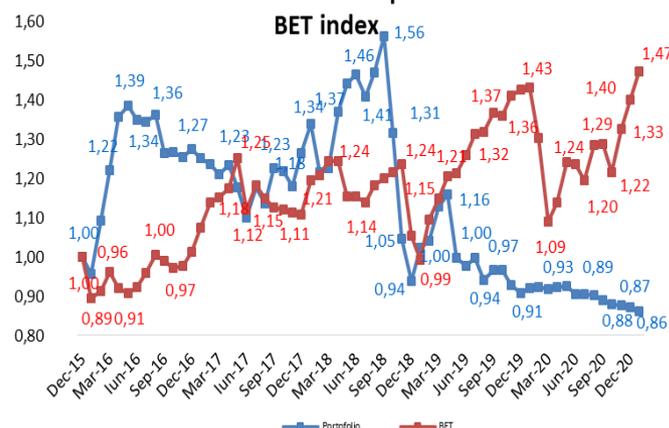
The ECB retains the monetary framework for the beginning of 2021 and does not make any substantial changes to monetary policy: the 1.85 trl.eur PEPP asset purchase program continues until March 2022, the standard QE program remains at 20 billion. eur / month, euro area banks can obtain long-term financing from the ECB at costs of up to -1% by June 2022.

2. Stock portfolio

Tradeable portfolio holdings



Performance of tradable portfolio and BET index



Liquidity infusions from the ECB and the FED as well as loans generated an upward trend based on demand and less on the evolution of companies' financial statements, so that trading multiples are very high compared to historical values. All these indicators signal risks and, for this reason, we have opted for cash at the time.

At the end of January, the Fund's net assets are valued at about RON 56.53 million, *slightly increasing by 0.03%* compared to the value reported at the end of December, 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!

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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

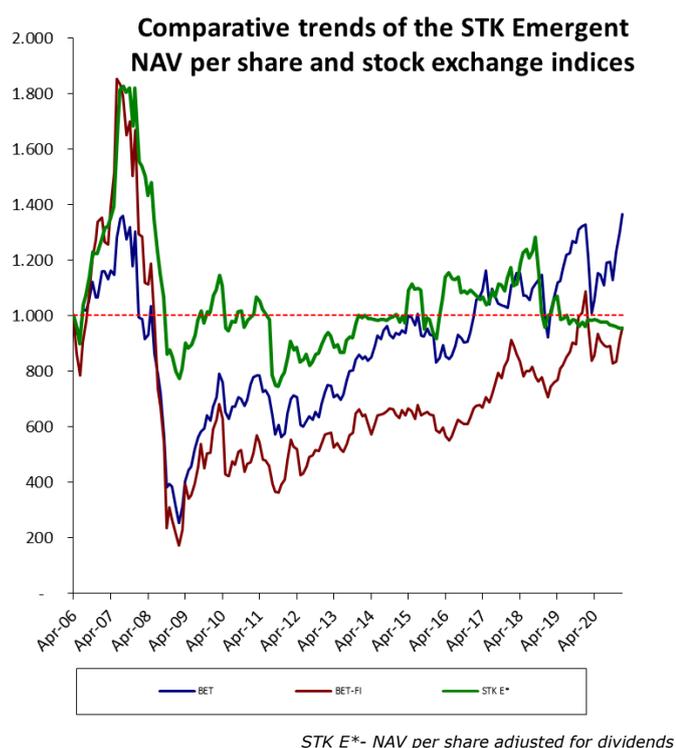
3. Changes in the NAV per share

On January 29, 2020, the STK Emergent net asset value per share stands at RON 92.70, slightly higher by +0.03% compared to the level of the previous month.

The BET index of the Bucharest Stock Exchange reached the level of 10,306.47 points at the end of the month, varying by 5.11% in January; the highest increases were registered by the shares of COTE +16.8%, SNN +14.8%, TEL +10.5% and SNG +10.0%, while the shares of SFG and M registered decreases of -0.3% and -4.9% during the month.

The BET-FI index of the financial sector registered in January an increase of +4.76%, the five Financial Investment Companies and FP posting returns of between +0.6% and +8.8%.

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



From launch to the end of January, the net asset value per share registered a *negative variation of 4.48%*, the BET index increased by 38.13%, and the BET-FI index decline by 2.71% over the same time frame.

4. Performance of the world stock exchanges

January was characterized by increases in financial markets

The developed financial markets decreased in January by an average of 1.06%, the mature capital market indexes recording the following returns: the Austrian ATX index 3.9%, the Polish WIG20 index, -1.8%, the American S&P500 index -0.5%, the French CAC40 index -3.6%, the British FTSE100 index -2.3%, the German DAX index -2.1%

Relatively stable period on major indices, with new historical highs on the S&P500. For the Q4 financial reporting season, the estimated annual decline for U.S. companies in profits is -7%, and the 12-month forward valuation based on P/E is 23x, up 30% and 40% above the average P/E on the latter 5 and 10 years. For European companies in STOXX600, the anticipated decline in profits in Q4 is -26% annually, and on sales -10% annually

Emerging and frontier stock exchanges rose by an average of 1.83% in January, the stock exchanges in Bulgaria and Romania registered substantial increases, of 11.6% and 5.1%, while the Indian stock market registered a negative return of -3.1%

Index	Country	2019*	2020**	YTD 2021***	Jan - 21****
ATX	Austria	16.1%	-12.8%	3.9%	3.9%
SOFIX	Bulgaria	-4.4%	-21.2%	11.6%	11.6%
PX	Czech Republic	13.1%	-7.9%	-1.0%	-1.0%
SSEC	China	22.3%	14.8%	-0.6%	-0.6%
CAC40	France	26.4%	-6,3%	-3.6%	-3.6%
FTSE	UK	12.1%	-13.1%	-2.3%	-2.3%
DAX	Germany	25.5%	3.5%	-2.1%	-2.1%
BSE SENSEX	India	14.4%	15.7%	-3.1%	-3.1%
WIG 20	Poland	-5.6%	-7.7%	-1.8%	-1.8%
BET	Romania	35.1%	-1.7%	5.1%	5.1%
BET-FI	Romania	37.3%	-9.4%	4.8%	4.8%
SP 500	USA	28.9%	15.5%	-0.5%	-0.5%
BUX	Hungary	17.7%	-8.6%	3.3%	3.3%
MOEX	Russia	29.1%	8.0%	-0.4%	-0.4%
ISE 100	Turkey	25.4%	29.3%	-0.4%	-0.4%

*return between 12/31/2018-12/31/2019
 ** return between 12/31/2019-12/30/2020
 *** return between 12/30/2020-01/29/2021
 ****last month return: 12/30/2020-01/29/2021