

STK Emergent

Board of Directors' Report

for the financial year 2023

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Annual Report in accordance with: **Law no. 24/2017 and ASF's Regulation no. 5/2018**

For the financial year: **2023**

Date of report: **25.04.2024**

Issuer: **STK EMERGENT managed by STK FINANCIAL AFIA SA**

Headquarters: **Cluj-Napoca, str. Mihai Veliciu nr. 3**

Phone no: **0264 591 982**

Decision of Financial Supervisory Authority (ASF): **nr. 20/16.03.2006**

Registration no with ASF Register: **CSC09FIAIR/120013**

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

Subscribed and paid-up share capital: **RON 146,340,600**

The main characteristics of the securities issued by STK Emergent: **731,703 fund units, registered, dematerialised, par value: RON 200 per fund unit**

1. Analysis of issuer's activity

1.1. a) Main activity

STK Emergent is an alternative investment fund whose main objective is raising funds from investors in order to invest them according to its documents of incorporation and the applicable legal framework, in investors' sole interest.

b) Establishment date of the fund

STK Emergent was set up at the initiative of the STK FINANCIAL S.A. Asset Management Company and through a private offering running between 03/20/2006 – 04/20/2006. Since November 2007 the fund had been transformed from a closed-end investment fund that privately raised resources into one that raised resources publicly. In September 2008 Fund was listed on the Bucharest Stock Exchange.

c) Description of any significant merger or reorganization of the issuer, its subsidiaries or companies controlled during the financial year

In November 15, 2021 STK Emergent was authorised by the Financial Supervisory Authority as an AIF of the closed -end type, with a diversified investment policy, those titles are distributed to retail investors.

d) Acquisitions and/or disposal of assets

The Fund has only financial assets. Compared to the end of 2022, the Fund's assets are as follows:

In accordance with IFRS:	2023	2022	Change ('23-'22)
Non current assets			
Fixed financial assets valued at fair value through other comprehensive income elements	46,748,312	44,549,051	2,199,262
Current assets			
Current financial assets valued at fair value through profit or loss, compulsorily valued at fair value	17,346,278	14,608,144	2,738,133
Receivables from trading operations	1	1	0
Cash and cash equivalents	20,654,295	19,976,839	677,456
Total Assets	84,748,886	79,134,035	5,614,851

-RON-

The value of fixed financial assets increased by RON 2.2 million due to the increase in the market value of the owned real estate companies.

Current financial assets at fair value through the profit or loss account, compulsorily valued at fair value, increased by to RON 2.7 million due to the increase in the market value of the portfolio. Cash availability increased to RON 20.6 million from RON 19.9 million at the end of 2022.

1.2. Elements of general valuation

The changes in the revenues and expenses for 2023 and 2022 are as follows:

	-RON-		
In accordance with IFRS:	2023	2022	Changes ('23-'22)
Net revenues	5,652,358	994,160	4,658,198
Net expenses	2,251,184	4,070,782	-1,819,598
Net result for the year	3,401,174	-3,076,622	<i>n/a</i>

The financial result, revenues and expenses of the Fund

In accordance with IFRS, the Fund ended 2023 with a net result of RON 3.4 million.

The net revenues, amounting to RON 5.65 million, includes earnings from traded financial instruments, as well as interest and dividend income.

Fund expenses are represented by the costs of fund management and trading.

Market share

At the end of 2023 STK Emergent had a market share of 4.84% of the alternative investment funds' market from Romania (without SIFs and FP), according to the statistics provided by the Association of Fund Managers from Romania (www.aaf.ro).

Liquidity

The amount of cash and cash equivalents (deposits and current accounts) of the Fund at December 31, 2023 was RON 20,654,295.

1.3. Risk management activity

a) Market risk

In order to estimate the market risk we use the annualized synthetic risk and return indicator (SRRI), which computes the volatility using the 5 previous years' weekly returns.

On 31 December 2023, the SRRI computed at the portfolio level was 26.55%, in accordance with the Fund's risk class.

b) Sensitivity analysis

A sensitivity analysis is performed in order to determine the effect of the market risk on the asset value, analysis in which the total value of the securities varies between -30% and +30% compared to the value at the reference date, the value of cash and bank deposits being held constant.

Sensitivity analysis 12/31/2023							
		-30%	-20%	-10%	10%	20%	30%
	Total value (RON)						
Securities	64,095,000	44,866,500	51,276,000	57,685,500	70,504,500	76,914,000	83,323,500
Current accounts	341,582	341,582	341,582	341,582	341,582	341,582	341,582
Bank deposits	20,312,713	20,312,713	20,312,713	20,312,713	20,312,713	20,312,713	20,312,713
Other assets	-409.14	-409	-409	-409	-409	-409	-409
TOTAL ASSETS	84,748,886	65,520,386	71,929,886	78,339,386	91,158,386	97,567,886	103,977,386
TOTAL DEBT	224,429	224,429	224,429	224,429	224,429	224,429	224,429
NET ASSETS	84,524,457	65,295,957	71,705,457	78,114,957	90,933,957	97,343,457	103,752,957
		-22.64%	-15.09%	-7.55%	7.55%	15.09%	22.64%

c) Credit risk

Bellow is presented the credit rating of the banks where the deposits are or cash is held in current accounts, and the exposure concentration for each bank is calculated as a percentage of the total exposure as of 12/31/2023.

Bank	Rating	Cash held in current accounts (RON)	Bank deposits	Total exposure	Concentration
BRD	BBB+	239,531	14,724,185	14,963,717	72.45%
Libra Internet Bank	BB-	3,073	60,690	63,763	0.31%
Banca Transilvania	BB+	79,596	5,527,837	5,607,433	27.15%
TechVentures Bank	n.a.	19,382	0	19,382	0.09%
Total		341,582	20,312,713	20,654,295	100%

d) Liquidity risk

The liquidity risk management is performed globally, by monitoring the liquidity risk limits such as the ratio of current exposure to current liquidity is less than 3.5, respectively holdings can be liquidated in a maximum of 3.5 days.

	12/31/2023
1 Current exposure (2) - (3)	32,438,992
2 Net assets	84,748,886
3 Assets with limited liquidity	52,309,894
4 Current liquidity (5) + (6) + (7) + (8)	37,354,327
5 Current liquidity for listed stocks	16,700,032
6 Current liquidity for financial instruments not admitted to trading	0
7 Current liquidity for deposits	20,312,713
8 Current liquidity for cash	341,582
9 Current exposure/Current liquidity	0.8684

On December 31, 2023, the Current exposure/ Current liquidity indicator was 0.8684, which is within the permissible liquidity limit.

e) Sustainability risks

Sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. (Reg UE 2088/2019, art. 2 pct. 22)

Sustainability risks and the result of the valuation of their impact on AIF return

AIFM has carried out a study that analyzed the correlation between ESG ratings and the returns of the companies in Stoxx 600 Europe index for periods of 3, 6, 9 months and 1 year. The data was considered quarterly, for 1 year, i.e. the price listings of 150 companies in Stoxx 600 Europe index, taken in alphabetical order. According to the calculated regressions, the coefficient of determination is insignificant, thus proving that the return of the share depends on ESG in a very small proportion. In other words, other factors impact on the return of the stocks. The study also analyzed the impact on a sector level, where, again, a correlation could not be established.

The data on which the study is based will be further monitored and periodically updated (also for the Romanian stock exchange, when ESG scores will be made available).

Based on the available data, the study made by the AIFM on the impact of the sustainability risks on the returns of the AIF's investments, showed that there is no correlation between the ESG scores and the returns of the financial assets, thus the sustainability risks are not relevant and do not impact on the AIF's return.

Taking into account the adverse impacts of the investment decisions on the sustainability factors

The AIFM does not take into account the potential adverse impacts of the investment decisions taken for the managed AIFs on the sustainability factors due to the following reasons:

- The incorporation documents and the AIF's by-laws specify the types of eligible assets the funds can invest in. The investments are made in accordance with the investment strategy and the declared risk profile.
- The AIFs managed by STK Financial AFIA do not have as objective to make sustainable investments and do not promote environmental or social features.

1.4. Outlook on issuer's activity

- a) Presentation and analysis of trends, events or uncertainties affecting or likely to affect the liquidity of the company as compared to the same period of the previous year

At the end of 2023, the fund's liquidity amounted to RON 20.6 million, an increase of 3.3% compared to the previous year. In the future, the fund's liquidity will be influenced by the trends of the capital market and the decisions regarding making new investments or disinvestments.

-RON-

In accordance with IFRS:	2023	2022	2023 vs 2022
Cash and cash equivalents	20,654,295	19,976,839	X.3times

- b) Presentation and analysis of the effects of current and anticipated capital expenditures on the financial position of the company compared to the same period last year

Not applicable. The Fund does not record capital expenditures due to its object of activity.

- c) Presentation and analysis of the events, transactions and economic changes that significantly affect earnings from core business

The fund's revenues and profit were influenced by the trend of the capital and the real estate market. Both the stock market and the real estate market registered increases, thus revenues were recorded from the sales of shares, from the market marking of the portfolio held at the end of the year, as well as from the revaluation of the investment in the Green Square real estate project.

In 2023, we obtained the PUZ for the real estate project, which had a positive contribution to the revaluation of the fund's holdings by 5%, in absolute amount approximately RON 2.2 million.



The upward trend of the BET index allowed the growth of the tradable portfolio by RON 3.4 million, +10%, even if we kept part of the resources in liquidities.

In our opinion, the influencing factors highlighted for 2023 will have a significant impact on the fund's results in 2024 as well.

During the reporting period, the Fund did not have any Securities Financing Transactions (SFTs) or total return swap operations (information according to Article 13(1) (b) of Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012).

2. Company's tangible assets

STK Emergent did not hold any tangible assets as of December 31, 2023.

3. The stock market of the securities issued by STK Emergent

The specification of the market on which the securities are traded

The Fund units issued by STK Emergent are traded on the Bucharest Stock Exchange starting with September 22, 2008. On December 31, 2023, 731,703 fund units with a nominal value of RON 200 were in circulation.

The value of transactions with STK Emergent units in 2023 was approx. RON 1.43 million; On December 31 2023, the Fund's market capitalization was RON 45,365,586 million.

Fund's dividend policy

The dividend policy is governed by the Fund's by-laws, **chapter 10. Dividend policy.**

Accordingly, the AIFM may decide quarterly to distribute dividends cash or by issuing bonus Fund Units. The source of dividend is the net gain realized by the Fund in the reporting period for which the dividend is granted.

Dividend policy in the last 3 years

In 2021 the Fund distributed a gross dividend of RON 2/fund unit.

In 2022 the Fund did not distribute any dividends.

For the year 2023, the Fund will not distribute dividends.

Description of any acquisition activities of its own fund units

During 2023, the Fund did not carry out any activities to acquire its own fund units.

STK Properties SA, a 83.33% company owned by STK Emergent, has no fund units on December 31, 2023.

Emergent Real Estate SA, a 99.99% company owned by STK Emergent, had 117,016 fund units on December 31, 2023.

4. The Management of STK Emergent

4.1. Fund management

The fund manager is the STK Financial AIFM SA in accordance with the incorporation documents of STK Emergent. The duration of the management contract concluded between the AIFM and the Fund is indefinite.

The Board of Directors of STK Financial AIFM SA is composed of 3 members. The list of the members of the Board of Directors is as follows:

- Nicolae PASCU - Chairman
- Prof. Dr. GAVRILETEA Marius-Dan - Member
- Adrian ROȘIANU – Member

Details regarding the Board members are available on: <https://www.stk.ro/stk-financial/echipa-manageriala/>.

There have not been any agreements or family relationships between board members and other persons who led to the appointment of board members in this position.

As of 12/31/2023, STK Financial AIFM SA held 20,385 fund units.

The affiliated entities are STK Financial AIFM SA, STK Properties SA and Emergent Real Estate SA. The holdings of their fund units were previously stated.

4.2. Executive management

Company's managers lead and coordinate the daily work of the company in accordance with the statutory bodies' decisions to conduct the company's business in good working order. In 2023 the company's executive directors were Mr. Nicolae Pascu and Mrs. Cristina Pascu.

As of 12/31/2023, the management and the persons close to them held 73,483 fund units.

Litigation or administrative proceedings involving the fund manager or members of the executive management over the past 5 years relating to their activity within the issuer

N/a.

5. The financial -accounting position

5.1. Statement of financial position

The changes in the main elements of the STK Emergent Statement of Financial Position over the last 3 financial years are as follows:

In accordance with IFRS::	2023	(%)	2022	(%)	2020	(%)	-RON- 2023 vs 2022
Non current assets							
Fixed financial assets valued at fair value through other comprehensive income elements	46,748,312	55.16%	44,549,051	56.30%	37,840,961	54.49%	4.94%
Current assets							
Current financial assets valued at fair value through profit or loss (held for trading), compulsorily valued at fair value	17,346,278	20.47%	14,608,144	18.46%	24,620,440	35.45%	18.74%
Receivables from trading operations	1	0%	1	0%	239,027	0%	0%
Cash and cash equivalents	20,654,295	24.37%	19,976,839	25.24%	6,744,085	9.71%	3.39%
TOTAL ASSETS	84,748,886	100.00%	79,134,035	100.00%	69,444,512	100.00%	7.10%
Equity	84,524,457	99.74%	78,924,022	99.73%	68,951,160	99.29%	7.10%
Total current liabilities	224,429	0.26%	210,013	0.27%	493,352	0.71%	6.86%
TOTALLY PASSIVE	84,748,886	100.00%	79,134,035	100.00%	69,444,512	100.00%	7.10%

The fixed financial assets valued at fair value through other elements of the comprehensive result mainly include securities held in STK Properties SA and Emergent Real Estate SA.

In May 2022, STK Properties SA was listed on the Bucharest Stock Exchange, AERO market, so it is valued at market value.

For Emergent Real Estate, a fair value is used given by a valuation report made by an ANEVAR certified external valuator. In the financial statements presented above, the fair value of these securities as of 12/31/2023 was updated based on the last valuation report prepared during February 2024.

On December 31, 2023 this position was 4.94% higher than at the end of the previous year due to the increase in the market value of these companies.

Current financial assets valued at fair value through profit or loss, compulsorily valued at fair value, in the amount of RON 17.3 million, represented on the last day of 2023 a share of 20.47% of the asset, 18.74% less than at the end of the year 2022. Cash availability increased to RON 20.65 million.

The increase in equity by 7.10% to RON 84.5 million at the end of 2023 from approximately RON 79 million on December 31, 2022, was due to the positive result obtained from trading and from the revaluation of fixed financial assets.

5.2. Statement of Profit or Loss

The revenues and expenses of the Fund over the past 3 years were as follows:

In accordance with IFRS:	31.12.2023	31.12.2022	31.12.2021	Var '23 vs'22 (%)
Net profit from current financial assets valued at fair value through profit or loss, mandatorily valued at fair value	4,761,603	-	5,854,743	n.a.
Dividend income	121,880	65,587	143,422	86%
Interest income	741,008	577,402	9,731	28%
Net gain from foreign exchange differences	27,867	-	444,672	n.a.
Other operating revenues	-	351,171	-	n.a.
Total net Revenues	5,652,358	994,160	6,452,568	469%
Net loss from current financial assets measured at fair value through profit or loss, mandatorily measured at fair value	-	2,045,627	-	n.a.
Management fees, bank charges, fees	2,251,184	2,024,151	1,930,978	11%
Net loss from foreign exchange differences	-	1,003	-	n.a.
Total net Expenses	2,251,184	4,070,782	1,930,978	-45%
Net result of the financial year	3,401,174	(3,076,622)	4,521,590	n.a.
Other elements of the overall result	2,199,262	6,708,090	4,861,738	-67%
Positions that will be reclassified to the profit or loss account:				
Change in the fair value of fixed financial assets valued at fair value through other elements of the comprehensive result	2,199,262	6,708,090	4,861,738	-67%
Total overall result for the period	5,600,436	3,631,468	9,383,328	54%

At the end of 2023 the Fund's net revenues were approx. RON 5.7 million, including earnings from trading activity, as well as income from interest and dividends.

The securities in the portfolio generated dividends in the amount of RON 0.121 million, and cash availability brought interest of RON 0.7 million, significantly higher than in previous years, against the background of maintaining high interest rates in 2023.

The net result of RON 4.76 million from the traded financial instruments comes from the value adjustments of the financial instruments in the portfolio, 2023: RON 4,963,802 (compared to 2022: -1,941,624 and 2021: RON 4,414,246) as well as from their trading, 2023: RON - 271,039 (compared to 2022: 657,143 and 2021: RON 1,360,497), and from the gains obtained from the allocation of bonus shares from the share capital increases of the companies in the portfolio in the amount of RON 68,840.

The operational expenses of the Fund were of RON 2.25 million, higher by 11% than the previous years.

Exchange rate differences were insignificant during 2023.

An increase of RON 2.19 million was obtained from the change in the market value of fixed financial assets (real estate companies). Thus, the Fund ended 2023 with an overall result for the period of RON 5.6 million.

5.3. Statement of Cash Flow

The cash flows of the Fund over the past 3 years are as follows:

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In accordance with IFRS:	2023	2022	2021	2023 vs 2022
Interest received	741,008	577,402	9,653	28.33%
Dividends received	146,168	100,875	164,025	44.90%
Proceeds from the sale of current financial assets (shares)	11,213,917	14,467,696	23,661,691	-22.49%
Payments for purchases of current financial assets	(8,620,108)	(6,332,528)	(38,797,376)	36.12%
Payments for Fund management	(1,917,816)	(1,695,066)	(1,473,076)	13.14%
Payments for other operational expenses	(910,917)	(268,927)	(364,737)	238.72%
Net cash flow from operating activities	652,253	6,849,452	(16,799,819)	-90.48%
Proceeds from fund unit issues	-	7,560,900		n/a
Dividends paid to unit holders	-	(1,140,753)	(13,682)	n/a
Tax on dividends paid	(2,664)	(35,841)	-	n/a
Cash flow from financing activities	(2,664)	6,384,306	(13,682)	n/a
Net increase/(decrease) in cash and cash equivalents	649,589	13,233,758	(16,813,501)	-95.09%
Cash and cash equivalents as of 1st January	19,976,839	6,744,085	23,150,763	196.21%
Impact of exchange rate changes on cash and cash equivalents	27,867	(1,003)	406,822	n/a
Cash and cash equivalents at end of period	20,654,295	19,976,839	6,744,084	3.39%

At the end of 2023, the net cash flow from operating activities was positive, of RON 0.65 million. Payments for the purchase of securities for trading were RON 8.6 million, 36% higher than the previous year.

Cash and cash equivalents at the end of 2023 were 3.39% higher than at the end of 2022.

6. Remuneration policy

Information on the remuneration policy of STK Financial AIFM SA. Amount of remuneration for the financial year 2023

For the financial year 2023, the total amount of remuneration, broken down into fixed remuneration and variable remuneration, paid by STK Financial AIFM SA to its staff and the number of beneficiaries is presented in the table below:

No.	Indicators/Gross Amounts	Amounts related to the activity carried out in 2023	Amounts actually paid during 2023	Amounts to be paid during 2024 or postponed	Number of beneficiaries
1.	Remuneration paid to all AIFM staff including outsourced functions	700,330	700,330	-	14
	Fixed remuneration	700,330	700,330	-	14
	Variable remuneration, excluding performance fees, of which	-	-	-	-
	Cash	-	-	-	-
	Other forms (with separate indication of each category)	-	-	-	-
	Variable remuneration representing performance fees	0	0	0	0
2.	Remuneration paid to the identified AIFM staff (including outsourced functions)				
A.	Members of the Board of Directors, of which	91,912	91,912	-	3
	Fixed remuneration	91,912	91,912	-	3
	Variable remuneration, excluding performance fees, of which	0	0	0	0
	Cash	0	0	0	0
	Other forms (with separate indication of each category)	0	0	0	0
	Variable remuneration representing performance fees	0	0	0	0
B.	Directors, of which	39,842	39,842	-	2
	Fixed remuneration	39,842	39,842	-	2
	Variable remuneration, excluding performance fees, of which	0	0	0	0
	Cash	0	0	0	0
	Other forms (with separate indication of each category)	0	0	0	0
	Variable remuneration representing performance fees	0	0	0	0
C.	Staff with control responsibilities (compliance, risk management, internal audit)	192,533	192,533	-	3
	Fixed remuneration	192,533	192,533	-	3
	Variable remuneration, excluding performance fees, of which	0	0	0	0
	Cash	0	0	0	0
	Other forms (with separate indication of each category)	0	0	0	0
	Variable remuneration representing performance fees	0	0	0	0
D.	Other staff than those indicated in letter A-C above, included in the category of identified staff	243,312	243,312	-	3
	Fixed remuneration	243,312	243,312	-	3
	Variable remuneration, excluding performance fees, of which	0	0	0	0
	Cash	0	0	0	0
	Other forms (with separate indication of each category)	0	0	0	0
	Variable remuneration representing performance fees	0	0	0	0

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

In 2023 STK Financial AIFM SA did not pay any variable remuneration or performance fee to its staff.

The remuneration was paid by observing the remuneration principles established by the company in accordance with the legal provisions and the organization by-laws. No deficiencies/flaws were found.

The fixed remuneration reflects the requirements of the position and corresponds to the position held in the AIFM.

Variable remuneration is established on the basis of an assessment based on quantitative and qualitative performance criteria. The quantitative criteria represent the evolution of the managed AIF assets as well as other performance indicators established by the Company's management. The qualitative criteria concern the way of fulfilling the attributions assigned through the job description, personal competencies, the contribution to the team's performance, the observance of the procedures and internal rules of the AIFM.

There is an appropriate balance between the fixed and the variable component of total remuneration and the fixed component represents a sufficiently large percentage of total remuneration to allow for a flexible policy on the variable components of remuneration, including the possibility of non-payment of a variable component of remuneration. Thus, the annual variable remuneration may not exceed the annual fixed remuneration for any of the categories of AIFM employees.

Where applicable, variable remuneration is paid by the AIFM to its personnel out of the management/performance fee charged by the AIFM on the basis of the above-mentioned assessment.

In order to avoid conflicts of interest, non-executive members of the Board of Directors and control functions will not receive variable remuneration. However, they may receive an annual bonus which depends on the fulfillment of the objectives related to the duties of their job and independent of the performance of the operational units they control.

The remuneration policy of STK Financial AIFM SA is developed in accordance with the provisions of Law no. 74/2015, of Law no. 29/2017 and ESMA Guidelines. Since the of adoption of the remuneration policy, no significant changes have been made. The general principles of the remuneration policy can be consulted by investors on the AFIA website.

For the financial year 2023, the Fund did not pay performance fees to the Management Company.

Signatures

Nicolae PASCU
Chairman of the Board
STK Financial AFIA SA

STATEMENT OF FINANCIAL POSITION

Dec-23

RON	Note	31-Dec-23	31-Dec-22
Non current assets			
Fixed financial assets valued at fair value through other comprehensive income elements		46,748,312	44,549,051
Financial investments evaluated at fair value through other elements of the overall result			
Current assets			
Current financial assets valued at fair value through profit or loss (held for trading), compulsorily valued at fair value		17,346,278	14,608,144
Receivables from trading operations		1	1
Cash and cash equivalents		20,654,295	19,976,839
TOTAL ASSETS		84,748,886	79,134,035
Capital regarding fund units		146,340,600	146,340,600
Issue premiums		-6,825,967	6,825,967
Reserves		22,144,437	19,945,175
Retained earnings from transition to IFRS		(32,498,316)	(32,498,316)
Reported result		(48,037,471)	(44,960,849)
Result related to the period		3,401,174	(3,076,622)
Equity		84,524,457	78,924,022
Debts to fund unit holders		40,248	42,912
Other debts		184,181	167,101
Total current liabilities		224,429	210,013
TOTAL LIABILITIES		84,748,886	79,134,035
NET ASSET VALUE (TOTAL ASSETS-CURRENT LIABILITIES)		84,524,457	78,924,022
NET ASSET VALUE PER UNIT		115.52	107.86

Number of fund units: 731,703 731,703

Chairman of the Board,
 PASCU NICOLAE
 Signature

Expert Accountant,
 OPREAN VICTOR-BOGDAN
 Signature

STATEMENT OF PROFIT OR LOSS

Dec-23

RON	Note	31-Dec-23	31-Dec-22
Income			
Net profit from current financial assets valued at fair value through profit or loss, mandatorily valued at fair value		4,761,603	
Dividend income		121,880	65,587
Interest income		741,008	577,402
Net gain from foreign exchange differences		27,867	-
Other operating revenues		-	351,171
Total net Revenues		5,652,358	994,160
Costs			
Net loss from current financial assets measured at fair value through profit or loss, mandatorily measured at fair value		-	2,045,627
Fund administration expenses		1,933,404	1,717,815
Custody expenses and related to regulatory bodies		244,657	249,505
Expenses related to transactions		40,457	34,925
Other expenses		32,666	21,906
Net loss from foreign exchange differences		-	1,003
Total net Expenses		2,251,184	4,070,782
Net result of the financial year		3,401,174	-3,076,622
Other elements of the overall result			
<i>Positions that will be reclassified to the profit or loss account:</i>			
Change in the fair value of fixed financial assets valued at fair value through other elements of the comprehensive result		2,199,262	6,708,090
Total overall result for the period		5,600,436	3,631,468
Result per unit			
Basic		4.6483	-4.2047
Diluted		4.6483	-4.2047

Number of fund units: 731,703 731,703

Chairman of the Board,
 PASCU NICOLAE
 Signature

Expert Accountant,
 OPREAN VICTOR-BOGDAN
 Signature

STK EMERGENT MANAGED BY STK FINANCIAL AFIA SA
 Cluj-Napoca, Mihai Veliciu nr 3, Jud. Cluj, Tel. 0264-591982
 ASF Decision no. 232/15.11.2021

STATEMENT OF CASH FLOW

Dec-23

<i>Note</i>	31-Dec-23	31-Dec-22
Cash flow from operational activities		
Interest received	741,008	577,402
Dividends received	146,168	100,875
Proceeds from the sale of current financial assets (shares)	11,213,917	14,467,696
Proceeds from the sale of securities held for trading AIF	-	-
Payments for purchases of current financial assets	-8,620,108	-6,332,528
Payments for Fund management	-1,917,816	-1,695,066
Payments for other operational expenses	-910,917	-268,927
Net cash flow from operating activities	652,253	6,849,452
Net cash flow from financing activities		
Proceeds from fund unit issues	0	7,560,900
Dividends paid to unit holders	0	-1,140,753
Tax on dividends paid	-2,664	-35,841
Cash flow from financing activities	-2,664	6,384,306
Net increase/(decrease) in cash and cash equivalents	649,589	13,233,758
Cash and cash equivalents as of 1st January	19,976,839	6,744,085
Impact of exchange rate changes on cash and cash equivalents	27,867	-1,003
Cash and cash equivalents at end of period	20,654,295	19,976,839

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STATEMENT OF MODIFICATION OF OWNER'S CAPITAL

Dec-23

<i>RON</i>	31-Dec-23	31-Dec-22
Balance as of 1st January the beginning of the reporting period	78,924,022	68,951,160
Increase/(Decrease) in equity	5,600,436	9,972,862
Balance as of 31 December the end of the reporting period	84,524,457	78,924,022

Chairman of the Board,
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