



Stack Capital Group Inc. Reports Q3-2021 Financial Results

TORONTO, Nov. 11, 2021 /CNW/ - Stack Capital Group Inc., ("Stack Capital" or the "Company") (TSX: STCK) (TSX: STCK.WT) an investment holding company seeking to generate long-term capital appreciation through investments into growth-to-late-stage private businesses, today announces its financial results for the quarter ending September 30, 2021 ("Q3-2021"). Stack Capital reports all amounts in Canadian Dollars unless otherwise stated.

Q3-2021 Highlights

- As at September 30, 2021, the Book Value of the Company was \$102.3 million, and the Book Value per Share was \$11.25. A detailed summary of Book Value per Share is as follows:

Breakdown of Book Value per Share:	
Cash	\$ 9.05
Investment - Varo Money, Inc.	\$ 0.71
Investment - FNEX Ventures LLC - Series 103 (SpaceX)	\$ 0.72
Investment - Bolt Financial, Inc.	\$ 0.84
Net other assets	\$ (0.07)
Book Value per Share	\$ 11.25

- Stack Capital completed its inaugural portfolio investment into Varo Money, Inc. ("Varo"), purchasing common shares in their Series E financing which had a fair value of \$6.5 million at quarter end. Based in San Francisco, California, Varo is the first all-digital bank in the United States to secure a national bank charter allowing it to offer more products, including loans, to its clients. Varo's mobile first structure, with no physical branches, lowers the cost to serve and enables the company to operate without charging its clients overdraft fees, or requiring minimum monthly balances, representing a competitive advantage over traditional financial service providers.
- Stack Capital invested in Bolt Financial, Inc. ("Bolt"), which had a fair value of \$7.7 million at quarter end. More specifically, Series D preferred shares were purchased, with a fair value of \$2.6 million; in addition to a convertible debenture yielding 3% per annum, maturing September 24, 2023, with a fair value of \$5.1 million. Bolt is a global leader in the one-click checkout process and has successfully created a platform that connects thousands of retailers with millions of shoppers in a unified network, simplifying the online buying process for both. As a registered shopper, purchases are more efficient with no repeat logins and passwords required; additionally, Bolt has integrated fraud prevention into its solution, highlighted by its ability to cover all chargebacks for each retailer on its platform.
- Limited partnership units of FNEX Ventures LLC – Series 103 were purchased, with a fair value of \$6.5 million. The limited partnership derives substantially all of its value from its underlying position in Space Exploration Technologies Corp. ("SpaceX"), one of the largest private technology companies in the world, led by Elon Musk. SpaceX currently operates three main business lines which include space transportation, space tourism, and Starlink – its global satellite constellation system which delivers internet service to areas that are unserved or underserved.

"We're very excited about the portfolio investments that were completed over the past several weeks and believe that Varo, Bolt and SpaceX exemplify the type of innovative and disruptive growth and late-stage private businesses that Stack Capital seeks to invest in", said Jeff Parks, CEO of Stack Capital. "We continue to evaluate several interesting opportunities on behalf of shareholders

and look forward to announcing our next portfolio investments."

About Stack Capital

Stack Capital is an investment holding company and its business objective is to invest in equity, debt and/or other securities of growth-to-late-stage private businesses. Through Stack Capital, shareholders have the opportunity to gain exposure to the diversified private investment portfolio; participate in the private market; and have liquidity due to the listing of the Common Shares and Warrants on the TSX. At the same time, the public structure also allows the Company to focus its efforts on maximizing long-term performance through a portfolio of high growth businesses, which are not widely available to most Canadian investors. SC Partners Ltd. (the "Manager") has taken the initiative in creating the Company and acts as the Company's administrator and is responsible to source and advise with respect to all investments for the Company.

Non-IFRS Financial Measures

This press release may make reference to the following financial measures which are not recognized under International Financial Reporting Standards ("IFRS"), and which do not have a standard meaning prescribed by IFRS:

- **Book Value** - the aggregate fair value of the assets of the Company on the referenced date, less the aggregate carrying value of the liabilities, excluding any deferred taxes if applicable, of the Company; and
- **Book Value per Share** - the Book Value on the referenced day divided by the aggregate number of Common Shares that are outstanding on such day.

The Company's Book Value per Share is a measure of the performance of the Company as a whole. The Company's method of determining this financial measure may differ from other issuers' methods and, accordingly, this amount may not be comparable to measures used by other issuers. This financial measure is not a performance measure as defined under IFRS and should not be considered either in isolation of, or as a substitute for, net earnings per share prepared in accordance with IFRS.

Cautionary Note Regarding Forward-Looking Information

This press release contains forward-looking information. Such forward-looking statements or information are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes. Any such forward-looking information may be identified by words such as "proposed", "expects", "intends", "may", "will", and similar expressions. Forward-looking information contained or referred to in this press release includes, but may not be limited to, the exit conditions of the TSX Sandbox; and the business of Stack Capital and the risks associated therewith, including those identified in the Prospectus under the heading "Risk Factors".

Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information, but which may prove to be incorrect. Although Stack Capital believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Stack Capital can give no assurance that such expectations will prove to be correct. Factors that could cause actual results to differ materially from those described in such forward-looking information include, but are not limited to, the ability to capitalize on investment opportunities. The forward-looking information in this press release reflects the current expectations, assumptions and/or beliefs of Stack Capital based on information currently available to Stack Capital.

Any forward-looking information speaks only as of the date on which it is made and, except as may

be required by applicable securities laws, Stack Capital disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events, or results or otherwise. The forward-looking statements or information contained in this press release are expressly qualified by this cautionary statement.

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