

May 2014

**Fund Description**

<b>Investment strategy:</b>	equity, sub-debt
<b>Investment objective:</b>	aims to generate consistent yearly returns through investing into the projects with long term off-take agreements, proven technology and strong contractor guarantees
<b>Primary investment focus:</b>	renewable energy projects <ul style="list-style-type: none"> <li>- PV solar plants</li> <li>- Wind farms</li> <li>- Small hydro power plants</li> <li>- Waste-to-energy facilities</li> <li>- Combined heat &amp; power production</li> <li>- Biogas power plants</li> <li>- Biomass facilities</li> </ul>
<b>Region Focus:</b>	CEE

**Fund Facts**

<b>Fund type</b>	open-end fund
<b>Currency classes</b>	EUR, CZK
<b>Base currency of the class</b>	EUR
<b>Inception date of the fund</b>	29th January 2013
<b>ISIN</b>	CZ0008474053
<b>AUM</b>	20,995 mil.EUR
<b>Strategy capacity</b>	EUR 170 m
<b>Minimum subscription</b>	EUR 125,000
<b>Subsequent minimum subscriptions</b>	EUR 10,000

**Dealing day**  
First business day of each month

**Subscriptions**  
monthly

**Redemptions**  
12 months lock up, after that quarterly with 90 days notice

**Investment manager and sponsor fees\***  
1.95%

**Data sources**  
AVANT investiční společnost a.s.

**\*Excludes administration and custodian fee - please see Prospectus for further details on fees.**

**A performance fee of 30% above IRR 11% net of fees is levied on the appreciation of the Net Asset Value of the fund adjusted for**

**Manager commentary as 31st of May 2014**

Portfolio:

Portfolio Performance in May has achieved positive 0,57% m-t-m result. The fund performance heads towards achieving 8-9% p.a. planned yield performance net of fees. As the fund yield do not correlate with shares or bonds market performance, the fund represent a very stable portion of the yield structure in the investor's portfolios.

5,2 MW solar PV plant acquisition in Slovakia continues. Parallel to this, due diligence process of 4 biomass plants with total installed capacity of 3,5 MW in Slovakia continues.

1H 2014 Actual vs energetic audit planned production of the assets, has reached positive +8% overproduction.

Pipeline of the fund for upcoming 3rd - 4th Quarter 2014, consists of 20 MW of diverse solar, biomass and co-generation projects in Czech and Slovak republic.

Investors:

Distribution process of the Fund shares continues. Supported by the fact that the performance of the fund is easy to forecast and not influenced by any issues coming from the share and bond markets.

Next retail chains and partners under negotiations: mainly Association of Pension funds and Asset management companies in Czech republic, Family Offices in Czech republic, Aegon, Schelhammer&Schatter, ZPF Akademie, Swiss Life, Partners CR, Broker Consulting, ERSTE Premier, Societe generale, CP IP etc ....

Fund performance *		year	I.	II.	III.	IV.	V.	VI.	VII.	VIII.	IX.	X.	XI.	XII.	yearly **
share price	EUR	2013	-	-	-	-	-	0,0991	0,1001	0,1011	0,1017	0,1020	0,1025	0,1029	
		2014	0,1033	0,1037	0,1042	0,1048	0,1054								
performance	%	2013	-	-	-	-	-	-	1,01%	1,00%	0,59%	0,29%	0,49%	0,49%	7,67%
		2014	0,39%	0,39%	0,48%	0,58%	0,57%								5,78%

\* net of Sponsor and Investment manager fees  
\*\* annualized performance

**Fund performance - cumulative as of 6/2013 – not annualized**



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The price of Shares may go down as well as up and the price will depend on fluctuations in financial markets outside NOVA fund's control, as a result an investor may not get back the amount invested. Past performance is not indicative of future performance.

Reference to a security is not a recommendation to buy or sell that security. Holdings and allocations are subject to change. Prices quoted refer to accumulation Shares unless otherwise stated. Historic data may be subject to restatement from time to time.

### Electricity may get cheaper, they pay less for renewable resources

#### Reducing the purchase prices of electricity made from renewable resources will also allow for the reduction of electricity end prices for consumers.

BRATISLAVA. The purchase price of electricity made from renewable energy resources (RER) gets cheaper. The Regulatory Office for Network Industries (RONI) has prepared an amendment to the regulation on price regulation in the electricity sector.

#### Also the end prices may get cheaper

“The prices of electricity and the extra pay for technologies used in the production of electricity from renewable energy resources as well as for the highly effective combined production are changing due to the changing market conditions,” justifies the regulator in their new regulation. Reducing the purchase price of electricity made from renewable resources also allows for the reduction of electricity end prices for customers since they pay the end prices for electricity thus supporting the “green” energy. According to the new regulation, the investors who are planning to put solar power plants into operation next year should take into account the guarantee for the acquisition price of electricity only in the amount of 88.89 EUR/MWh. For all that, it can be produced only in photovoltaic devices with the capacity of up to 30 kW which is located

on the roof structure or the external cladding of buildings. The guaranteed purchase prices of electricity are gradually decreasing. The investors who built solar power plants in Slovakia at the turn of the years 2009 and 2010 are entitled to the purchase price in the amount of up to 430.00 EUR/MWh. If they built a solar power plant this year they are entitled to the purchase price in the amount of less than 100.00 EUR/MWh.

#### Less for wind energy

Also the support for the electricity made in wind power plants has been lowered. Since next year the purchase price of electricity using this resource will be 62.49 EUR while this year it is more than 70.00 EUR/MWh. Also the power-supply engineers have to be prepared for the decrease of the purchase price of electricity that they produce by burning cereal straw. Electricity made in this way will be supported by the purchase price in the amount of 107.21 EUR/MWh. This year the purchase price of electricity using this resource is approximately 127.00 EUR. The regulator is decreasing also the purchase prices of electricity made by using gas produced by the gasification of biomass in a gas generator from the current 123.00 EUR/MWh to approximately 99.00 EUR.

### Romania well on its way to 2020 renewable energy target, above EU average

Romania has increased energy from renewables 6.1 percent from 2004 to 2012, and now draws almost 23 percent of power from green sources – well above the European average. In 2012, 22.9 percent of gross energy consumption was from renewable sources, such as wind farms and solar projects, up from 16.8 in 2004. The country’s target is to have 24 percent of energy from renewable by 2020. Across the EU28, in 2012, energy from renewable sources was estimated to have contributed 14.1 percent of gross final energy consumption, up from 8.3 percent in 2004. The share of renewables in gross final energy consumption is one of the headline indicators of the Europe 2020 strategy. The target to be reached by 2020 for the EU28 is a share of 20 percent renewable energy use in gross final energy consumption.

The share of renewable energy grew in all member states, however the largest increases between 2004 and 2012 was in Sweden, Denmark and Austria. Sweden rose from 38.7 percent in 2004 to 51.0 percent in 2012, Denmark from 14.5 percent to 26.0 percent and Austria from 22.7 percent to 32.1 percent. The highest shares of renewable energy in final energy consumption in 2012 were found in Sweden (51.0 percent), Latvia (35.8 percent), Finland (34.3 percent) and Austria (32.1 percent), and the lowest in Malta (1.4 percent), Luxembourg (3.1 percent), the United Kingdom (4.2 percent) and the Netherlands (4.5 percent). In 2011, Estonia was the first Member State to reach its 2020 target and in 2012 Bulgaria, Estonia and Sweden already achieved their 2020 targets (16 percent, 25 percent and 49 percent respectively)

