

Minutes of the decision of the sole member of the board of directors

of NOVA Green Energy, SICAV, a.s. (hereinafter the “**Company**”), which establishes the Subfund NOVA Green Energy – Subfund 1 (hereinafter the “**Subfund**”)

Date: 28 January 2022

Time: 11:00 a.m.

The sole member of the board of directors REDSIDE investiční společnost, a.s. (hereinafter the “**Member of the Board of Directors**” or “**REDSIDE**”), who is represented during the performance of its office by Rudolf Vřešťál, as the authorised representative of the sole member of the board of directors acting independently, has passed the following decision:

Decision to suspend the issue and redemption of investment shares issued by the Company to the Subfund

REDSIDE as the sole member of the board of directors and the Company's (Subfund's) manager hereby decides in accordance with Section 134 et seq. of Act No. 240/2013 Coll. on investment companies and investment funds, as amended (hereinafter the "ICIFA") and in accordance with the Company's and the Subfund's statute to suspend the issue and redemption of investment shares issued by the Company to the Subfund (hereinafter the "Investment Shares") in order to protect the rights of the Company's shareholders and their interests protected by the law.

In the meantime, the Member of the Board of Directors is continuously taking and has taken during the last 6 months of suspension of the issue and redemption of the Investment Shares a number of steps aiming at the stabilization of the situation. However, with regard to the extreme administrative delays of the insolvency proceedings of Arca Capital Slovakia (hereinafter "ACS"), it is still impossible to objectively eliminate all risks affecting a part of the Subfund's portfolio in order to ensure that, upon the opening of the Subfund, no benefits will accrue to new shareholders to the detriment of the existing ones or, *vice versa*, new shareholders will not suffer any detriment benefiting the existing shareholders.

The Member of the Board of Directors has analysed in detail the possibility of setting aside a part of the "risky" assets and subsequent re-opening of the fund (creation of a "side-pocket") and has decided to implement the following resolution, which the most appropriate under Czech laws and which leads to the stabilization of the fund, reinstatement of its standard operation and utilisation of its very attractive "green" potential.

The "healthy" part of Subfund 1 assets (i.e. the part that is not affected by ACS) will be taken out from the current NOVA Green Energy – Subfund 1 and will be placed in a new NOVA Green Energy – Subfund 2 (a subfund of the existing investment fund NOVA Green Energy, SICAV, a.s.). The purchase price for the transferred assets will be paid to Subfund 1, subject to the preservation of the fair value principle, in the form of new investment shares issued by Subfund 2 via primary subscription, which will be credited to the account of Subfund 1. Subfund 1 will thus become a shareholder of Subfund 2 with the preservation of an identical strategy (details see the "Side Pocket" presentation).

Subfund 1 will enter into liquidation and "in kind" advances for the liquidation balance of Subfund 1 will be paid thereafter to holders of the investment shares of Subfund 1, in the volume of the assessable "sound" assets. Instead of cash, Subfund 1 shareholder will receive investment shares of Subfund 2 at the aliquot value to Subfund 2 shares held by Subfund 1 and will become shareholders of Subfund 2.

As a result of this measure, the shareholders of Subfund 1 will be able to continue to implement their investment strategy through Subfund 2, which will be able to accept new investments and to continue to build its portfolio.

The exchange of Subfund 1 shares for Subfund 2 shares will ensure that the existing investors in Subfund 1 will not be diluted in case of an influx of new investors to Subfund 2.

Last but not least, the exchange of Subfund 1 shares for Subfund 2 shares will provide to the current Subfund 1 investors (if such decision is actually taken) an opportunity to turn the Subfund 2 shares into money and to exit from the large part of their current positions in Subfund 1, without having to wait for solution of all ACS risks – see point 3 and the subsequent "re-opening" of the fund.

1. Grounds for suspension of the issue and redemption of the Investment Shares

With regard to the principle of acting at all times in the best interest of its investors, the Member of the Board of Directors has decided to make use of the possibility offered by the law and to extend temporary issue and redemption of the Investment Shares, because (i) no decision on ACS' insolvency has been issued in Slovakia to date, (ii) ACS as the Subfund's debtor continues to hold an extremely hostile attitude to the Subfund (details see below). Hence, REDSIDE has assessed, with the use of its management and control system, that the opening of the Subfund for subscription and redemption of investment shares would temporarily endanger the rights of the Subfund's shareholders as a result of a direct breach of Article 71 of the Commission Delegated Regulation (EU) No 231/2013.

In accordance with the Commission Delegated Regulation (EU) No 231/2013 supplementing Directive 2011/91/EU of the European Parliament and the Council, the fund manager shall ensure at all times the application of fair, appropriate and transparent methods of valuation of the alternative investment funds managed by him in order to achieve fair and appropriate valuation of the fund's assets in accordance with the frequency of the declaration of the Subfund's NAV.

Last May, the Company was given an opportunity to inspect a restructuring report (commissioned by ACS itself), which indicated, among others, the existence of a risk that ACS as the debtor would take specific legal steps with the aim of challenging the effectiveness or validity of certain transactions concluded in the past between the Company and ACS. Such transactions concern, in particular, photovoltaic power station projects in Hungary, which were legitimately acquired by the Subfund and have been and continue to be further developed for the benefit of the Subfund's shareholders. This hostile intention was later confirmed by ACS (its insolvency trustee) at a creditor meeting held on 30 July 2021 in Bratislava where, under the pretext of alleged affiliation, the Subfund (which is an important creditor of ACS) was denied voting rights, was not appointed to the creditor committee and was thus deprived, among others, of the right to participate in the decision regarding the approval of any restructuring plan of ACS.

On 12 November 2021, ACS was served by the trustee of INSOLVENCY GROUP, k.s., acting in the Subfund's name, with a detailed request for inclusion of registered claims in another group pursuant to Section 145(1)(c) of the Act on Bankruptcy and Restructuring, where Subfund asked ACS to move the registered claims from the group of affiliated creditors to the group of unaffiliated creditors, which has, among others, a crucial impact on the amount of the expected payments.

At the creditor meeting held on 23 November 2021, ACS refused to fulfil this request of the Subfund without stating any reasons. Despite clear arguments, the Subfund was therefore treated as an affiliated creditor (i.e. in the manner similar to the treatment of 100% owned ACS subsidiaries). The Subfund then voted against the adoption of such restructuring plan and filed on the spot its objections against the adoption of the restructuring plan in accordance with Section 150(2) of the Act on Bankruptcy and Restructuring. The Subfund is designated in that plan as an affiliate and intends to defend itself against this in an incidental lawsuit against ACS, where it will seek to be awarded the status of an unaffiliated creditor.

The restructuring plan of ACS approved by the creditor committee was approved by affirmative vote of 68% of the present creditors. It means that the legal conditions for confirmation of the restructuring plan of ACS by the court were met. Nevertheless, no such decision has been issued yet, although almost a year and half have passed from ACS insolvency. Hence, there is still a threat of conversion of the proceedings to bankruptcy, which would mean new registration of creditor claims in bankruptcy, their new review and thereafter a different assessment of the relevant transactions.

The reorganization process in Slovakia ends with the adoption of a reorganization plan. Thereafter, the current ACS management has full power to manage ACS business. Hence, there continues to be a justified concern that the persons who continue to manage ACS may initiate civil litigation about the relevant projects owned by NGE. This intention was indicated by ACS board of directors by its calls for the invalidity of contractual arrangements with NGE relating to these transactions, which were received by NGE at the turn of 2021.

The Member of the Board of Directors is further convinced that all legal actions and acts performed in connection with the acquisition of the relevant assets from ACS have been and continue to be in full force and legal effect in accordance with the concluded contracts and with applicable laws and that all conditions laid down by the ICIFA, REDSIDE's internal regulations and the Commission Delegated Regulation (EU) č. 231/2013.

Due to the foregoing, the above-mentioned risks cannot be objectively evaluated and fairly and appropriately valued in order to avoid any future damage of the rights of both the existing and new shareholders of the Subfund.

2. Time from which the issue and redemption of the Investment Shares will be suspended

The Member of the Board of Directors hereby decides that the suspension of the issue and redemption of the Investment Shares shall start on **31 January 2022 at 00:00 hrs.**

3. The period of suspension of the issue and redemption of the Investment Shares

The Member of the Board of Directors hereby decides that the issue and redemption of the Investment Shares shall be suspended for the period of 3 months **until 30 April 2022.**

In the meantime, the Member of the Board of Directors is continuously taking and has taken during the last 6 months of suspension of the issue and redemption of the Investment Shares a number of steps aiming at the stabilization of the situation. However, with regard to the extreme administrative delays of the insolvency proceedings of ACS, it is still impossible to objectively eliminate all risks affecting a part of the Subfund's portfolio in order to ensure that, upon the opening of the Subfund, no benefits will accrue to new shareholders to the detriment of the existing ones or, *vice versa*, new shareholders will not suffer any detriment benefiting the existing shareholders.

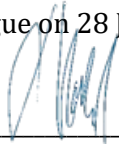
4. The decision whether the suspension also applies to the Investment Shares the issue or redemption of which has been applied for before 31 January 2022 and where the counterperformance for redemption or issue of such Investment Shares has not yet been paid

The Member of the Board of Directors hereby decides that the suspension **also applies to the Investment Shares** the issue or redemption of which has been applied for **before 31 January 2022** and where the counterperformance for redemption or issue of such Investment Shares has not yet been paid.

5. The decision regarding the procedure to be applied after renewal of the issue and redemption of the Investment Shares - whether it will be the procedure laid down in Section 139(1)(a) or in Section 139(1)(b) of the ICIFA

The Member of the Board of Directors hereby decides that the procedure that will be applied after renewal of the issue and reception of the Investment Shares will be the procedure laid down in **Section 139(1)(b) of the ICIFA**, i.e. that the applications for issue or redemption of the Investments Shares in respect of which the counterperformance for redemption or issue has not been paid **will be disregarded** and persons who filed such applications will be asked without undue delay after 30 April 2022 to **resubmit their applications**, provided that they will be still interested in such redemption or issue.

In Prague on 28 January 2022



Rudolf Vřešťál

Authorised representative of the sole member of the board of directors of NOVA Green Energy, SICAV, a.s.