enerN
INVESTMENTS

ANNUAL REPORT

ENERN TECH III

FOR THE YEAR ENDED 31 DECEMBER 2020

I. INFORMATION AND EVENTS

pursuant to the provisions of Act No. 240/2013 Coll. and Regulation (EU) No. 345/2013

A. INFORMATION ON THE SUB-FUND

Name

ENERN TECH III (hereinafter the "Sub-fund")
registered in the list of sub-funds maintained by the Czech National Bank on 22 June 2016

Business registration No. (IČO)

75 159 830

B. KEY INFORMATION ABOUT THE MANAGING INVESTMENT FUND

Company

ENERN Investments, investiční fond s proměnným základním kapitálem, a.s.

Registered office

Türkova 2319/5b, Chodov, 149 00 Prague 4, Czech Republic

Business registration No. (IČO)

017 90 765

Other information

The Fund is an autonomous investment fund pursuant to Section 8 of the Act on Investment Companies and Investment Funds holding the Czech National Bank's ("ČNB") license to manage itself and being authorized to perform its own administration.

C. INFORMATION ON THE COMPANY AUTHORIZED BY THE FUND TO PERFORM CERTAIN ACTIVITIES

The Fund has entrusted certain activities related to the administration and management of the Fund and the Sub-funds to QI investiční společnost, a.s. (hereinafter the "Investment Company"), entered in the Commercial Register maintained by the Municipal Court in Prague, Section B, File 11985, Business registration No. (IČO) 279 11 497, registered office at Rybná 682/14, Prague 1, zip code 110 05, under the Agreement on the Performance of Authorized Activities of 2 December 2016 as amended by Supplement No. 1 of 15 January 2018, Supplement No. 2 of 21 May 2018 and Supplement No. 3 of 16 June 2020. This agreement replaced the previous Agreement on the Performance of Delegated Activities of 29 July 2013.

In addition to the risk management function, activities entrusted to the Investment Company by the Fund include in particular:

- compliance and internal audit,
- communication with the ČNB and meeting the Fund's information and reporting requirements towards the ČNB and other directly related activities,
- issuance and redemption of investment shares of sub-funds and maintaining records of investment stock holders.

The Investment Company performs the full scope of the aforementioned activities either by itself or has entrusted their performance to another entity as set out in the Fund's Statute.

D. REPORT OF THE STATUTORY DIRECTOR ON BUSINESS ACTIVITIES AND ASSETS OF THE SUB-FUND

in the reporting period

a) Sub-fund profile

The Sub-fund's purpose is to increase the value of the owners' investment shares in a long-term by investing in companies with a growth profile particularly focusing on internet business in the area of (i) fintech, (ii) e-commerce, primarily in food, (iii) healthcare, and (iv) other fragmented retail service markets ("marketplaces for local services"). Such investments may be made in the form of ownership interests in companies and/or by the provision of convertible loans and borrowings to companies under the terms of the Statute.

For the short-term and long-term appreciation of the Sub-fund's assets, while maintaining a reasonable level of risk, the ET III Sub-fund may invest disposable cash even in financial assets. For example, the Sub-fund uses for such investments money market instruments, bonds traded on regulated OECD markets and similarly oriented investment funds.

The Fund intends to acquire for the Sub-fund a total capital commitment of up to EUR 60 million. As at 31 December 2020, the investors committed to the Sub-fund total capital commitments of EUR 50.625 million (31 December 2019: EUR 50.625 million).

The Sub-fund is intended for qualified investors pursuant to Section 95 and Section 272(1) of the Act on Investment Companies and Investment Funds.

The Sub-fund was established for a definite period of seven years with an option to extend the period by three through five years under the terms and conditions stipulated in the Fund's Statute.

The Sub-fund issues four classes of investment shares.

Class	Description	ISIN
I1	Investment shares I1	CZ0008042157
I2	Investment shares I2	CZ0008042165
C1	Investment shares C1	CZ0008042173
C2	Investment shares C2	CZ0008042181

As at 31 December 2020, the Sub-fund called a total of EUR 43,201 thousand from investors holding Class I investment shares, representing 85.34% of their total capital commitment, and EUR 10 thousand from investors holding Class C investment shares, representing 100% of their total capital commitment.

b) Financial results

The Sub-fund's financial results depend on the Sub-Fund's asset appreciation and the amount of operating expenses charged to the Sub-fund's assets. The NAV per share is based on the method of dividing the Sub-fund's share capital between classes of investment stocks. The table below provides an overview of the Sub-fund's investment shares and their valuation as at 31 December 2020, 2019 and 2018:

Class	Number of shares issued as at 31/ 12/ 2020	NAV per share as at 31/ 12/ 2020 (EUR)	NAV per share as at 31/ 12/ 2019 (EUR)	NAV per share as at 31/12/2018 (EUR)
I1	26,160,964	2.3495	1.3952	1.4523
I2	5,932,027	2.1922	1.3194	1.3785
C1	50,000,000	0.1303	0.0299	0.0370
C2	50,000,000	0.0348	0.0074	0.0096

As at 31 December 2020, the Sub-fund received from investors a total of EUR 5,930 thousand and EUR 5,920 thousand as a partial repayment of capital commitments. The related investment shares of Class I1 were issued at the beginning of 2021 and 2020.

The Sub-fund has not paid any payouts over its history.

c) Revenues, expenses, profit

As at 31 December 2020, the Sub-fund held ownership interests in portfolio companies from which it had no income in 2020. The Sub-fund's expenses in 2020 include primarily expenses related to asset management and administration of the Sub-fund. In 2020, expenses exceeded revenues and the Sub-fund posted a loss of CZK 23,512 thousand.

d) Structure of assets and liabilities

Assets of the Sub-fund consist mainly of cash in bank accounts and investments in the form of ownership interests in portfolio companies. The Sub-fund's liabilities comprise registered capital, capital funds and other liabilities. The Sub-fund reported positive equity of CZK 1,104,572 thousand.

e) Investments and future investments

Throughout the next two to three years, the Sub-fund will gradually draw capital commitments from investors by issuing Class I1 and I2 investment shares, and will continue to invest these funds in ownership interests in accordance with the Sub-fund's investment strategy set out in the Fund's Statute.

f) Market description

The Sub-fund invests in ownership interests of companies ranking among leaders in their industries and territories that are established or active in Europe.

E. INFORMATION ON MATERIAL CHANGES IN THE FACTS PROVIDED IN THE STATUTE OF THE MANAGING FUND

which occurred during the reporting period

The information on material changes in the facts provided in the statute of the managing Fund did not change in the reporting period.

F. INFORMATION ON THE SUB-FUND'S DEPOSITARY

in the relevant period and on the period of time for which the entity performed the activities of a depositary

The Sub-fund's depositary for the entire relevant period of 2020 was Česká spořitelna, a.s., with its registered office at Olbrachtova 1929/62, Prague 4, zip code 140 00, business registration No. (IČO) 452 44 782, entered in the Commercial Register maintained by the Municipal Court in Prague, Section B, File 1171 (hereinafter the "Depositary" or the "ČS").

G. INFORMATION ON THE ENTITY ENTRUSTED WITH THE CUSTODY OR SAFEKEEPING OF THE SUB-FUND'S ASSETS, provided that more than 1% of the Sub-Fund's assets have been deposited with the entity

The Sub-fund's Depositary has solely been entrusted with the custody or safekeeping of the Sub-fund's assets.

H. INFORMATION ON THE PRIME BROKER

in the relevant period and on the period of time for which the entity performed the activities

The Sub-fund's assets were not entrusted to the prime broker in the relevant period.

I. IDENTIFICATION OF ASSETS THE VALUE OF WHICH EXCEEDS 1% OF THE VALUE OF THE SUB-FUND'S ASSETS

as at the day on which the valuation that was used for the purposes of this Report was carried out, with a specification of the total acquisition price and the fair value at the end of the relevant period

Assets	Acquisition price (in CZK thousands)	Fair value as at 31 December 2020 (in CZK thousands)
Shares, unit certificates and other participations	17,313	16,040
Ownership interests constituting a significant influence	385,533	1,309,547
Ownership interests constituting a controlling influence	709,741	931,951
Convertible loans	14,038	12,832

The ET III Sub-fund portfolio structure as at 31 December 2020 is disclosed in Annex 3.

J. INFORMATION ON SALARIES, CONSIDERATION AND SIMILAR INCOME OF THE STAFF AND MANAGING PERSONS

which may be considered remuneration paid by the manager of an investment fund to the staff members or managing persons in the reporting period, divided into fixed and variable component, information on the number of staff and managing persons of the manager of this fund, and information about remuneration, if any, for the capital appreciation paid by the investment fund or its manager

No salaries, consideration or similar income have been disbursed from the Sub-fund's assets to the Fund's managing persons.

K. INFORMATION ON SALARIES, CONSIDERATION AND SIMILAR INCOME OF THE STAFF AND DIRECTORS,

which may be considered remuneration paid by the manager of an investment fund to the staff members or managing persons whose activity has a significant impact on the Sub-fund's risk profile

No salaries, consideration or similar income have been disbursed from the Sub-fund's assets to the Fund's managing persons or other persons whose activity has a significant impact on the Sub-fund's risk profile.

L. SELECTED FINANCIAL HIGHLIGHTS OF THE SUB-FUND

Statement of financial position (in CZK thousands)	Current year 31/ 12/ 2020	Previous year 31/ 12/ 2019
Assets		
Due from banks	7,335	11,928
Due from non-banking entities	13,240	13,931
Shares, unit certificates and other participations	16,040	16,966
Ownership interests constituting a significant influence	1,309,547	389,064
Ownership interests constituting a controlling influence	931,951	716,899
Total assets	**2,278,113**	**1,148,788**
Liabilities		
Amounts owed to banks	0	42,572
Other liabilities	107,083	2,074
Capital funds	1,124,412	892,783
Gains or losses on revaluation	1,144,393	285,622
Accumulated loss	(74,263)	(43,031)
Profit / (loss) for the period	(23,512)	(31,232)
Total equity and liabilities	**2,278,113**	**1,148,788**

Income statement in CZK thousand	Current year 31/ 12/ 2020	Previous year 31/ 12/ 2019
Interest and similar income	7	361
Interest and similar expense	(419)	(2,954)
Fee and commission expense	(20,861)	(27,786)
Gains or losses from financial transactions	(926)	362
Administrative costs	(1,313)	(1,215)
Profit or loss for the year after taxes	**(23,512)**	**(31,232)**
Income taxes	-	-
Profit or loss for the year after taxes	**(23,512)**	**(31,232)**

II. INFORMATION AND EVENTS

III. Pursuant to Section 21 of Act No. 563/1991 Coll., on Accounting

A. FINANCIAL AND NON-FINANCIAL INFORMATION ON SUBSEQUENT EVENTS WHICH OCCURRED AFTER THE BALANCE-SHEET DATE AND ARE MATERIAL WITH REGARD TO COMPLIANCE WITH THE PURPOSE OF THE ANNUAL REPORT

After the end of 2020, several Class I1 and I2 investment share issues were launched totaling EUR 5,930 thousand. The related funds are intended for increasing the shares already held by the Sub-fund in its portfolio from previous years.

B. INFORMATION ON THE PROJECTED DEVELOPMENT OF THE SUB-FUND

In 2021, the Fund plans to continue to seek and carry out investments in line with the Sub-fund's investment strategy. Over the following years, the Sub-fund will gradually draw outstanding capital commitments from investors by issuing Class I1 and I2 investment shares, and will continue to invest these funds in ownership interests in accordance with the Sub-fund's investment strategy set out in the Statute.

C. INFORMATION ON RISKS ARISING FROM INVESTMENT IN THE SUB-FUND

Investments in the Fund or the Sub-fund entail significant risks, specifically:

a. The risk of a volatile current value of securities issued by the Sub-fund as a result of the composition of the assets or the method of managing the Sub-fund's assets. Shareholders need to be aware that, despite the maximum effort for safe management, the value of the Sub-fund's investment stock may fluctuate depending on the developments in the financial markets.

b. Market risk arising from the effects of changes in the overall market developments on the prices and values of the Sub-fund's specific types of assets of. The most significant market risks are foreign exchange risk, interest rate risk, equity risk, commodity risk and the risk of specific investment projects. The level of market risk depends on the specific structure of the Sub-fund's assets.

c. Credit risk arising from a situation where the issuer or counterparty fails to honor their obligations. The manager minimizes the credit risk in particular by selecting counterparties and issuers with regard to their creditworthiness, by setting limits to exposure of individual counterparties and issuers and by non-onerous contractual arrangements.

d. The risk of insufficient liquidity where an asset of the Sub-fund is not monetized within the set timeframe and at a reasonable price. Due to the nature of the market for specific types of target assets that may account for an essential portion of the Sub-fund's assets, it is important to note that the monetization of such an asset with the aim to achieve the best price is time consuming. In the extreme case, the liquidity risk may result in a liquidity crisis. The risk is mitigated by allowing for a sufficient period of 2-5 years after the end of the investment period intended for growth and successful sale of the Sub-fund's assets.

e. The risk related to the Sub-fund's investment focus on certain industries, countries or regions, other market segments, or certain types of assets.

f. Operational risk, consisting in a loss due to deficiencies or failure of internal processes or the human factor or external events. This risk is mitigated by maintaining an adequate management and control mechanism of the manager.

g. The risk that the Fund or the Sub-fund may be canceled for reasons governed by applicable legislation.

h. The risk that the Fund or the Sub-fund may be canceled for other than legislative reasons, such as economic or restructuring reasons.

i. Risks associated with the acquisition of foreign assets. This risk may give rise to unfavorable conditions for the disposal (sale) of the assets.

j. Risks arising from potential failure of legal entities in which the Sub-fund holds ownership interests or from which the Fund records receivables.

k. Risks related to the debtor's receivables or creditworthiness and the quality of securing the receivables.

l. Risks arising from an erroneous valuation of assets by an expert in cases where assets are valued by an expert. This risk is reduced by a strict selection of experts who monitor the condition and use of the assets and other factors that may affect the value of assets, and who also assess the valuation.

m. Risks associated with the possibility of suspending the issue and redemption of investment shares for up to two years.

Further information on the risks arising from investments in the Fund or the Sub-fund is provided in the Notes to the financial statements.

D. INFORMATION ON RESEARCH AND DEVELOPMENT ACTIVITIES

The Sub-fund did not engage in any R&D activities in 2020.

E. INFORMATION ON ACTIVITIES PERTAINING TO ENVIRONMENTAL PROTECTION AND LABOR RELATIONS

Since the Sub-fund invests in ownership interests or financial assets, its activities have no direct impact on the environment. In 2020, the Sub-fund did not report any activities pertaining to environmental protection and labor relations.

F. INFORMATION ON A FOREIGN BRANCH OR A PART OF THE UNDERTAKING ABROAD

The Sub-fund has no foreign branch or a part of the undertaking abroad.

G. INFORMATION ON ACQUISITION OF OWN SHARES OR OWNERSHIP INTERESTS

In 2020, the Sub-fund acquired neither own shares nor ownership interests.

Date of preparation	***Statutory Representative's signature***
31 August 2021	Iva Nováková

ANNEX 1
INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

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(Translation of a report originally issued in Czech - see Note 3 to the financial statements.)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of subfund ENERN TECH III podfond:

Opinion

We have audited the accompanying financial statements of subfund ENERN TECH III podfond (the Subfund) of ENERN Investments, investiční fond s proměnným základním kapitálem, a.s. (the Fund), prepared in accordance with accounting principles generally accepted in the Czech Republic, which comprise the balance sheet as at 31 December 2020, and the income statement, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. For details of the Subfund, see Note 3 to the financial statements.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Subfund as at 31 December 2020, and of its financial performance in accordance with accounting principles generally accepted in the Czech Republic.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Subfund in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and auditor's report thereon. The Management Board of ENERN Investments, investiční fond s proměnným základním kapitálem, a.s. is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

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In addition, our responsibility is to report, based on the knowledge and understanding of the Subfund obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

Responsibilities of the the Management Board for the Subfund's Financial Statements

The Management Board of the fund ENERN Investments, investiční fond s proměnným základním kapitálem, a.s. is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the Czech Republic and for such internal control as the Management Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Boardof fund ENERN Investments, investiční fond s proměnným základním kapitálem, a.s. is responsible for assessing the Subfund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Board either intends to liquidate the Subfund or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with above regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control of the Subfund and fund ENERN Investments, investiční fond s proměnným základním kapitálem, a.s. relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of their internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board of fund ENERN Investments, investiční fond s proměnným základním kapitálem, a.s.

A member firm of Ernst & Young Global Limited
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has been incorporated in the Commercial Register administered by the Municipal Court in Prague,
Section C, entry no. 88504, under Identification No. 26704153.

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- Conclude on the appropriateness of the Management Board's of fund ENERN Investments, investiční fond s proměnným základním kapitálem, a.s. use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Subfund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Subfund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management Board of fund ENERN Investments, investiční fond s proměnným základním kapitálem, a.s. regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young Audit, s.r.o.
License No. 401

Roman Hauptfleisch, Auditor
License No. 2009

31 August 2021
Prague, Czech Republic

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has been incorporated in the Commercial Register administered by the Municipal Court in Prague,
Section C, entry no. 88504, under Identification No. 26704153.

ANNEX 2
FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

FOR THE PERIOD

FROM 1 JANUARY 2020 TO 31 DECEMBER 2020

Name of sub-fund:	ENERN TECH III podfond
Name of fund:	ENERN Investments, investiční fond s proměnným základním kapitálem, a.s.
Registered office:	Türkova 2319/5b, 149 00 Prague 4 - Chodov
Identification No. (IČ):	75 159 830
Accounting period:	1 January 2020 – 31 December 2020

Balance sheet as at 31 December 2020

Assets

	In CZK thousands	Note	31/ 12/ 2020	31/ 12/ 2019
3	**Amounts due from banks**	5.1	**7,335**	**11,928**
	of which: payable on demand		*7,335*	*11,928*
4	**Amounts due from non-banking entities**	5.2	**13,240**	**13,931**
6	**Shares, unit certificates and other participations**	5.3	**16,040**	**16,966**
7	**Ownership interests constituting a significant influence**	5.4	**1,309,547**	**389,064**
8	**Ownership interests constituting a controlling influence**	5.4	**931,951**	**716,899**
	Total assets		**2,278,113**	**1,148,788**

Liabilities

	In CZK thousands	Note	31/ 12/ 2020	31/ 12/ 2019
	Amounts owed to banks	5.5	**0**	**42,572**
4	**Other liabilities**	5.6	**107,083**	**2,074**
5	**Accruals and deferred income**		**0**	**0**
12	**Capital funds**	5.7	**1,124,412**	**892,783**
13	**Gains or losses on revaluation**	5.8	**1,144,393**	**285,622**
14	**Accumulated loss**	5.9	**(74,263)**	**(43,031)**
15	**Profit /loss for the period**	5.9	**(23,512)**	**(31,232)**
	Total equity and liabilities		**2,278,113**	**1,148,788**

Off-balance sheet

	In CZK thousands	31/ 12/ 2020	31/ 12/ 2019
	Assets transferred for management to third parties*	**2,270,371**	**1,136,501**
	Total	**2,270,371**	**1,136,501**

** fair value of assets transferred for management to ENERN Investments, investiční fond s proměnným základním kapitálem, a.s.*

Income statement for the year ended 31 December 2020

	In CZK thousands	Note	31/ 12/ 2020	31/ 12/ 2019
1	**Interest and similar income**	5.10	**7**	**361**
2	**Interest and similar expense**	5.11	**(419)**	**(2,954)**
5	**Fee and commission expense**	5.12	**(20,861)**	**(27,786)**
6	**Gains or losses from financial transactions**	5.13	**(926)**	**362**
9	**Administrative expenses**	5.14	**(1,313)**	**(1,215)**
	b) other administrative expenses		**(1,313)**	**(1,215)**
19	**Profit /loss from ordinary activities before taxes**		**(23,512)**	**(31,232)**
23	**Income tax**	5.15	**0**	**0**
24	**Profit / (loss) for the period**		**(23,512)**	**(31,232)**

Statement of changes in equity for the year ended 31 December 2020

In CZK thousands	Basic capital	Legal reserve fund	Capital funds	Retained earnings / accumulated losses	Profit	Gains or losses on revaluation	**Total**
Balance as at 01/ 01/ 2019	**0**	**0**	**610,394**	**(43,031)**	**0**	**323,837**	**891,199**
Net profit	0	0	0	(31,232)	0	0	(31,232)
FOREX and revaluation gains/losses not recognized in profit/(loss)	0	0	0	0	0	(38,215)	(38,215)
Transfers to funds	0	0	282,389	0	0	0	282,389
Balance as at 31/ 12/ 2019	**0**	**0**	**892,783**	**(74,263)**	**0**	**285,622**	**1,104,142**
Net profit	0	0	0	(23,512)	0	0	(23,512)
FOREX and revaluation gains/losses not recognized in profit/(loss)	0	0	0	0	0	858,771	858,771
Transfers to funds	0	0	231,629	0	0	0	231,629
Transfer of retained earnings	0	0	0	0	0	0	0
Balance as at 31/ 12/ 2020	**0**	**0**	**1,124,412**	**(97,775)**	**0**	**1,144,393**	**2,171,030**

3 General Information

Establishment of the sub-fund

ENERN TECH III podfond (hereinafter the "Sub-fund") is the sub-fund of ENERN Investments, investiční fond s proměnným základním kapitálem, a.s. (hereinafter the "Fund").

The Sub-fund was registered in the list of sub-funds maintained with the ČNB on 22 June 2016 and came into existence on the date of commencement of subscription of investment shares, i.e. on 1 November 2016.

Sub-fund's characteristics and major activities

The Fund is an autonomous investment fund pursuant to Section 8 of the Act on Investment Companies and Investment Funds holding the Czech National Bank's ("ČNB") license to manage itself and being authorized to perform its own administration.

The Sub-fund is intended for qualified investors pursuant to Section 95 and Section 272(1) of the Act on Investment Companies and Investment Funds.

The Fund only issues registered investment shares on the account of its sub-funds, not on the Fund's own account. The Fund's statutory body shall decide about the creation of a sub-fund and shall stipulate in the Statute the sub-fund's investment strategy and other rules governing the sub-fund's operation.

Explanation Added for Translation into English

These financial statements are presented on the basis of accounting principles and standards generally accepted in the Czech Republic. Certain accounting practices applied by the Company that conform with generally accepted accounting principles and standards in the Czech Republic may not conform with generally accepted accounting principles in other countries.

The ET III Sub-fund issues four classes of investment shares. The investment shares in each class have allocated ISIN (an international securities identification number) as follows:

Class	Description	ISIN
I1	Investment shares I1	CZ0008042157
I2	Investment shares I2	CZ0008042165
C1	Investment shares C1	CZ0008042173
C2	Investment shares C2	CZ0008042181

The Sub-fund's purpose is to increase the value of the owners' investment shares in a long-term by investing in companies with a growth profile particularly focusing on internet business in the area of (i) fintech, (ii) e-commerce, primarily in food, (iii) healthcare, and (iv) other fragmented retail service markets ("marketplaces for local services").

In order to reach both short-term and long-term appreciation of the Sub-fund's assets while maintaining an adequate risk exposure, free funds may also be invested in financial assets. For such investments, the Sub-fund may use for instance money market instruments, e.g. bonds, traded in regulated OECD markets and investment funds focusing on such instruments.

Česká spořitelna, a.s., IČ 452 44 782, Prague 4, Olbrachtova 1929/62, zip code 140 00 carried out the activities of a depositary throughout the entire period of 2020 and 2019.

In compliance with the Fund's Statute, the Fund has entrusted certain activities related to the administration and management to QI investiční společnost, a.s. (hereinafter the "Investment Company"), entered in the Commercial Register maintained by the Municipal Court in Prague, Section B, File 11985, Business registration No. (IČO) 279 11 497, registered office at Rybná 682/14, Prague 1, zip code 110 05.

The ET III Sub-fund was established for a definite period of seven years with an option to extend the period by three through five years under the terms and conditions stipulated in the Fund's Statute.

Registered office of the Sub-fund:
Türkova 2319/5b
149 00 Prague 4 – Chodov
Czech Republic

Tax identification number:
75 159 830

Legal form:
The Sub-fund does not have a legal personality.

4 Accounting Methods and General Accounting Policies

The financial statements comprising the balance sheet, income statement, statement of changes in equity and the accompanying notes have been prepared in accordance with the Czech Act on Accounting, the Czech Ministry of Finance decrees and the Czech accounting standards for financial institutions.

These financial statements have been prepared under the historical cost convention and on the accruals basis of accounting, the only exception being the Sub-fund's assets and liabilities which are revalued at fair value pursuant to Section 196 of the Act on Investment Companies and Investment Funds.

These financial statements have been prepared on the going concern basis.

The management considered the potential impact of COVID-19 on the Sub-fund's activities and business and concluded it did not have a significant effect on the going concern assumption. Accordingly, the financial statements for the year ended 31 December 2020 were prepared on the assumption that the Sub-fund would be able to continue as a going concern.

All figures are in CZK thousands unless stated otherwise.

These financial statements are standalone statements.

The significant accounting policies and methods applied in preparing these financial statements were as follows:

4.1 Foreign Currency Translation

Foreign currencies are translated to Czech crowns at the daily exchange rate published by the Czech National Bank (ČNB) as at the transaction date or the transaction recognition date. During the year, only realized foreign exchange gains and losses are accounted for.

Assets and liabilities denominated in foreign currencies are translated to Czech currency using the foreign exchange rate announced by the Czech National Bank as at the balance sheet date. The resulting exchange rate gains or losses from the translation of foreign denominated assets or liabilities are charged or credited, as appropriate, to income for the year as "Gains or losses from financial operations". The gain or loss on the translation of ownership interests is recognized in Gains or losses on revaluation.

4.2 Transaction Recognition Date

Depending on the type of transaction, the recognition dates are as follows:

- the date on which money in circulation is paid or received,
- the date on which foreign currency or securities are purchased or sold,
- the date on which a payment is made,
- the date on which (foreign) currency is credited based on a report received from the Fund's correspondent (the report shall mean a SWIFT report, the Bank's notification, a received medium, an account statement or other documents),
- financial assets and liabilities are recognized when the Sub-fund becomes a party to the transaction.

The following rules apply to derecognition of financial assets and liabilities:

- The Sub-fund derecognizes a financial asset or a part thereof from its balance sheet when it loses control over the contractual rights to the asset or its part.
- A financial liability or a part thereof is extinguished if the obligation specified in the contract is discharged or cancelled or expires and the entity removes the given liability or part thereof from its balance sheet. The difference between the carrying amount of a liability (or a portion thereof) extinguished or transferred to another entity and the amount paid for the liability is recognized in profit or loss for the period.

The purchase and sale of financial assets is recognized when the spot transaction is settled.

4.3 Receivables from Non-banking Entities

Receivables from non-banking entities are recognized at their nominal value including the accrued accessories, net of allowances. Uncollectible receivables are written off upon the completion of bankruptcy proceedings against the debtor.

4.4 Allowances

The Sub-fund must first decide whether a reason exists to reduce the book value of receivables.

Receivables are monitored if they are overdue for more than 90 days or if they involve another default or if the debtor's financial position has deteriorated.

Allowances against receivables and other risk-bearing assets are based on the valuation of the collectible amount of such assets as at the balance sheet date after taking into account the current value of security upon forced sale.

Additions to allowances are recognized in the income statement item, the use of allowances is recognized together with costs or losses relating to the disposal of assets in the income statement.

Allowances that are no longer needed are released to income.

Allowances against assets denominated in foreign currencies are recognized in such foreign currencies. Exchange rate differences are recoded similarly to exchange rate differences arising from the valuation of the underlying assets.

4.5 Securities

4.5.1 Initial Measurement

Upon initial recognition, securities are measured at cost that includes direct transaction costs.

4.5.2 Subsequent Measurement

For the purposes of subsequent measurement, securities previously recognized as financial assets that are not considered ownership interests constituting a controlling or significant influence are classified as follows:

- Financial assets measured at fair value against income or expense accounts,
- Financial assets available-for-sale,
- Financial assets held to maturity.

Securities previously recognized as financial liabilities are classified as follows:

- liabilities from securities measured at fair value against income or expense accounts (hereinafter "payables from short-term sale"),
- issued securities.

4.5.3 Available-for-sale Securities

Available-for-sale securities are securities that are designated as available for sale by the Sub-fund or securities that do not meet the definition of another category. They include in particular shares of companies in which the Sub-fund does not hold an ownership interest constituting a controlling or significant influence and debt securities held for liquidity management purposes. Upon initial recognition, available-for-sale securities are measured at cost that includes direct transaction costs and, upon subsequent measurement, they are valued at fair value.

Gains or losses arising from changes in fair value of available-for-sale securities are recognized (after reflecting tax effects) directly in equity until their sale or a decline in their value. In such case, the accumulated gains or losses initially recognized in equity are accounted for through profit or loss. Interest calculated using the effective interest rate, dividends and exchange rate differences arising from debt securities are recognized in profit or loss. Foreign exchange differences arising from equity securities are recognized in gains or losses from the revaluation of assets and liabilities reflected in equity.

If the loss arising from changes in the fair value of available-for-sale securities is recognized in equity and there is objective evidence that the asset is impaired, the loss is reclassified from equity to expenses. Impairment shall mean a decline in value of more than 30% compared to the cost exceeding one year.

4.6 Ownership Interests Constituting a Significant or Controlling Influence

As at the date of acquisition, ownership interests constituting a significant or controlling influence are recognized at cost which includes expenses incurred in connection with their acquisition. Ownership interests constituting a significant or controlling influence are revalued to fair value as at the valuation date. The revaluation amounts are recorded in equity through the 'Gain or loss on revaluation of assets and liabilities' caption.

If the loss arising from changes in the fair value of an ownership interest constituting a significant or controlling influence is recognized in equity and there is objective evidence that the asset is impaired, the loss is reclassified from equity to expenses. Impairment shall mean a decline in value of more than 30% compared to the cost exceeding one year.

4.7 Fair Value of Securities and Ownership Interests Constituting a Significant or Controlling Influence

The fair value of of securities and ownership interests constituting a significant or controlling influence is determined as (i) its market value or the market value derived from the market values of components of the asset or liability, (ii) the value arising from generally accepted valuation models, methods and recommendations (such as the valuation policies published from time to time by Invest Europe as part of the 'Valuation Guidelines'), as long as these yield an adequate estimate of the market value, (iii) the value determined by a qualified expert or an expert's opinion, if the market value is not available.

4.8 Capital Funds

Capital funds are funds created from sources other than the accounting profit. The Sub-fund uses capital funds to record issued investment shares against contributions from investors. Investment shares issued in the first subscription period are issued for their nominal value. In further periods, the Sub-fund shall issue investment shares of the relevant class for an amount equal to the current value of an investment share of the relevant class announced as at the valuation date. Furthermore, the Sub-fund shall issue investment shares against funds received from investors, on the basis of a call for subscription, for which no investment shares have yet been issued. The administrative period for the investment shares issue is up to 6 months from the receipt of the payment from investors. Capital funds further include the current value of repurchased investment shares.

4.9 Taxes

Current tax expense

The income tax base is calculated using profit for the year before tax adjusted by adding non-deductible expenses and deducting non-taxable income and any tax relief or off-sets.

Value added tax

The Sub-fund is not registered for value added tax (VAT).

Deferred tax

Deferred tax is recognized on all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base using the full liability method. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which this asset can be utilized.

The tax rate applicable for the period in which the deferred tax is expected to be realized is used for the deferred taxation calculation.

Deferred tax arising from the revaluation of hedging instruments, securities available-for-sale and ownership interests constituting a significant or controlling influence at fair value recognized directly in equity is also recorded in equity.

4.10 Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. The Sub-fund's management prepared these estimates and predictions based on all relevant information available. Nevertheless, these estimates and assumptions may differ from actual future results.

4.11 Subsequent Events

The effect of events that occurred between the balance sheet date and the financial statements date is reflected in the financial statements if these events provide additional evidence of conditions that existed at the balance sheet date.

If, between the balance sheet date and the financial statements date, significant events occurred that are indicative of conditions that arose after the balance sheet date, the effect of these events is not recognized in the financial statements but disclosed in the notes to the financial statements.

4.12 Related Parties

The Sub-fund has defined its related parties as follows:
The Fund's key managing persons and their family members, entities controlled or jointly controlled by or under significant influence of these persons or entities or their parent companies in which these persons are members of key management. The statutory director and the Fund's managing persons are considered key managing persons of the Fund.

5 *Additional Information on the Balance Sheet and Income Statement*

The Sub-fund's financial statements contain data for the 2020 period, i.e. from 1 January 2020 to 31 December 2020, and for the 2019 period, i.e. from 1 January 2019 to 31 December 2019.

5.1 Receivables from Banks

Receivables from banks consist of balances of current accounts maintained with Česká spořitelna, a.s., on behalf of the Sub-fund. As at 31 December 2020 and 2019, the Sub-fund had receivables from banks amounting to CZK 7,335 thousand and CZK 11,928 thousand, respectively.

5.2 Receivables from Non-banking Entities

As at 31 December 2020 and 2019, the Sub-fund had receivables from non-banking entities amounting to CZK 13,240 thousand and CZK 13,931 thousand, respectively; these consist of medium- through long-term loans. Loans to Supernova and HODL Intl. represent interest-free convertible loans.

(In CZK thousands)	31/ 12/ 2020	31/ 12/ 2019
Convertible loans	12,832	13,573
Loans provided to non-banking entities	408	358
Amounts due from non-banking entities	**13,240**	**13,931**

(In CZK thousands)

	Maturity	Interest rate (% p.a.)	31/ 12/ 2020	31/ 12/ 2019
Enern Amethyst s.r.o.	31/12/2020	1.97	11	11
Enern Forsterite s.r.o.	31/12/2020	1.97	11	11
Enern Emerald s.r.o.	31/12/2020	2.00	21	21
Enern Aquamarine s.r.o.	31/12/2020	1.00	20	20
Enern Garnet s.r.o.	31/12/2020	1.00	10	10
Enern Malachite	31/12/2025	2.00	135	128
Enern Ruby	31/12/2025	2.00	31	30
Enern Morganite	31/12/2025	2.00	135	128
Hodl International, Inc.	31/12/2025	0.00	2,139	2.262
Supernova.io INC	31/12/2025	0.00	10,694	11.310
Enern Miton E-com Holding s.r.o.	31/12/2025	2.00	20	0
Enern Fini CMF s.r.o.	31/12/2025	0	13	0
Total amounts due from non-banking entities			**13,240**	**13,931**

The Sub-fund provides loans to companies through which it holds ownership interests in portfolio companies to finance operating costs and costs related to the acquisition of investments (see Note 5.16.2).

5.3 Securities

As at 31 December 2020 and 2019 the Sub-fund had the following securities:

(In CZK thousands)	Shares, unit certificates and other participations	Shares, unit certificates and other participations
	31/ 12/ 2020	31/ 12/ 2019
Available for sale	16,040	16,966
Securities	**16,040**	**16,966**

5.4 Ownership Interests Constituting a Significant or Controlling Influence

As at 31 December 2020 and 2019, the Sub-fund had the following ownership interests constituting a significant or controlling influence:

(In CZK thousands)	Ownership interests	Ownership interests
	31/ 12/ 2020	31/ 12/ 2019
Ownership interests constituting a significant influence	1,309,547	389,064
Ownership interests constituting a controlling influence	931,951	716,899

Summary of investments constituting a significant or controlling influence as at 31 December 2020 and 2019:

As at 31 December 2020	Seat	Interest	Acquisition of investment by Sub-fund	Portfolio investment sector	Total indirect interest of Sub-fund in portfolio company
Enern Lavender s.r.o.	Türkova 2319/5b, Praha 4	26.97%	2017	Health care technology	3.94%
Enern Amethyst s.r.o.	Türkova 2319/5b, Praha 4	57.12%	2017	Fintech	6.74%
Enern Forsterite s.r.o.	Türkova 2319/5b, Praha 4	100%	2017	Retail marketplace	22.11%
Enern Emerald s.r.o.	Türkova 2319/5b, Praha 4	100%	2018	Retail marketplace	14.82%
Enern Brilliant s.r.o.	Türkova 2319/5b, Praha 4	63.51%	2018	Retail marketplace	6.17%
Enern Aquamarine s.r.o.	Türkova 2319/5b, Praha 4	100%	2018	Retail marketplace	0.96%
Enern Garnet s.r.o.	Türkova 2319/5b, Praha 4	100%	2018	Retail marketplace	5.41%
Enern Malachite s.r.o.	Türkova 2319/5b, Praha 4	100%	2019	Retail marketplace	11.37%
Enern Morganite s.r.o.	Türkova 2319/5b, Praha 4	55.56%	2019	Fintech	2.42%
Enern Ruby s.r.o.	Türkova 2319/5b, Praha 4	100%	2019	Retail marketplace	30.6%
Enern Miton E-com Holding s.r.o.	Türkova 2319/5b, Praha 4	28.38%	2017	On-line supermarket	5.77%

As at 31 December 2019	Seat	Interest	Acquisition of investment by Sub-fund	Portfolio investment sector	Total indirect interest of Sub-fund in portfolio company
Enern Lavender s.r.o.	Türkova 2319/5b, Praha 4	26.92%	2017	Health care technology	3.99%
Enern Amethyst s.r.o.	Türkova 2319/5b, Praha 4	68.42%	2017	Fintech	10%
Enern Forsterite s.r.o.	Türkova 2319/5b, Praha 4	100%	2017	Retail marketplace	22.11%
Enern Emerald s.r.o.	Türkova 2319/5b, Praha 4	100%	2018	Retail marketplace	17.10%
Enern Brilliant s.r.o.	Türkova 2319/5b, Praha 4	60.73%	2018	Retail marketplace	2.84%
Enern Aquamarine s.r.o.	Türkova 2319/5b, Praha 4	100%	2018	Retail marketplace	3.98%
Enern Garnet s.r.o.	Türkova 2319/5b, Praha 4	100%	2018	Retail marketplace	4.84%
Enern Malachite s.r.o.	Türkova 2319/5b, Praha 4	100%	2019	Retail marketplace	n/a
Enern Morganite s.r.o.	Türkova 2319/5b, Praha 4	55.56%	2019	Fintech	2.42%
Enern Ruby s.r.o.	Türkova 2319/5b, Praha 4	100%	2019	Retail marketplace	31.37%
Enern Sapphire s.r.o.	Türkova 2319/5b, Praha 4	100%	n/a	n/a	n/a

Additional information to the summary of investments constituting a significant or controlling influence as at 31 December 2020 and 2019:

(In CZK thousands)	Basic capital 31/12/2020	Equity 31/12/2020	Basic capital 31/12/2019	Equity 31/12/2019
Enern Lavender s.r.o.	27	1 178 839	27	449 435
Enern Amethyst s.r.o.	3	99 239	2	102 085
Enern Forsterite s.r.o.	1	88 574	1	88 536
Enern Emerald s.r.o	1	104 304	1	100 994
Enern Brilliant s.r.o.	29	622 015	23	250 391
Enern Aquamarine s.r.o.	1	18 402	1	17 756
Enern Garnet s.r.o.	1	89 592	1	77 520
Enern Malachite s.r.o.	1	24 318	1	12 684
Enern Morganite s.r.o.	10	82 474	10	57 171
Enern Ruby s.r.o.	1	85 885	1	17 681
Enern Miton E-com Holding s.r.o.	87	1 842 892	2	173 327
Enern Sapphire s.r.o.	-	-	1	-18

The ownership interest constituting a significant influence represents an interest of 26.97% in Enern Lavender s.r.o., which holds, on behalf of the ET III Sub-fund, an indirect interest of 3.94% in a portfolio company operating in the health care technology sector; and an interest of 28.38% in Enern Miton E-Com Holding s.r.o., which holds, on behalf of the ET III Sub-fund, an indirect interest of 5.77% in a portfolio company providing online supermarket services.

Ownership interests constituting a controlling influence represent investments in portfolio companies predominantly from the retail marketplace sector (fragmented retail service markets), in which the Sub-fund acquires interests through special-purpose vehicles (SPVs).

An overview of all Sub-fund's investments as at 31 December 2020, which are recognized as available-for-sale securities or ownership interests constituting a controlling or significant influence, is disclosed in Annex 3 (Investment portfolio scheme).

5.5 Amounts owed to Banks

(In CZK thousands)	31/ 12/ 2020	31/ 12/ 2019
Others liabilities	0	42,572
Total amounts owed to banks	**0**	**42,572**

5.6 Other Liabilities

(In CZK thousands)	31/ 12/ 2020	31/ 12/ 2019
Trade payables	10	373
Others liabilities	106,291	1,261
Accruals and deferred income	782	440
Total other liabilities	**107,083**	**2,074**

As at 31 December 2020 and 2019, trade payables include, in particular, payables arising from the payment for maintenance of the Sub-fund's accounting records.

Other liabilities as at 31 December 2020 and 2019 include liabilities from the contribution in excess of the basic capital to portfolio companies.

As at 31 December 2020 and 2019, accruals included estimates of fee for the Sub-fund's administration (for the activities delegated on QI investiční společnost, a.s.), services of the depositary and audit.

As at 31 December 2020 and 2019, no liabilities to financial, social security and health insurance authorities were overdue.

5.7 Capital Funds

As at 31 December 2020 and 2019, capital funds of the Sub-fund amounted to CZK 1,124,412 thousand and CZK 892,783 thousand, respectively, relating to the value of funds provided by the Sub-fund's investors, against which investment shares have been issued, or are prepared for issue, for the period from the Sub-fund's date of incorporation to the financial statements' date.

Class	Nominal value of share (EUR)	Number of shares issued as at 31/ 12/ 2020	NAV per share as at 31/ 12/ 2020 (EUR)	NAV per share as at 31/ 12/ 2019 (EUR)
I1	1.0000	26,160,964	2.3495	1.3952
I2	1.0000	5,932,027	2.1922	1.3194
C1	0.0001	50,000,000	0.1303	0.0299
C2	0.0001	50,000,000	0.0348	0.0074

As at 31 December 2020 and 2019, the Sub-fund received from investors a total of EUR 5,930 thousand and EUR 5,920 thousand, respectively as a partial repayment of capital commitments. The related investment shares of Class I1 and Class I2 were issued at the beginning of 2021 and 2020 (within the term stipulated by the Fund's Statute).

There was not repurchase of investment shares in 2020 and 2019, respectively.

5.8 Gains or Losses on Revaluation

As at 31 December 2020 and 2019, gains/losses on revaluation included revaluation of securities and ownership interests constituting a controlling and significant influence due to the change in the fair value of interest in portfolio companies. In addition, gains or losses on revaluation include currency translation differences related to ownership interests constituting a controlling and significant influence, as well as to available-for-sale securities. Gains or losses on revaluation were CZK 1,139,756 thousand and CZK 285,622 thousand as at 31 December 2020 and 2019, respectively.

5.9 Profit / (Loss) for the Year and Retained Earnings or Accumulated Losses

For 2020 and 2019, the Sub-fund recorded a loss of CZK 23,512 thousand and CZK 31,232 thousand, respectively. Accumulated loss as at 31 December 2020 and 2019 amounted to CZK 74,263 thousand and CZK 43,031 thousand, respectively. No decision has yet been made on the 2020 loss compensation.

5.10 Interest and Similar Income

(In CZK thousands)	31/ 12/ 2020	31/ 12/ 2019
Interest income on loans granted	7	361
Total interest income on loans granted	**7**	**361**

5.11 Interest and Similar Expense

(In CZK thousands)	31/ 12/ 2020	31/ 12/ 2019
Interest expense on loans received	419	2,954
Total interest expense on loans received	**419**	**2,954**

In 2019, the Sub-fund used a bridging loan from Česká spořitelna, a.s., in the amount of EUR 5,200 thousand to pre-finance the acquisition of investments in portfolio companies. The loan balance as at 31 December 2020 and 2019 was CZK 0 thousand and CZK 42,572 thousand, respectively.

5.12 Fee and Commission Expense

(In CZK thousands)	31/ 12/ 2020	31/ 12/ 2019
Fixed fee for administration and management by the fund	20,377	27,247
Depositary's fee	442	378
Bank fees	39	159
Other financial expenses	3	2
Total fee and commission expense	**20,861**	**27,786**

5.13 Gains or Losses from Financial Transactions

(In CZK thousands)	31/ 12/ 2020	31/ 12/ 2019
Foreign exchange differences	(926)	362
Total gains or losses from financial transactions	**(926)**	**362**

5.14 Administrative Expenses

(In CZK thousands)	31/ 12/ 2020	31/ 12/ 2019
Administration of the fund	600	600
Legal advice	10	0
Auditors' fee	548	440
of which: statutory audit of annual financial statements	*548*	*440*
Bookkeeping	120	120
Other administrative expenses	35	55
Total administrative expenses	**1,313**	**1,215**

5.15 Income Tax

Deferred tax

	2020		2019	
Deferred tax items	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Other temporary differences:				
Gains or losses on revaluation	0	0	0	0
Tax loss carryforward	4,881	0	3,677	0
Total	4,881	0	3,677	0
Net	4,881	0	3,677	0

As at 31 December 2020 and 2019, the Sub-fund calculated at an income tax rate of 5% a deferred tax asset of CZK 4,881 thousand and CZK 3,677 thousand, respectively; in line with the principle of prudence, the Sub-fund did not record the deferred tax asset as at 31 December 2020 and 2019.

Current tax expense

The Sub-fund did not record any tax due. The income tax base was computed as follows:

(In CZK thousands)	31/ 12/ 2020	31/ 12/ 2019
Profit (loss) before taxes	**(23,512)**	**(31,232)**
Non-taxable revenues	0	0
Non-deductible expenses	**0**	**0**
Tax loss	**(23,512)**	**(31,232)**
Current income tax due at 5% rate	**0**	**0**

5.16 Related Parties

5.16.1 Revenues and Expenses from Transactions with Related Parties

(In CZK thousands)	31/ 12/ 2020	31/ 12/ 2019
Foreign exchange differences	233	215
Interest income	7	361

In 2020 and 2019, the Company recognized income from loans to related parties.

5.16.2 Receivables from and Payables to Related Parties

(In CZK thousands)	31/ 12/ 2020	31/ 12/ 2019
Capital funds	65,265	30,410
Due from non-banking entities	408	359

All transactions with related parties were carried out on an arm's length basis.

In 2020 or 2019, no loans were granted to members of the statutory bodies, the Board of Directors or similar bodies or to employees involved in the management of the Sub-fund.

5.17 Financial Risks

Financial risks are risks associated with financial activities of the Fund. Risk management aims at maintaining the risk exposure within some level of tolerance by using suitable methods and tools while maximizing profit within the level of risk exposure.

5.17.1 Market Risk

The market risk results from the fluctuation of market prices and their impact on the Sub-fund's profit (equity). The market risk exposure depends on the structure of the balance sheet (the income statement) and the volatility of asset and liability (income and expense) items to changes in market prices. The Sub-fund's major market risks include currency and interest rate risks.

a) Currency risk

The Sub-fund takes on exposure resulting from fluctuations in foreign currency exchange rates on its financial position and cash flows.

The chart below contains an overview of currency risk exposure. The chart contains assets and liabilities at their book value broken down by currencies and only show selected positions from the balance sheet exposed to currency risk.

31 December 2020

(in CZK thousands)	CZK	EUR	USD	Total
Due from banks	1,323	6,012	0	7,335
Due from non-banking entities	0	408	12,832	13,240
Shares, unit certificates and other participations	0	0	16,040	16,040
Ownership interests constituting a significant or controlling influence	0	1,806,143	435,355	2,241,498
Total assets	**1,323**	**1,812,563**	**464,227**	**2,278,113**
Amounts owed to banks	0	0	0	0
Other liabilities	107,083	0	0	107,083
Capital funds	0	1,124,412	0	1,124,412
Total equity and liabilities	**107,083**	**1,124,412**	**0**	**1,231,495**
Net open currency position	**(105,760)**	**(688,151)**	**464,227**	**1,046,618**

31 December 2019

(in CZK thousands)	CZK	EUR	USD	Total
Due from banks	87	11,841	0	11,928
Due from non-banking entities	0	13,931	0	13,931
Shares, unit certificates and other participations	0	16,966	0	16,966
Ownership interests constituting a significant or controlling influence	277,323	681,388	147,252	1,105,963
Total assets	**277,323**	**724,126**	**147,252**	**1,148,788**
Amounts owed to banks	0	42,572	0	42,572
Other liabilities	2,074	0	0	2,074
Capital funds	0	892,783	0	892,783
Total equity and liabilities	**2,074**	**935,355**	**0**	**937,429**
Net open currency position	**275,249**	**(211,229)**	**147,252**	**211,359**

b) Interest rate risk

The Fund takes on exposure resulting from fluctuations of interest rates on its financial position and cash flows.

The chart below contains an overview of interest rate exposure. The chart contains interest-bearing assets and liabilities at book values broken down by the earliest of the settlement, valuation or maturity date.

31 December 2020

(In CZK thousands)	Up to 3 months	3-12 months	1-5 years	More than 5 years	No interest	Total
Due from banks	7,335	0	0	0	0	7,335
Due from non-banking entities	0	0	13,240	0	0	13,240
Shares, unit certificates and other participations	0	0	0	0	16,040	16,040
Ownership interests constituting a significant or controlling influence	0	0	0	0	2,241,498	2,241,498
Total assets	**7,335**	**0**	**13,240**	**0**	**2,257,538**	**2,278,113**
Amounts owed to banks	0	**0**	**0**	**0**	0	0
Other liabilities	**0**	**0**	**0**	**0**	107,083	107,083
Capital funds	0	0	0	0	1,124,412	1,124,412
Total equity and liabilities	**0**	**0**	**0**	**0**	**1,213,495**	**1,231,495**
Difference	**7,335**	**0**	**13,240**	**0**	**1,044,043**	**1,046,618**

31 December 2019

(In CZK thousands)	Up to 3 months	3-12 months	1-5 years	More than 5 years	No interest	Total
Due from banks	11,928	0	0	0	0	11,928
Due from non-banking entities	0	0	73	13,858	0	13,931
Shares, unit certificates and other participations	0	0	0	0	16,966	16,966
Ownership interests constituting a significant or controlling influence	0	0	0	0	1,105,963	1,105,963
Total assets	**11,928**	**0**	**73**	**13,858**	**1,122,929**	**1,148,788**
Amounts owed to banks	42,572	**0**	**0**	**0**	0	42,572
Other liabilities	0	**0**	**0**	**0**	2,074	2,074
Capital funds	0	0	0	0	892,783	892,783
Total equity and liabilities	**42,572**	**0**	**0**	**0**	**894,857**	**937,429**
Difference	**(30,644)**	**0**	**73**	**13,858**	**228,072**	**211,359**

5.17.2 Liquidity Risk

The liquidity risk involves a risk that the Sub-fund will be unable to duly and timely meet its financial liabilities. The Fund's internal policy stipulates the minimum amount of liquid assets necessary to cover satisfaction of liabilities falling due and settlement and contains a liquidity crisis management plan.

The following chart contains a breakdown of assets and liabilities according to maturity bands based on remaining maturity as at the FS date. The chart only contains selected assets and liabilities carried at book values broken down according to the earliest of the settlement, valuation or maturity date.

31 December 2020

(In CZK thousands)	Up to 3 months	3-12 months	1-5 years	More than 5 years	Unspecified	Total
Due from banks	7,335	0	0	0	0	7,335
Due from non-banking entities	0	0	13,240	0	0	13,240
Shares, unit certificates and other participations	0	0	0	0	16,040	16,040
Ownership interests constituting a significant or controlling influence	0	0	0	0	2,241,498	2,241,498
Total assets	**7,335**	**0**	**13,240**	**0**	**2,257,538**	**2,278,113**
Amounts owed to banks	0	0	0	0	0	0
Other liabilities	107,083	0	0	0	0	107,083
Capital funds	0	0	0	0	1,124,412	1,124,412
Total equity and liabilities	**107,083**	**0**	**0**	**0**	**1,124,412**	**1,231,495**
Difference	**(99,748)**	**0**	**13,240**	**0**	**1,133,126**	**1,046,618**

31 December 2019

(In CZK thousands)	Up to 3 months	3-12 months	1-5 years	More than 5 years	Unspecified	Total
Due from banks	11,928	0	0	0	0	11,928
Due from non-banking entities	0	0	73	13,858	0	13,931
Shares, unit certificates and other participations	0	0	0	0	16,966	16,966
Ownership interests constituting a significant or controlling influence	0	0	0	0	1,105,963	1,105,963
Total assets	**11,928**	**0**	**73**	**13,858**	**1,122,929**	**1,148,788**
Amounts owed to banks	42,572	0	0	0	0	42,572
Other liabilities	0	0	0	0	2,074	2,074
Capital funds	0	0	0	0	892,783	892,783
Total equity and liabilities	**42,572**	**0**	**0**	**0**	**894,857**	**937,429**
Difference	**(30,644)**	**0**	**73**	**13,858**	**228,072**	**211,359**

5.17.3 Credit Risk

The credit risk involves a risk of a counterparty failing to meet its liability to the Sub-fund. In the period under review, the Sub-fund only had receivables from short- and medium-term loans provided to group companies where the Fund has detailed information available on their financial position and the structure of their assets and liabilities.

5.17.4 Operational Risk

The operational risk involves losses incurred as a result of inadequate or failed internal processes or people or caused by external events. Operational risk is managed by adequate setup of the Fund's internal processes and selection of external parties.

In the period under review, there were no significant operational risk events that would have a significant impact on the Sub-fund's results, i.e. an impact exceeding 1% of equity.

5.18 Subsequent Events

From 1 January 2021, an amendment to Decree 501/2002 Coll. entered into force for investment companies and investment funds or branches of a foreign entity that is authorized to manage investment funds or foreign investment funds pursuant to the law governing the activities of investment companies and investment funds, which amends the reporting and valuation of financial instruments in accordance with international accounting standards regulated by directly applicable European Union rules on the application of international financial reporting standards (hereinafter "IFRS").

The Sub-fund has decided not to adjust the comparative information as permitted by the IFRS transitional provisions. Differences arising from the initial application of IFRS will be included directly in the opening balance of equity and other balance sheet items as at 1 January 2021.

Based on the assessments made as at the date of the financial statements for the year ended 31 December 2020, the estimated impact of the amendments to Decree 501/2002 Coll. on the Fund's opening balances of equity and other balance sheet items of the Fund has been assessed as insignificant.

After the date of the financial statements, no significant events other than the above occurred that would have an impact on the financial statements of the Sub-fund for the year ended 31 December 2020.

In Prague, 31 August 2021

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Iva Nováková
Chair of the Management Board

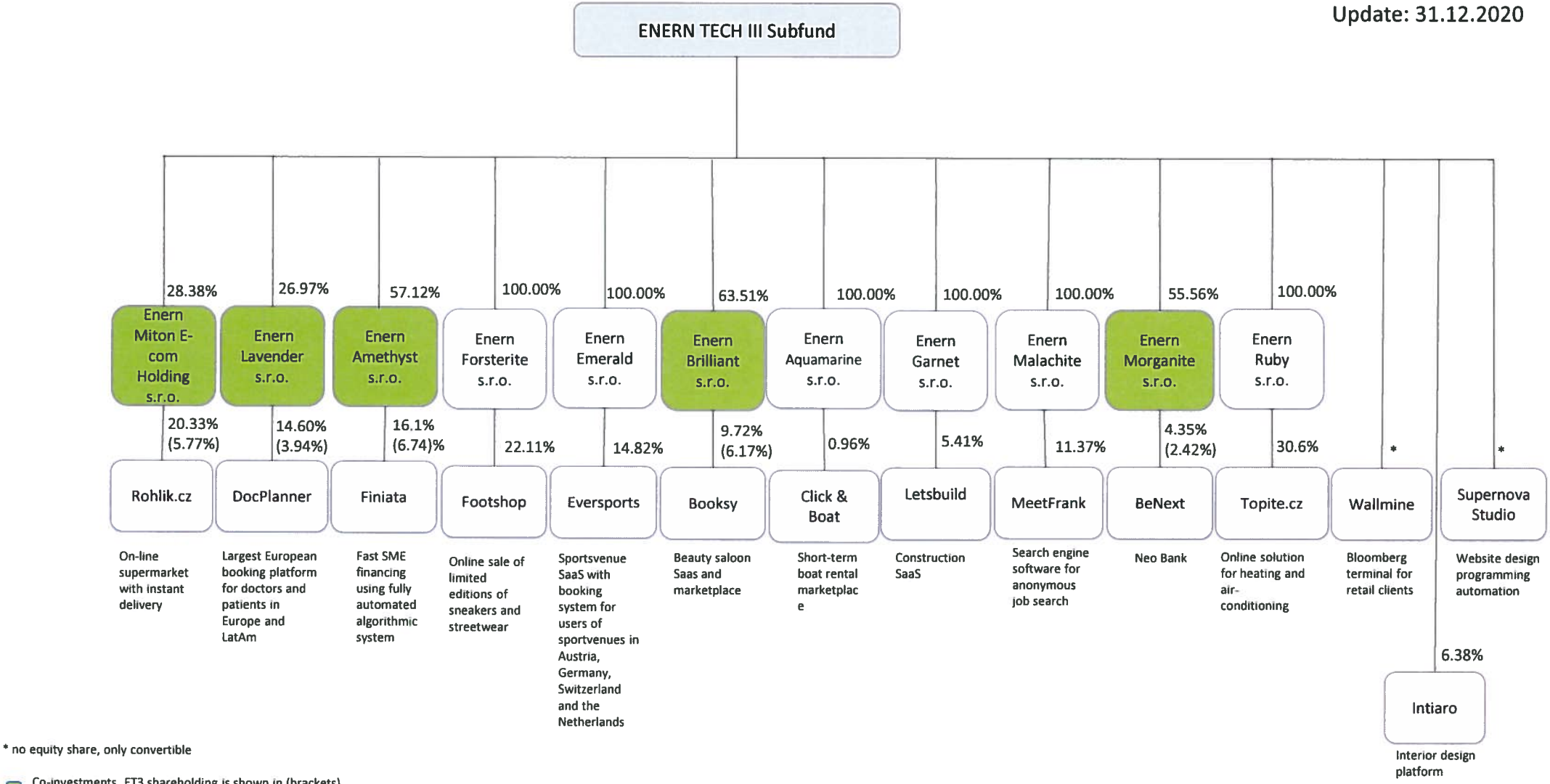
ANNEX 3
ET III SUB-FUND PORTFOLIO STRUCTURE

ET3 Structure

ENERN Investments SICAV

Appendix 3

Update: 31.12.2020



* no equity share, only convertible

Co-investments, ET3 shareholding is shown in (brackets)