Archimede Investments S.r.l.

a limited liability company with its registered office in C.so Umberto I, 211, Caltanissetta (CL), Italy

Quota capital of euro 10,000.00 (paid in for Euro 2,500.00)

Tax code, VAT number and registration number with the Companies' Registry of Caltanissetta (CL) no. 02062150855

R.E.A. No. CL - 117333

Admission Document

*in connection with the application for admission to trading of the financial instruments named "€**10,000,000.00 due December 2032**", ISIN IT0005408122 (issue price: 100%) on ExtraMOT PRO³ of the multilateral trading facility*

ExtraMOT operated by Borsa Italiana S.p.A.

*The financial instruments are issued in dematerialised form (forma dematerializzata) in accordance with article 83-bis and subsequent of the Italian Legislative Decree no. 58 of 24 February 1998 as amended and supplemented from time to time (the **Financial Law**) and the Regulation issued by the Bank of Italy and CONSOB on 22 February 2008, as amended and supplemented from time to time (the **BoI/CONSOB Regulation**) and will be held through and accounted for in book entry form with the central securities depository and management system managed by Monte Titoli S.p.A.*

CONSOB AND THE ITALIAN STOCK EXCHANGE HAVE NOT EXAMINED NOR APPROVED THE CONTENT OF THIS ADMISSION DOCUMENT

This admission document is dated May 22, 2020

Contents

1. DEFINITIONS

In this Admission Document the words and expressions used in capital will have the meaning ascribed to it in the Terms and Conditions (as defined below) save as specified hereinafter:

Account Bank means Banca Finanziaria Internazionale S.p.A., with registered office at Via Vittorio Alfieri, 1 - 31015 Conegliano (Tv), VAT No. 04977190265 – Agency of Milan, Via Manzoni 5, 20121 Milan.

Admission Document means this admission document relating to the trading of the Notes prepared in accordance with the Rules of ExtraMOT PRO[3].

Agency Agreement means the agreement dated on or about the Issue Date between the Issuer, the Paying Agent and the Calculation Agent under which, amongst other things, each of them is appointed, respectively, as paying agent and calculation agent for the purposes of the Notes.

Annual Debt Service Coverage Ratio or **ADSCR** has the meaning given to it in the Terms and Conditions.

ARERA means the Autorità di Regolazione per Energia Reti e Ambiente, being the regulator in Italy for the the water, gas and electricity industries.

Aronne means Aronne S.r.l., a limited liability company (*società a responsabilità limitata*) with a sole quotaholder established under the laws of Italy, with registered office located at Corso Umberto I No. 211, Caltanissetta (CL), VAT No. 01810310852, with a fully paid-in share capital of Euro 10.000,00.

Aronne PV Plants means the 4 photovoltaic plants on ground operated by Aronne in the Sicily Region, for an overall capacity of 3,125.5 kWp.

Arranger means Foresight Group LLP.

Authorizations means all authorizations, licenses and concessions provided by relevant laws and regulations for owning and operating the PV Plants.

Bankruptcy Law means Italian Royal Decree no. 267 of 16 March 1942, as amended and/or supplemented from time to time.

Calculation Agent means the calculation agent under the Agency Agreement, or its successors thereto.

Cash Pooling Agreement means the agreement to be entered into by the Account Bank, the Issuer and the SPVs, detailing the mechanics of the centralized management by the Account Bank of the cash available to the Issuer and SPVs in the respective accounts.

Civil Code means the Italian civil code set out in Royal Decree no. 262 of March 16, 1942 as amended and/or integrated from time to time.

CONSOB means the *Commissione Nazionale per le Società e la Borsa* (*i.e.* the Italian securities authority).

Consob Regulation no. 11971 means CONSOB Regulation no. 11971 dated 14 May 1999 as subsequently amended and supplemented.

Elisur means Elisur S.r.l., a limited liability company (*società a responsabilità limitata*)

with a sole quotaholder established under the laws of Italy, with registered office located at Corso Umberto I No. 211, Caltanissetta (CL), VAT No. 01810340859, with a fully paid-in share capital of Euro 10.000,00.

Elisur PV Plants means the 2 rooftop photovoltaic plants operated by Elisur in the Sicily Region, for an overall capacity of 2,272.8 kWp.

Euro means the single currency unit of the Participating Member States of the European Union as constituted by the Treaty on the Functioning of the European Union and as referred to in the legislative measure of the Council of the European Union for the introduction of, changeover to or operation of a single or unified European currency (whether or not known as the Euro), being in part the implementation of the third stage of the European Monetary Union.

Existing Electricity Contracts means in respect of each SPV the following agreements:

(i) Aronne:

a. RID No. 061327 – for the sale of the energy produced by the PV Plant named BS1 (Municipality of Serradifalco - CL);

b. RID No. 061328 – for the sale of the energy produced by the PV Plant named BS2 (Municipality of Serradifalco - CL);

c. RID No. 060719 – for the sale of the energy produced by the PV Plant named SS1 (Municipality of Serradifalco - CL);

d. RID No. 061326 – for the sale of the energy produced by the PV Plant named SS2 (Municipality of Serradifalco - CL);

(ii) Elisur:

a. RID No. 035996 – for the sale of the energy produced by the PV Plant named Cosentino (Municipality of Caltagirone - CT);

b. RID No. 038426 – for the sale of the energy produced by the PV Plant named Amore (Municipality of Caltagirone - CT).

Existing Leases meaans the lease agreements pertaining to the Elisur PV Plants entered into between Elisur and the Existing Lender.

Existing Lender means Banca Intesa Sanpaolo S.p.A.

ExtraMOT PRO³ means the segment for the growth of small and medium-size enterprises which is part of the multilateral trading system (*sistema multilaterale di negoziazione delle obbligazioni*) held by Borsa Italiana S.p.A. and named "ExtraMOT".

Finance Law means Italian Legislative Decree no. 58 dated 24 February 1998, as subsequently amended and supplemented.

Financial Model is the Base Case contained in the CD-Rom attached to the Terms and Conditions.

Foresight Group S.C.A. SICAV-SIF means Foresight Group S.C.A. SICAV-SIF, *Société d`Investissment à Capital Variable - Fonds d'Investissement Spécialisé* (*Società d'Investimento con Capitale Variabile – Fondo d'Investimento Specializzato*), with registered office in L-2320 Luxembourg, 68-70 Boulevard de la Pétrusse, registration number with the Company Register of Luxembourg with number B220950.

Issuer means Archimede Investments S.r.l., VAT. No. 02062150855.

Issue Date means the date of issue of the Notes, being June 3, 2020.

Italian Civil Code means the Italian civil code set out in Royal Decree No. 262 of March 16, 1942 as amended and/or integrated from time to time.

Italian Consolidated Banking Act means the Italian consolidated banking act (*T.U. delle leggi in material bancaria e creditizia*) set out in Legislative Decree no. 385 of 1 September 1993, as amended and/or integrated from time to time.

Italian Stock Exchange means Borsa Italiana S.p.A., with its registered office in Milan, Piazza degli Affari, No. 6.

Maturity Date means December 31, 2032

Monte Titoli means Monte Titoli S.p.A., with its registered office in Milano, Piazza degli Affari No. 6.

Notes means the Fixed Rate/Floating Rate Notes and the issued by the Issuer from time to time, and **Note** shall be construed accordingly.

Noteholders means, at any time, the holder for the time being of a Note and **Noteholders** means all of them, including the Notes Subscribers.

Notes Subscribers means the initial investors who will subscribe for the Notes pursuant to the terms of the Notes Subscription Agreement.

Notes Subscription Agreement means the agreement executed on the Signing Date between among others, the Issuer, and the Notes Subscriber for the sale by the Issuer and the subscription as principal by such investor of the Notes.

Paying Agent means the paying agent under the Agency Agreement, or its successors thereto.

PV Plants means collectively, the Aronne PV Plants and the Elisur PV Plants, being in aggregate 6 pv plants for an installed capacity of about 5.398 MWp.

QSI means Qohelet Solar Italia S.p.A., a joint stock company (società per azioni) incorporated under the laws of the Republic of Italy with registered office in C.so Umberto I, 211 Caltanissetta (CL) (Italy), fully paid in share capital Euro 10,000,000.00, tax code and registration number with the Companies Register of Caltanissetta (CL) no. 01810300853 - R.E.A. CL – 99903.

Qualified Investors means the subjects listed in annex II, part I and II of the directive 2014/65/UE ("Mifid II"). These subjects are "qualified investors" (*investitori qualificati*) as described in article 100 of the Italian Consolidated Financial Act which, considering the reference to article 34-ter of Consob Regulation No. 11971 dated 14 May 1999 and article 35 of Consob Regulation No. 20307 dated 15 February 2018, are equivalent to "*professional clients*" (*clienti professionali*) under the provisions of Mifid II.

Qualified Investors subject to Prudential Supervision (*investitori professionali soggetti a vigilanza prudenziale*) means, according to article 2483 of the Italian Civil Code, the professional investors subject to prudential supervision pursuant to special laws.

"**Quota Purchase Agreement**" means the agreement whereby, prior to the Issue Date,

the Issuer purchased the whole participation in the SPVs from QSI.

RID or **Ritiro Dedicato Concessions** means any concession executed with the GSE for withdrawal of energy produced by a Plant pursuant to the terms and conditions provided for under the ARERA Resolution No. 280/2007.

Right of Use Agreement means the private agreement for the granting of a right of use (*diritto di utilizzo*) entered into between Aronne and QSI, as owner of the relevant surface rights

Rules of ExtraMOT PRO³ means the rules of ExtraMOT PRO³ issued by the Italian Stock Exchange in force from 16 September 2019 as subsequently amended and supplemented.

Shareholder Loan means each loan the Issuer will grant to each SPV.

Signing Date means June 3, 2020.

Solo Sole means Solo Sole S.r.l., a limited company (*società responsabilità limitata*) incorporated under the laws of the Republic of Italy, with registered office in Caltanissetta (CL), Corso Umberto I no. 211, share capital equal to Euro 10,000.00 fully subscribed and paid-up for Euro 2,500.00, tax code, VAT number and registration number with the Company Register of Caltanissetta (CL) no. 0234180857, REA no. CL - 115592.

Solo Sole Admission Document means the document relating to the trading of the Solo Sole Bond prepared in accordance with the rules of the ExtraMOT, dated May 10, 2019.

Solo Sole Bond means the bond issued on May 13, 2019 by Solo Sole, for an amount of Euro 5,300,000.00, named "*Solo Sole Senior Secured Notes 2042*" and subscribed by Foresight Group S.C.A. SICAV-SIF as initial noteholder.

Solo Sole Terms and Conditions means the terms and conditions governing the Solo Sole Bond, attached to the Solo Sole Admission Document and published on the following website of Solo Sole: www.solosolesrl.it.

SPV means, collectively, Aronne and Elisur.

SPV Distribution means:

(i) any payment of dividends or other distribution (whether in cash or in kind) and any bonus issue or any return of capital (including capital reserves) including any payment in respect, or on the redemption, of any share capital whether at a premium or otherwise; and

(ii) any payment, including by way of set-off of interest, principal or any other amount in respect of the relevant Shareholder Loan, including any purchase by the relevant SPV of any such Shareholder Loan.

Tax means any tax, levy, impost, duty or other charge or withholding of similar nature, including any interest or penalty payable in connection with any failure to pay or any delay in paying any of the same.

Terms and Conditions means the terms and conditions of the Notes which are set out in Annex 4 (*Terms and Conditions of the Notes*) to this Admission Document and which provides for the common definitions of the capitalized terms utilised in the Finance Documents.

2. RESPONSIBLE PERSONS

Archimede Investments S.r.l., with its registered office in C.so Umberto I, 211, Caltanissetta (CL), Italy, VAT. No. 02062150855, is the only subject responsible for the information provided under this Admission Document.

To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Admission Document for which the Issuer takes responsibility is in accordance with the facts and does not contain any omission likely to affect the reliability of such information.

The Issuer states that this Admission Document has been subject to appropriate review as to its completeness, consistency, and understandability.

According to the Notes Subscription Agreement the Notes will be subscribed by the subscriber. No conflicts of interest exist between the Issuer and the Notes Subscriber.

3. DESCRIPTION OF THE PORTFOLIO

All the PV Plants are fully operational and are located in the Sicily Region, and are operated by the SPVs as beneficiaries of the relevant Authorisations.

On or prior the Issue Date the SPVs will be purchased by the Issuer from QSI, the relevant purchase price being fully paid on the Issue Date through the funds deriving from the issuance of the Notes.

Furthermore, within the Issue Date:

- Aronne, operating the Aronne PV Plants by virtue of a Right of Use Agreement, will purchase from QSI the relevant ownership;
- Elisur, operating the Elisur PV Plants by virtue of a 2 Leases Agreements, will purchase from the Existing Lender the relevant surface right ownership (*proprietà superficiaria*).

The purchase by the SPVs of the surface right ownership (*proprietà superficiaria*) of the relevant PV Plants will be financed through the issuance of the Notes, that will be Issued by the Issuer in dematerialized form subject to the provisions set out in the Terms and Conditions of the Notes.

Funds will be provided by the Issuer to the SPVs through Shareholder Loans, in order to make available the necessary funds to purchase the relevant ownership/surface right ownership (*proprietà superficiaria*) and to repay certain financial indebtedness for a total amount of about Euro 6,000,000.00 (six million/00), while a portion of around 3,000,000.00 (three million/00) of the proceeds deriving from the issuance of the Notes will be utilised by the Issuer to pay the purchase price of the SPVs under the Quota Purchase Agreement and the remaining amounts to pay the transaction costs and for the other purposes set out under the Terms and Conditions.

4. RISK FACTORS

Investing in the Notes involves certain risks. The Issuer believes that the following factors may affect its ability to fulfill its obligations under the Notes. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in

investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may, exclusively or concurrently, occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not be able to anticipate at present. In addition, the order in which the risk factors are presented below is not intended to be indicative either of the relative likelihood that each risk will materialize or of the magnitude of their potential impact on the business, financial condition and results of operations of the Issuer.

Prospective investors should also read the detailed information set out elsewhere in this Admission Document and consider carefully whether an investment in the Notes is suitable for them in the light of the information in this Admission Document and their personal circumstances, based upon their own judgment and upon advice from such financial, legal and tax advisers as they deem necessary.

Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations.

Prospective investors should read the whole of this Admission Document, including the information incorporated by reference in this Admission Document.

The risk factors addressed in the following paragraphs have been grouped in different categories, as follows:

(a) risk factors related to the Issuer;

(b) risk factors related to the SPVs;

(c) risk factors related to the solar energy market; and

(d) risk factors related to the Notes.

4.1. Risk factors related to the Issuer

(a) Issuer risk

By purchasing the Notes, the Noteholders will become financiers of the Issuer and will have the right to receive from the Issuer the payment of capital and interest of the Notes, according to the repayment profile of the Notes described under the Terms and Conditions. Therefore, the Notes are generally subject to the risk that the Issuer may not be in the condition to fulfill its payment obligations under the Notes on the relevant scheduled payment dates.

(b) Risk related to other indebtedness of the Issuer

As at the date of this Admission Document the Issuer has no commercial or financial debts, provided that on or about the date of this Admission Document the Issuer will incur the debt for the acquisition of the SPVs, equal to around Euro 3,000,000.00 (three million/00), to be paid through a portion of the proceeds deriving from the issuance of the Notes.

However, once the SPVs will be purchased:

the **Consolidated Net Financial Position** will be apportioned as follows:

(+) Short-term financial borrowings (400,696.00)

(-) Financial receivables (415,633.00)

(-) Cash (43,018.00)

(=) Consolidated Net Financial Position as of 31st December 2019 (-57,955.00)

the **Consolidated Debt Position** will be apportioned as follows:

(+) Commercial debts (548,736.00)

(+) Short-term tax debts (101,863.00)

(+) Medium-long-term tax debts (42,067.00)

(+) Other debts (1,563,437.00)

(=) Consolidated debt position as of 31st December 2019 (2,256,103.00)

It is not excluded that the Issuer will negotiate and/or enter any other financing necessary for its regular course of business and/or the development of its activity or for the re-financing of the current debts.

As a consequence, any future financing instrument entered into by the Issuer or any alteration of the terms and conditions of the current financing instruments will influence the general indebtedness of the Issuer and could alter its growth.

The Issuer has not and will not enter into any agreement to hedge the risk deriving from the fixed/floating rate applicable to the Notes.

(c) Sources of payments to the Noteholders and liquidity risk

As at the date hereof the Issuer has no participation in any SPV. The Issuer is a newly incorporated company whose only assets will be its participations in the SPVs. Accordingly, the only source of funds available to the Issuer for payment of interest and the repayment of principal on the Notes will be the payments made by the SPVs as SPV Distributions (as dividend and/or as repayment of the relevant Shareholder Loans granted by the Issuer to the relevant SPV) to the Issuer when purchased or operating, as the case may be.

SPVs' ability to make such payments will, in turn, depend almost entirely on the Project Revenues (see Section 4.2 (c) for further details).

Consequently, there is no assurance that, over the life of the Notes or at the redemption date of the Notes (whether on maturity or otherwise), there will be sufficient funds to enable the Issuer to pay interest when due on the Notes and/or to repay the outstanding principal of the Notes in full.

The ability of the Issuer to meet its obligations in respect of the Notes will be dependent mainly on, *inter alia*, the timely payment of amounts due under the Project Documents by the various counterparties of the relevant SPVs. The performance by such parties of their respective obligations under the relevant Project Documents is dependent, *inter alia*, on the solvency of each relevant party.

Furthermore, in light of the Cash Pooling Agreement, the cash of the SPVs will be pooled into the bank account of the Issuer, which will be entitled to set-off its credits towards the SPVs (once due and payable) with the SPVs' credits towards the Issuer under the Cash Pooling Agreement, thus having availability of the relevant financial resources. Such mechanism, however, applies only in respect to the amounts deposited in the Issuer's account in excess of the operative needs of the SPVs and, therefore, there is the risk that if the SPVs do not generate sufficient cash-flows to cover their operative needs, the Issuer will not be entitled to receive the above described payments from the SPVs nor to implement the above described set-off mechanism.

(d) Insolvency risk

The performance by each SPV of the obligations under the relevant Shareholder Loan and Cash Pooling Agreement is dependent on the solvency of each SPV. The payments made by each SPV under the relevant Shareholder Loan and Cash Pooling Agreement and any other payment to a party by an Italian party may be subject to a claw back action (*azione revocatoria*) under Article 67 of the Bankruptcy Law or the declaration of ineffectiveness (*dichiarazione di inefficacia*) under Article 65 of the Bankruptcy Law, as the case may be, in case of adjudication of bankruptcy of the relevant SPV. The bankruptcy of one or more of the SPV may therefore imply an obligation by the Issuer to return to the SPV certain amounts received under the relevant Shareholder Loan and Cash Pooling Agreement.

(e) Risks related to litigation regarding the Issuer

Currently the Issuer is not a party to nor is it aware of any actual or threatened proceedings by any third party, nor is it contemplating commencing any proceedings against any third parties. However, the Issuer may become involved in litigation as part of the ordinary course of its business. There can be no assurance that it will be successful in defending or pursuing any such actions and, as a consequence, there could be significant negative effects on the financial, economic and equity situation of the Issuer.

(f) Acquisition contract(s) of the SPVs

The SPVs will be purchased by the Issuer and are not incorporated by this latter. Accordingly, even though the Issuer run a due diligence on the PV Plants and on each SPV and the seller will provide certain representations and warranties upon sale, there is not guarantee that all of the information was and will be duly provided by the seller. The entire equity participation in such SPVs will be transferred pursuant one or several transfer agreement(s) preceding the issuance of the Notes, and the relevant acquisition cost will be paid using a portion of the proceeds deriving from the issuance of the Notes as at the Issue Date. In order to avoid issues of financial assistance, the relevant SPV will not provide securities nor guarantees in relation to the portion of the proceeds arising from the Notes aimed at purchasing such SPV.

(g) Risk of increasingly high levels of corporate income taxes

Any future adverse changes in the income tax rate or other taxes or charges applicable to the Issuer would have an adverse impact on the Issuer's future

results of operations and cash flows. This, as well as any other changes to the tax regime generally applicable to Italian companies, may have an adverse effect on the Issuer's ability to pay interest on the Notes and to repay the Notes in full at their maturity.

Nevertheless, due to the above, no material risk (additional to those burdening any tax payer carrying on business activity in Italy), might be currently envisaged with a reasonable forecast.

4.2. Risk factors related to the SPVs

(a) Weather risk

Solar reports and historical data analyses have been produced by independent advisors. However, meteorological factors, including a lack of sunshine or excessive cloud cover, may reduce the amount of energy produced by the PV Plants. Any solar reports produced by independent experts are subject to uncertainties and the data contained in any such reports might differ from actual solar conditions. In addition, even if long-term historic solar data are used to forecast future solar yields, no assurance can be given that general solar conditions will not change in the future. Variations in solar conditions may occur from year to year, and if any such variations were to occur over a longer period or to have a substantial effect on the levels of energy produced, no assurance can be given that the PV Plants would generate sufficient cash flow to enable the SPVs to make payments due to the Issuer and, in turn, to enable the Issuer to make payments due under the Notes. In such circumstances, the Issuer's ability to fulfil its payment obligations under the Notes could be adversely affected.

(b) Contracting to third parties

The SPVs have contracted to third parties all activities related to the PV Plants respectively, including their operation and maintenance activities which have been contracted pursuant to the O&M. The Issuer therefore indirectly relies on the creditworthiness and expertise of such third parties. If any of these persons experienced financial difficulties and did not perform their services, this might temporarily adversely affect the operation of the relevant PV Plant with negative effects on the financial, economic and equity situation of the relevant SPV and, in turn, of the Issuer.

(c) Operations risk

Cost increases or delays could arise from shortages of materials and labour, engineering or structural defects, work stoppages, labour disputes and unforeseen engineering, environmental or geographical problems. Any such delay might have an adverse effect on the ability of the SPVs to make payments to the Issuer and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

(d) Components risk

The PV Plants include a number of components that are subject to, among other things, the risk of mechanical failure, technology decline, reduced power generation and ground risk. Any failure or degradation of key parts may affect the energy production of the PV Plants and therefore the SPVs' ability to make payments to

the Issuer and, consequently, the Issuer's ability to fulfil its payment obligations under the Notes.

In practice, the availability and efficiency of the PV Plants may differ from any assumptions made by the Issuer, the SPVs, or the O&M Contractor due to, amongst other things, damage to, or degradation of, components. Any such unavailability may result in reduced availability and productivity, with a material adverse effect on the SPVs' ability to make payments to the Issuer and, consequently, the Issuer's ability to fulfil its payment obligations under the Notes.

(e) Operating expenditures may exceed expectations

The financial forecasts for the operating costs of the SPVs' PV Plants are based partly on the terms of the O&M and certain assumptions. As a result of any cost increase exceeding the estimated amount, the SPVs' ability to make payments to the Issuer and, consequently, the Issuer's ability to fulfil its payment obligations under the Notes, may be adversely affected.

Operating costs include expenses for repair, maintenance and replacement and other technical costs of solar panels, trackers and inverters. If the replacement of a main component becomes necessary in advance of schedule or with greater frequency than anticipated, or is more expensive, and is not covered by the relevant O&M, the cost of repair or replacement may need to be met by different means. In addition, running expenses, repair and other technical expenses might be higher than expected for other reasons. Again, any such unforeseen higher costs might have an adverse effect on the SPVs' ability to make payments to the Issuer and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

(f) Insurance and co-insurance risk

Insurance obtained by each SPV and the O&M Contractor may not be comprehensive and sufficient in all circumstances and may be subject to certain deductibles or obligations to meet a proportion of the total amount of the liabilities arising from certain insured risks under the relevant PV Plant.

Moreover, such insurances may not be available in the future on commercially reasonable terms.

An event could result in severe damage or destruction to one or more sites, reductions in the energy output of the relevant PV Plant or personal injury or loss of life to personnel. Insurance proceeds may not be adequate to cover lost revenues or to compensate for any injuries or loss of life.

Actual insurance premiums may be materially higher than those projected. In addition, in cases of frequent damage, insurance contracts might be amended or cancelled by the insurance company to the detriment of the SPVs as the case may be. Further, the insurance may not cover any damage or loss and/or insurance premiums may increase more than had been provided for. In each such case, this could have a material adverse effect on the SPVs' ability to make payments to the Issuer and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

(g) Risk of increasingly high levels of corporate income taxes

Any future adverse changes in the income tax rate or other taxes or charges applicable to the SPVs would have an adverse impact on the SPVs' future results of operations and cash flows. This, as well as any other changes to the tax regime generally applicable to Italian companies, may have an adverse effect on the Issuer's ability to pay interest on the Notes and to repay the Notes in full at their maturity.

Nevertheless, due to the above, no material risk (additional to those burdening any tax payer carrying on business activity in Italy), might be currently envisaged with a reasonable forecast.

(h) Site risk

The components installed in the PV Plants have high value and, therefore, there might be a risk that theft occurs in relation to some of these components. The occurrence of such events may have an impact on the production of electricity by the PV Plants and, in turn, on the ability of the SPVs to make payments to the Issuer and on the Issuer's ability to fulfil its obligations under the Notes. However, are in place insurance policies covering, *inter alia*, thefts.

(i) Encumbrances

With reference to the PV Plants there may be certain minor encumbrances consisting, as the case may be, in easement rights of way, easement rights in relation to gas pipelines, easement rights related to the electric power lines, easement rights in relation to telecommunications cables. Despite the fact that, also on the basis of the evaluations carried out by independent technical advisor, these encumbrances are not likely to jeopardize the rights of any of the SPVs on the areas over which they have land rights or the rights of the secured creditors under the Security Package, the risk that such encumbrances could cause minor liabilities to the SPVs may not be ruled out entirely.

(j) Environmental risks

Various laws may require a current or previous owner, occupier or operator of property to investigate and/or clean-up hazardous or toxic substances or releases at or from such property. These owners, occupiers or operators may also be obliged to pay for property damage and for investigation and clean-up costs incurred by others in connection with such substances. Such laws typically impose clean-up responsibility and liability having regard to whether the owner, occupier or operator knew of or caused the presence of the substances. Even if more than one person may have been responsible for the contamination, each person falling under the scope of the relevant environmental laws may be held responsible for all of the clean-up costs incurred.

4.3. Risk factors related to the solar energy market and the regulatory risks

(a) Self – annulment power (*autotutela*)

The construction and operation of the PV Plants is a heavily regulated business and such activities can be performed on condition that specific authorizations (the most relevant of which is the so called "single authorization") are obtained and maintained.

However, as a general principle, a public authority may in certain circumstances annul its acts (including the single authorisation) to the extent that they are not in compliance with the law (this self-annulment power is called "*autotutela*").

Please note that Article 21-nonies of Law 7 August 1990, No. 241, as modified by Article 25, paragraph 1, lettera, b-quater) and converted in law by Law. No. 164 of 2014 and by Article 6, paragraph 1 of Law No. 124 of 2015, provides that the self-annulment power is subject to the limit of 18-months period.

Therefore, considering that the acts concerning the PV Plants have been issued more than 18 months ago the risk the Public Administration could annul the mentioned acts is very low, which would be limited to the case of fraud of false representations.

(b) Non payment of the feed-in tariff

Electricity generation plants from renewable energy sources heavily depend on national laws supporting the sector.

Since 2011, Italian laws have substantially reduced the incentives for the production of electricity by newly built photovoltaic plants and added specific thresholds to such incentives. These thresholds were reached on 6 June 2013 and, as a consequence, starting from that date, newly built photovoltaic plants are no longer eligible for new subsidies. The current regulatory framework enables GSE always to have sufficient financial resources to meet its payment obligations in relation to the feed-in tariffs and the dedicated off-take through funds ultimately received from the end-users' electricity bills. However, no assurance can be given that, following any change of law, GSE will continue to be able to fulfil its payment obligations fully and in due time in relation to the feed-in tariff and the dedicated off-take.

(c) Inflation risk

The feed-in tariff is not indexed to inflation over time, while certain operating costs to be borne by the SPVs might exceed estimates if the inflation rate were to increase significantly. Consequently, a significant increase in the inflation rate may affect the Project Revenues and, in turn, the ability of the Issuer to repay the Notes.

(d) Sale of electricity

The SPVs receive revenues from two principal sources: the feed-in tariff (almost 78,15% of the total revenues) and sale to the GSE pursuant to the Existing Electricity Contracts (almost 21,85% of the total revenues). The Existing Electricity Agreements are made according to a simplified form of sale of electricity consisting in the voluntary transfer of the entire electric capacity in exchange of a given price per kWh, in alternative to bilateral agreements or sale on the market.

The main principles of the RID regime have been at first set forth by the ARERA by means of resolution no. 34/2005 and, later, through resolution no. 280/2007 (hereinafter, "**ARERA Resolution no. 280/2007**") which, as from time to time integrated and amended, is currently in force and still represents the relevant reference regulation.

According to ARERA resolution no. 280/2007, the role of intermediary between the

producers and the market – formerly performed by the local grid managers - is being currently played by the GSE, which is bound to off-take the entire volume of electricity fed into the grid and, in turn, sells the energy on the market in its capacity as dispatching user ("*utente del dispacciamento in immissione*").The prices of the energy off-taken by the GSE, are defined by ARERA and are equal to the "average zonal price" ("*prezzo zonale orario*").

The average zonal price is the average monthly price per hourly band which is set on the Italian Power Exchange ("**Borsa Elettrica**" or "**IPEX**") for the market area where the plant is located: in essence, it constitutes the so-called "pool price".

Therefore, changes in market demand and supply in the market area of reference may cause prices to fluctuate and there is no assurance that the prices expected from time to time will be obtained. If prices are lower than expected, this may have a material impact on the ability of the SPVs to make payments to the Issuer and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

(e) Capacity payment

Law No. 147 of 27 December 2013 has given powers to the Ministry for Economic Development to issue a regulation (on the basis of a proposal from the ARERA) to determine terms, conditions and amounts of certain measures aimed at compensating the loss of production suffered by fossil-fuel generation plants (the so called "capacity payment"), deriving from the increasing amount of electricity produced by plants fed by renewables. The above mentioned provision of law specifies that capacity payments will have to be set within the limits of the amounts strictly necessary for ensuring safety of the grid, and "*without increasing electricity bills of end customers, within the framework of the electricity market, taking into account the evolution of the same and in coordination with the measures provided for by Legislative Decree No. 379 of 19 December 2003*". By Ministerial Decree 30 June 2014, the Ministry of Economic Development approved Terna S.p.A.'s ("**Terna**") proposal for the regulation of the remuneration of the availability of electrical capacity which is implemented through a "Capacity Market" organized by Terna – which has been implemented in accordance with the specifications contained in the Ministerial Decree 30 June 2014. Based on the available documentation, whether this new mechanism will have an impact on PV Plants financial performance is unclear as such Decree did not expressly specify the source of the funds to remunerate the capacity availability.

(f) Imbalance costs (*oneri di sbilanciamento*)

On 5 July 2012 ARERA issued Resolution No. 281/2012/R/EFR according to which, starting from 1 January 2013, non-programmable renewables plants that sell electricity in the market and that are operated under a dispatching agreement (such as photovoltaic plants) are subject to the same payment obligations applicable to power plants fed by traditional sources or by programmable renewable sources in relation to possible fluctuations in supply causing instability to the electricity grid ("imbalance costs"). The resolution was challenged by several operators and annulled by the Administrative Court of Milan (TAR).

However, the annulment did not result in a complete elimination of the burden for renewable energy producers to pay imbalance costs, but simply required that a

fairer mechanism to calculate those costs be identified for these particular types of plants and reinstated the mechanism previously in force to calculate imbalance costs. As a result renewable energy producers (such as the SPVs) were still required to pay imbalance costs pursuant to ARERA Resolution No. 111/06 (ie the mechanism that applied before Resolution No. 281/2012/R/EFR was introduced) but it was uncertain if the old mechanism continued to apply. Furthermore, in relation to the period from January 2013 until October 2013, unbalancing costs were not paid by renewable energy operators (or have been paid back by the GSE to the producers) as a consequence of the above mentioned annulment. By Resolution n. 2936 of 9 June 2014, the State Council (Consiglio di Stato) upheld ARERA's appeal and confirmed the annulment of Resolution No. 281/2012/R/EFR and Resolution No. 493/2012/R/EFR.

As a consequence of the aforementioned definitive annulment a complete re-organization of the imbalance costs regime had to be implemented, as also required by Article 23-bis paragraph 3 of law decree 91/2014, which - in the meantime - ordered the AEEGSI to implement some changes to Resolution No. 111/06 in order to remove the "macro-areas of Sicily and Sardinia".

By Resolution dated 29 October 2014 No. 525/2014/R/eel, ARERA:

(a) modified some articles of Resolution No. 111/06 in order to comply with Article 23.3-bis of law decree No. 91/2014 – applicable from 1 November 2014;

(b) introduced the express obligation for all electricity production and consumption units to define their injection programs (*programmi di immissione*) using the best estimates available in accordance with the principles of diligence, prudence and professional ability and skill.

By Resolution dated 28 July 2016 No. 444/2016/R/eel, ARERA set out new rules to avoid the risk of opportunistic or anomalous behavior from operators on the dispatching market. This type of conduct aims to obtain undue profits from the voluntary balancing between forecasts and the actual exchange of energy on the wholesale markets, thus transferring improper costs onto the bills of final consumers. The changes introduced (which were implemented as part of the Resolution No. 393/2015 and consulted with documents 163/2015 and 316/2015 from June 2016) immediately concern all wholesalers, traders and vendors, small and large producers in different ways and from January 2017 also small producers that use renewable sources. In particular, to prevent anomalous behaviors, the mechanism for price recognition in case of balancing has been modified (prices recognized for the energy used for maintaining system equilibrium), preventing individual operators from taking undue advantage from voluntary balancing actions, contrary to the principles of diligence, skill, prudence and foresight required by regulations. In fact, regulations already counteracted the phenomenon of voluntary balancing, i.e. with different energy withdrawal programs in relation to the most diligent forecasts. Now the prices recognized in case of balancing are changed, making sure that the existing ban on voluntary balancing is combined with a financial disincentive. Therefore, those with anomalous behaviors, over a predefined 'band' of predicted-actual tolerance, will not only be prevented from gaining economic advantages, but rather will be penalized. The introduction of

further monthly checks on the final balance by the network operator (Terna) is also provided in order to monitor the proper operation of the market. All of the measures put in place contribute to correct the various anomalies on the wholesale market, which could have found structural completion on the supply side if the capacity market segment was already active. ARERA's actions will continue with the comprehensive reform of the governance of balancing (as already outlined in the consultation document 368/2013/R/eel), for which adjustment of the European regulatory framework on Balancing guidelines is awaited, which is currently being developed, and the consequent fully operational design of the dispatching service market.

By Resolution dated 8 June 2017 No. 419/2017/R/eel, AEEGSI approved the new transitional regulation on actual imbalances, which provides for the introduction of macro-zonal non-arbitration fees beginning 1 July 2017, the application of a new calculation method for calculating the aggregated zonal imbalance beginning 1 September 2017 and the reinstatement of the single pricing mechanism for dispatching points of unequipped units while maintaining the dual pricing mixed system for consumer units to counter programming strategies that do not comply with the system.

(g) Renewable Decree

On 29 June 2016 Ministerial Decree dated 23 June 2016 has been published in No. 150 Italian Official Gazette ("Gazzetta Ufficiale") which became effective from on June 2016 regarding the incentives mechanisms granted to renewables power plants other than photovoltaic plants (the "**Renewables Decree**").

However, in the context of the Renewables Decree the following two provisions may also affect the PV Plants:

(A) Article 29, which provides new rules regarding the artful splitting ("*artato frazionamento*") of the plants to access higher feed in tariffs or avoid the register or reverse auction systems. According to such provision - which seems to be applicable with retroactive effect also to those plants already admitted to benefit from the feed in tariff - the GSE is entitled to investigate any possible evidence of one plant being artificially split into multiple smaller ones, also in case a single grid connection point is shared by multiple plants belonging to the same owner. In such a case the GSE may reduce the applicable feed in tariff or, if the artful splitting result in a violation of the provisions concerning the admission to benefit from the feed in tariff, revoke the feed in tariff and recover the sums already paid, if the split enabled the plant to have access to the incentives. However, no criticalities arising from Article 29 of the Renewables Decree have been identified in relation to any of the PV Plants owned by the SPVs;

(B) Article 30, which provides that within 90 days from the date of entry into force of the Renewables Decree, the GSE shall publish (or update, as the case may be) the rules relating to the maintenance and modernization activities on PV plants, in order to protect the efficiency of the PV plant and to prevent expenditure increases.

Procedures on maintenance of the PV plants that the GSE will implement

shall comply with the following principles:

1) the maintenance activities are allowed to the extent that they shall not imply increases for more than 1% of the power capacity of the relevant PV plant (or the sections thereof); on the other hand PV plants having a nominal power capacity up to 20 kW may benefit from an increase of up to 5% of the power output of the plant (or sections thereof);

2) in case of definitive replacement of certain components of the affected PV plant, new components (or regenerated ones) must be used;

3) save as provided under point (iv) below, the replacement of inverters and modules shall be communicated to the GSE within 60 days after the completion of the relevant works, in order to verify the compliance of such activity with the provisions under points (i) and (ii) above;

4) maintenance works are also allowed if they require the use, even if temporary, of machineries or other equipment, as long as they do not increase the nominal capacity of the PV plant.

In order to comply with the abovementioned provisions, on 21 February 2017 the GSE has published the rules relating to the maintenance and modernization of the PV plants. All SPVs, with regard to the respective PV Plants owned, will have to comply with the new GSE rules.

(h) Risk relating to compliance with regulations and change in law risk

The conduct of the Issuer's, the SPVs' businesses is subject to a wide variety of laws and regulations administered by national, regional and supranational government bodies. Those laws and regulations (including, without limitation, the laws relating to the incentives to the SPVs for the production of energy from renewable resources) may change, possibly on short notice, as a result of political, economic or social events. Changes in laws, regulations or governmental policy and the related interpretations may alter the environment in which the Issuer, the SPVs carry on their business and, accordingly, may have an adverse impact on their financial results or increase their costs or liabilities. In addition, the SPVs, and the Issuer may incur capital and other expenditure to comply with various laws and regulations, especially relating to protection of the environment, health and safety and energy efficiency, all of which could adversely affect their financial performance. The Issuer, the SPVs could also face liabilities, fines or penalties or the suspension of production for failing to comply with laws and regulations, including health and safety or environmental regulations.

(i) Power of inspection of the GSE and risk of revocation of the incentives for non-compliance

All the Aronne PV Plants has been subject to an inspection of the GSE under Legislative Decree no. 28/2011.

The PV Plants can be subject to an inspection of the GSE, as a result of the Ministerial Decree 31 January 2014 (the so called "**Decreto Controlli**"), issued after the Aronne PV Plants inspection. However, the Decreto Controlli has been issued on the basis of Legislative Decree no. 28/2011, the same regulation on the

basis of which the inspection on Aronne PV Plants has been carried out. Indeed, despite the fact that nearly 10 years are passed since the PV Plants are in operation, an inspection and/or survey can be conducted by the GSE at any time, through a site visit and/or request of documentation on the PV Plants (both Elisur PV Plants, which have never underwent a GSE inspection and Aronne PV Plants, as the GSE may always come back to inspects plants already inspected in the past). The inspection is not subject to any limitation in term of number and/or type of documents requested. In case a non-compliance is found, the GSE may start an administrative procedure and issue an order of suspension or revocation of the incentives. This order can be challenged before the competent administrative Tribunal within the statutory terms.

4.4. Risk factors related to the Notes

(a) Risks related to the quotation, the liquidity of the markets and the possible volatility of the price of the Notes

The Issuer has applied for admission of the Notes to trading on ExtraMOT PRO^3. ExtraMOT PRO^3 is the professional segment of the ExtraMOT, reserved exclusively to Qualified Investors. Therefore, investors other than Qualified Investors do not have access to ExtraMOT PRO^3 with a consequent limitation of the possibility to sell the Notes. As a consequence, the Qualified Investors should evaluate, in their financial strategies, the risk that that the duration of their investment could have the same duration as the Notes.

(b) United Kingdom's withdrawal from the European Union

On 23 June 2016, in a public referendum, the United Kingdom ("**UK**") voted to leave the EU ("**Brexit**"). On 29 March 2017, by the formal notice of the British Prime Minister, the UK triggered official exit negotiations with the EU. In accordance with Article 50 of the Lisbon Treaty, the EU negotiated a withdrawal agreement with the UK. On 24 January 2020, it was announced that the government of the UK and the EU had executed and entered into to a withdrawal agreement (the "**Withdrawal Agreement**"). On 29 January 2020, the European Parliament voted to consent to the Withdrawal Agreement, and on 30 January 2020, the European Council adopted, by written procedure, the decision on the conclusion of the Withdrawal Agreement on behalf of the EU.

On 31 January 2020, upon the United Kingdom's exit from the EU, the Withdrawal Agreement entered into force. A transition period begins following the date of the United Kingdom's withdrawal until 31 December 2020 (the "**Transition Period**"). During the Transition Period, in effect, UK will continue to be part of the EU Single Market, Customs Union and trade deals. The scope, nature and terms of the relationship between the UK and the EU after the Transition Period remains uncertain; as a result of this the precise impact on the Issuer is difficult to determine.

The withdrawal by the UK could adversely affect economic and market conditions in the UK, in the EU and its member states and elsewhere, and could contribute to uncertainty and instability in global financial markets. In particular, the withdrawal by the UK could significantly impact volatility, liquidity and/or the market value of securities, including the Notes. No assurance can be given that such matters would not adversely affect the Issuer's and SPVs' financial performance or the ability of

the Issuer to satisfy its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market. As such, an investment in the Notes should only be made by investors who understand such risks and are capable of bearing such risks.

(c) Coronavirus Disease (COVID-19)

It as has been widely reported in the press that there has been a global outbreak of coronavirus disease (COVID-19) which began in China and has quickly spread to many countries throughout the world including the United States and Europe. This outbreak has led (and may continue to lead) to disruptions in the global economy. The World Health Organization has declared COVID-19 a global pandemic. The economic impact of the disease has led to a sharp drop and extreme volatility in the stock market and capital markets and has resulted in the Federal Reserve taking emergency action to cut its benchmark rate by 50 basis points and inject additional funds into the short-term lending markets. Information about pandemic are updated daily and may sharply affect their impact on the stock and capital market; this risk factor is not necessarily updated to the latest news and accordingly investors shall rely on their own information. This outbreak (and any future outbreaks) of the coronavirus disease may lead to volatility in or disruption in the stock market and capital markets and may result in further government actions or policy decisions that may adversely affect the market value of the Notes.

(d) Risks related to the interest rate

The investment in the Notes has the typical risks of an investment in fixed/floating rate notes as fluctuation of the interest rates on the financial markets influences the prices and the performance of the Notes.

More in general, changes in market interest rates may adversely affect the market value of the Notes. As a consequence, if the Notes are sold before their final maturity date, the initial investment in the Notes could be higher than the market price of the Notes.

(e) Risks related to an event beyond the control of the Issuer

Events such as the publication of the annual financial statements of the Issuer and/or the SPVs market announcements or the change in the general conditions of the market could influence the market value of the Notes. Moreover, fluctuations in the market and general economic and political conditions could adversely affect the value of the Notes.

(f) Risks associated with the absence of a rating of the Issuer and the Notes

The risk associated with the absence of ratings of the Issuer and the Notes consists of the risk relating to the lack of a synthetic indicator on the Issuer's ability to fulfil its obligations and on the riskiness of the Notes. The Issuer has not requested any rating assessment for itself and for the Notes subject to the offer, so that there is no immediate availability of a synthetic indicator representing the Issuer's solvency and the riskiness of the Notes. However, it should be taken into account that the absence of ratings of the Issuer and the Notes is not in itself indicative of the Issuer's solvency and, consequently, of the riskiness of the Notes themselves.

(g) Risks related to the security granted by the Issuer and the SPVs

Pursuant to Article 2474 of the Civil Code, the security granted by each SPV will not secure the Issuer's obligations for the repayment of the sums used by the Issuer, directly or indirectly, to purchase or subscribe participations in the relevant SPV or, to the extent it falls under Article 2474 of the Civil Code, to make any equity injections including, but not limited to, capital account payments (*versamenti in conto capitale*) or future capital account payments (*versamenti in conto futuro aumento di capitale*).

In the absence of precedents, the deeds of assignment of the feed-in tariff will be entered into in favour of the Noteholders notwithstanding that the form of assignment imposed by GSE does not expressly acknowledge the possibility that bondholders (as opposed to banks) may be beneficiaries thereunder.

According to certain scholars, special privileges pursuant to Article 46 of the Italian Consolidated Banking Act might not be validly granted over assets owned by third parties.

(h) Risks related to the cross-collaterisation of the Notes

The Security Package assisting the Notes, other than the Assignment of GSE Agreements and the RID Collection Mandates, will be cross-collateralised with the Solo Sole Bond (admitted to trading on ExtraMOT PRO as per admission document dated May 10, 2019 the "**Solo Sole Admission Document**"), so as to secure also the obligations of Solo Sole arising from the issuance of the Solo Sole Bond. Accordingly, an "*Event of Default*" (as defined in the Solo Sole Terms and Conditions) under the Solo Sole Bond may lead to the activation of the cross-collaterilised portion of the Security Package, affecting its capacity of securing the Notes; provided that such circumstance will constitute an Event of Default under the Notes.

(i) Risks related to variations of the tax system

All the present and future taxes applicable to any payments made in accordance with the payment obligations of the Notes will be borne by each Noteholder. There is no certainty that the tax system as at the date of this Admission Document will not be modified during the term of the Notes with consequent adverse effects on the net yield received by the Noteholders.

(j) The tax regime applicable to the Notes is subject to a listing requirement and/or Noteholders qualification

The Notes will be listed and negotiated on ExtraMOT PRO[3] and, as such, the Issuer will be entitled to pay the interest, premiums and similar proceeds on Notes due to qualified Noteholders without application of any withholding tax as per Legislative Decree no. 239 of 1st April 1996.

No assurance can be given that the Notes will be listed or that, once listed, the listings will be maintained or that such listings will satisfy the listing requirement under Legislative Decree no. 239 of 1 April 1996 in order for the Notes to be eligible to benefit from the provisions of such legislation relating to the exemption from the requirement to apply withholding tax. However, as provided by Law Decree no. 91

dated 24 June 2014 (so called "*Decreto Competitività*", converted into Law no. 116 dated 11 August 2014), the mentioned favorable tax treatment, applicable under Legislative Decree n. 239 of 1 April 1996, has been extended also to non-listed bonds issued by Italian non-listed companies when held by "Qualified Investors" (as defined under article 100 of Finance Law). If the Notes are not listed or that listing requirement is not satisfied, and the Noteholders should not qualify as Qualified Investors, payments of interest, premium and other income with respect to the Notes would be subject to a withholding tax currently at a rate of 26 per cent, and this would eventually result in Noteholders receiving less interest than expected and could significantly affect their return on the Notes.

(k) Risks related to the amendment of the terms and conditions of the Notes without the consent of all Noteholders

The Terms and Conditions and the Italian Civil Code include rules whereby the determination by Noteholders' meeting of certain matters is subject to the achievement of specific majorities. Such determinations, if correctly implemented, are binding on all the Noteholders whether or not present at such meeting and whether or not voting and whether or not approving the resolution.

(l) Risks related to conflict of interest

The entity or entities involved in the issuance and the placement of the Notes could have an autonomous interest potentially conflicting with the interests of the Noteholders. The activities performed by the Arranger, being an entity operating with the appointment of the Issuer and receiving a fee in relation to the placement of the Notes, imply a conflict of interest towards the Noteholders.

(m) Limited liquidity of secondary market

Although an application has been made for the Notes to be admitted to trading on ExtraMOT PRO[3], there is not, at present, an active and liquid secondary market for the Notes. There can be no assurance that a secondary market for any of the Notes may develop for the Notes or, if a secondary market does develop, that it will provide the holders of the Notes with liquidity of investments or that any such liquidity will continue for the life of such Notes. Consequently, any purchaser of Notes must be prepared to hold such Notes until the Maturity Date. In addition, prospective Noteholders should be aware of the prevailing and widely-reported global credit market conditions (which continue at the date hereof).

Consequently, whilst these market conditions persist, an investor in the Notes may not be able to sell or acquire credit protection on its Notes readily and market values of the Notes are likely to fluctuate. Any of these fluctuations may be significant and could result in significant losses to an investor. In addition, there exist other significant risks to investors. These risks include: (i) increased illiquidity and price volatility of the Notes as there is currently only limited secondary trading in securities of this kind; and (ii) a reduction in enforcement recoveries. These additional risks may affect the returns on the Notes to investors.

In addition, there are other significant risks to investors. These risks include: (i) increased illiquidity and price volatility of the Notes as there is currently only limited secondary trading in securities of this kind; and (ii) a reduction in enforcement

recoveries. These additional risks may affect the returns on the Notes to investors.

Subject to applicable Italian laws and regulations, the transfer of the Notes may also be restricted by securities laws or regulations of certain countries or regulatory bodies. See Annex 1 (*Selling Restrictions*) below.

(n) Suitability

Prospective investors in the Notes should make their own independent decision as to whether to invest in the Notes and whether an investment in the Notes is appropriate or proper for them, based upon their own judgment, and should consult with their legal, business and tax advisers to determine the consequences of an investment in the Notes and to reach their own evaluation of their investment.

Investment in the Notes is only suitable for investors who, in addition of being Qualified Investors subject to prudential supervision and/or Qualified Investors:

(i) have the required knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the Notes;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation;

(iii) are capable of bearing the economic risk of an investment in the Notes; and

(iv) recognize that it may not be possible to dispose of the Notes for a substantial period of time.

Prospective investors in the Notes should not rely on or construe any communication (written or oral) of the Issuer, the Arranger or from any other person as investment advice, it being understood that information and explanations related to the Issuer or the Notes shall not be considered to be investment advice or a recommendation to invest in the Notes.

No communication (written or oral) received from the Issuer, the Mandated Lead Arrangers or from any other person shall be deemed to be an assurance or guarantee as to the expected results of an investment in the Notes.

(o) The Notes may be redeemed prior to their maturity at the option of the Issuer

The Issuer has the option to redeem the outstanding Notes in whole or in part in accordance with the Terms and Conditions at any time after two years from the issue of the Notes. The amount due to the Noteholders upon exercise of that option is their principal amount together with accrued interest and Make-Whole Amount.

If the Issuer calls and redeems the Notes in the circumstances mentioned above, the Noteholders may not be able to reinvest the redemption proceeds in comparable securities offering a yield as high as that of the Notes.

(p) Insolvency laws applicable to the Issuer or the SPVs

The Issuer and the SPVs are incorporated in the Republic of Italy. The Issuer and the SPVs will be subject to Italian insolvency laws.

For instance, if the Issuer becomes subject to certain bankruptcy proceedings, payments made by the Issuer in favor of the Noteholders or on their behalf prior to the commencement of the relevant proceeding may be liable to claw-back by the

relevant trustee. In particular, in a bankruptcy proceeding (*fallimento*), Italian law provides for a standard claw-back period of up to one year (6 (six) months in some circumstances), although in certain circumstances such term can be up to 2 (two) years. In this regard, Article 65 of the Bankruptcy Law may be interpreted as to provide for a claw back period for two years applicable to any payment by the Issuer pursuant to an early redemption at the option of the Issuer if the stated maturity of the Notes falls on or after the date of declaration of bankruptcy of the Issuer.

(q) Change of law

The structure of the transaction described hereunder and, *inter alia*, the issue of the Notes are based on Italian law and tax and administrative practice in effect at the date hereof and have due regard to the expected tax treatment of the Notes under such law and practice. No assurance can be given as to any possible change to Italian law or tax or administrative practice after the date of this Admission Document or that such change will not adversely impact the structure of the transaction and the treatment of the Notes.

(r) Financial Model

The results of the Financial Model are not projections or forecasts. A financial model simply illustrates hypothetical results that are mathematically derived from specified assumptions. In addition, the Financial Model shows cash flows available for debt service and does not model individual financial performance of individual PV Plants. Actual Project Revenues, operating, maintenance and capital costs, interest rates and taxes might differ significantly from those assumed for the purposes of any run of the Financial Model. Accordingly, actual performance and cash flows for any future period might differ significantly from those shown by the results of the Financial Model. The inclusion of summary information derived from the Financial Model herein should not be regarded as a representation by the Issuer or any other person that the results contained in the Financial Model will be achieved. Prospective investors in the Notes are cautioned not to place undue reliance on the Financial Model or summary information derived therefrom and should make their own independent assessment of the future results of operations, cash flows and financial condition of the Issuer and the SPVs.

(s) Forward-looking statements

This Admission Document contains certain forward-looking statements. The reader is cautioned that no forward-looking statement is a guarantee of future performance. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Words such as "may", "will", "seek", "continue", "aim", "anticipate", "target", "projected", "expect", "estimate", "intend", "plan", "goal", "believe", "achieve" or similar expressions are intended to identify forward-looking statements and subjective assessments. Such statements are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements.

The reader is cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Admission Document and are based on assumptions that may prove to be inaccurate. No-one undertakes any obligation to update or revise any forward-looking statements contained herein to

reflect events or circumstances occurring after the date of this Admission Document.

(t) Legal investments considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing, and (iii) other restrictions apply to the purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

(u) Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (Investor's Currency) other than Euro. These include the risk that exchange rates may change significantly (including changes due to devaluation of the Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (i) the Investor's Currency equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes, and (iii) the Investor's Currency-equivalent market value of the Notes.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

5. INFORMATION ABOUT THE ISSUER

5.1. Legal and commercial name of the Issuer

Archimede Investments S.r.l.

5.2. The place of registration of the Issuer and its registration number

The Issuer has its registered office in Caltanissetta (CL), C.so Umberto I, 211, CAP 93100, with REA no. CL - 117333 and Tax code and registration at Business Register n. 02062150855.

5.3. The date of incorporation

The Issuer was incorporated on March 31, 2020.

5.4. Term

The duration of the Issuer is until December 31, 2050.

5.5. Domicile and legal form of the Issuer, legislation under which the Issuer operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business if different from its registered

office)

The Issuer is limited liability company (società a responsabilità limitata) incorporated under the laws of the Republic of Italy, with registered office at with registered office located at Corso Umberto I No. 211, Caltanissetta (CL), Italy, certified mail: archimedeinvestments@pec.it

5.6. Description of the Issuer

Archimede Investments S.r.l. is a limited liability company fully owned by Gaetano Tuzzolino and Gianluca Tumminelli - each owning 50% of its quota capital - which operates in the Italian renewables energy sector.

The Issuer is active in the energetic and environmental field, focusing on building and managing plants for the production of electricity from renewable sources, such as solar, and on preserving environmental and natural heritage, connected to a sustainable development of the territory.

In order to fulfill the company purpose, the Issuer can carry out, directly and indirectly, activities regarding research, production, supply, transportation, transformation, distribution, buying, selling, usage and recycling of energy from renewable and exhaustible sources.

5.7. External auditor

As long as the Notes will be listed in ExtraMOT PRO[3], the Issuer shall procure that its annual consolidated financial statements will be audited by an external auditor.

On 2 April 2020 the Issuer has appointed as external auditor, until the approval of the financial statements as at 31 December 2020, Luigi Tricoli, born on 20 October 1953 in Sommatino (CL) - Italy, registered at the professional accountants' registry (*Albo dei Dottori Commercialisti*) of Caltanissetta (CL) under number 144.

5.8. Any recent events particular to the Issuer, which are to a material extent relevant to the evaluation of the Issuer's solvency.

The Issuer believes that there are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency (other than disclosed in this Admission Document).

6. ORGANISATIONAL STRUCTURE

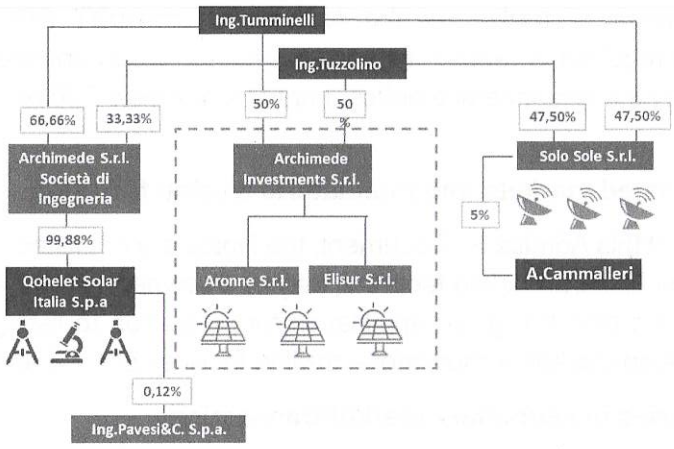
Archimede Investments S.r.l. is a company operating in the Italian renewable energy sector.

Below a table indicating the sole director of the Issuer. No further role is relevant in the corporate structure of the Issuer at the date of this Admission Document.

Member	Name
Sole Director	GaetanoTuzzolino

The sole director of the Issuer above has been mandated for an undetermined period until revocation of his mandate.

ORGANIGRAMMA



7. MAJOR SHAREHOLDERS

Gaetano Tuzzolino and Gianluca Tumminelli, each owning 50% of the Issuer's quota capital, invest in the renewables sector since 2004. Their strategy is to invest in the energetic and environmental fields, aiming to reduce consumption, rationally use energy, use of renewable energy resources, and reduce pollution, also by researching and using new technologies fitting the purpose.

Thanks to their acknowledge in the direct heating, photovoltaic, and thermal energy from renewable sources they have created a group that is active in Italy, through different subsidiaries.

8. ISSUER'S FINANCIAL STATEMENTS

The audited pro forma consolidated financial statements of the Issuer and each SPV are attached to this Admission Document as Annex 2 (*Issuer's audited pro forma consolidated financial statements as at 31 December 2019*) and Annex 3 (*SPVs' financial statements as at 31 December 2019*).

9. USE OF PROCEEDS

A portion of the proceeds deriving from the issue of the Notes of around Euro 3,000,000.00 (three million/00) will be used by the Issuer to finance the purchase from QSI of the full participation in the SPVs, pursuant to the Quota Purchase Agreement executed prior to the Issue Date.

The Issuer will make Shareholders Loan in favour of each SPV, for an aggregate amount of around Euro 6,000,000.00 (six million/00), in order to make available the SPVs the funds necessary to purchase the relevant ownership/surface right ownership (*proprietà superficiaria*) and to repay certain financial indebtedness.

The remaining portion of the proceeds from the Notes will be used to pay the transaction costs and for the other purposes set out under the Terms and Conditions.

In the opinion of the Issuer, the working capital is sufficient for its current needs.

10. ADMISSION TO TRADING AND DEALING ARRANGEMENTS

10.1. Application for admission to trading

The Issuer applied to the Italian Stock Exchange for admission of the Notes to trading on ExtraMOT PRO^3. The decision of the Italian Stock Exchange and the date of commencement of trading of the Notes on ExtraMOT PRO^3, together with the information required in relation to trading, shall be communicated by the Italian Stock Exchange by the issuance of a notice, pursuant to Article 220 of the Rules of ExtraMOT PRO^3.

10.2. Other regulated markets and multilateral trading facilities

At the date of this Admission Document, the Notes are not listed on any other regulated market or multilateral trading facility in Italy or elsewhere, nor does the Issuer intend to submit, for the time being, an application for admission to listing of the Notes on any other regulated market or multilateral trading facilities other than ExtraMOT PRO^3.

10.3. Intermediaries in secondary market transactions

No entities have made a commitment to act as intermediaries on a secondary market.

ARCHIMEDE INVESTMENTS SRL
Corso Umberto I n. 211
93100 Caltanissetta
P. IVA: 02062150855

Annex 1

Selling Restrictions

The Notes shall be exclusively placed to Qualified Investors subject to Prudential Supervision. The Notes shall be successively held by, and retransferred to, Qualified Investors.

The Notes are issued with exemption from the obligation to publish a prospectus for the purposes of article 100 of the Italian Consolidated Financial Act and article 34-ter of the Regulation adopted by Consob Resolution no. 11971/1999, as subsequently amended and supplemented.

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as subsequently amended or supplemented, or any other applicable securities law in force in Canada, Australia, Japan or any other country in which the transfer and/or the subscription of the Notes is not permitted under the applicable laws.

Notwithstanding the foregoing, any transfer of the Notes to any of abovementioned countries, or in countries other than Italy and to non-residents or entities not incorporated in Italy, will be allowed only under the following circumstances:

(i) to the extent which is expressly permitted by the laws and regulations applicable in the country in which it is intended to transfer the Notes, or;

(ii) if the applicable laws and regulations in force in these countries provide for specific exemptions that allow the transfer of the Notes.

The transfer of the Notes will be made in compliance with all applicable regulations, including the provisions relating to anti-money laundering referred to in Italian Legislative Decree no. 231/2007, as subsequently amended and supplemented.

Annex 2

Issuer's audited pro forma consolidated financial statements as at 31 December 2019

Annex 3

SPVs' financial statements as at 31 December 2019

Annex 4

Terms and Conditions