

**SOLO SOLE S.R.L.**

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

*Share capital of euro 10,000.00 fully paid-in*

*Tax code, VAT number and registration number with the Companies' Registry of  
Caltanissetta 02034180857*

**Admission Document**

*in connection with the application for admission to trading of the financial  
instruments named "**€ 5,300,000.00 Senior Secured Notes 2042**", ISIN IT0005359978,  
(issue price: 100%) on the professional segment (ExtraMOT PRO) 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 **Bol/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 10 May 2019

## Contents

Clause	Page
1. DEFINITIONS .....	3
1. RESPONSIBLE PERSONS .....	7
2. RISK FACTORS .....	7
3. Risk factors related to the Issuer .....	7
4. Risk factors related to the solar thermodynamic energy and the regulatory risks.....	11
5. Risk factors related to the Notes.....	14
6. INFORMATION ABOUT THE ISSUER.....	19
7. ORGANISATIONAL STRUCTURE.....	20
8. MAJOR SHAREHOLDERS .....	21
9. SWORN BUSINESS PLAN .....	21
10. USE OF PROCEEDS .....	21
11. ADMISSION TO TRADING AND DEALING ARRANGEMENTS .....	21

## 1. DEFINITIONS

*In this Admission Document and save where the context requires otherwise, the following words and expressions, unless otherwise specified, have the following meanings:*

**Admission Document** means this admission document relating to the trading of the Notes prepared in accordance with the Rules of ExtraMOT.

**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.

**Archimede** means Archimede S.r.l., a limited liability company (società a responsabilità limitata) incorporated under the laws of the Republic of Italy with registered office in C.so Umberto I, 211 Caltanissetta (Italy), fully paid in share capital Euro 100,000.00, tax code and registration number with the Companies Register of Caltanissetta no. 01693950857 - R.E.A. CL-91738.

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

**Arranger** means Foresight Group LLP.

**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.

**Change of Control** means the occurrence of both the below circumstances under (a) and (b):

- (a) the Sponsors, the Sponsors' controlling companies, either separately or jointly, directly or indirectly cease to legally and beneficially exercise management powers over:
  - i. more than 50.1% of the voting rights in the shareholders' meeting of the Issuer; and/or
  - ii. the right to appoint, directly or indirectly, more than 50.1% of the members of the Board of Directors of the Issuer; and
- (b) the Shareholders cease to hold legally and beneficially, either separately or jointly, directly or indirectly pursuant to Article 2359, paragraph 1, no. 1) of the Italian Civil Code:
  - i. more than 50.1% of the voting rights in the shareholders' meeting of the Issuer; and/or
  - ii. the right to appoint, directly or indirectly, more than 50.1% of the members of the Board of Directors of the Issuer pursuant to Article 2364 of the Italian Civil Code.

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

**Closing Date** means 13 May 2019.

**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.

**Direct Agreements** means any direct agreement executed in relation to the EPC Contract, O&M Contract and the MSA.

**EPC Contract** means the engineering, procurement and construction agreement to be entered into between Archimede and the EPC Contractor on 13 May 2019 for the purposes of the completion of the Plant's construction works.

**EPC Contractor** means Kalor Systems S.r.l. incorporated under the laws of the Republic of Italy, with registered office in Canicattì (AG), Via Alcide De Gasperi no. 54/B, tax code, VAT number and registration number with the Company Register of Agrigento no. 02522030846, REA no. AG - 188364.

**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.

**ExtraMOT PRO** means the multilateral trading system named "*segmento professionale ExtraMOT PRO*" which is part of the multilateral trading system (*sistema multilaterale di negoziazione delle obbligazioni*) held by Borsa Italiana S.p.A. and named "ExtraMOT".

**Final Maturity Date** means 30 June 2042.

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

**Financial Model** is the model contained in the CD-Rom attached to the Terms and Conditions.

**Group** means the Sponsor, Archimede and the Issuer.

**Guarantee** means the irrevocable, unconditional on demand guarantee granted for the benefit of the Notes Subscribers by the Guarantor and that will expire on the first anniversary of the transfer of the full property of the Plant to the Issuer under the Transfer Agreement.

**Guarantor** means the Sponsor.

**GSE** means Gestore dei Servizi Energetici S.p.A., being the state-owned company which promotes and supports renewable energy sources in Italy.

**Issuer** means Solo Sole.

**Issue Date** means the date of issue of the Notes, being 13 May 2019.

**Italian Civil Code** means the Italian civil code set out in Royal Decree No. 262 of 16th March, 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 materia 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.

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

**MSA** means the agreement to be entered into by and between the Issuer and Archimede for the management and supervision of the engineering, procurement, design, construction, commissioning, testing, completion, maintenance and operation of the Plant on the or about the Issue Date.

**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 Subscribers for the sale by the Issuer and the subscription as principal by such investor of the Notes.

**O&M Contract** means the operation and maintenance of the Plant to be entered into between the Issuer, as owner, and the O&M Contractor.

**O&M Contractor** means Archimede and any other entity acting as O&M operator under the O&M Contract.

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

**Plant** has the meaning given to it in the Terms and Conditions.

**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 (Italy), fully paid in share capital Euro 10,000,000.00, tax code and registration number with the Companies Register of Caltanissetta no. 01810300853 - R.E.A. CL – 99903.

**Qualified Investors** means the persons referred to in article 100 of the Finance Law who, as provided under article 34-ter of Consob Regulation no. 11971 dated 14 May 1999 and article 35 of Consob Regulation no. 20307 of 15 February 2018, are equivalent to the persons falling under the definition of “professional clients” pursuant to Directive 2004/39/CE (MiFID).

**Qualified Investors subject to prudential supervision** means, according to article 2483 of the Italian Civil Code, the professional investors subject to prudential

supervision pursuant to special laws.

**Rules of ExtraMOT** means the rules of ExtraMOT issued by the Italian Stock Exchange in force from 8 June 2009 as subsequently amended and supplemented.

**Signing Date** means 13 May 2019.

**Solo Sole** means Solo Sole S.r.l., a limited liability company (*società a responsabilità limitata*) incorporated under the laws of the Republic of Italy with registered office in C.so Umberto I, 211 Caltanissetta (Italy), share capital Euro 10,000.00, of which 2,500.00 paid, tax code and registration number with the Companies Register of Caltanissetta no. 02034180857 - CL-115592.

**Sponsor** means QSI.

**Tariff Agreement** means the *Convenzione* that the Issuer and the GSE will enter into for receiving the Tariff.

**Tariff** means the tariffs granted on the Plant by the GSE under the Italian Ministerial Decree dated 23 June 2016.

**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 3 (*Terms and Conditions*) to this Admission Document and which provides for the common definitions of the capitalized terms utilised in the Finance Documents.

**Transfer Agreement** means the agreement to be entered into by and between the Issuer and Archimede whereby Archimede will transfer the Plant and related ongoing business to the Issuer.

## 1. RESPONSIBLE PERSONS

- 1.1 Solo Sole, with its registered office in Caltanissetta, C.so Umberto I, 211, Italy, is the only subject responsible for the information provided under this Admission Document.
- 1.2 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.
- 1.3 According to a subscription agreement (the “**Subscription Agreement**”) the Notes will be subscribed by the Notes Subscribers. No conflicts of interest exist between the Issuer and the Notes Subscribers.

## 2. 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.

### 3. Risk factors related to the Issuer

(a) 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.

Notwithstanding the repayment of the Notes by the Issuer is secured by the Guarantee, there is still the risk that the Guarantor may not be in the condition to fulfill its payment obligations.

(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 except for the indebtedness that will arise as a consequence of the issuance of the Notes.

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.

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 by the Issuer or any alteration of the terms and conditions of the current financing instruments will influence the general indebtedness of them and could alter its growth.

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

The Issuer is a newly incorporated company whose only assets will be the Plant once it will be transferred. Accordingly, until the transfer of the Plant will occur, the Issuer will use part of the funds made available by the Noteholders to make payment of interest and the repayment of principal on the Notes. Part of the proceeds of the Notes will be used to make a shareholder loan in favor of Archimede providing the necessary fund to construct the Plant. Thus, the ability of the Issuer to meet its obligations in respect of the Notes will be dependent also on, inter alia, the timely payment of amounts due by Archimede under the shareholder loan.

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.

When the Plant will be transferred to the Issuer the ability to make such payments will, in turn, depend almost entirely on the revenues generated by the Plants.

(d) 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 their 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.

(e) Contracting to third parties and construction of the Plant



The Issuer has contracted to third parties all activities related to the Plant, including its construction, the operation and maintenance activities which have been contracted to the O&M Contractor. The Issuer therefore 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 Plant with negative effects on the financial, economic and equity situation of the Issuer.

The Project Revenues that may derive from the Plant are subject to the due and timely performance of the Plant and by any third parties performing the activities required, including, but not limited to, the EPC Contractor.

(f) Delay in the construction of the Plant

Under the Tariff Agreement the Issuer undertakes to complete the Plant within a certain timeframe. Failure to comply with such obligation may trigger certain provisions of the Tariff Agreement allowing the GSE to revoke the relevant Tariff under the Tariff Agreement.

(g) 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 problems. Any such delay might have an adverse effect on the ability of the Issuer to fulfil its payment obligations under the Notes.

(h) Components risk

The Plant includes several components that are subject to, among other things, the risk of mechanical failure, technology decline, reduced power generation and ground risk. Any failure or wear of key parts may affect the energy production of the Plant and therefore the Issuer's ability to fulfill its payment obligations under the Notes.

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

(i) Operating expenditures may exceed expectations

The financial forecasts for the operating costs of the Plant are based partly on the terms of the O&M Contract, supply contracts and certain assumptions. As a result of any cost increase exceeding the estimated amount, the Issuer's ability to fulfill its payment obligations under the Notes, may be adversely affected.

Operating costs include expenses for repair, maintenance and replacement and other technical costs of turbines and other parts. 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 Contract, 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 Issuer's ability to fulfil its payment obligations under the Notes.

(j) Solar irradiations

The energy produced by a thermodynamic plant depends on the yearly solar irradiations. In this respect, should the solar irradiations be lower than the expected one for a certain year then the Issuer will receive less receivables from the GSE.

(k) Insurance and co-insurance risk

Insurance obtained by the Issuer 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.

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 one or more of the Plants 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 Issuer. 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 Issuer's ability to fulfill its payment obligations under the Notes.

(l) Encumbrances

With reference to the Plant, there are certain minor encumbrances consisting, as the case may be, in easement rights of way, easement rights in relation to 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 the Issuer on the areas over which it has land rights, the risk that such encumbrances could cause minor liabilities to the Issuer may not be ruled out entirely.

(m) 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 the clean-up costs incurred. The Technical Advisor, basing on the authorization documents reviewed has highlighted the need to mitigate the environmental risk connected to the diathermic oil, with:

- the impermeabilization of the terrain under the solar receiver;
- the installation of a drainage system of meteoric water to a collection basin for the recovery of eventual leaked diathermic oil. In the basin a de-oiling system will be present.

Further to the above, the Issuer lie under certain obligations with respect to emissions into the air, dusts, ashes and draining. All these aspects have been regulated in the single authorization. The non-fulfilment of such obligations may give rise to possible withdraw of the single authorization, the operability of the plant and damage requests.

(n) Liquidity risk

Liquidity risk is defined as the risk that the Issuer will not be able to meet their payment obligations when they fall due.

The Issuer's liquidity could be damaged by unexpected cash outflows or by a reduction in the ability to generate expected revenues caused by (i) lower production of electricity or thermal power due to temporary plant malfunctions, or (ii) a reduction in the price of energy/thermal power. Such circumstance might have an adverse effect on the ability of the Issuer to fulfil its payment obligations under the Notes.

It is to be noted that pursuant to the current Group policy, in case a liquidity issue should arise, the Issuer shall be granted with the support of the Shareholder through specific cash pooling strategies.

**4. Risk factors related to the solar thermodynamic energy and the regulatory risks**

(a) Self-annulment power ("*autotutela*")

The construction and operation of the Plant 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, under Italian legislation, a public authority is entitled to act in self-defense and annul an administrative act formerly issued/approved when the following cumulative conditions are met: (i) the relevant administrative act is not lawful (i.e., is in breach of any provision of law), and (ii) an actual and current public interest exists to support annulment of the act, which interest must be different from the mere intention to restore a lawful situation.

When deciding whether to act in self-defense, the public authority must consider and assess all interests at play for all parties involved and whether public policy reasons exist for such action.

After the most recent enactment of modifications to the national law on administrative proceeding (i.e. Law 241/1990) by Law 124/2015, which entered into force starting from 29 August 2015, an administrative act deemed illegitimate by the competent authority can be annulled in self-defense only within a period of 18 months from the issuance of the act itself. The single authorization n. 27527 regarding the Plant has been issued by the Assessorato dell'energia e dei Servizi di Pubblica Utilità – Dipartimento dell'Energia della Regione on 20 July 2016.

The only exception is regulated in par 2 bis of Article 21 nonies of the abovementioned national law (introduced by Article 6 of Law 124/2015), according to which administrative acts which have been obtained as a consequence of false representations of the factual situation or on the basis of false declarations (provided that the untruthfulness is ascertained following a criminal judicial proceeding) can be annulled also following the expiry of the above-mentioned 18-months deadline.

The revocation or annulment of the Single Authorization would result in the impossibility to further operate the Plant and therefore in the inability of the Issuer to fulfil its obligations under the Notes.

(b) Non-payment of the feed-in tariff

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

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.

(c) Inflation risk

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

(d) Risks relating to compliance with regulations and change in law risk

The conduct of the Issuer's business 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 Issuer 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 carry on its business and, accordingly, may have an adverse impact on their financial results or increase their costs or liabilities. In addition, 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 its financial performance. The Issuer 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 that may affect the ability of the Issuer to pay interest on the Notes and to repay the Notes in full at their maturity.

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

The energy industry is subject to the payment of 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.

(f) 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 Plant. 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 Plant would generate sufficient cash flow 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.

(g) Site risk

The components installed in the Plant 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 Plant and, in turn, on the ability of the Issuer to fulfil its obligations under the Notes.

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

The Plant can be subject to an inspection of the GSE, as a result of the Ministerial Decree 31 January 2014 (the so called "*Decreto Controlli*"). Indeed, despite the fact that the GSE already perform an inspection of all the

documentation and such inspection has a positive outcome (prot. GSE/P20180009564-09/02/2018), a further inspection and/or survey can be conducted by the GSE at any time. The inspection is not subject to any limitation in term of number and/or type of documents requested. In case a non-compliance with a certain degree of importance is to be 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. The competent court might temporarily revoke GSE's suspension decision until a judgment is issued. In such case, the Issuer might still benefit from the incentives and carry on its business with the regular course. It is to be noted, that the competent court might also decide not to suspend the effects of GSE's decision, i.e. the incentives will be suspended, until it will issue a definitive sentence on the matter. In the latter case, the Issuer might suffer the effects of not benefitting from the incentives at an immediate stage. Such circumstance might have an adverse effect on the ability of the Issuer to fulfil its payment obligations under the Notes.

## **5. 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. ExtraMOT PRO 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 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) Risks related to the interest rate

The investment in the Notes has the typical risks of an investment in 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.

- (c) 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 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.

- (d) 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.

(e) 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.

(f) 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 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 1<sup>st</sup> 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.

(g) Risks related to the amendment of the Terms and Conditions 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.

(h) 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.

(i) Limited liquidity of secondary market

Although an application has been made for the Notes to be admitted to trading on ExtraMOT PRO, 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 Final 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.

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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.

(j) 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.

(k) 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.

(l) Insolvency laws applicable to the Issuer

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

For instance, if the Issuer becomes subject to certain bankruptcy proceedings, payments made by the Issuer in favour 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.

(m) 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.

(n) 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 Plants. Actual 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.

(o) 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.

(p) 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.

(q) 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.

(r) Risk related to the Guarantee

In case of enforcement of the Guarantee there is no assurance that the Guarantor will fulfill with its obligation to pay the guaranteed amount provided under the Guarantee.

## 6. INFORMATION ABOUT THE ISSUER

- 1.4 Legal and commercial name of the Issuer: **Solo Sole S.r.l.**
- 1.5 The place of registration of the Issuer and its registration number
- The Issuer has its registered office in Caltanissetta, C.so Umberto I, 211, with REA no. CL – 115592.
- 1.6 The date of incorporation of the Issuer: **27 December 2018.**
- 1.7 Term of the Issuer: **31 December 2050.**
- 1.8 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 a limited liability company (*società a responsabilità limitata*) incorporated under the laws of the Republic of Italy, with its registered office C.so Umberto I n. 211, Caltanissetta, pec: [solosolesrl2019@pec.it](mailto:solosolesrl2019@pec.it).
- 1.9 Description of the Issuer

Solo Sole is a limited liability company fully owned by Gianluca Tummini, Gaetano Tuzzolino and Antonio Cammalleri which operate in the Italian renewables energy sector.

The Issuer is active in the energetic and environmental field, focusing on building and managing plants for the combined production of electricity and thermal energy 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. All the activities reserved by the law, and in particular those connected to electricity – therefore including integrated logistics systems – are excluded.

1.10 External auditor

Ms. Emanuela Maria Vella is appointed as external auditor of the Issuer until the approval of the financial statements as of 31 December 2019. 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).

**7. ORGANISATIONAL STRUCTURE**

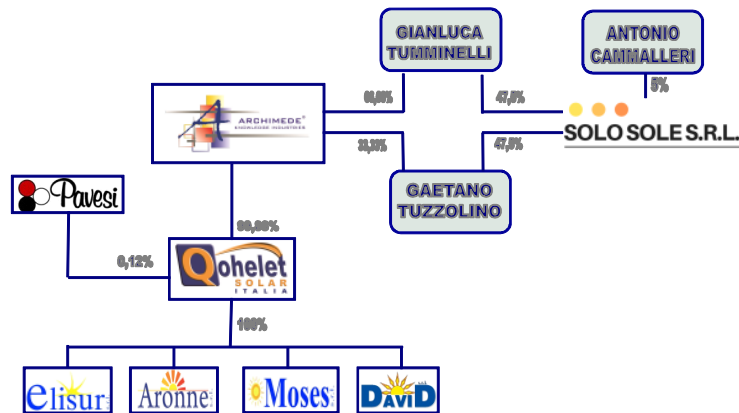
Solo Sole is a company, operating in the Italian renewable energy sector.

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.

<b>Member</b>	<b>Name</b>
Sole Director	Ing. Gaetano Tuzzolino

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

## ORGANIGRAMMA



### 8. MAJOR SHAREHOLDERS

Gaetano Tuzzolino, Gianluca Tumminelli and Antonio Cammalleri, 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.

### 9. SWORN BUSINESS PLAN

The sworn business plant of the Issuer is attached to this Admission Document as Annex 2 (*Issuer Sworn Business Plan*).

### 10. USE OF PROCEEDS

The proceeds deriving from the issue of the Notes will be used by the Issuer to finance the purchase of a thermodynamic power plant from solar irradiations and fossil source with an electrical output of 0.990 MWe and thermal power of 4.0 MWt to be built in the c/da Ciaramito La Piana, Municipality of Enna, Province of Enna, Sicily Region.

### 11. ADMISSION TO TRADING AND DEALING ARRANGEMENTS

#### 1.11 Application for admission to trading

The Issuer has applied to the Italian Stock Exchange for admission of the Notes to trading on ExtraMOT PRO. The decision of the Italian Stock Exchange and the date of commencement of trading of the Notes on ExtraMOT PRO, 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 Section 11.6 of the guidelines

contained in the Rules of ExtraMOT.

1.12 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.

1.13 Intermediaries in secondary market transactions

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

**ANNEX 1**  
(Selling Restrictions)

**ANNEX 2**

*(Issuer Sworn Business Plan)*



**ANNEX 3**  
*(Terms and Conditions)*