

**BIOGAS SARDEGNA GREEN S.R.L.**

*a limited liability company with its registered office in  
Piazza Deffenu 12, Cagliari (CA), Italy*

*Quota capital of euro 112,300.00 fully paid-in*

*Tax code, VAT number and registration number with the Companies' Registry of Cagliari  
03880350925*

**Admission Document**

*in connection with the application for admission to trading of the financial instruments  
named:*

*Euro 5.700.000 Biogas Sardegna Green Senior Secured Notes 2030 (the “**Senior Notes A**”), ISIN IT0005452625, (issue price: 100%)*

*Euro 750.000 Biogas Sardegna Green Junior Secured Notes 2026 (the “**Junior Notes A**”),  
ISIN IT0005452617, (issue price: 100%)*

*Euro 5.650.000 Biogas Sardegna Green Senior Secured Notes 2030 (the “**Senior Notes B**”), ISIN IT0005452633, (issue price: 100%)*

*Euro 750.000 Biogas Sardegna Green Junior Secured Notes 2026 (the “**Junior Notes B**”),  
ISIN IT0005452641, (issue price: 100%)*

*on the professional segment ExtraMOT PRO<sup>3</sup> 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 20 July 2021

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## 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 PRO<sup>3</sup>.

**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 relevant Terms and Conditions.

**ARERA** means Autorità di Regolazione per Energia Reti e Ambiente, being the regulator in Italy for 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.

**BS Green** means Biogas Sardegna Green S.r.l. a limited liability company (*società a responsabilità limitata*) incorporated under the laws of the Republic of Italy with registered office in Piazza Deffenu 12, Cagliari (CA), Italy, fully paid in quota capital Euro 112,300.00 fully paid-in, tax code and registration number with the Companies Register of Cagliari no. 03880350925 - R.E.A. CA - 303960.

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

**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.

**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.

**EPC Contract** means the engineering, procurement and construction agreement to be entered into between BS Green and the EPC Contractor on or about the Issue Date for the purposes of the completion of the Plant's construction works.

**EPC Contractor** means Anaergia S.r.l., with registered office at Via Bassa di Casalmoro 3, Asola (MN), VAT number and registration number with the Company Register of Mantova no. 02231580206.

**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<sup>3</sup>** 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".

**Final Maturity Date** means (i) with respect to the Senior Notes A, the Payment Date falling on 31 December 2030; (ii) with respect to the Junior Notes A, the Payment Date falling on 30 June 2026; (iii) with respect to the Senior Notes B, the Payment Date falling on 31 December 2030 and (iv) with respect to the Junior Notes B, the Payment Date falling on 30 June 2026.

**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 relevant Terms and Conditions.

**Issuer** means BS Green.

**Issue Date** means the date of issue of the Notes, being 20 July 2021.

**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.

**Junior Notes** means the Junior Notes A and the Junior Notes B.

**Junior Notes A** means the Euro 750.000 Biogas Sardegna Green Junior Secured Notes 2026, ISIN IT0005452617.

**Junior Notes B** means the Euro 750.000 Biogas Sardegna Green Junior Secured Notes 2026, ISIN IT0005452641.

**Junior Notes Subscriber** means CheeseTake S.r.l. with registered office at Conegliano, Via V. Alfieri n. 1, quota capital of Euro 10.000 fully paid-in, VAT number and registration number with the Company Register of Treviso - Belluno 04755660265, as subscriber of the Junior Notes.

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

**Notes** means the Notes A and the Notes B issued by the Issuer on the Issue Date, and **Note** shall be construed accordingly.

**Notes A** means the Senior Notes A and the Junior Notes A.

**Notes B** means the Senior Notes B and the Junior Notes B.

**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 Senior Notes Subscribers and the Junior Notes Subscriber as the initial investors who will subscribe for the Senior Notes and the Junior Notes, respectively, pursuant to the terms of the Notes Subscription Agreements.

**Notes Subscription Agreements** means the Notes A Subscription Agreement and the Notes B Subscription Agreement.

**Notes A 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 investors of the Notes A.

**Notes B 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 investors of the Notes B.

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

**SE&M Contractor** means Anaergia S.r.l., with registered office at Via Bassa di Casalmoro 3, Asola (MN), VAT number and registration number with the Company Register of Mantova no. 02231580206 and any other entity acting as SE&M operator under the SE&M Contract.

**Patronage Letter** means the patronage letter pursuant to which the Patronnant expressly and irrevocably undertakes to provide, directly or indirectly, without raising any objection, to the Issuer any amount necessary to repay in full or in part the principal of the Junior Notes and any interest accrued and unpaid on such principal, as the case may be, on any relevant due date.

**Patronnant** means Anaergia S.r.l., with registered office at Via Bassa di Casalmoro 3, Asola (MN), VAT number and registration number with the Company Register of Mantova no. 02231580206.

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

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

**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 PRO<sup>3</sup>** means the rules of ExtraMOT PRO<sup>3</sup> issued by the Italian Stock Exchange in force from 16 September 2019 as subsequently amended and supplemented.

**Senior Notes** means the Senior Notes A and the Senior Notes B.

**Senior Notes A** means the Euro 5.700.000 Biogas Sardegna Green Senior Secured

Notes 2030, ISIN IT0005452625.

**Senior Notes B** means the Euro 5.650.000 Biogas Sardegna Green Senior Secured Notes 2030, ISIN IT0005452633.

**Senior Notes Subscribers** means (i) Foresight Group S.C.A. SICAV-SIF, *Société d'Investissement 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, as subscriber of (a) Euro 3.950.000 of the Senior Notes A and (b) Euro 3.550.000 of the Senior Notes B and (ii) CheeseTake S.r.l. with registered office at Conegliano, Via V. Alfieri n. 1, quota capital of Euro 10.000 fully paid-in, VAT number and registration number with the Company Register of Treviso - Belluno 04755660265, as subscriber of (a) Euro 1.750.000 of the Senior Notes A and (b) Euro 2.100.000 of the Senior Notes B.

**Signing Date** means 20 July 2021.

**Sponsor** means Anaergia S.r.l., with registered office at Via Bassa di Casalmoro 3, Asola (MN), VAT number and registration number with the Company Register of Mantova no. 02231580206.

**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.

**Technical Advisor** means RINA Consulting S.p.A., with registered office at Via Cecchi, 6, Genova, Italy, VAT no. 03476550102.

**Terms and Conditions A** means the terms and conditions of the Notes A which are set out in Annex 2 (*Terms and Conditions A*) to this Admission Document.

**Terms and Conditions B** means the terms and conditions of the Notes B which are set out in Annex 3 (*Terms and Conditions B*) to this Admission Document.

## 2 GENERAL PROJECT DESCRIPTION

### General project description

The initiative is related to the development, design and construction of a power plant fed by animal (slaughterhouse) waste (“Animal By-Products”, or “ABP”), with a rated power of 635 kWe, in the municipality of San Nicolò d’Arcidano (OR), Sardinia, Italy.

With reference to the biodigestion section and to the cogenerator, the plant will be built by Anaergia S.r.l., a company with a wide track record in the sector.

Although only a forecast feeding plan has been drawn up, and therefore not definitive, the use of matrices constituting waste is still excluded and it is guaranteed that all the biomasses that will be used will be included in the categories that the law provides for advanced biomethane (part A of Annex 3 to Ministerial Decree 10 October 2014 and subsequent amendments).

In particular, the raw material envisaged for feeding the plant will be made up 100% of by-products from agricultural and livestock farming activities.

### Contractual Structure

#### (a) Transaction documents

A general description of the relevant transaction documents is provided under the definition of Transaction Documents in the Terms and Conditions A and Terms and Conditions B.

#### (b) Project documents

A general description of the relevant project documents is provided under the definition of Project Documents in the Terms and Conditions A and Terms and Conditions B.

## 3 RESPONSIBLE PERSONS

Biogas Sardegna Green S.r.l., Cagliari (CA), Piazza Deffenu 12, 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.

According to the subscription agreements (the “**Notes Subscription Agreements**”) the Notes will be subscribed by the Notes Subscribers. No conflicts of interest exist between the Issuer and the Notes Subscribers.

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

## 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.

## **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 relevant 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 except for the indebtedness that will arise as a consequence of the issuance of 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**

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.

As at the date hereof, the principal source of funds available to the Issuer for payment of interest and the repayment of principal on the Notes depend on the revenues of the Plant.

The ability of the Issuer to meet its obligations in respect of the Notes will be dependent on, *inter alia*, the timely payment of amounts due under the Project Documents. 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.

(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 SE&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 SUAPE authorization the Issuer undertakes to complete the Plant within a certain timeframe. Failure to comply with such obligation may trigger the forfeiture of the SUAPE authorization. The deadline is quite large (3 years).

(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 SE&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 SE&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. 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 SE&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) Insurance and co-insurance risk

Insurance obtained by the Issuer and the SE&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 the 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 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.

(k) 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.

(l) 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 that water and air purification plants are planned in order to comply with all applicable environmental impact regulations and that the project has been planned with sufficient technical caution and reports a satisfactory level of detail.

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 EIA screening and SUAPE authorization. The non-fulfilment of such obligations may give rise to possible withdraw of the EIA screening and SUAPE authorization, the operability of the plant and damage requests.

(m) 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 power due to temporary plant malfunctions, or (ii) a reduction in the price of energy/power. Such circumstance might have an adverse effect on the ability of the Issuer to fulfil its payment obligations under the Notes.

This may materially and adversely affect the Issuer's results of operations and financial condition should the Issuer be obliged to incur extra costs to meet its financial commitments and, at worst, it may threaten the Issuer's future as a going concern and lead to insolvency. The Issuer's approach to liquidity risk is to have a financial structure which ensures an adequate level of liquidity and a balance in terms of duration and composition of its debt in line with its business objectives. However, these measures may not be sufficient to cover such risk. To the extent they do not, this may materially and adversely affects the Issuer's financial condition with a consequent adverse effect on its ability to meet its obligations under the Notes.

(n) Issuer's revenues

The Issuer's revenues derive for 89% from the SOA contribution, for 7.35% from the sale of compost and for 3.62% from the sale of electricity. The electricity sale tariff is fixed with dedicated withdrawal (tariff is annually fixed by the GSE) up to 2Gwh, for the remaining part the energy produced will be sold at market price (variable), such circumstance might have an adverse effect on the ability of the Issuer to fulfil its payment obligations under the Notes.

(o) SOA contribution agreements

The exiting SOA contribution agreements amount to approximately Euro 6,000,000/year for 5 years (plus another 5 years possible renewal), the breach of the relevant obligations by the suppliers, although penalties are foreseen, might have an adverse effect on the ability of the Issuer to fulfil its payment obligations under the Notes.

## 2. Risk factors related to the energy industry, the Plant 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 EIA screening and SUAPE 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 EIA Screening (no. 2/39) has been issued by the Sardegna Region on 21 January 2021, while the SUAPE authorization (no. 8, prot. 1006) has been issued by the Municipality of San Nicolò d'Arcidano on 22 February 2021.

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 EIA screening and SUAPE 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) 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.

(c) 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.

(d) 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.

(e) 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. However, are in place insurance policies covering, inter alia, thefts.

(f) Lack of suppliers or animal waste

The power Plant is fed by animal waste (slaughterhouse) ("Animal By-Products", or "ABP"), so the lack of suppliers or animal waste may adversely affect the amount of energy produced by the Plant. 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.

### 3. 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<sup>3</sup>. ExtraMOT PRO<sup>3</sup> 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<sup>3</sup> 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 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 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 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 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 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.

(h) 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<sup>3</sup> 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.

(i) Risks related to the amendment of the relevant Terms and Conditions without the consent of all Noteholders

The relevant 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.

(j) 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.

(k) Limited liquidity of secondary market

Although an application has been made for the Notes to be admitted to trading on ExtraMOT PRO<sup>3</sup>, 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.

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.

(l) 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 Arranger 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.

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

Starting from and including the interest payment date falling on 30 June 2025, the Issuer shall have the right to early redeem the Senior Notes, in full but not in part, on any interest payment date in accordance with the relevant Terms and Conditions.

If the Issuer calls and redeems the Senior 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 Senior Notes.

(n) 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.

(o) 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.

(p) 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.

(q) 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.

(r) 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.

(s) 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.

(t) Risk related to the Patronage Letter

The Patronage Letter is not a guarantee (a “*fideiussione*” or a “*garanzia autonoma*”)

and, therefore, does not guarantee the fulfilment of the obligations of the Issuer towards the Noteholders and the Patronant does not represent a guarantor of the Issuer, such circumstance might have an adverse effect on the ability of the Issuer to fulfil its payment obligations under the Notes.

## **5 INFORMATION ABOUT THE ISSUER**Legal and commercial name of the Issuer

Biogas Sardegna Green S.r.l.

The place of registration of the Issuer and its registration number

The Issuer has its registered office in Cagliari (CA), Piazza Deffenu 12, quota capital of euro 112,300.00 fully paid-in, tax code, VAT number and registration number with the Companies' Registry of Cagliari 03880350925 with REA no. CA - 303960.

The date of incorporation of the Issuer

December 19, 2020

Term of the Issuer

December 31, 2060.

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 in Cagliari (CA), Piazza Deffenu 12, pec: bsgreen@pecimpresa.it.

Description of the Issuer

Biogas Sardegna Green S.r.l. is owned by WTE Holding S.r.l. (group: Anaergia Inc) owning 60% of its quota capital - which operates worldwide in the waste treatment and is one of the world biggest biogas operator, Andrea Massidda, Matteo Negri, VMV Ingegneria S.r.l., each owning 10,83% of its quota capital, Adele Mita, Emanuela Salmi, Angelo Daga, each owning 2,5% of its quota capital - which operates in the Italian renewables energy sector and Animal-by-product sector.

The Issuer and his partners are active in the energetic and environmental field, focusing on building and managing plants for the biogas production with electricity and thermal energy production, and on preserving environmental and natural heritage, connected to a sustainable circular development of the territory.

In order to fulfill the company purpose, the Issuer can carry out, directly and indirectly, activities regarding research, design, construction, energy production, supply, transportation, transformation, usage and recycling of ABP(Animal-by-product), biogas production by anaerobic digestion and production of electrical and thermal energy from biogas.

External auditor

As long as the Notes will be listed in ExtraMOT PRO<sup>3</sup>, the Issuer shall procure that its annual financial statements will be audited by an external auditor.

The Issuer has appointed as external auditor Dott. Francesco Manetti, born on 5 July

1977 in Rome (RM) - Italy, registered at the auditors' registry (*Registro dei Revisori Legali*) under number 167175, until the approval of the financial statements as at 31 December 2023.

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).

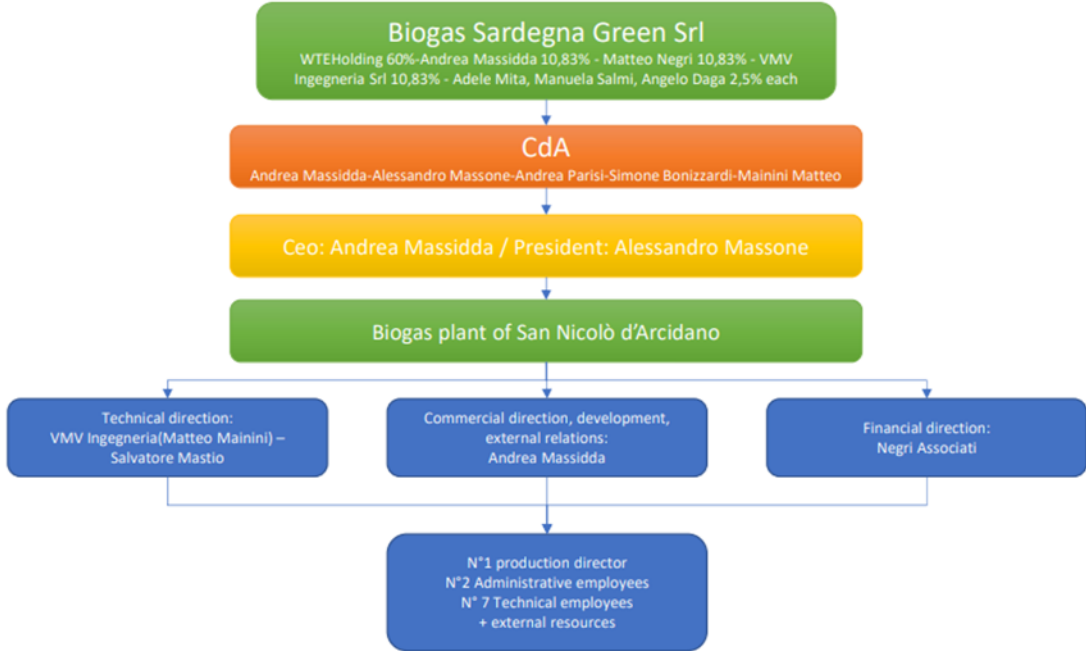
**6 ORGANISATIONAL STRUCTURE**

Biogas Sardegna Green S.r.l. is a company operating in the Italian biogas, electrical and thermal energy production 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
CEO	Andrea Massidda
President	Alessandro Massone

The CEO of the Issuer above has been mandated for a period of one year.



**7 MAJOR SHAREHOLDERS**

WTE Holding S.r.l. owning 60% of the Issuer's quota capital, is part of ANAERGIA Inc group, operates in the biogas/renewables sector. Their strategy is to invest in

development/construction and operation in the Waste/Biogas/energetic and environmental projects, aiming to reduce waste production and consumption, rationally use energy, use of renewable energy resources, and reduce pollution, also by researching and using new technologies fitting the purpose.

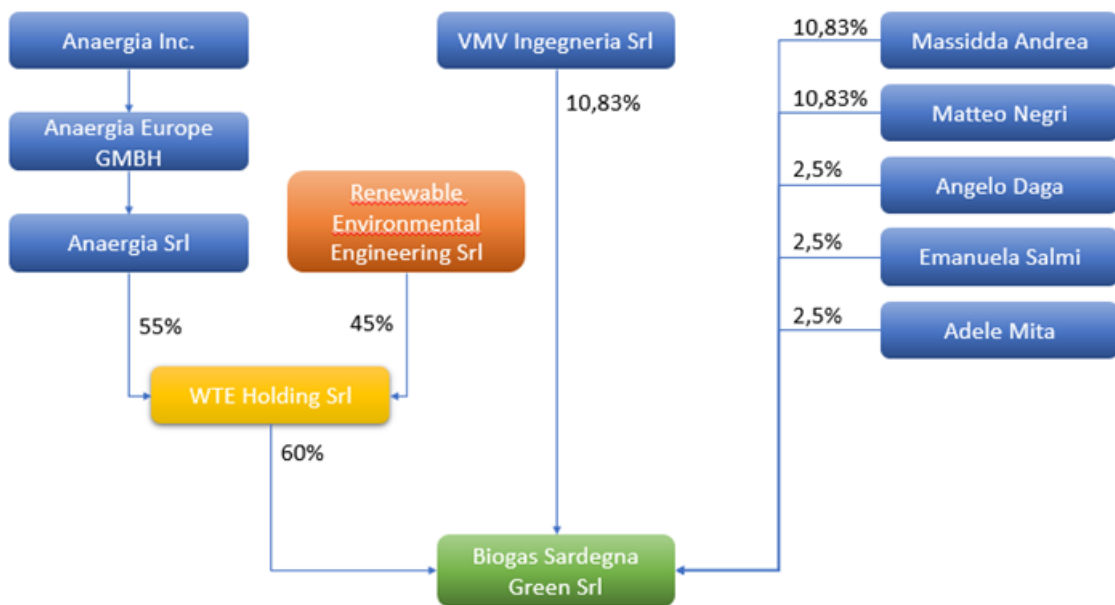
Thanks to their acknowledge they have created a group that is active worldwide and in Italy, through different subsidiaries.

Anaergia is a multinational company headquartered in Canada. The company was started with the acquisition in 2008 of UTS GmbH, a leading anaerobic digestion German Company that at the time had already built over 1.500 agricultural Crop to Energy anaerobic digesters across Europe.

With investments from the Benedek Family Trust, Emerson Collective, Macquarie Capital, Canada's EPC and other investors that believe in reducing global warming, and carbon footprint, Anaergia has since 2008 heavily invested in developing and acquiring technologies and companies today within the Anaergia Group to have a further impact on the world by expanding its capability from converting Crop to Energy to converting Waste to Energy.

Today, with over 1.800 operating plants, Anaergia stands as a leader in both the Agricultural and the Waste Sectors with large reference plants in both sectors. Most of these plants were designed and built by one of Anaergia's companies and some of these plants are also operated by the Group.

**Group structure:**



**8 ISSUER'S ECONOMIC FINANCIAL PLAN**

The audited Issuer's economic financial plan is attached to this Admission Document as Annex 4 (*The audited Issuer's economic financial plan*).

## **9 USE OF PROCEEDS**

Use of proceeds of the Notes to finance the construction and starting of operation of a greenfield biogas plant of 30k ton/year including a CHP of 635kW in the Municipality of San Nicolò d'Arcidano (OR), Sardinia, Italy, a project which currently has all the necessary authorisations to start the construction phase.

Most of the proceeds will be used for the construction phase which, is expected in around 6 months plus a rump-up phase of a further 4 months.

The remaining part of the funds, will be used for the rump-up phase and the first months of start-up and operation of the plant.

After the start-up and rump-up phase, expected in 10 months from the beginning of construction, the plant will be able to sustain itself financially

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

## **10 ADMISSION TO TRADING AND DEALING ARRANGEMENTS**

Application for admission to trading

The Issuer applied to the Italian Stock Exchange for admission of the Notes to trading on ExtraMOT PRO<sup>3</sup>. The decision of the Italian Stock Exchange and the date of commencement of trading of the Notes on ExtraMOT PRO<sup>3</sup>, 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 224.3 of the Rules of ExtraMOT PRO<sup>3</sup>.

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<sup>3</sup>.

Intermediaries in secondary market transactions

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

## **ANNEX 1**

### **(Selling Restrictions)**

The Notes shall be exclusively placed to Qualified Investors subject to Prudential Supervision and to securitisation vehicles pursuant to law 30 April 1999, no. 130, article 1 par. 1-bis. 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 or restricted 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, of 21st November 2007, as subsequently amended and supplemented.



**ANNEX 2**  
*(Terms and Conditions A)*

**TERMS AND CONDITIONS OF THE SENIOR SECURED NOTES AND THE JUNIOR SECURED NOTES**

**Euro 5.700.000 Biogas Sardegna Green Senior Secured Notes 2030** (the “**Senior Notes A**”)

**Euro 750.000 Biogas Sardegna Green Junior Secured Notes 2026** (the “**Junior Notes A**”)

Issue Price on the Issue Date 100.00% (one hundred per cent.)

**SENIOR NOTES A ISIN CODE IT0005452625**

**JUNIOR NOTES A ISIN CODE IT0005452617**

issued by

**Biogas Sardegna Green S.r.l.**

a company incorporated under the laws of the Republic of Italy

**with Registered office:** Piazza Deffenu n. 12, Cagliari, Italy

**VAT no.: 03880350925**

**Quota capital: Euro € 112,300.00 (paid up in full)**

The following is the text of the terms and conditions (the “**Terms and Conditions**”) of the Senior Notes A and the Junior Notes A issued by Biogas Sardegna Green S.r.l. (the “**Issuer**”) on 20 July 2021 (the “**Issue Date**”), pursuant to articles 2483 of the Italian civil code (the “**Italian Civil Code**”).

In these Terms and Conditions:

**1. DEFINITIONS**

“**Accounts**” means each of:

- (a) the Proceeds Account;
- (b) the Cash Trap Lockup Account;
- (c) the Debt Service Reserve Account;
- (d) the Maintenance Reserve Account;
- (e) the Escrow Account;
- (f) the Distribution Account;
- (g) the Junior Notes Debt Service Reserve Account; and
- (h) any other account opened in accordance with the Conditions.

“**Account Bank**” means Banca Finanziaria Internazionale S.p.A., Agency of Milan, Via Manzoni 5, 20121 Milan.

“**Additional Amount**” has the meaning ascribed to it in Condition 7(xiii).

“**ADSCR**” or “**Annual Debt Service Coverage Ratio**” means, in respect of any Calculation Date falling after the Interest Payment Date falling in 30 June 2023 both:

- 1) the historic Annual Debt Service Coverage Ratio, being the ratio of A:B where:
  - A. is Cash Available for Debt in respect of the 12 month period ended on the relevant Calculation Date; and
  - B. is the aggregate of (i) the amounts of Principal Amount Outstanding of the Notes to be redeemed and (ii) the Interest Amounts due, on the Notes, on the two Interest Payment Dates immediately preceding the relevant Calculation Date,

and

- 2) the forward Annual Debt Service Coverage Ratio, being the ratio of A:B where:
  - A. is Cash Available for Debt in respect of the 12 month period beginning on such Calculation Date determined on the basis of the Base Case; and

B. is the aggregate of (i) the amounts of Principal Amount Outstanding of the Notes to be redeemed and (ii) the Interest Amounts due, on the Notes, of the 12 month period beginning on the relevant Calculation Date.

“**ADSCR Trigger**” means that the ADSCR is less than or equal to 1.30x (one point thirty times) on any Calculation Date falling after the Interest Payment Date falling in 30 June 2023.

“**Affiliates**” means, in relation to the Sponsor, any company, corporation or other entity, which controls, is controlled by or is under common control with the Sponsor and shall be considered an Affiliate only so long as the control, directly or indirectly, meets the conditions of this definition. For purposes of this definition, control, in relation to any company, corporation or entity, shall mean ownership or control, directly or indirectly, of more than fifty (50%) percent of the shares having voting rights, or other equivalent rights of the subject entity entitled to vote or having the right to appoint the majority of its board of directors (or equivalent) or otherwise (including by way of contract) having the right to control its management and operation.

“**Annex A**” means annex A hereto.

“**Annex B**” means annex B hereto.

“**Annex C**” means annex C hereto.

“**Annex D**” means annex D hereto.

“**Annex E**” means annex E hereto.

“**Annex F**” means annex F hereto.

“**Annex G**” means annex G hereto.

“**Annex H**” means annex H hereto.

“**Anti-Corruption Laws**” means any anti-corruption laws and regulations applicable to the Issuer, including laws and measures implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or the United Nations Convention Against Corruption.

“**Anti-Money Laundering Laws**” means Italian legislative decree No. 231, of 21<sup>st</sup> November 2007, as subsequently amended and supplemented, and any anti-money laundering laws and regulations applicable to the Issuer.

“**Arranging Fee**” has the meaning ascribed thereto in the Fee Letter.

“**Assets**” means of all inventory, work in progress, accruals, trade and other receivables, the tangible and intangible assets and/or shares and financial instruments held by the Issuer.

“**Assignment of Claims**” means the agreement entered into by the Issuer on or about the Issue Date whereby the receivables arising out of the Project Documents (other than any PPA, any Feedstock Supply Contract, any Liquid Digestate Disposal Agreement and any Solid Digestate Disposal Agreement) are assigned by way of security in favour of the Noteholders and the Second Issuance Noteholders.

“**Authorization**” means any authorization, including the SUAPE Final Measure, the Sole Environmental Authorization, connection rights, consent, approval, resolution, license, exemption, filing, notarization or registration necessary to (i) build, operate and maintain the Plant and all activities related thereto and (ii) run the business in which the Issuer is engaged.

“**Base Case**” means the agreed financial model published on the website of the Issuer, based on *inter alia* Technical and Market Assumptions and Economic Assumptions, deposited with, and available at the registered office of, the Representative of the Noteholders or any other custodian agreed by the Issuer and the Noteholders, as updated in accordance with Annex A.

“**Business Day**” means a day (other than Saturday or Sunday or a public holiday in Italy or in the United Kingdom) on which banks are generally open for business in Rome, Milan and London and TARGET2 (or any successor thereto) is open.

“**Calculation Agency Agreement**” means the agreement entered into or to be entered into on or about the Issue Date between the Issuer and the Calculation Agent for the services to be rendered by this latter under the Notes.

“**Calculation Agent**” Banca Finanziaria Internazionale S.p.A., *breviter* Banca Finint S.p.A., a bank incorporated under the laws of Italy as a joint stock company (*società per azioni*) with a sole shareholder, with registered office at via Vittorio Alfieri 1, 31015 Conegliano (TV), Italy, share capital of Euro 71,817,500.00 fully paid up, tax code and enrolment in the Companies’ Register of Treviso-Belluno number 04040580963, VAT Group “Gruppo IVA Finint S.p.A.” – VAT number 04977190265, registered in the Register of the Banks under number 5580 pursuant to article 13 of the Consolidated Banking Act and in the Register of the Banking groups as the parent company of the Banca Finanziaria Internazionale Banking Group, member of the “*Fondo Interbancario di Tutela dei Depositi*” and of the “*Fondo Nazionale di Garanzia*” or any other person for the time being acting in its capacity as Calculation Agent.

“**Calculation Date**” means a Business Day falling 7 (seven) Business Days following each Interest Payment Date, starting from the Interest Payment Date falling in 30 June 2023.

“**Capital Increase**” any cash subscription for shares (*aumento di capitale*) of, or any other form of equity contribution (*versamento in conto capitale*) to, the Issuer by any Shareholder (directly or indirectly).

“**Cash Available for Debt**” means, in respect of any period, A minus B, where:

- (i) A is the aggregate Project Revenues expected to be received by the Issuer (without double counting) during that period; and
- (ii) B is the aggregate of all amounts payable by the Issuer during that period in respect of Operating Costs expected to be paid by the Issuer (without double counting).

“**Cash Trap Lockup Account**” means the bank account having IBAN No. IT93 W 03266 61620 000014103618 opened by the Issuer with the Account Bank.

“**Change of Control**” shall mean any event or circumstance in which any Person, other than the Sponsor, acquires, directly or indirectly, Control of the Issuer.

“**Condition**” means the relevant clause of the present Terms and Conditions.

“**Connection of the Plant**” means has the meaning ascribed to “*Entrata in Esercizio*” in the EPC Agreement.

“**CONSOB**” means the *Commissione Nazionale per le Società e la Borsa*.

“**Control**” or “**control**” means, in respect of the Issuer the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to appoint or remove (whether as a result of the exercise of dominant influence in accordance with Article 2359, paragraph 1, numbers 2 and 3, of the Italian Civil Code or its equivalent under the relevant applicable laws (“**Dominant Influence**”) or otherwise) all of, or the majority of, the members of the board of directors (or other equivalent body) of the Issuer.

“**Debt Service**” means the average, calculated by the Calculation Agent on each Calculation Date, with respect to the two Interest Payment Dates immediately following each such Calculation Date, of:

- (i) the Principal Amount Outstanding of the Senior Notes A to be repaid,
- (ii) any projected Interest Amount on the Principal Amount Outstanding of the Senior Notes A to be repaid, and
- (iii) all projected fees, and costs, under the Transaction Documents.

**“Debt Service Reserve Account”** or **“DSRA”** means the bank account having IBAN No. IT83 Z 03266 61620 000014103626 opened by the Issuer with the Account Bank.

**“Default Interest”** has the meaning ascribed to it in Condition 5 (*Interest*).

**“Default Early Redemption Date”** has the meaning ascribed to it in Condition 8 (*Events of Default*).

**“Default Early Redemption Request”** has the meaning ascribed to it in Condition 8 (*Events of Default*).

**“Direct Agreement”** means the EPC Direct Agreement, the SE&M Direct Agreement, the Liquid Digestate Direct Agreement, the Solid Digestate Direct Agreement and the Feedstock Supply Direct Agreement.

**“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 Shareholders Loans, including any purchase by the Issuer of any Shareholders Loans.

**“Distribution Account”** means the bank account having IBAN No. IT61 Z 03266 61620 000014103634 opened by the Issuer with the Account Bank.

**“Distribution Conditions”** means that each of the following conditions has occurred on an Interest Payment Date, as verified on the immediately following Calculation Date:

- (i) the Principal Amount Outstanding of the Notes and the Interest Amount due and payable on the relevant Interest Payment Date have been duly paid by the Issuer;
- (ii) no Potential Event of Default or Event of Default has occurred and is continuing or would result from the making of such Distribution;
- (iii) no ADSCR Trigger or LLCR Trigger has occurred and is continuing;
- (iv) the Technical and Market Advisor has delivered to the Noteholders the Technical Advisor Operating Report to be delivered, on the last due date of delivery, pursuant to Annex A (*Financial and Reporting Undertakings*);
- (v) the positive balance of the DSRA is equal to or greater than the DSRA Balance Target;
- (vi) the positive balance of the MRA is equal to or greater than the MRA Amount.

**“DSRA Balance Target”** means an amount equal to: (i) Euro 500,000 (five hundred thousand/00) from the Issue Date until the Entry into Operation and, thereafter (ii) an amount equal to the Debt Service.

**“Early Redemption Date”** means, as the case may be, an Optional Early Redemption Date and a Default Early Redemption Date.

**“Economic Assumptions”** means the economic assumptions (including, without limitation those relating to interest rates, inflation, rates of taxation and VAT) incorporated in the Base Case.

**“Entry into Operation”** means the date on which the FAC is released.

**“Environmental Law”** means any law or regulation which relates to:

- (a) the pollution or protection of the environment;
- (b) the conditions of the workplace; or

(c) the generation, handling, storage, use, release or spillage of any environmental contaminant, including but not limited to, to the extent applicable:

- (i) the Strategic Environmental Assessment Directive 2001/42/EC;
- (ii) the Environmental Impact Assessment Directive 2011/92/EU;
- (iii) the Habitats Directive 92/43/EEC;
- (iv) the Birds Directive 2009/147/EC;
- (v) the EU Water Framework Directive 2000/60/EC;
- (vi) the Pollution Prevention Control Directive 2008/1/EC;
- (vii) the Dangerous Substances Directive 2006/111/EC;
- (viii) the Nitrates Directive 91/676/EEC;
- (ix) Regulation 2001/999/EC; and
- (x) Italian laws and any regulation implementing any of the above.

“**EPC Contract**” means the engineering, procurement and construction agreement entered into between the Sponsor and the EPC Contractor on or about the Issue Date for the purposes of the completion of the Plant’s construction works.

“**EPC Contractor**” means the Sponsor or any successor or substitute thereof.

“**EPC Direct Agreement**” means the direct agreement entered into between the Sponsor, the EPC Contractor and the Noteholders.

“**EPC Price Instalment**” means each instalment of the EPC Contractor consideration due under the EPC Contract upon construction work progress of the Plant.

“**Equity Contribution**” means a Capital Increase or a Shareholder(s) Loan, for an aggregate amount not lower than the amount specified in the Funds Flow Memo and that will be updated until the Long Stop Date

“**Equity Contribution Agreement**” means the agreement entered into among the Sponsor, the Issuer and the Noteholders whereby, *inter alia*, the Sponsor undertakes to provide the Equity Contributions.

“**Escrow Account**” means the bank account having IBAN No. IT IT66 P 03266 61620 000014103600 opened by the Issuer with the Account Bank.

“**Escrow Agreement**” means the agreement entered into between the Issuer, the Account Bank and Foresight whereby the Issuer irrevocably instructs the Account Bank, in the interest of Foresight, as escrow account bank of the Escrow Account.

“**Exhibit A**” means exhibit A hereto.

“**ExtraMOT**” means the multilateral trading facility of financial instruments organised and managed by the Italian Stock Exchange.

“**ExtraMOT PRO<sup>3</sup>**” means the segment for the growth of small and medium-size enterprises which is part of ExtraMOT.

“**ExtraMOT PRO<sup>3</sup> Regulation**” means the ExtraMOT PRO<sup>3</sup> regulation issued by the Italian Stock Exchange in force from 16 September 2019 as subsequently amended or supplemented.

“**EU Insolvency Regulation**” means the European Resolution 2015/848.

“**Event of Default**” has the meaning ascribed to it in Condition 8 (*Events of Default*).

“**FAC**” has the meaning ascribed to it under “*Certificato di Accettazione*” in the EPC Contract as at the Issue Date.

**“Fee Letter”** means the fee letter entered into between the Issuer and Foresight Group S.à.r.l. on or about the Issue Date.

**“Feedstock Claims Assignment Agreement”** means each agreement entered into by the Issuer whereby the receivables arising out of the Feedstock Supply Contracts are assigned by way of security in favour of the Noteholders and the Second Issuance Noteholders.

**“Feedstock Supply Contract”** means each feedstock supply contracts (*contratti di conferimento SOA*) entered into between the Issuer and suppliers (i) as at the Issue Date and (ii) in case of termination thereof, within suppliers to be priorly approved by the Representative of the Noteholders (acting upon written instructions of the Noteholders in accordance with the provisions of the Rules and the Intercreditor Agreement) together with the Technical Advisor, at least at the following market terms and conditions: Gate fee: Euro 200/ton

Duration: 5 + 5 years.

**“Feedstock Supply Direct Agreement”** means the direct agreement to be entered into by the Issuer within 60 days from the Issue Date in order to grant certain rights to the Noteholders in relation to the termination rights of the Feedstock Supply Contract.

**“Final Maturity Date”** means (i) with respect to the Senior Notes A, the Payment Date falling on 31 December 2030 and (ii) with respect to the Junior Notes A, the Payment Date falling on 30 June 2026.

**“Financial Indebtedness”** means any indebtedness, although not yet due or payable for or in respect of (without double counting):

- (i) any amount arising from any kind of loan, or borrow of moneys borrowed;
- (ii) any amount raised by acceptance under any acceptance credit facility (*credito di firma*);
- (iii) any amount raised pursuant to any note purchase facility or the issuance of bonds, notes, convertible bonds debentures, loan stock or any other financial instrument provided by the applicable law;
- (iv) any amount related to any liability with respect to any lease other than operating leases of vehicles, plant, equipment or computers which are in effect as at the Issue Date, or hire purchase contract, which would, in accordance to Italian GAAP, be treated as a finance or capital lease;
- (v) any amount arising from any receivable sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a loan;
- (vii) any derivative transaction entered into for the purpose of the protection against or benefit from fluctuation of any rate or price (and, when calculating the value of any derivative transaction, only the market value shall be taken into account);
- (viii) any counter-indemnity obligation in respect of a corporate guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a company (other than the Issuer), which liability would fall under one of the other paragraphs of this definition; and
- (ix) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (viii) above.

**“First Interest Payment Date”** means the Interest Payment Date falling on 31 December 2021.

**“First Interest Period”** has the meaning ascribed to it in the definition *“Interest Period”*.

“**Foresight Group S.à.r.l.**” means Foresight Group S.à.r.l., Société à responsabilité limitée (Società a responsabilità limitata), with registered office in L-2320 Luxembourg, 68-70 Boulevard de la Pétrusse, registration number with the Company Register of Luxembourg with number B220274.

“**Foresight Group S.C.A. SICAV-SIF**” means Foresight Group S.C.A. SICAV-SIF, Société d’Investissement 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.

“**Funds Flow Memos**” means the charts showing the costs detailed in Annex F to be paid (i) on or about the Issue Date.

“**Insolvency Proceedings**” means any bankruptcy or similar proceeding applicable to any company or other organization or enterprise under the relevant laws of incorporation or operation, and in particular, as for Italian law, under the Italian Bankruptcy Law and including but not limited to the following procedures: *fallimento, concordato preventivo, liquidazione coatta amministrativa, amministrazione straordinaria delle grandi imprese in stato di insolvenza, piano di risanamento* and *accordi di ristrutturazione*.

“**Insurance Policy**” means any contract of insurance listed in Annex D.

“**Insurance Proceeds**” means any amount payable to the Sponsor, the Issuer, as applicable, by the relevant insurance company under the Insurance Policies.

“**Intercreditor Agreement**” means the intercreditor agreement entered into among the Issuer, the Noteholders and the Representative of the Noteholders whereby, *inter alia*, the parties define certain mutual rights and obligations.

“**Interest Amount**” means the amount payable as interest on the Notes, calculated by the Calculation Agent (or, upon failure by this latter to calculate, by the Noteholders), by applying the Interest Rate on an ACT/ACT ICMA to the then Principal Amount Outstanding of the Notes.

“**Interest Payment Date**” has the meaning ascribed to it in Condition 5 (*Interest*).

“**Interest Period**” means each period from (and including) each Interest Payment Date to (but excluding) the immediately following Interest Payment Date, provided that the first Interest Period will begin (and include) the Issue Date and end on (but exclude) the First Interest Payment Date (the “**First Interest Period**”).

“**Interest Rate**” means, *per annum*, on a ACT/ACT ICMA,

- a) with respect to the Senior Notes A (i) the product of 25% (twenty five per cent.) multiplied by the aggregate of (A) the Reference Rate and the (B) the Margin, *plus* (ii) the product of 75% (seventy-five per cent.) multiplied by the aggregate of (A) the Mid-Swap Rate, and the (B) the Margin; and
- b) with respect to the Junior Notes A, a fixed rate of 6.00% (six per cent.).

“**Interest Rate Fixing Date**” means, with respect to each Interest Period, the second Business Day preceding the first day of such Interest Period.

“**Insurance Due Diligence**” means the due diligence carried out by the insurance advisor appointed by the Issuer in the context the transaction at hand.

“**Issue Date**” has the meaning ascribed to it in Condition 4 (*Issue Date and Final Maturity Date*).

“**Issue Price**” has the meaning ascribed to it in Condition 2.1 (*Denomination and Price*).

“**Issuer**” means Biogas Sardegna Green S.r.l., a *società a responsabilità limitata* incorporated under the laws of the Republic of Italy, with registered office in Cagliari (CA), Piazza Deffenu



n. 12, share capital equal to Euro 10,000.00 fully subscribed and paid-up, tax code, VAT number and registration number with the Company Register of Cagliari no. 03880350925.

“**Italian Bankruptcy Law**” means the Italian Royal Decree no. 267, dated March 16, 1942, as amended and supplemented, and, when coming into force, Legislative Decree no. 14, dated January 12, 2019, as amended and supplemented.

“**Italian Consolidated Financial Act**” means the Italian Legislative Decree no. 58, dated February 24, 1998, as subsequently amended and supplemented.

“**Italian Stock Exchange**” means Borsa Italiana S.p.A., with registered office in Milan, Piazza degli Affari, 6.

“**Joint Venture**” means any joint venture entity, whether a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity.

“**Junior Notes A**” means the Euro 750,000 (seven hundred, fifty thousand/00) junior secured notes due 2026, issued by the Issuer.

“**Junior Notes Debt Service Reserve**” means the aggregate of the amounts of:

- (i) the Principal Amount Outstanding of the Junior Notes A to be repaid, and
- (ii) any projected Interest Amount on the Principal Amount Outstanding of the Junior Notes A to be repaid

both as set out in the Base Case with respect to each Interest Payment Date.

“**Junior Notes Debt Service Reserve Account**” means the bank account having IBAN No. IT39 Z 03266 61620 000014103642 opened by the Issuer with the Account Bank.

“**Junior Noteholders**” means the holders of the Junior Notes A.

“**Land**” means the land on which the construction works of the Plant are currently being carried out and the Plant will be located.

“**Legal Due Diligence**” means means the due diligence carried out by the legal advisor appointed by the Issuer in the context the transaction at hand.

“**Legal Opinion**” means the legal opinion issued by Orrick, Herrington and Sutcliffe (Europe) LLP in favour of the Noteholders opining on (i) the corporate capacity, power and authority of the Issuer and the Sponsor to enter into the Transaction Documents to which they are parties, and, in relation to the Issuer, to issue the Notes, (ii) the legality, validity and enforceability of the Notes and the Transaction Documents to which the Issuer and the Sponsor are parties and (iii) the tax treatment of the Notes and the application of the substitutive tax regime pursuant to Article 20-bis of Presidential Decree of 29 September 1973, no. 601.

“**Liens**” means any guarantee, mortgage, pledge, charge or lien or privilege on assets (including any form of destination and segregation of assets).

“**Liquid Digestate Claims Assignment Agreement**” means each agreement entered into by the Issuer whereby the receivables arising out of the Liquid Digestate Disposal Agreement are assigned by way of security in favour of the Noteholders and the Second Issuance Noteholders.

“**Liquid Digestate Direct Agreement**” means the direct agreement to be entered into by the Issuer within 60 days from the Issue Date in order to grant certain rights to the Noteholders in relation to the termination rights of the Liquid Digestate Disposal Agreement.

“**Liquid Digestate Disposal Agreement**” means any contract entered into by the Issuer for the disposal of liquid digestate (ritiro di effluenti liquidi) produced by the Plant.

“**Liquidated Damages**” means any sum payable to or received by the Issuer in the nature of damages or compensation under, in relation to or in connection with, (i) any Project Document, excluding any Insurance Proceeds, (ii) partial or total nationalization, expropriation or

compulsory purchase of any interest in the Plant or (iii) refusal, revocation, suspension or modification of any Authorization.

“**LLCR Trigger**” means that the LLCR is less than or equal to 1.30x (one point thirty times) on any Calculation Date falling after the Interest Payment Date falling in 30 June 2023.

“**Loan Life Cover Ratio**” or “**LLCR**” means, in respect of any Calculation Date falling after the Interest Payment Date falling in 30 June 2023, the ratio of “A” to “B” where:

- (a) “A” is the aggregate of (1) the net present value (calculated at the weighted average cost of debt of the Issuer under the Notes and discounted on the same manner as in the Base Case) of Cash Available for Debt from the Interest Payment Date immediately preceding the relevant Calculation Date to the Final Maturity Date, and (2) the positive balance(s) (if any) of the DSRA on the Interest Payment Date immediately preceding the relevant Calculation Date; and
- (b) “B” is the Principal Amount Outstanding of the Notes on the Interest Payment Date immediately preceding the relevant Calculation Date.

“**Long Stop Date**” means 31 December 2022.

“**Make-Whole Percentage**” means, in respect of the Notes, the greater of:

- (A) 100 (one hundred per cent.); and
- (B) the amounts equal to the price of the Notes (as reported in writing to the Issuer by the Calculation Agent) expressed as a percentage (and rounded, if necessary, to three decimal places (0.0005 and higher being rounded upwards and otherwise being rounded downwards)) at which the Make-Whole Yield on the relevant Notes is equal to the Make-Whole Rate.

“**Make-Whole Rate**” means the Mid-Swap Rate, as calculated three Business Days prior to the Optional Early Redemption Date, *plus* 0.50% (zero point fifty per cent.)

“**Make-Whole Yield**” means a yield calculated in accordance with the market practice for euro denominated securities of a similar nature to the Notes or on such other basis as the Noteholders and the Issuer, may approve.

“**Margin**” means 6.00% (six per cent.) *per annum*.

“**Material Adverse Effect**” means, with respect to an event that has already occurred, an effect which results in or is likely to result (in the Noteholders’ opinion, acting in good faith, in accordance with the provisions of article 1375 of the Italian Civil Code) in a material adverse change in: (i) the business, performance, financial conditions, operations of the Issuer or the Sponsor; (ii) the operation of the Plant; (iii) the ability of the Issuer to perform any of its payment obligations under the Notes and existing debt financing; or (iv) the legality, validity, priority or enforceability of any obligations or security created by or arising under the Notes and the Security Package.

“**Mid-Swap Rate**” means the linear interpolation of EURO mid-swap rates, as displayed on the Bloomberg screen <ICAE> <GO> as soon as practicable after 11:00 am (London time) up to 2 (two) Business Days before the Issue Date, for terms of 4 years and 5 years respectively, commencing on the Issue Date, with floating rate legs based on the 6-month EURIBOR rate, being equal to 0% (zero per cent.); provided that if such calculation would result in less than 0 (zero), it will be considered as being equal to 0 (zero).

“**Minimum Denomination**” has the meaning ascribed to it in Condition 2.1 (*Denomination and Price*).

“**Minimum Positive Balance**” means an amount equal to (i) Euro 200,000 (two hundred thousand/00) from the Issue Date until the Entry into Operation and, thereafter (ii) 25% (twenty five per cent.) of the relevant annual Operating Budget.

“**Modified Following Business Day Convention - unadjusted**” means, for the First Interest Payment Date and any Interest Payment Date that falls on a day that is not a Business Day, that any payment due on the First Interest Payment Date or such Interest Payment Date will be postponed to the next day that is a Business Day; provided that, if such day would fall in the next succeeding calendar month, the date of payment with respect to such Interest Payment Date will be advanced to the Business Day immediately preceding such Interest Payment Date.

“**Monte Titoli**” means Monte Titoli S.p.A., with registered office in Milano, Piazza degli Affari, 6.

“**Mortgage on the Land**” means the mortgage (*ipoteca*) on the *diritto di superficie* over the Land, granted by the Issuer in favour of the Noteholders.

“**MRA**” or “**Maintenance Reserve Account**” means the bank account having IBAN No. IT05 K 03266 61620 000014103659 opened by the Issuer with the Account Bank.

“**MRA Amount**” means (i) from the Issue Date until, but excluding, the first Calculation Date, Euro 250,000 (two hundred thousand/00) and (ii) on each Calculation Date, the amount to be determined from time to time by the Technical and Market Advisor, agreed with the Representative of the Noteholders (acting upon written instructions of the Noteholders in accordance with the provisions of the Rules and the Intercreditor Agreement) and notified to the Issuer, as this will be evidenced in the Base Case and the updated Base Case.

“**Nominal Amount**” has the meaning ascribed to it in Condition 2.1 (*Denomination and Price*).

“**Noteholders**” means the beneficial owner(s) of the Notes at any time.

“**Notes**” means the Senior Notes A and the Junior Notes A.

“**Officer**” means any of the following of the Issuer: the Chairman of the Board of Directors, the Chief Executive Officer, the General Manager, the Chief Financial Officer, or a responsible financial or accounting officer.

“**Officers Certificate**” means a certificate signed by two Officers.

“**Operating Budget**” means the semi-annual budget detailing the Operating Costs attached as Annex E and updated according to Annex A.

“**Operating Costs**” means, without double counting and within the caps set out in the Operating Budget:

- (i) before any Default Early Redemption Request is served, all costs and expenses expected to be incurred by the Issuer in connection with the operation, management, maintenance, asset management and repair of the Plant including:
  - (a) operating and maintenance costs and expenses detailed in the Operating Budget and approved by the Technical and Market Advisor in compliance with the provisions of Annex A (*Financial and Reporting Undertakings*);
  - (b) any capital expenditures detailed in the Operating Budget;
  - (c) costs and expenses due under any Authorization;
  - (d) amounts payable under the Project Documents;
  - (e) premia payable in respect of Insurance Policies;
  - (f) utilities and consumption costs;
  - (g) Taxes (including VAT, other than with respect to costs under lett. (c) above); and
  - (h) all other costs and expenses agreed by the Noteholders, but excluding the following:

- (i) any costs and fees due by the Issuer under the Transaction Documents;
  - (ii) amounts incurred or paid in respect of Shareholders Loans;
  - (iii) any amounts paid as Distributions to Shareholders;
  - (iv) depreciation, other non-cash charges, reserves, amortization of intangible and similar book-keeping entries; and
  - (v) all reinstatement or repair of work that is paid for by physical damage insurance proceeds.
- (ii) following the service of a Default Early Redemption Request (provided that, for the purposes of Annex C (*Accounts Management*) all the following item, other than the item under lett. f), shall not be deemed included in the definition of Operating Costs):
- a) on each Interest Payment Date, pay, *pro rata*, all costs, charges, fees and expenses of the Representative of the Noteholders ;
  - b) payment or making a prudent reserve for Taxes;
  - c) pay Interest Amounts and Default Interest (if any) due and payable under the Notes;
  - d) repay the due and payable Principal Amount Outstanding of the Notes;
  - e) pay all costs, charges, fees and expenses (other than Interest Amounts, Default Interest and Principal Amount Outstanding) due and payable under the Notes or for the enforcement of any rights of the Noteholders under the Transaction Documents;
  - f) subject to the prior written consent of the Representative of the Noteholders (acting upon written instructions of the Noteholders in accordance with the provisions of the Rules and the Intercreditor Agreement) in or towards and any other Operating Costs payable by the Issuer in accordance with the Operation Budget.

“**Optional Early Redemption Date**” has the meaning ascribed to it in Condition 6.4 (*Option Early Redemption*).

“**Operating Report**” has the meaning ascribed to it in Annex A (*Financial and Reporting Undertakings*).

“**PAC**” has the meaning ascribed to “*Certificato di collaudo a freddo*” in the EPC Contract as at the Issue Date.

“**Patronage Letter**” is the agreement whereby the Sponsor undertakes to provide, directly or indirectly, to the Issuer any amount necessary to repay in full or in part the principal of the Junior Notes and any interest accrued and unpaid on such principal, as the case may be, in case the Issuer does not have sufficient available funds for such purpose, substantially under the terms and conditions of the form herewith attached as Annex H.

“**Paying Agent**” Banca Finanziaria Internazionale S.p.A., *breviter* Banca Finint S.p.A., a bank incorporated under the laws of Italy as a joint stock company (*società per azioni*) with a sole shareholder, with registered office at via Vittorio Alfieri 1, 31015 Conegliano Veneto (TV), Italy, share capital of Euro 71,817,500.00 fully paid up, tax code and enrolment in the Companies’ Register of Treviso-Belluno number 04040580963, VAT Group “Gruppo IVA Finint S.p.A.” – VAT number 04977190265, registered in the Register of the Banks under number 5580 pursuant to article 13 of the Consolidated Banking Act and in the Register of the Banking groups as the parent company of the Banca Finanziaria Internazionale Banking Group, member of the “*Fondo Interbancario di Tutela dei Depositi*” and of the “*Fondo Nazionale di Garanzia*” or any other person for the time being acting in its capacity as Paying Agent.

“**Payment Agency Agreement**” means the agreement to be entered into on or about the Issue Date between the Issuer and the Paying Agent for the services to be rendered by this latter under the Notes.

**“Permitted Indebtedness”** means the (i) Notes, (ii) the Second Issuance Notes and (iii) any Shareholders Loan and any debt (including any guarantee) of the Issuer either (a) incurred in for the compliance of mandatory provisions of law or regulation in connection with the Authorizations for the construction and operation of the Plant or (b) incurred by the Issuer under the Project Documents and following the due performance thereof.

**“Person”** means any individual, company, corporation, firm, partnership, Joint Venture, association, organization, state or agency of a state or other entity, whether or not having separate legal personality.

**“Plant”** means the power plant fed by feedstock (*sottoprodotti di origine animale*) slaughterhouse waste, located in the municipality of San Nicolò d’Arcidano (OR) and the relevant connection facilities and cabins.

**“Pledge over Accounts”** means the pledge over the Accounts (other than the Distribution Account), granted by the Issuer to the Noteholders and the Second Issuance Noteholders.

**“Pledge over Quotas”** means the pledge over the quotas of the Issuer, granted by the Shareholders to the Noteholders and the Second Issuance Noteholders.

**“Potential Event of Default”** means any of the events listed in Condition 8 (*Events of Default*) that, following to a resolution approved by the Noteholders under Condition 12 (*Meeting of the Noteholders*), would result in an Event of Default.

**“PPA”** means a sale of electricity agreement (or *Ritiro Dedicato* Agreement) whereby the Issuer sells the electricity not applied for self- consumption.

**“PPA Security”** means (i) each assignment of the claims arising in favor of the Issuer under each PPA, granted by the Issuer to the Noteholders and/or (ii) each *mandato all’incasso* of the claims arising in favor of the Issuer under each *Ritiro Dedicato* Agreement, granted by the Issuer to the Noteholders and the Second Issuance Noteholders.

**“Principal Amount Outstanding”** means, at any relevant date, the Minimum Denomination *minus* the aggregate of all repayments of principal made on the relevant Note.

**“Priority of Payments”** means the priority of payments among the Notes set out in article 2.2 of Annex C.

**“Proceeds Account”** means the bank account having IBAN No. IT68 K 03266 61620 000014103592 opened by the Issuer with the Account Bank.

**“Project Costs”** means the total costs incurred in by the Issuer, the Shareholders and the Sponsor and for the development and construction of the Plant, certified by the Technical and Market Advisor.

**“Project Documents”** means each of the following documents:

- (a) the EPC Contract;
- (b) the SE&M Agreement;
- (c) any Feedstock Supply Contract;
- (d) any Liquid Digestate Disposal Agreement;
- (e) any Solid Digestate Disposal Agreement;
- (f) any Direct Agreement;
- (g) any PPA;
- (h) any Insurance Policy;

- (i) any bond issued in favour of the Issuer pursuant to the terms of a Project Document to support the obligations of the Issuer's counterparty under the relevant Project Document;
- (j) the Calculation Agency Agreement;
- (k) the Payment Agency Agreement;
- (l) the Escrow Agreement;
- (m) all replacements of any of the foregoing.

**“Project Revenues”** means, in relation to any period, all amounts to be paid to or received by the Issuer (excluding, for the avoidance of doubt, any amounts made available under the Transaction Documents):

- (a) under each Feedstock Supply Contract;
- (b) under any PPA;
- (c) as Insurance Proceeds (other than Insurance Proceeds in relation to physical damage and liabilities against third parties);
- (d) as Liquidated Damages;
- (e) as interest on the Accounts;
- (f) as Tax refunds (other than VAT refunds); and
- (g) being a revenue from the Plant, not falling in any of the above.

**“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.

**“Reference Banks”** means Intesa Sanpaolo S.p.A., Unicredit S.p.A., and Banca Nazionale del Lavoro S.p.A.

**“Reference Rate”** means, as calculated by the Calculation Agent (or, upon failure by this latter to calculate, by the Noteholders), (A) with respect to each Interest Period other than the First Interest Period, (a) the interbank offered rate for six month deposits in Euro, as obtained by the Euribor Panel Steering Committee, which appears at or about 11:00 (Brussels Time) of the Interest Rate Fixing Date on Reuters page EURIBOR01, (ACT/360) or (b) if no rate is available at such time on page EURIBOR01 for the purposes of paragraph (a) above, the rate, offered for six-month Euro deposits, corresponding to the arithmetic mean (rounded up to the next sixteenth of a per cent.) of the rates offered by at least two of the Reference Banks of major banks in the Euro-zone inter-bank market at 11:00 (Brussels Time) of the Interest Rate Fixing Date; or (B) with respect to the First Interest Period, the linear interpolation between the two interbank offered rates for deposits in Euro having the closest standard durations by rounding up and down with respect to the duration of the First Interest Period, obtained (a) by the Euribor Panel Steering Committee which appears at or about 11.00 a.m. Brussels time of the relevant Interest Rate Fixing Date on Reuters or (b) if no rate is available at such time on Reuters, the

rate corresponding to the arithmetic mean (rounded up to the next sixteenth of a per cent.) of the rates offered by at least two of the Reference Banks at 11:00 (Brussels Time) of the relevant Interest Rate Fixing Date; provided that, if have of the above interbank rates shall be substituted by any other rate, such substituting rate will apply. In case the EURIBOR calculated pursuant to the present definition would be less than 0 (zero), it will be considered as being equal to 0 (zero).

**“Representative of the Noteholders”** means Banca Finanziaria Internazionale S.p.A., *breviter* Banca Finint S.p.A., a bank incorporated under the laws of Italy as a joint stock company (*società per azioni*) with a sole shareholder, with registered office at via Vittorio Alfieri 1, 31015 Conegliano (TV), Italy, share capital of Euro 71,817,500.00 fully paid up, tax code and enrolment in the Companies’ Register of Treviso-Belluno number 04040580963, VAT Group “Gruppo IVA Finint S.p.A.” – VAT number 04977190265, registered in the Register of the Banks under number 5580 pursuant to article 13 of the Consolidated Banking Act and in the Register of the Banking groups as the parent company of the Banca Finanziaria Internazionale Banking Group, member of the “*Fondo Interbancario di Tutela dei Depositi*” and of the “*Fondo Nazionale di Garanzia*” or any other person for the time being acting in its capacity as representative of the Noteholders pursuant to the Rules and the Intercreditor Agreement.

**“Ritiro Dedicato Agreement”** means an agreement entered into in accordance with the provisions of legislative decree n. 387/03 and law no. 239/04.

**“Rules of Organisation of the Noteholders”** or **“Rules”** means the rules of the organisation of the Senior Noteholders and the Junior Noteholders, attached as an Exhibit A to these Conditions.

**“Satisfactorily Subordinated”** means that:

- (a) the relevant Shareholders Loan is subordinated to the Notes and the lender(s) providing such Shareholders Loan has/have confirmed to the Noteholders that its indebtedness is subordinated to the Notes;
- (b) such Shareholders Loan is unsecured;
- (c) the lender(s) providing such Shareholders Loan has/have no right to receive any payments of any nature whether in respect of interest, principal, fees, indemnities or otherwise;
- (d) the lender(s) providing such Shareholders Loan has/have no contractual right to bring any claim of any nature against the Issuer, instigate any proceedings of any nature against the Issuer, or accelerate payment; and
- (e) the lender(s) providing such Shareholders Loan shall not create, incur, assume or permit to exist any Lien thereon, nor dispose of it in favour of any third party different from a Shareholder.

**“SE&M Agreement”** means the service and maintenance agreement of the Plant to be entered into between the Issuer and the SE&M Contractor.

**“SE&M Contractor”** means the Sponsor or any Affiliates thereof, and any successor thereto.

**“SE&M Direct Agreement”** means the direct agreement entered into between the Issuer, the SE&M Contractor and the Noteholders.

**“Second Issuance Notes”** means the notes issued by the Issuer on the Issue Date for an aggregate amount of Euro 6,400,000 (six million, four hundred thousand/00).

**“Second Issuance Noteholders”** means the holders of the Second Issuance Notes.

“**Security Package**” means each of the following security granted to the Senior Noteholders and the Second Issuance Senior Noteholders to secure the payments of the Issuer under the Senior Notes:

- (i) the Pledge over Quotas;
- (ii) the Mortgage on the Land;
- (iii) the Special Privilege;
- (iv) the Pledge over Accounts;
- (v) each PPA Security;
- (vi) the Assignment of Claims;
- (vii) each Liquid Digestate Claims Assignment Agreement;
- (viii) each Solid Digestate Claims Assignment Agreement;
- (ix) each Feedstock Claims Assignment Agreement;
- (x) Assignment of Insurance Proceeds/Endorsement of Insurance Policies.

“**Senior Notes A**” means the Euro 5.700.000,00 (five million, seven hundred thousand/00) senior secured notes due December 2030, issued by the Issuer.

“**Senior Noteholders**” means the holders of the Senior Notes A.

“**Shareholders**” means WTE Holding, VMV Ingegneria, Andrea Massidda, Matteo Negri, Adele Mita, Emanuela Salmi, Angelo Daga, and any successor thereof.

“**Shareholders Loan**” means any loan to the Issuer by any Shareholder.

“**Sole Environmental Authorization**” means the *autorizzazione unica ambientale* no. 1652 of December 17, 2019 issued by the Oristano province, *Settore Ambiente e Attività Produttive* in accordance with DPR 59/2013.

“**Solid Digestate Claims Assignment Agreement**” means each agreement entered into by the Issuer whereby the receivables arising out of the Solid Digestate Disposal Agreement are assigned by way of security in favour of the Noteholders and the Second Issuance Noteholders.

“**Solid Digestate Direct Agreement**” means the direct agreement to be entered into by the Issuer within 60 days from the Issue Date in order to grant certain rights to the Noteholders in relation to the termination rights of the Solid Digestate Disposal Agreement.

“**Solid Digestate Disposal Agreement**” means any contract entered into by the Issuer for the disposal of solid digestate (ritiro del digestato solido) produced by the Plant.

“**Special Privilege**” means the special privilege (*privilegio speciale*) granted by the Issuer on the equipment, machineries and any other present and future, unregistered, movable assets of the Plant.

“**Sponsor**” means Anaergia S.r.l., with registered office at Via Bassa di Casalmoro 3, Asola (MN), VAT number and registration number with the Company Register of Mantova no. 02231580206.

“**SUAPE Final Measure**” means the *provvedimento unico* no. 8 issued by Sportello SUAPE dell’Unione dei Comuni del Terralbese on 22 February 2021.

“**SUAPE Plant Operation Authorization**” means the *provvedimento* to be issued by Sportello SUAPE dell’Unione dei Comuni del Terralbese following the Entry into Operation of the Plant.

“**Subscription Agreement**” means the or any agreement entered into on or before the Issue Date between the Issuer and the initial Noteholders for the subscription of the Notes.



“**Subscription Price**” means the net subscription price of Notes received by the Issuer from the initial Noteholders under the Subscription Agreement(s).

“**Target Ratio Conditions**” means that, on the Calculation Date falling after the Calculation Date on which any amounts were credited on the Cash Trap Lockup Account, both the ADSCR and the LLCR are above 1.35x (one point thirty five times).

“**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.

“**Technical and Market Advisor**” means RINA Consulting S.p.A., with registered office at Via Cecchi, 6, Genova, Italy, VAT no. 03476550102 or any other technical and market advisor appointed from time to time by the Issuer upon instruction of the Noteholders.

“**Technical Advisor Construction Report**” means the report to be delivered by the Technical and Market Advisor in accordance with para. 6 (*Technical Advisor Reports*) of Annex A (*Financial and Reporting Undertakings*).

“**Technical Advisor Operating Report**” means the report to be delivered by the Technical and Market Advisor in accordance with para. 6 (*Technical Advisor Reports*) of Annex A (*Financial and Reporting Undertakings*).

“**Technical Appraisal**” means the appraisal which will be carried out by the Technical and Market Advisor or any other entity appointed by the Issuer or the Sponsor with the prior approval of the Representative of the Noteholders (acting upon written instructions of the Noteholders in accordance with the provisions of the Rules and the Intercreditor Agreement), to appraise the commercial value of the Plant and related ongoing business.

“**Technical and Market Assumptions**” means the technical and market assumptions incorporated in the Base Case.

“**Technical Due Diligence**” means the due diligence carried out by the Technical and Market Advisor appointed by the Issuer in the context the transaction at hand.

“**Transaction Costs**” means any costs (other than the Arranging Fee) incurred in by the Issuer for the arranging, signing and closing of the Notes, including, *inter alia*, upfront fees, taxes, advisory fees, notarial costs, and any other pre-agreed costs.

“**Transaction Documents**” means this Terms and Conditions, the Subscription Agreement, the Security Package, the Project Documents, the Equity Contribution Agreement, the Intercreditor Agreement, the Fee Letter, and any other document entered into by the Issuer in the context of the issuance of the Notes.

“**Usury Law**” means Italian Law No. 108 of March 7, 1996, as subsequently amended and supplemented.

“**VMV Ingegneria**” means VMV Ingegneria s.r.l., with registered office at Via Monte Grappa 20, 20020, Linate (MI) VAT number and registration number with the Company Register of Milano-Monza-Brianza-Lodi no. 03239570124.

“**WTE Holding**” means WTE Holding s.r.l., with registered office at Via Ennio 23, 20137, Milano, VAT number and registration number with the Company Register of Milano-Monza-Brianza-Lodi no. 10104840961.

Where not already expressly set out, references to laws and regulations shall include amendments and supplements thereto.

## 2. NOTES

### 2.1 Denomination and Price

The total amount of the issued Notes on the Issue Date will be equal to Euro 6,450,000 (six million, four hundred fifty thousand/00) (the “**Nominal Amount**”), comprised of:

- a) the Senior Notes A for Euro 5.700.000,00 (five million, seven hundred thousand/00); and
- b) the Junior Notes A for Euro 750,000 (seven hundred, fifty thousand/00).

The Notes issued on the Issue Date will be issued in a minimum denomination of Euro 50,000.00 (fifty thousand/00) and additional increments of Euro 50,000 (fifty thousand/00) thereafter (the “**Minimum Denomination**”).

The Notes issued on the Issue Date will be issued for a price equal to 100.00% (one hundred per cent.) of their Minimum Denomination, i.e. for a price equal to Euro 50,000.00 (fifty thousand/00) for each Note (the “**Issue Price**”).

## **2.2 Form and Title**

The Notes are issued in dematerialised form and will be wholly and exclusively deposited with Monte Titoli. The Notes will at all times be evidenced by book-entries in accordance with the provisions of articles 83-*bis* et seq. of the Italian Consolidated Financial Act and regulation of August 13, 2018 jointly issued by CONSOB and Bank of Italy, both as amended from time to time.

Any transaction regarding the Notes (including transfers of the Security Package), as well as the exercise of proprietary rights, may only be made in accordance with the provisions of articles 83-*bis* et seq. of the Italian Consolidated Financial Act and regulation of August 13, 2018 jointly issued by CONSOB and Bank of Italy (as amended and supplemented). The Noteholders will not be able to request delivery of the documents representative of the Notes, save for the right to request the certification referred to in articles 83-*quinquies* and 83-*sexies* of the Italian Consolidated Financial Act.

## **2.3 Status, ranking and guarantees**

The Notes are secured obligations solely of the Issuer.

In respect of the obligation of the Issuer to repay principal and pay interest on the Notes:

- (a) the Senior Notes A will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, and both interest and principal thereto will be in priority to the interest and principal payable on the Junior Notes A;
- (b) the Junior Notes A will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, but interest and principal thereto will be subordinated to the interest and principal payable on the Senior Notes A;

except for the obligations of the Issuer, which are preferred according to the general provisions required by law.

The Notes are fully, unconditionally and irrevocably secured by the Security Package that will circulate together with the Notes.

The Notes have not been and will not be convertible into shares or participation rights in the share capital of the Issuer nor any other company

## **2.4 Rules of Organization of the Noteholders**

The rights and powers of the Noteholders may only be exercised in accordance with the Rules attached to these Conditions as an exhibit which shall constitute an integral and essential part of these Conditions.

## **3. SUBSCRIPTION AND TRANSFER OF THE NOTES**

The Notes shall be exclusively placed to Qualified Investors subject to Prudential Supervision and to securitisation vehicles pursuant to law 30 April 1999, no. 130, article 1 par. 1-*bis*. 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 or restricted 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, of 21<sup>st</sup> November 2007, as subsequently amended and supplemented.

#### **4. ISSUE DATE AND FINAL MATURITY DATE**

The Notes will be issued for an amount equal to their Nominal Amount on 20 July, 2021 (the “**Issue Date**”).

Unless previously redeemed in full or cancelled as provided under Condition 6 (*Redemption, purchase and cancellation*) or Condition 8 (*Events of Default*)) the Issuer shall redeem the Notes at their Principal Amount Outstanding, plus any accrued but unpaid interest thereon, on the relevant Final Maturity Date.

#### **5. INTEREST**

Interest will accrue on the Principal Amount Outstanding of each Note from the Issue Date (included) up to the earlier of (a) an Early Redemption Date (being such date excluded) and (b) the Final Maturity Date (being such date excluded).

The Principal Amount Outstanding of the Notes shall accrue Interest Amounts, calculated by the Calculation Agent, the product of (a) the Principal Amount Outstanding of each Note and (b) the relevant Interest Rate, calculated by the Calculation Agent, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

Interest Amounts will be due and payable in Euro in arrears (i) on the First Interest Payment Date, and thereafter (ii) semi-annually on June 30 and December 31 of each year, and (iii) on the Final Maturity Date (each an “**Interest Payment Date**”).

If any Interest Payment Date, Optional Early Redemption Date or the Final Maturity Date falls on a day other than a Business Day, payments thereon will be made according to the Modified Following Business Day Convention – unadjusted.

Interest shall cease to accrue on any part of the Principal Amount Outstanding of the Notes from (and including) the due date for redemption of such part.

Should the Issuer fail to pay any amount payable by it in relation to the Notes, it shall pay the Interest Rate on the overdue amount plus a margin of 1.50% (one point fifty per cent.) *per annum*, in accordance with the applicable regulation (the “**Default Interest**”), to be calculated by the Calculation Agent from the date on which this payment should have been made (including) until the date of actual payment (excluded).

Should the Interest Rate, the Default Interest and other fees and costs, including, for the avoidance of doubt, any payment made pursuant to Condition 6.4, second paragraph, under the Conditions exceed the limits provided by the Usury Law, they shall be deemed automatically

reduced (for the period strictly necessary) to the maximum interest rate allowed by such law. The Calculation Agent is responsible for the checking the rate of Usury Law limit.

## **6. REDEMPTION, PURCHASE AND CANCELLATION**

### **6.1 Redemption**

Unless previously redeemed in full or in part and cancelled, (i) starting from and including the Interest Payment Date which falls on 31 December 2021 and (ii) ending on and including the relevant Final Maturity Date, the Notes will be redeemed on each Interest Payment Date, as per the attached Annex B, in accordance with the Priority of Payments:

- (a) in 19 (nineteen) consecutive instalments, with respect to the Senior Notes A and
- (b) in 10 (ten) consecutive instalments, with respect to the Junior Notes A.

### **6.2 Mandatory Early Redemption**

6.2.1 The Issuer shall apply any Insurance Proceeds (other than Insurance Proceeds in relation to physical damage and liabilities against third parties) and Liquidated Damages (after Tax, if any, is deducted) to the repayment of the Principal Amount Outstanding of the Note, in an amount equal to such Insurance Proceeds or Liquidated Damages, on the Interest Payment Date immediately following the relevant receipt thereof; provided that the Issuer shall not be required to apply to the repayment of the Principal Amount Outstanding of the Notes such Insurance Proceeds if, and to the extent that, the Noteholders are satisfied that the relevant Insurance Proceeds are to be or were applied in the repair or reinstatement of Plant in the manner advised by the Technical and Market Advisor.

6.2.2 On the Interest Payment Date falling on 31 December 2022, the Issuer shall repay the Principal Amount Outstanding of each Note in full, if the Technical and Market Advisor has not confirmed the Noteholders 10 (ten) Business Days prior to such Interest Payment Date that the Connection of the Plant will occur within the Long Stop Date.

6.2.3 If the Target Ratio Conditions are not met on the Calculation Date falling after the Calculation Date on which any amounts were credited on the Cash Trap Lockup Account, the Issuer shall apply the full positive balance standing to the credit of the Cash Trap Lock-Up Account to the repayment of the Principal Amount Outstanding of the Notes in the amount necessary to meet the Target Ratio Conditions.

6.2.4 In case the Issuer early redeems, in full but not in part, the Senior Notes B pursuant to Condition 6.4 (*Optional Early Redemption*) it shall also early redeem, in full but not in part, the Senior Notes A in accordance with this Condition 6.2 (*Mandatory Early Redemption*) and Condition 6.3 (*Early redemption application*).

### **6.3 Early redemption application**

Any redemption of the Notes under Conditions 6.2 (*Mandatory Early Redemption*) will occur in accordance with the Priority of Payments and reduce, *pro rata* and *pari passu*, the Principal Amount Outstanding of each relevant Note, rounded up or down, as the case may be, to one Euro, and shall apply to the instalments in inverse order of maturity.

A 7 (seven) Business Days prior written notice will be given by the Issuer to the Noteholders, the Representative of the Noteholders, the Calculation Agent, the Paying Agent and the Italian Stock Exchange in accordance with the applicable provisions of law and according to the ExtraMOT PRO<sup>3</sup> Regulation.

### **6.4 Optional Early Redemption**

Starting from and including the Interest Payment Date falling on 30 June 2025, the Issuer shall have the right to early redeem the Senior Notes, in full but not in part, on any Interest Payment Date (the “**Optional Early Redemption Date**”), in accordance with the Priority of Payments, by serving a 21 (twenty one) Business Days prior written notice given to the Noteholders, the Representative of the Noteholders, the Italian Stock Exchange, the Calculation Agent and the Paying Agent in accordance with the applicable provisions of law and according to the ExtraMOT PRO<sup>3</sup> Regulation.

On an Optional Early Redemption Date, provided that (i) no Default Early Redemption Request has been served, and (ii) the Issuer has given proof to the Noteholders that it will have the necessary funds, the Issuer shall pay to the Noteholders, in accordance with the provisions of article 1386 of the Italian Civil Code, (A) until 31 December 2025 (included), (x) any amount due in relation to the then Principal Amount Outstanding, *multiplied by* (y) the Make-Whole Percentage, as calculated by the Calculation Agent; (B) thereafter, any amount due in relation to the then Principal Amount Outstanding *increased of* the Interest Rate then applicable in accordance with the provisions of these Terms and Conditions; provided that if such amounts exceed the limits provided by the Usury Law, it shall be deemed automatically reduced to the maximum amount allowed by such law. No other penalty or damage costs shall apply.

## 7. COVENANTS BY THE ISSUER

As long as any Note remains outstanding and unless a waiver is approved by a resolution of the Noteholders under Condition 11 (*Meeting of the Noteholders*), the Issuer shall:

- (i) maintain its status of *società a responsabilità limitata*, duly incorporated and validly operating in accordance with the Italian law and having the full legal capacity, Authorizations, licenses and permits necessary to operate and maintain the Plant and carry on its business;
- (ii) not approve or carry out extraordinary transactions of any kind, including without limitation special transactions on its share capital, corporate transformations (*trasformazioni*), merger (*fusioni*) or spin-off (*scissioni*);
- (iii) not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary, to sell, lease, transfer, discount, factor, assign (including under article 1977 of the Italian civil code) or otherwise dispose of, all or any part of, (i) the Plant, the Land or its rights thereon; (ii) its rights under the Authorizations; or (iii) any other present or future undertakings, rights, revenues or Assets;
- (iv) not form, acquire, make any acquisition of, or investment in, companies or other entities;
- (v) other than the Transaction Documents and the expenses specified in the Funds Flow Memo, not enter into any agreements or obligation whereby the Issuer would incur in annual, aggregate costs or expenses higher than Euro 10,000.00 (ten thousand/00);
- (vi) have the operation and maintenance of the Plant (together with any activities ancillary thereto) as its sole business activity;
- (vii) not amend its by-laws (*atto costitutivo* and *statuto*) in any material respect;
- (viii) procure that its financial statements:
  - (a) will be prepared in compliance with law;
  - (b) will provide a true, complete and accurate financial position and the results of its financial operations, as on the date on which they were prepared and for all its reporting period;

- (c) will contain no significant errors or omissions of material facts that would make such documents misleading; and
- (d) will be audited;
- (ix) not change the date of its financial year's end;
- (x) not reduce its fully paid share capital below Euro 10,000.00 (ten thousand/00), except for the mandatory cases provided for by law; and, in the event that the share capital is reduced due to losses pursuant to applicable laws, ensure that, no later than 60 (sixty) Business Days from the resolution approving such reduction, the Issuer's share capital required by applicable laws is restored;
- (xi) not pay any Dividend to its Shareholder, other than when permitted under the Conditions;
- (xii) without prejudice to the provision of article 6.2 of Annex C, procure that all existing and future Shareholders Loan(s) be at all times Satisfactorily Subordinated;
- (xiii) make all payments due in connection with the Notes without any deduction or withholding on taxes or otherwise, unless is required by law. In such case:
  - (a) the Issuer shall procure that the deduction or withholding shall not exceed the minimum amount required by law; and
  - (b) the amounts due by the Issuer to the Noteholders shall be increased of an additional amount (the "**Additional Amount**") to allow that the amount to be paid, excluding the relevant deduction or withholding, is equal to the amount that would be due to the Noteholders without any such deduction or withholding;
 

provided that, no such Additional Amount shall be payable (i) to a non-Italian resident legal entity or non-Italian resident individual, which is resident in a country that does not allow for a satisfactory exchange of information with the Republic of Italy or (ii) in the event the Noteholders have transferred the Notes or made other changes to the shareholding structure which according to the Law in force when such transfer or change has been performed will generate a Tax on the payments received under the Notes; and

provided further that, in the event the Noteholders have the right to benefit in any way from any deduction or withholding on taxes or otherwise, in whole or in part, according to the applicable laws (i) no Additional Amount shall be due in the portion covered by any such deduction or withholding on tax benefits, or (ii) should such Additional Amount have already been paid by the Issuer, it will be paid back by the Noteholders to the Issuer;
- (xiv) promptly notify to the Noteholders and the Representative of the Noteholders the occurrence of any failure by the Issuer to fulfill its obligations under the present Terms and Conditions or any event which may cause an Event of Default;
- (xv) procure that the DSRA Balance Target is met at each Interest Payment Date, as verified on the immediately following Calculation Date;
- (xvi) maintain and operate the Plant in accordance with the applicable laws and Project Documents' provisions, and in a safe, efficient and business-like manner and preserve it from any damage;
- (xvii) maintain the Insurance Policies (also, but not limited to, by paying the relevant *premia*), refrain from modifying or amending any material provision thereof and

- from any action or omission that would reduce or avoid the liability of the relevant insurance company;
- (xviii) maintain any material intellectual property necessary for the operation and maintenance of the Plant;
  - (xix) ensure that a representative of the Noteholders, also through a Technical and Market Advisor appointed by the Noteholders or their representative, is (i) given reasonable access to the Plant and the Land and (ii) entitled to inspect and take copies of the Issuer's records on 5 (five) Business Days prior notice to the Issuer;
  - (xx) diligently fulfill all the obligations undertaken by the Issuer towards Monte Titoli and the Italian Stock Exchange, in relation to the centralized management of the Notes;
  - (xxi) other than any Permitted Indebtedness, not incur into any Financial Indebtedness;
  - (xxii) other than the Security Package, not create, incur, assume or permit to exist any Lien on any of the Issuer's Assets;
  - (xxiii) comply with the provisions of Annex A (*Financial and Reporting Undertakings*);
  - (xxiv) comply with all laws, regulations and tax provisions applicable to them and will make regular and timely liquidations and payments required and due with respect to taxes, and charges of a similar nature and their withholding taxes, except taxes that:
    - (a) are contested in good faith by the Issuer and for which appropriate reserves have been allocated in accordance with the accounting principles; and
    - (b) for which payment may be legitimately subordinated, without giving rise to the payment of any penalty or pre-emption rights of a competent tax authority on the assets of the Issuer;
  - (xxv) hire any employee solely in accordance with the Operating Budget;
  - (xxvi) promptly deliver to the Noteholders and the Representative of the Noteholders , upon becoming aware of any Potential Event of Default or Event of Default, an Officers' Certificate specifying such Potential Event of Default or Event of Default and what action the Issuer is taking or proposes to take with respect thereto;
  - (xxvii) annually provide, starting from release of the PAC, a report in the form attached hereto as Annex E;
  - (xxviii) within 3 days from the Issue Date, send to the Representative of the Noteholders the evidence that the Notes are traded in the green sector of the ExtraMOT PRO<sup>3</sup>;
  - (xxix) procure that each of the PAC and the FAC are obtained within the deadlines agreed in the EPC Contract;
  - (xxx) procure the issuance of the SUAPE Plant Operation Authorization by the Entry into Operation;
  - (xxxi) simultaneously with the execution of each PPA, procure that the Issuer's monetary claims thereunder are assigned by way of security (*cessione in garanzia*) to the Noteholders and its effectiveness (*opponibilità*) towards third parties;
  - (xxxii) procure that the Sponsor makes all Equity Contributions pursuant to the Equity Contribution Agreement;
  - (xxxiii) procure that the Minimum Positive Balance is respected from the Issue Date until the Entry into Operation and, thereafter, at each Calculation Date;

- (xxxiv) within 20 (twenty) Business Days from the Issue Date, procure the closing of the following bank accounts opened in the name of the Issuer: (a) account opened with Banca Monte Paschi di Siena S.p.A. and (b) account opened with Unicredit S.p.A.;
- (xxxv) not fire (*licenziare*) any employee without prior written consent of the Senior Noteholders;
- (xxxvi) procure that any Direct Agreement is entered into within 60 days from the Issue Date;
- (xxxvii) if the Technical and Market Advisor deems it required, the Issuer shall, within 90 days from the written request, (i) build an on-site tank for the storage of the liquid digestate for a capacity of ca 5,000 tonnes (or any other capacity deemed necessary by the Technical and Market Advisor) or alternatively (ii) provide for similar solutions (such as rent prefabricated tanks or other) approved by the Technical and Market Advisor. For this purpose the Issuer shall apply the funds allocated on the MRA for extraordinary expenses.

## 8. EVENTS OF DEFAULT

Each Noteholder shall have the right to request the early redemption of the Notes upon the occurrence of any of the following events (each event below shall be treated as an “**Event of Default**”), provided that, these are not remedied from the Issuer within the later of, 30 (thirty) calendar days from the date on which the Issuer is aware of such circumstance, or 60 (sixty) calendar days from the date of occurrence of Event of Default; and provided further that the Events of Default in let. (a), (b), (c), (d), (e), (g), (i), (j), (k), (m), (p), (r), (s), (t), (u), (v), (w) and (x) of this Conditions will not enjoy of such remedy period and no resolution of the Noteholders under Condition 11 (*Meeting of the Noteholders*) will be required, occurring the early redemption upon delivery to the Issuer of a Default Early Redemption Request:

- (a) **Payment Default:** any failure of the Issuer to pay any principal or Interest Amounts payable on the Notes, unless such failure (i) is due to an administrative or technical error which is not the result of willful misconduct (*dolo*) or gross negligence (*colpa grave*) of the Issuer and the relevant payment is performed within 5 (five) Business Days of the relevant discovery of the administrative or technical error or (ii) or solely with respect to any principal or Interest Amounts payable on the Junior Notes A, is remedied within 90 (ninety) calendar days from the due date.
- (b) **Insolvency Proceedings of the Issuer, the Sponsor:** (i) judicial steps have been taken against the Issuer, the Sponsor aimed at commencing any Insolvency Proceedings; and/or (ii) the Issuer or the Sponsor is subject to any Insolvency Proceedings or has entered into any of the agreements provided for by article 182 *bis* or article 67 paragraph 3 (d) of the Italian Bankruptcy Law; provided that the above subparagraphs (i) and (ii) shall not apply to any proceeding which is discharged, stayed or dismissed within 90 (ninety) calendar days from its commencement; and/or (iii) the Issuer or the Sponsor is subject to any of the situation described in articles 2482, 2482-bis and 2842-ter of the Italian Civil Code, save for what provided under Condition 7(x); (iv) the Issuer or the Sponsor is unable, or admits its inability, to pay its debts as they fall due, ceases or threatens to cease to carry on business or substantially the whole of its business.
- (c) **Liquidation:** the adoption of a resolution of the competent body of the Issuer whereby it is resolved the winding up of the Issuer or the Sponsor Guarantor, as applicable.
- (d) **Litigation:** (A)(a) any claim or investigation in relation to the Issuer or the Sponsor that is likely to be adversely determined and if so determined would have a Material Adverse Effect or (b) the filing against the Issuer or the Sponsor of any civil, criminal, labour, environmental, tax or other litigation, arbitration, or administrative or regulatory proceeding, claim or action (including any dispute with any statutory or



governmental authority) for an aggregate amount exceeding Euro 50.000 (fifty thousand/00); provided that subparagraphs (a) and (b) shall not apply to any litigation, arbitration or administrative proceedings which is (i) discharged, stayed or dismissed within 60 (sixty) calendar days of its commencement or (ii) frivolous, vexatious, or remotely able to produce a Material Adverse Effect, in the Noteholders' opinion (acting in good faith, in accordance with the provisions of article 1375 of the Italian Civil Code); or (B) the Issuer settles any civil, criminal, labour, tax or other litigation, arbitration, or administrative or regulatory proceeding, claim or action (including any dispute with any statutory or governmental authority); provided that the Issuer may enter into one or more settlements whereby it undertakes solely payment obligations for an aggregate, yearly amount not higher than Euro 50.000 (fifty thousand/00).

- (e) **Covenants:** any of the covenants under Condition 7 (*Covenants by the Issuer*) is not complied with by the Issuer.
- (f) **Cross default of the Issuer or the Sponsor:** (a) the Issuer or the Sponsor fails to pay any amount due to under any Financial Indebtedness, incurred in with respect to the Issuer, without breaching Condition 7 (xxi) (other than payment obligations arising from the Notes); (b) the Issuer or the Sponsor fails to pay any amount (other than payment obligations arising from the Notes) within 10 (ten) calendar days of its due date or within any grace period agreed with the relevant creditor; (c) any amount due by the Issuer or the Sponsor becomes due and payable prior to its specified maturity date as a result of an event of default (or the relevant creditor becomes entitled to make a declaration to that effect) or (d) any facility or commitment granted to the Issuer or the Sponsor, incurred into with respect to the Issuer without breaching Condition 7 (xxi), is cancelled or suspended by the relevant creditors as a result of an event of default, in each case save where the aggregate amount of all amounts under (b), (c) and (d) above at that time is less than Euro 100,000 (one hundred thousand/00).
- (g) **Project Documents, Equity Contribution Agreement and Patronage Letter:** (A) (i) any Project Document is amended or becomes invalid, null, void, unenforceable or is suspended, in full or in any material part thereof; (ii) the Issuer or any relevant party to a Project Document fails to comply with its material obligations thereunder; (iii) the Issuer fails to enforce its rights (other than its termination rights) under any Project Document; (iv) the Issuer assigns or transfers any of its rights under the Project Documents; (v) any action is taken (including, but not limited to giving notice) by the Issuer or any relevant party to a Project Document to terminate the relevant Project Document or the relevant Project Document terminates by law; or (vi) it is or becomes unlawful for any party to perform any of its obligations under the Project Documents; provided that, each Feedstock Supply Contract and PPA shall be renewed upon the relevant termination substantially at the terms and conditions defined in the relevant definitions hereunder and (B) the Equity Contribution Agreement becomes invalid, null, void, unenforceable or is suspended, in full or in any material part thereof; (ii) the Sponsor fails to comply with the material obligations under the Equity Contribution Agreement or the Patronage Letter; (iii) any action is taken by the Sponsor to terminate the Equity Contribution Agreement or the Patronage Letter or are terminated by law; or (iv) it is or becomes unlawful for the Sponsor to perform any of its obligations under the Equity Contribution Agreement or the Patronage Letter;
- (h) **Material Adverse Effect:** any event or circumstance occurs which in the Noteholders' opinion (acting in good faith, in accordance with the provisions of article 1375 of the Italian Civil Code) has or is reasonably likely to have a Material Adverse Effect.
- (i) **Force Majeure Events:** the occurrence of force majeure events, such as wars, revolutions, embargos, actions by civil and/or military authorities, earthquakes, floods, droughts, water pollution, power lines breaks that persist for a period exceeding 90

(ninety) nonconsecutive calendar days in the same solar year and from which on the expiry of the 90 (ninety) calendar days derives an Event of Default.

- (j) **Authorizations:** any Authorization (i) is transferred, or otherwise disposed of or is revoked, annulled, cancelled, terminated, or otherwise ineffective (also temporarily) and (ii) any Authorization is challenged via *ricorso straordinario al Presidente della Repubblica* in accordance with, and within the applicable terms set out by, law Decree of the President of the Republic no. 1199, dated November 24, 1999.
- (k) **Construction and operation of the Plant:** the Plant is not built and is not operated and managed in accordance with the applicable Project Documents, Authorizations and applicable laws (including, but not limited to, any Environmental Law).
- (l) **Grants:** the Issuer makes any application for any grant of funds or other benefit of any nature (including fiscal), whether national, regional or from any other local authority, the existence of which would be in contrast with the Authorizations.
- (m) **Compulsory nationalization of the Issuer's or Sponsor's Assets:** nationalization, expropriation or dispossession by a government, public or regulatory body of the Plant or all or substantially all of the Issuer's or Sponsor's Assets.
- (n) **Unlawfulness:** it is or will become unlawful for the Issuer or the Sponsor to perform or comply with any of its material obligations under the Transaction Documents to which it is a party or any of such material obligations conflicts with its by-laws (*atto costitutivo* and *statuto*) or contractual obligations.
- (o) **Validity and enforceability of the Security Package:** any agreement constituting the Security Package becomes null, void or unenforceable for any reason, other than by waiver (*rinuncia alle garanzie*) by the Noteholders.
- (p) **Change of Control:** an event or circumstance of Change of Control occurs.
- (q) **Information:** any information provided to the Noteholders by or behalf of the Issuer is misleading untrue or incorrect in any material respect.
- (r) **Compliance with laws:** the Issuer or the Sponsor fails to comply in any material respect with any applicable Anti-Corruption Laws, Anti-Money Laundering Laws, Environmental Laws, any employment law provisions, any collective bargaining labour contract provisions, any law provision (including any EU law provisions) for the specific field of operation of the Plant, or building laws (*norme edilizie, urbanistiche*).
- (s) **Illegality and increased costs:** the Noteholders notify the Issuer that (a) is or becomes contrary to any law or regulation for the Noteholders to maintain the Notes; or (b) as a result of any change in (or in the interpretation, administration or application of), or to the generally accepted interpretation or application of, or the introduction of, any law or regulation, any amounts payable in respect of the Notes would be subject to withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or any political or administrative subdivision thereof or any authority thereof or therein and no Additional Amount shall be paid by the Issuer to compensate such withholding or deduction.
- (t) **Accounts:** the Issuer opens any bank or deposit account, other than the Accounts.
- (u) **Center of interest:** the Issuer or the Sponsor fails to have (i) its “*business centre of interest*” in Italy, pursuant to article 3(1) of the EU Insolvency Regulation or (ii) establishes any foreign branch, pursuant to article 2(h) of the EU Insolvency Regulation.

- (v) **Change in law:** any law or regulation is enacted or issued to change, repeal or replace the energy regulatory legal framework which is likely to have a Material Adverse Effect.
- (w) **ADSCR and LLCR:** as at any Interest Payment Date (according to the calculation made on the immediately following Calculation Date), the ADSCR or the LLCR fall below 1.05x (one point zero five times).
- (x) **Plant performance and availability:** (i) minimum availability or performance thresholds set out in the EPC Contract are not met by the Plant during the relevant acceptance test regulated under the EPC Contract and/or minimum availability or performance thresholds set out in the SE&M Agreement are not met by the Plant during any contractual year of the SE&M Agreement or (ii) single or cumulative liability caps of the EPC Contractor under the EPC Contract and/or the SE&M Contractor under the SE&M Agreement (e.g., *inter alia*, indemnities due to delivery delays, or failure to meet performance or availability thresholds, or overall liability cap) are hit.
- (y) **Equity Contribution:** the quotholder's meeting of the Issuer has not adopted, within 30 days from the Issue Date, a Capital Increase resolution in relation to the Equity Contribution (*conferimento in conto futuro aumento di capitale*) of Euro 500.000 due and contributed by the Shareholders on 15 July 2021, and, therefore, the relevant Equity Contribution has become invalid, null or void.

Following a resolution approved under article 17 (*Extraordinary Resolutions*) of the Rules requesting the early redemption of the Notes, on the first Business Day following a 20 (twenty) calendar days prior request (the “**Default Early Redemption Request**”) of early redemption (the “**Default Early Redemption Date**”) by the Noteholders to the Issuer, to be sent according to the applicable provisions of law and as requested by the Italian Stock Exchange, the amounts payable by the Issuer to the Noteholders shall become immediately due and payable with respect to the then Principal Amount Outstanding, *plus* interest accrued and unpaid thereon, in accordance with the Priority of Payments.

The Issuer shall promptly notify to the Italian Stock Exchange, Monte Titoli, the Calculation Agent, the Paying Agent, the Noteholders and the Representative of the Noteholders of the receipt of the Default Early Repayment Request together with (i) detailed information of the Event of Default and (ii) the relevant Default Early Repayment Date.

The Noteholders may approve a resolution in accordance with article 17 (*Extraordinary Resolutions*) of the Rules to waive an existing Event of Default or Potential Event of Default and its consequences.

## 9. PAYMENTS

Payments of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by authorized intermediaries.

Payments of principal and interest in respect of the Notes are subject in all cases to any fiscal or other applicable laws and regulations.

## 10. ADMISSION TO TRADING

The Issuer has filed the Notes with the Italian Stock Exchange for admission to trading on the ExtraMOT PRO<sup>3</sup>.

The decision of the Italian Stock Exchange and the date of commencement of trading of the Notes on the ExtraMOT PRO<sup>3</sup>, together with the functional information to trading shall be communicated by the Italian Stock Exchange with a notice, pursuant to Sec. 224.3 of the Guidelines contained in the regulation for the management and operation of the ExtraMOT PRO<sup>3</sup> issued by the Italian Stock Exchange, and effective from June 8, 2009 (as amended and supplemented from time to time).

The Notes are not traded in a regulated market (“*mercato regolamentato*”) therefore are not subject to the Commission Regulation (EC) No 809/2004.

The Notes will not enjoy the support of an “*operatore specialista*” as defined in the ExtraMOT PRO<sup>3</sup> Regulation.

#### **11. RESOLUTIONS AND AUTHORIZATIONS RELATING TO THE NOTES AND THE SECURITY PACKAGE**

The issuance of the Notes and the granting of the Security Package were approved by the resolution of the quotaholders’ meeting of the Issuer on 4 June, 2021 and registered in the relevant chamber of commerce on 16 June 2021.

#### **12. MEETINGS OF THE NOTEHOLDERS AND APPOINTMENT OF THE REPRESENTATIVE OF THE NOTEHOLDERS**

Each of the Senior Noteholders A and the Junior Noteholders A will be organized (each an “**Organization**”) in a meeting (*assemblea*) pursuant to the Rules.

Each Organization may appoint and remove a representative, whose rights and powers are set out in the Rules (the “**Representative of the Noteholders**”). Banca Finint S.p.A. is hereby appointed as the first Representative of the Noteholders . As long as a Representative of the Noteholders is appointed, this latter:

(a) shall receive on behalf of the Noteholders from the Issuer any notice, proof, evidence and communication to be served or provided by the Issuer to the Noteholders under the Conditions (but it shall be obliged to forward such notices, proofs, evidences and communications to the Noteholders only upon written request of these latter); and

(b) may provide, on behalf and in the name of the Noteholders, consents, opinions and notifications that the Noteholders may provide to the Issuer under the Conditions (but it may provide such consents, opinions and notifications to the Issuer only upon written instructions of the Noteholders in accordance with the provisions of the Rules and the Intercreditor Agreement).

#### **13. STATUTE OF LIMITATION**

Claims against the Issuer for payments in respect of the Notes will be barred and become void (*prescritti*) unless made within ten years in the case of principal or five years in the case of interest from the date the relevant payment are due.

#### **14. TAXATION**

Without prejudice to the provisions of Condition 7 (xiii) (*Covenants by the Issuer*), any tax, levy, impost, duty or other charge of a similar nature, fee, present and future, applicable to the Notes shall be borne by the Noteholders.

#### **15. NOTICES**

Notwithstanding any applicable provision to the contrary, all the communications from the Issuer to the Noteholders will be considered valid if made through publication on the website of the Issuer at the following address [www.BSGreen.it](http://www.BSGreen.it), and in compliance with the disclosure requirements of the ExtraMOT PRO<sup>3</sup> Regulation and applicable laws; provided that, as long as the Notes are held on behalf of the beneficial owners through Monte Titoli, the Issuer shall maintain the right to notify certain communications to the Noteholders through Monte Titoli.

#### **16. GOVERNING LAW AND JURISDICTION**

The Notes are governed by, and shall be construed in accordance with, Italian law.

The Courts of Milan shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with these Notes.

## ANNEX A

### Financial and Reporting Undertakings

1. The Issuer will provide to the Noteholders all documents, confirmations and evidence required by the Noteholders to satisfy its "*know your customer*" requirements or similar identification checks in order to meet its obligations from time to time under applicable money laundering, or similar, laws and regulations;
2. the Issuer will provide the Noteholders with semi-annual and audited annual (as long as listed in ExtraMOT PRO<sup>3</sup>) financial statements for the Issuer at the earlier of (A) as regards the semi-annual financial statement, 90 (ninety) calendar days following each 30 of June (starting from June 30, 2022) and (B) as regards the audited annual financial statement (i) the provision of such statements to any shareholder in the Issuer or (ii) within one hundred and eighty (180) calendar days of the end of the relevant fiscal year, in each case including a statement of operations, balance sheet, statement of cash flows and shareholders' equity.
3. **Base Case update**
  - 3.1 No later than 40 (forty) calendar days following each Interest Payment Date the Issuer will notify to the Noteholders its proposal for the Technical and Market Assumptions certified by the Technical and Market Advisor to be used for the next Calculation Date and the figures to be used for the Economic Assumptions for the next Calculation Date.
  - 3.2 The Issuer will make such proposals in good faith after careful consideration and enquiry and such proposals will genuinely reflect views which it believes in good faith to be reasonable in the circumstances and will be consistent with the provisions of the Terms and Conditions.
  - 3.3 Together with the Base Case update, the Issuer shall provide that the Technical and Market Assumptions received from the Technical and Market Advisor.
  - 3.4 For the purpose of updating the Base Case, the Issuer shall factor in (i) the Economic Assumptions and (ii) any other economic and financial assumption in each Base Case update due on each Calculation Date falling in December.
  - 3.5 Upon receipt of the updated Base Case, the Noteholders may propose changes in order to:
    - (i) correct any historical data known to be inaccurate; or
    - (ii) correct any manifest error.
    - (iii) incorporate any changes to the Technical and Market Assumptions and Economic Assumption agreed or determined according to the above,
  - 3.6 The Noteholders may propose such a change by giving written notice to the Issuer setting out the proposed change and the reasons why it believes such a change is required.
  - 3.7 The Noteholders can prepare the updated Base Case in the event that the Issuer: (i) fails to deliver the notice according to 3.1 or delivers an updated

Base Case that has been proposed on the basis of the Technical and Market Assumptions and/or Economic Assumptions or changes to the Base Case that have not been agreed or determined in accordance with the Annex A.

- 3.8 If any disagreement arises in relation to such changes to the updated Base Case, the Noteholders and the Issuer will negotiate in good faith for the purpose of agreeing changes to the updated Base Case.
- 3.9 If the Issuer and the Noteholders are unable to reach an agreement on the above changes within 10 (ten) days from the relevant written notice, then either of them may refer the matter to an expert (the “**Expert**”) for resolution. The Expert shall be appointed jointly by the Issuer and the Noteholders or, if such agreement is not reached within 5 (five) Business Days of the proposal of either party, the Expert shall be the person nominated on the application of the Issuer or the Noteholders to the president for the time being of (i) the *Ordine dei Dottori Commercialisti di Milano* in the case of any reference in respect of the Base Case or relating to taxation or (ii) to the *Ordine degli Ingegneri di Milano* in the case of any other matter, or if such entity has ceased to exist or in case of failure to nominate the Expert, such other entity or persons as may be reasonably selected by the Noteholders.
- 3.10 The costs of any Expert and the costs reasonably incurred in giving effect to any decision of the Expert, shall be entirely borne by the Issuer.
- 3.11 Any changes to the updated Base Case shall take effect and be binding on and from the date such changes are agreed or determined in accordance with the above provisions.

#### 4. **Operating Budget**

- 4.1 Not less than 60 (sixty) days and not more than 90 (ninety) days before the first day of each of its calendar year (starting from 2021), the Issuer shall deliver to the Noteholders and the Technical and Market Advisor a revised draft operating budget (the “**Operating Budget**”) for approval by the Noteholders.
- 4.2 Each revised operating budget shall comprise an Operating Budget (together with a commentary thereon) for the next following 24 (twenty four) months setting out costs and revenues for such 12 (twelve) month period on a monthly basis and setting out the costs and revenues for all subsequent financial years until the Final Maturity Date on a semi-annual basis. The Issuer shall also ensure that each revised Operating Budget is prepared using the same form as used for the initial operating budget and, in any event, consistent with the Base Case and sets out the costs and revenues in reasonable detail together with all related Technical and Market Assumptions and Economic Assumptions
- 4.3 Within 30 (thirty) days of receipt of the revised Operating Budget, the Noteholders shall notify the Issuer whether the Operating Budget has been approved by the Noteholders.
- 4.4 If the Noteholders do not approve the Operating Budget, then: (i) the Noteholders shall provide the Issuer with reasonable details of the grounds for such disapproval; (ii) the existing Operating Budget shall continue in

effect without any amendment; and (iii) the Issuer shall submit a further revised draft operating budget to the Noteholders.

- 4.5 Within 30 (thirty) days of receipt of the revised draft Operating Budget, the Noteholders may: (i) notify the Issuer that the revised draft Operating Budget has been approved, or (ii) ask the Issuer for amendments to the revised draft Operating Budget. In such a case, the Noteholders and the Issuer may consult between themselves and with the Technical and Market Advisor. If no agreement is reached within 20 (twenty) Business Days of the Noteholders request for amendments, the Expert shall apply provisions regarding the reference of the subject matter to on.
- 4.6 Upon the Expert having reached a decision in relation to a dispute over the revision of the Operating Budget, the draft Operating Budget as revised by the Expert shall become the Operating Budget.
- 4.7 Unless approved by the Noteholders, the Issuer shall not incur or pay any cost where that cost or payment (in aggregate with all other amounts incurred or paid in respect of that category of cost for the relevant half year period) exceeds the aggregate amount allowed for that category of costs for that half year period in the Operating Budget by more than 10% (ten per cent.). This clause shall not restrict or prevent the Issuer from incurring or paying a particular cost to the extent that the relevant cost is a tax payment related to applicable law (including but not limited to Environmental Law).

5. **Operating Report** The Issuer shall prepare and deliver to the Technical and Market Advisor an Operating Report for each semi-annual period from the Calculation Date falling in 31 December 2022 until the Final Maturity Date. The first Operating Report shall be delivered by the Issuer not later than the first Calculation Date. Each other Operating Report shall be delivered by the Issuer at each Calculation Date.

- 5.2 The Issuer will ensure that each Operating Report contains or encloses the following details: (i) the performance of the Plant during the semi-annual period ending on that Interest Payment Date; (ii) actual expenditure for the relevant semi-annual period and a comparison of that expenditure against the corresponding figures in the Operating Budget; (iii) forecast expenditure for each of the next following two semi-annual periods together with a comparison of that forecast expenditure against the corresponding figures in the Operating Budget; (iv) any change, damage to or destruction of the Plant; (v) copies of any certificates or reports provided to the Issuer under the SE&M Agreement; (vi) cash balances of each of the Accounts as at the first day and the last day of the relevant semi-annual period; and (vii) any other or additional information that the Noteholders may reasonably request the Issuer to provide in relation to the operation of the Plant.

6. **Technical Advisor Reports** The Issuer shall ensure that the Technical and Market Advisor delivers to the Noteholders a Technical Advisor Construction Report and Technical Advisor Operating Report according to the below.

- 6.2 The Issuer shall ensure that (i) the Technical and Market Advisor delivers to the Noteholders a Technical Advisor Construction Report within 10 (ten) Business Days from the end of each calendar month with respect to the construction work progress of the Plant with respect to the immediately prior calendar month, until the PAC and (ii) the relevant Technical Advisor



Construction Report is published on the Issuer website pursuant to Clause 15 of the Terms and Conditions.

- 6.3** The Issuer will ensure that each Technical Advisor Construction Report contains or encloses the following details: (i) material delivered in situ, (ii) works (work progress); (iii) actual expenditure for the relevant period and a comparison of that expenditure against the corresponding figures in the construction budget; (iv) details of the status of the interconnection works carried out by the EPC Contractor including Connection of the Plant, together with any information that indicates a delay or potential delay in such works; (v) the Issuer's opinion as to whether completion of the plant and, if the Issuer thinks that date is not achievable, the Issuer's best estimate of when completion of the plant will be achieved (together with reasons for that estimate); (vi) any material change, damage to or destruction of the Plant; (vii) any other material delay to the works or any extensions of time granted by the Issuer to any party carrying out construction related activities under the EPC Contract; (viii) details of any delay liquidated damages or performance liquidated damages which have been paid to or received by the Issuer under the EPC Contract; (ix) all change orders requested under the EPC Contract, together with details of any action it proposes to take in relation to the same; and (x) any other or additional information that the might reasonably request the Issuer to provide in relation to the construction of the Plant.
- 6.4** The Issuer shall ensure that the Technical and Market Advisor delivers to the Noteholders a Technical Advisor Operating Report for each semi-annual period from the Interest Payment Date falling in 31 December 2022 and, thereafter, for each annual period until the Final Maturity Date. The Issuer shall ensure that the first Technical Advisor Operating Report is delivered by the Technical and Market Advisor not later than the Interest Payment Date falling in 31 December 2022. The Issuer shall ensure that: (i) each other semi-annual Technical Advisor Operating Report shall be delivered by the Technical and Market Advisor within 20 (twenty) Business Days after each Calculation Date and (ii) each annual Technical Advisor Operating Report shall be delivered by the Technical and Market Advisor on each Calculation Date. The management of the digestate will be monitored quarterly and at any time upon specific request by the Noteholders.
- 6.5** The Issuer will ensure that each Technical Advisor Operating Report contains or encloses the following details: (i) the performance of the Plant during the semi-annual period ending on that Calculation Date including but not limited to: (a) electricity generated, (b) self-consumption (c) electricity injected into the grid; (d) global performance; (e) feedstock price and quantity (m3) burnt and feedstock price forecast ; (h) actual expenditure for the relevant semi-annual period and a comparison of that expenditure against the corresponding figures in the Operating Budget; (i) forecast expenditure for each of the next following two semi-annual periods together with a comparison of that forecast expenditure against the corresponding figures in the Operating Budget; (j) the general status of the Plant, the extraordinary maintenance activity carried out, recommendations on the O&M activities and on the extraordinary maintenance to be carried out by, any change, damage to or destruction of any material of the Plant; (k) the MRA Amount necessary (if applicable); and (l) any other or additional information that the Noteholders may reasonably request in relation to the

operation of the Plant. The management of the digestate will be monitored quarterly and at any time upon specific request by the Noteholders.

- 7. Environmental and social** No more than ten (10) days after becoming aware of any social, labour, health and safety, security or environmental incident, accident or circumstance, of any material adverse effect or material adverse impact on the implementation or operation of the Plant's operations in compliance with the Environmental Law requirements, the Issuer shall notify the Noteholders of and shall in each case specify the nature of the incident, accident, or circumstance and the impact or effect arising or likely to arise therefrom, and the measures being taken, or plans to be taken to address them and prevent any future similar event; and keep the Noteholders informed of the on-going implementation of those measures. Without prejudice to the generality of the foregoing paragraph, if the Noteholders has cause to suspect that there is any material non-compliance with the Environmental Law requirements the Noteholders may request that the Issuer provide such information as necessary in order to assist the Noteholders with their enquiry into compliance with the Environmental Law requirements.

**7.2** The Issuer shall make available to the Noteholders any additional information in its possession or which it can reasonably obtain and that the Noteholders may reasonably request from time to time concerning environmental or social matters regarding the Plant.

**7.3** The Issuer and the Sponsor shall use its best efforts to cause the Plant to continue to comply with relevant environmental and social requirements and encourage to work towards continuous improvements in environmental, social and governance matters.

**7.4** The Issuer shall keep copies of the relevant documents collected during the due diligence process, concerning environmental or social matters regarding the Plant (including the documentation utilised for the due diligence process) for a period of not less than six (6) years.

**7.5** The Issuer shall make, and keep, readily available up to date information on the use of proceeds to be renewed annually until full allocation, and on a timely basis in case of material developments. The annual report shall include a list of the projects to which the proceeds of this Notes have been allocated, as well as a brief description of the projects and the amounts allocated, and their expected impact.

## **8. Miscellanea**

The Issuer will provide the Noteholders with:

**8.1** available details of civil, criminal, labour, tax or other litigation, arbitration, or administrative or regulatory proceeding, claim or action (including any dispute with any statutory or governmental authority) which takes place, is pending or threatened in writing against or involving the Issuer or to the extent it acquires knowledge in writing thereof, any of its counterparty under the Project Documents;

**8.2** without prejudice to the Conditions, a copy of any notice received or given by the Issuer constituting any step towards, or purporting or threatening default or, the rescission, termination or cancellation of any of the Project Documents, together with details of any action proposed to be taken in relation to the same;

- 8.3 details of any claims in relation to any Insurance Policy; and
- 8.4 any other reasonable information requested by the Noteholders with the respect to the Issuer and the Plant, the Land or any other of its Assets or activities.

**9. Financial and Reporting Undertakings through the Representative of the Noteholders**

As long as a Representative of the Noteholders is appointed, all reporting and undertakings to be provided or performed, as the case may be, to the Noteholders, shall be provided or performed, as the case may be, to the Representative of the Noteholders . For the avoidance of doubt, the Representative of the Noteholders shall be obliged to forward to the Noteholders all reports, notices, communications and other documents received in the context of the transaction only upon written request of these latter).

## ANNEX B

### Redemption schedule of the Notes

#### Senior Notes A

BS Green - Senior Bond 1							
Mandatory Scheduled Redemption							
Amount model				5,700,000			
Nominal Holding of				50,000			
Ratio		€		114.00			
Ratio Adjusted		€		114.00			
Amount model				5,700,000.00			
	Note Interest Payment Date	Principal Due (Model)	Principal Due (per Nominal Holding of EUR 50000)	Outstanding (per Nominal Holding of EUR 50000)	Principal Due (per Nominal Amount)	Percentage	
0.00%	31-Dec-21	0.00%	-	50,000.00	-	0.000%	
0.00%	30-Jun-22	0.00%	-	50,000.00	-	0.000%	
6.40%	31-Dec-22	6.35%	3,175.00	46,825.00	361,950.00	6.350%	
14.30%	30-Jun-23	7.91%	3,955.00	42,870.00	450,870.00	7.910%	
22.40%	31-Dec-23	8.13%	4,065.00	38,805.00	463,410.00	8.130%	
27.00%	30-Jun-24	4.55%	2,275.00	36,530.00	259,350.00	4.550%	
34.00%	31-Dec-24	7.02%	3,510.00	33,020.00	400,140.00	7.020%	
41.20%	30-Jun-25	7.21%	3,605.00	29,415.00	410,970.00	7.210%	
48.40%	31-Dec-25	7.21%	3,605.00	25,810.00	410,970.00	7.210%	
54.70%	30-Jun-26	6.34%	3,170.00	22,640.00	361,380.00	6.340%	
60.30%	31-Dec-26	5.61%	2,805.00	19,835.00	319,770.00	5.610%	
66.30%	30-Jun-27	5.95%	2,975.00	16,860.00	339,150.00	5.950%	
70.90%	31-Dec-27	4.60%	2,300.00	14,560.00	262,200.00	4.600%	
76.80%	30-Jun-28	5.92%	2,960.00	11,600.00	337,440.00	5.920%	
82.20%	31-Dec-28	5.39%	2,695.00	8,905.00	307,230.00	5.390%	
86.80%	30-Jun-29	4.58%	2,290.00	6,615.00	261,060.00	4.580%	
92.00%	31-Dec-29	5.15%	2,575.00	4,040.00	293,550.00	5.150%	
95.40%	30-Jun-30	3.43%	1,715.00	2,325.00	195,510.00	3.430%	
100.00%	31-Dec-30	4.65%	2,325.00	-	265,050.00	4.650%	

## Junior Notes A

BS Green - Junior Notes						
<u>Mandatory Scheduled Redemption</u>						
Amount model			750,000			
Nominal Holding of			50,000			
Ratio		€		15.00		
Ratio Adjusted		€		15.00		
<b>Amount model</b>				<b>750,000.00</b>		
Note Interest Payment Date	Principal Due (Model)	Principal Due (per Nominal Holding of EUR 50000)	Outstanding (per Nominal Holding of EUR 50000)	Principal Due (per Nominal Amount)	Percentage	
31-Dec-21	0.00%	-	50,000.00	-	0.000%	
30-Jun-22	0.00%	-	50,000.00	-	0.000%	
31-Dec-22	17.79%	8,893.00	41,107.00	133,395.00	17.786%	
30-Jun-23	15.43%	7,715.00	33,392.00	115,725.00	15.430%	
31-Dec-23	5.44%	2,721.00	30,671.00	40,815.00	5.442%	
30-Jun-24	12.26%	6,128.00	24,543.00	91,920.00	12.256%	
31-Dec-24	13.90%	6,948.00	17,595.00	104,220.00	13.896%	
30-Jun-25	14.91%	7,456.00	10,139.00	111,840.00	14.912%	
31-Dec-25	12.15%	6,073.00	4,066.00	91,095.00	12.146%	
30-Jun-26	8.13%	4,066.00	-	60,990.00	8.132%	

## ANNEX C

### Accounts Management

1. The Issuer shall maintain the Accounts until the Final Maturity Date.

The Issuer shall not withdraw from any Account if it would cause such Account to become overdrawn.

2. **Proceeds Account**

The Issuer shall operate the Proceeds Account as follows:

- 2.1 Credits to the Proceeds Account**

The Issuer shall procure that the following amounts are credited to the Proceeds Account:

- (i) all amounts paid to the Issuer under (A) any Feedstock Supply Contract, (B) any PPA and (C) under the Patronage Letter;
- (ii) any Insurance Proceeds and any Liquidated Damages due to the Issuer;
- (iii) in accordance with para. 4.2, item (iii) of this Annex, any amount by which any DSRA positive balance exceeds the DSRA Balance Target;
- (iv) in accordance with para. 7.2, item (ii) of this Annex, any amount by which any MRA positive balance exceeds the MRA Amount;
- (v) in accordance with para. 3.2, item (i)(a), (ii) and (iii) of this Annex, full or part, as applicable, of the positive balance of the Cash Trap Lockup Account;
- (vi) 15 (fifteen) Business Days prior to the Final Maturity Date or an Early Redemption Date (if any), credit the full positive balance of the Escrow Account, the DSRA, the MRA and the Cash Trap Lockup Account;
- (vii) in accordance with para. 5.2(v) of this Annex, any amount standing to the credit of the Escrow Account;
- (viii) at the Issue Date, the Minimum Positive Balance;
- (ix) any amount (other than those to be credited on any other Issuer's Account) due and paid to the Issuer not listed above;

- 2.2 Payments from the Proceeds Account**

The Issuer shall only make withdrawals, payments or transfers from the Proceeds Account as follows, provided that the following order of priority will apply for payments due and payable on the same date:

- (i) pay the due and payable Operating Costs (provided that, following the service of a Default Early Redemption Request the following items (ii), (iii), (iv), (v) and (vi) shall not be deemed included in the definition of Operating Costs);
- (ii) pay any Taxes due by the Issuer and any Tax liability asserted against the Issuer;
- (iii) on each Interest Payment Date, pay, *pro rata*, all costs, charges, fees and expenses of the Representative of the Noteholders and the Senior Noteholders;
- (iv) on each Interest Payment Date, pay all costs, charges, fees and expenses (other than Interest Amounts, Default Interest and Principal Amount Outstanding) due and payable under the Notes or for the enforcement of any rights of the Noteholders under the Transaction Documents;
- (v) on each Interest Payment Date, pay Interest Amounts and Default Interest (if any) due and payable under the Senior Notes A;

- (vi) on each Interest Payment Date, repay the due and payable Principal Amount Outstanding of the Senior Notes A;
- (vii) if applicable, on each Calculation Date, credit the MRA with an amount equal to the positive difference (if any) between (x) the MRA Amount and (y) the positive balance of the MRA on the Interest Payment Date immediately preceding the relevant Calculation Date;
- (viii) on each Calculation Date, credit the DSRA with an amount equal to the positive difference (if any) between (x) the DSRA Balance Target calculated on such Calculation Date and (y) the positive balance of the DSRA on the Interest Payment Date immediately preceding the relevant Calculation Date;
- (ix) on the Calculation Date on which is verified that an ADSCR Trigger or an LLCR Trigger has occurred, unless a Default Early Redemption Request is served, in which case this item (ix) shall not apply, credit the Cash Trap Lockup Account the full positive balance remaining on the Proceeds Account after application thereof to all of the previous items;
- (x) on each Interest Payment Date, make mandatory prepayment of the Principal Amount Outstanding of the Notes in accordance with Condition 6.2;
- (xi) on each Interest Payment Date, make voluntary prepayment of the Principal Amount Outstanding of the Notes in accordance with Condition 6.4;
- (xii) on each Interest Payment Date, pay Interest Amounts and Default Interest (if any) due and payable under the Junior Notes A;
- (xiii) on each Interest Payment Date, repay the due and payable Principal Amount Outstanding of the Junior Notes A;
- (xiv) on each Calculation Date, credit the Junior Notes Debt Service Reserve Account with an amount equal to the Junior Notes Debt Service Reserve for the following Interest Payment Date;
- (xv) on each Calculation Date on which the Distribution Conditions are met, credit to the Distribution Account the positive difference (if any) between (a) the then positive balance of the Proceeds Account and (b) Minimum Positive Balance standing on the Proceeds Account.

### **3. Cash Trap Lockup Account**

The Issuer shall operate the Cash Trap Lockup Account as follows:

#### **3.1 Credits to the Cash Trap Lockup Account**

On any Calculation Date on which is verified that an ADSCR Trigger or an LLCR Trigger has occurred, the Issuer shall procure that, the payment from the Proceeds Account listed in para. 2.1, item (ix) of this Annex will be transferred on the Cash Trap Lockup Account.

#### **3.2 Payments from the Cash Trap Lockup Account**

The Issuer shall only make withdrawals, payments or transfers from the Cash Trap Lockup Account as follows:

- (i) on the Calculation Date falling after the Calculation Date on which any amounts were credited on the Cash Trap Lockup Account, the Issuer shall:
  - a) transfer the full positive balance thereon on the Proceeds Account, if the Target Ratio Conditions are met; or
  - b) apply the positive balance thereon to repay the Principal Amount Outstanding of the Notes in accordance with Condition 6.2.3, if the Target Ratio Conditions are not met; and

- (ii) on the Calculation Date immediately following the Calculation Date under (i) above, the Issuer shall transfer the remaining positive balance thereon on the Proceeds Account, if the Target Ratio Conditions are met;
- (iii) 15 (fifteen) Business Days prior to the Final Maturity Date or an Early Redemption Date (if any), transfer on the Proceeds Account the full positive balance of the Cash Trap Lockup Account.

#### **4. Debt Service Reserve Account**

The Issuer shall operate the Debt Service Reserve Account as follows:

##### **4.1 Credits to the DSRA**

The Issuer shall procure that the following amounts are credited to the Debt Service Reserve Account:

- (i) in accordance with para. 5.2, item (ii) of this Annex, transfer from the Escrow Account an amount equal to the DSRA Balance Target;
- (ii) thereafter, on each Calculation Date transfer amounts from the Proceeds Account, in accordance with para. 2.2, item (viii) of this Annex, up to the DSRA Balance Target.

##### **4.2 Payments from the DSRA**

The Issuer shall only make withdrawals, payments or transfers from the Debt Service Reserve Account as follows:

- (i) on each Interest Payment Date, to pay any shortfall of the Issuer in paying any of the amounts referred to in para. 2.2, items (v) and (vi) of this Annex with the positive balance of the Proceeds Account;
- (ii) on each Interest Payment Date, to credit the Proceeds Account with the sums credited to the DSRA under 4.1(iii) on the immediately prior Calculation Date;
- (iii) to credit the Proceeds Account with the positive difference (if any) between (a) the DSRA positive balance and (b) the DSRA Balance Target;
- (iv) and 15 (fifteen) Business Days prior to the Final Maturity Date or an Early Redemption Date (if any), transfer on the Proceeds Account the full positive balance of the DSRA.

#### **5. Escrow Account**

The Issuer shall operate the Escrow Account as follows:

##### **5.1 Credits to the Escrow Account**

The Issuer shall procure that:

- (i) on the Issue Date, the Subscription Price and the initial Equity Contribution is credited on the Escrow Account;
- (ii) each further Equity Contribution is credited on the Escrow Account.

##### **5.2 Payments from the Escrow Account**

The Issuer shall only make withdrawals, payments or transfers from the Escrow Account as follows, with the prior written approval of the Noteholders:

- (i) on or after the Issue Date, perform any payment of Transaction Costs in accordance with the Funds Flow Memo applicable on or about the Issue Date;
- (ii) on the Issue Date, in accordance with the Funds Flow Memo, fund the DSRA with an amount equal to the DSRA Balance Target;



- (iii) on the Issue Date, in accordance with the Funds Flow Memo, fund the MRA with an amount equal to the MRA Amount;
- (iv) upon receipt of the relevant Technical Advisor Construction Report certifying the construction work progress of the Plant, pay the relevant EPC Price Instalment to the EPC Contractor, provided that the Sponsor has complied with its obligations under the Equity Contribution Agreement;
- (v) 15 (fifteen) Business Days prior to the Final Maturity Date or the Early Redemption Date (if any), transfer the positive balance thereof (if any) on the Proceeds Account.

## **6. Distribution Account**

The Issuer shall operate the Distribution Account as follows:

### **6.1 Credits to the Distribution Account**

On each Calculation Date on which the Distribution Conditions are met, transfer the relevant amount of Distribution from the Proceeds Account, in accordance with para. 2.2, item (xv) of this Annex.

### **6.2 Payments from the Distribution Account**

Notwithstanding anything to the contrary under this Terms and Conditions, the Issuer may make payments or transfers from the Distribution Account without restrictions (including the repayment of any Shareholders Loan, as an exception to their subordination to the Notes).

## **7. Maintenance Reserve Account**

The Issuer shall operate the Maintenance Reserve Account as follows:

### **7.1 Credits to the MRA**

The Issuer shall procure that the following amounts are credited to the MRA:

- (i) in accordance with para. 5.2, item (iii) of this Annex, transfer from the Escrow Account an amount equal to the MRA Amount;
- (ii) thereafter, on each Calculation Date, transfer the MRA Amount from the Proceeds Account to the MRA Account, in accordance with the para. 2.2, item (vii) of this Annex;
- (iii) the sum(s) recovered by the relevant manufacturer for the defective components within warranty, in amount equal to the higher of (A) the relevant sum(s) and (B) the extraordinary maintenance expense(s) incurred in for the relevant component(s) within warranty paid from the MRA.

### **7.2 Payments from the MRA**

The Issuer shall only make withdrawals, payments or transfers from the MRA as follows:

- (i) with the prior written consent of the Representative of the Noteholders (acting upon written instructions of the Noteholders in accordance with the provisions of the Rules and the Intercreditor Agreement), for paying (A) any maintenance expense of the Plant which is not under the obligations of the SE&M Contractor under the relevant SE&M or that remains unpaid for a period longer than 120 days by the SE&M Contractor and (B) extraordinary maintenance expense of Plant components within warranty;
- (ii) to credit the Proceeds Account with the positive difference (if any) between (a) the MRA positive balance and (b) the MRA Amount;
- (iii) to pay any amount provided under Condition 7 (*Covenants by the Issuer*) item (xxxvii);
- (iv) upon full repayment of the Principal Amount Outstanding of the Senior Notes A and Interest Amounts accrued and unpaid thereof, transfer on the Distribution Account the full positive balance of the MRA;

- (v) 15 (fifteen) Business Days prior to the Final Maturity Date or an Early Redemption Date (if any), transfer on the Proceeds Account the full positive balance of the MRA.

## **8. Junior Notes Debt Service Reserve Account**

The Issuer shall operate the Junior Notes Debt Service Reserve Account as follows:

### **8.1 Credits to the Junior Notes Debt Service Reserve Account**

The Issuer shall procure, on each Calculation Date, that the amounts specified in para. 2.2, item (xiv) of this Annex are credited to the Junior Notes Debt Service Reserve Account.

### **8.2 Payments from the Junior Notes Debt Service Reserve Account**

One Business Day prior to each Interest Payment Date, the Issuer shall credit to the Proceeds Account the full positive balance of the Junior Notes Debt Service Reserve Account.

## ANNEX D

### Insurance Policies

The following insurance policies shall be entered into, in each case, the date set out in the relevant paragraphs of this Annex D (*Insurance Policies*) and have an annual (renewable) duration or a longer duration as may be agreed and shall be kept in full force and effect for so long as any amounts remain outstanding under the Transaction Documents.

The Insurances listed in this Annex D (*Insurance Policies*):

- (a) should be entered into and maintained in force with insurance companies having a rating not lower than "A-" by Standard & Poor's or equivalent rating from Moody's, Fitch or A.M. Best and however to the liking of the Noteholders;
- (b) the sums insured and the risks covered by the policies shall in no case be reduced without the prior written approval of the Noteholders and any modification will be subjected to acceptance of the Technical and Market Advisor and Insurance Advisor.

the conditions mentioned shall be understood as maximum limits in respect of deductibles, while minimum limits in relation to guarantees and limits of compensation.

- EAR Erection all risk, in the name of the EPC Contractor and with the Issuer as beneficiary for the construction phase: Policy Proposal n°00064 11 48328807 of Helvetia (will be entered into at the beginning of the EPC contract).

- RCT-RCO: Allianz proposal n°112452494 (will be entered into at the beginning of the construction phase).

- IAR : Industrial all risk, for the operation phase which covers in addition to everything else also latent defects for buildings and machinery, theft, fire, explosion, natural events, acts of terrorism.

**APPENDIX 1**  
**FINANCIERS ENDORSEMENT**

Insurances set out in this Annex D shall contain the following provisions or endorsements.

In particular, the All Risks Property - Machinery Breakdown - Business Interruption affected by the Issuer shall be endorsed with clauses provided in this Appendix 1.

In order to protect the financial entities interests on the project, we recommend incorporating the following loss payee clause in all insurance policies:

1. In this endorsement:

"**Noteholders**" has the meaning ascribed to it in the Terms and Conditions.

"**Company**" means the Issuer.

"**Insurers**" means each entity or person insured under this policy severally.

2. The Insurers acknowledge that they have been notified that the Company has assigned by way of first ranking security to the Noteholders all its rights title and interest in this insurance and in the subject matter of this insurance and consent thereto, and confirm that they have not been notified of any other assignment of or security interest in the Company's interest in this insurance.

3. The Insurers acknowledge that the Noteholders and (in respect of third party liabilities) their respective officers, directors, employees agents and advisers are each additional co-insureds under this policy. The Insurers waive all rights of contribution against any other insurance effected by the Noteholders or their directors officers or employees or agents or advisers.

4. The Insurers hereby waive all rights of subrogation or action howsoever arising which they may have or acquire arising out of any occurrence in respect of which any claim is admitted hereunder against:

(a) any of the Noteholders or their officers, directors, employees, agents and advisers; and

(b) the Company and any other insured party until all its financial indebtedness to the Noteholders has been discharged.

5. The Insurers acknowledge receipt of consideration for the insurance of the Noteholders hereunder and acknowledge that the Noteholders are not liable for payment of any premium payable by any other insured under this insurance. The Insurers shall not be entitled to offset any sums payable to the Noteholders against premium or other monies owing by the Company.

6. The insurance provided by this policy is primary insurance. The amount of the insurers' liability shall not be reduced by the existence of other insurance of the same risk. The Insurers waive any claim for average or contribution in respect of any other insurance of the insured risks.

7. It is agreed that the inclusion of one or more Insured in this policy shall not affect the rights of any Insured as respects any claim, demand, law suit or judgment made or brought by or for any other Insured or by or for any employee of any Insured. This policy shall protect each Insured in the same manner as though a separate policy has been issued to each, but the inclusion herein of more than one Insured shall not serve to increase the limit of the insurers' liability. the

liability of the Insurers under this Policy to any one Insured shall not be conditional upon the due observance and fulfilment by any other insured party of the terms and conditions of this Policy or of any duties imposed upon that insured party relating thereto, and shall not be affected by any failure in such observance or fulfilment by any such other insured party.

8. The Insurers acknowledge that (i) they have received adequate information in order to evaluate the risk of insuring the Company in respect of the risks hereby insured, on the assumption that such information is not materially misleading, and (ii) there is no information which has been relied on or is required by Insurers in respect of their decision to co-insure the Noteholders or their directors, officers, employees agents or advisers.
9. Notwithstanding any other provisions of this policy, Insurers agree not to avoid this insurance, or any valid claim under it on the grounds that the risk or claim was not adequately disclosed, or that it was misrepresented, unless deliberate or fraudulent non-disclosure or misrepresentation is established in relation thereto. Non-disclosure or misrepresentation by one Insured shall not be attributable to any other insured party who did not actively participate in that non-disclosure or misrepresentation knowing it to be such.
10. **Loss Payee Clause - Policies:** By way of loss payment agreement, the Insurers undertake that, until the Agent shall otherwise have notified and directed the Insurers, all monies due under this policy to any Insured, whether by way of claims, return premiums, ex gratia settlements or otherwise shall be paid as follows, or to such other account or accounts as the Agent so notifies to the Insurers:
  - (i) in the case of monies due under delay in start-up insurance and business interruption insurance, payment shall be made to the insured Company's Proceeds Account;
  - (ii) in the case of all other monies due under this policy, payment shall be made to the insured Company's Proceeds Account.

#### LOSS PAYEE CLAUSE - POLICIES INVOLVING THIRD PARTY LIABILITY:

By way of loss payment agreement, the Insurers undertake that, until the Agent shall otherwise have notified and directed the Insurers, all monies due under this policy to any Insured, whether by way of claims, return premiums, ex gratia settlements or otherwise shall be paid as follows, or to such other account or accounts as the Noteholder so notifies to the Insurers:

In the case of all monies due under this policy, payment shall be made to the insured Company's Proceeds Account provided that, where payment represents claims monies due to satisfy a liability of the Issuer to a third party and where those monies are to be paid by the Insurers against a release from the third party to the insured Company in respect of the liability satisfied through the payment, the Insurers may make the payment direct to the third party on behalf of the insured Company after giving the Noteholder 10 days notice in writing of its intention so to do if the Noteholder has not objected to that payment to that third party within that 10 day period.

11. The Insurer shall pay such amount as will reimburse to the Insured the cost to it in euro of its loss or liability.
12. The Insurers shall give to the Noteholder at least 45 days notice in writing:
  - (a) before any cancellation can take effect if any Insurer cancels or gives notice of such cancellation of all or any cover under this insurance for any reason;
  - (b) before avoiding for non payment of any outstanding premium in order to give an

opportunity for that premium to be paid within the notice period;

- (c) before any reduction in limits or coverage, any increase in deductibles or any termination before the original expiry date is to take effect;
  - (d) of any act or omission or of any event of which the Insurer has knowledge and which the Insurer considers may invalidate or render unenforceable in whole or in part this insurance.
13. The Noteholder is not agent of any party other than the Noteholders for receipt of any notice or any other purpose in relation to this insurance.
14. All notices or other communications under or in connection with this policy will be given in writing or by fax. Any such notice will be deemed to be given as follows:
- (a) if in writing, when delivered;
  - (b) if by fax, on the date on which it is transmitted but only if (i) immediately after the transmission, the sender's fax machine records the correct answerback (ii) the transmission date is a normal business day in the country of the recipient at the time of transmission and is recorded as received before 5 p.m. on that date in the recipient's time zone, failing which it shall be deemed to be given on the next normal business day in the recipient's country.

The address and fax number of the Noteholder for all notices under or in connection with this policy are those notified from time to time by the Noteholder for this purpose to the Company. The initial address and fax number of the Noteholder are as follows:

The Noteholder: Piazza Barberini 52, 00187 Rome  
For the attention of: Diomidis Dorkofikis e Francesco Maggi

15. This policy shall be governed by and interpreted in accordance with Italian Law.
16. This endorsement changes the policy. It overrides any conflicting provision in any policy or prior endorsement to which it applies.

## APPENDIX 2

### BROKER LETTER OF UNDERTAKING

The Borrower shall procure - in respect of the Insurances specified in this Annex D (*Insurance Policies*) that the brokers through whom such Insurances have been procured deliver to the Noteholder - (i) the Insurance Policies and/or documents certifying that the risks referred to and specified in this Annex D (*Insurance Policies*) are duly covered, and (ii) the Broker Letter of Undertaking substantially in the form set out in this Appendix 2 as soon as practicable after each insurance is effected or renewed.

To: **[Banca Finint S.p.A.]**

[•]

[•]

For the attention of: [•]

as agent (the "**Representative of the Noteholders** ") and any successors

Dear Sirs,

In this letter:

"**Borrower**" means the Issuer.

"**Noteholders**" has the meaning ascribed to it in the Terms and Conditions.

"**Insurance**" means each of those insurances which the Borrower has agreed with the Finance Parties to procure and maintain in relation to the said project which are from time to time arranged by ourselves or by other companies within our group of companies.

"**Insurance Proceeds**" means has the meaning ascribed to it in the Terms and Conditions.

Pursuant to instructions received from the Borrower and in consideration of your approving our appointment or continuing appointment on behalf of the Noteholders to arrange maintain and monitor the Insurances covered by this letter (including renewals and/or replacements of them), we confirm that:

- (a) the Insurances are in full force and effect as evidenced by the attached policies or, failing those, cover notes, and comply with the Borrower's obligations under the Transaction Documents including the loss payee clause in compliance with Transaction Documents;
- (b) we are not aware (after making reasonable enquiry) of any information which should have been disclosed to insurers in order to constitute proper disclosure of the risks insured, or that any information disclosed was inaccurate or misleading;
- (c) we are not aware (after making reasonable enquiry) of any reason why the Borrower or any insurer may be unwilling or unable to honour its obligations in relation to the Insurances, or to avoid the Insurances, in whole or in part.
- (d) we acknowledge that the Noteholders have a direct interest in the Material Insurances as co-insured and an indirect interest in them arising from their security interest in them and in the claims proceeds deriving from them. In respect of our services during the term of our appointment, we accept responsibility for acting as insurance broker on behalf of the Noteholders in respect of the co-insurance of the Noteholders (or the Noteholder on their behalf) under the Material Insurances on policy terms (including lender endorsements) agreed from time to time by you.

We hereby undertake in respect of the interests of the Borrower and the Noteholders in the Insurances:



1. To notify promptly to all insurers from time to time of the Insurances of the assignment of the Borrower's rights under the Insurances and to the Insurance Proceeds to the Noteholders in such form as you may require and to procure their acknowledgement of receipt of such notices of assignment and by having the notices endorsed on the policies of Insurance, and to provide you with true copies of such notices and endorsements;
2. in the case of any Insurance policy, as and when the same is issued or renewed, to ensure that it complies with the requirements that the Borrower and the Noteholders have previously agreed and that it contains terms or endorsements agreed between the Borrower and the Noteholders;
3. to notify you:
  - (i) promptly when we are informed of any proposed changes in the terms of the Insurances which we reasonably believe would, if effected, result in any material reduction in limits or alteration in coverage (including those resulting from extensions) or increase in deductibles, exclusions or exceptions;
  - (ii) at least 30 days prior to the expiry of these Insurances with all reasonable information regarding their renewal arrangements, including premiums and insurers and reinsurers and terms and conditions of renewal cover; and
  - (iii) promptly if any premium due has not been paid within when due, or if any insurer or reinsure gives notice of cancellation non-renewal or avoidance of any Insurance or threatens to do so;
  - (iv) of any act or omission or of any event of which we have actual knowledge and which might reasonably be foreseen as invalidating any Insurance or rendering it void, avoidable or unenforceable in whole or in part;
  - (v) immediately in the event of our becoming aware of any purported assignment of or the creation of any security interest over the Borrower's interest or rights in any of the Insurances;
4. to disclose to you any fact, change of circumstance or occurrence which we know to be material to the risks insured against under the Insurance arranged by us promptly when we become aware of such fact, change of circumstance or occurrence, and if so requested by you to disclose the same to affected insurers and reinsurers;
5. to hold all Insurance policies received by us to your order, subject to our lien, if any, in respect of monies owing to us in respect of any Insurance;
6. to procure payment of any claim collected by us on behalf of the Borrower or the Noteholders in accordance with the Loss Payment clause (if any) within the Insurance;
7. to pay promptly to insurers all premium received from the Borrower or for which we are liable in order to ensure that each Insurance is valid and enforceable in accordance with its terms;
8. to make available to you on reasonable request our placing and claims files, and provide you with copies of any documents from those files.

We undertake to inform you in writing immediately if we receive or give notice that we are to cease to act as insurance brokers to the Borrower for the purpose of arranging, maintaining and/or monitoring any Insurances previously arranged by us. Paragraphs 1-8 above are subject to our continuing appointment as insurance brokers in relation to the Insurances concerned and the handling of claims in relation to them.

This letter shall be governed by and construed in all respects in accordance with Italian law.

Yours faithfully

Attachments: [to be described]

# ANNEX E

## Operating Budget

BUDGET DI CASSA		Budget	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Totale	Varia Budget
<b>ENTRATA OPERATIVA</b>																				
Market energy selling - energia elettrica venduta a prezzo di mercato (year average)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Auto consumption - kWh autoconsumo (year average)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sold plant output - vendita deficit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Plant waste income - conferimenti		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ENRATA OPERATIVA (A)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>USCITE OPERATIVE</b>																				
Progetto impianti		-	-	2.726.000,00	3.822.570,79	982.290,04	982.290,04	982.290,04	982.290,04	982.290,04	982.290,04	982.290,04	982.290,04	982.290,04	982.290,04	982.290,04	982.290,04	982.290,04	982.290,04	982.290,04
Costi startup		85.761,04	84.400,00	34.940,00	418.850,00	34.940,00	418.850,00	34.940,00	418.850,00	34.940,00	418.850,00	34.940,00	418.850,00	34.940,00	418.850,00	34.940,00	418.850,00	34.940,00	418.850,00	34.940,00
Personale dipendenti		15.760,00	15.760,00	15.760,00	15.760,00	15.760,00	15.760,00	15.760,00	15.760,00	15.760,00	15.760,00	15.760,00	15.760,00	15.760,00	15.760,00	15.760,00	15.760,00	15.760,00	15.760,00	15.760,00
Spese		6.300,00	6.343,67	3.343,67	206.064,05	85.461,67	85.461,67	85.461,67	85.461,67	85.461,67	85.461,67	85.461,67	85.461,67	85.461,67	85.461,67	85.461,67	85.461,67	85.461,67	85.461,67	85.461,67
Mantenimento		100.000,00	100.000,00	100.000,00	100.000,00	100.000,00	100.000,00	100.000,00	100.000,00	100.000,00	100.000,00	100.000,00	100.000,00	100.000,00	100.000,00	100.000,00	100.000,00	100.000,00	100.000,00	100.000,00
Altre spese operative		5.000,00	5.000,00	5.000,00	5.000,00	5.000,00	5.000,00	5.000,00	5.000,00	5.000,00	5.000,00	5.000,00	5.000,00	5.000,00	5.000,00	5.000,00	5.000,00	5.000,00	5.000,00	5.000,00
<b>TOTALE USCITE OPERATIVE (B)</b>																				
<b>DIFFERENZIALE (A) - (B)</b>																				
<b>ENTRATA FINANZIARIA</b>																				
Risparmio		-	-	500.000,00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BONDI		-	-	13.000.000,00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Avanzati capitale		174.000,00	174.000,00	1.500.000,00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finanziarie		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ENRATA FINANZIARIA (C)		174.000,00	174.000,00	1.500.000,00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>USCITE FINANZIARIE</b>																				
Restituzione		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BONDI		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Avanzati capitale		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finanziarie		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL USCITE FINANZIARIE (D)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>DIFFERENZIALE (C) - (D)</b>																				
<b>BUDGET DI CASSA (A) - (B) + (C) - (D)</b>																				
<b>ENTRATA FINANZIARIA NETTA</b>																				
<b>USCITE FINANZIARIE NETTE</b>																				
<b>DIFFERENZIALE FINANZIARIA NETTO (E) - (F)</b>																				
<b>TOTALE DIFFERENZIALE (E) - (F)</b>																				

**ANNEX F**  
**Funds Flow Memo**

Uses			Sources		
Fixed Assets	10,655.7	78.23%	Shareholder Loan	765.7	5.62%
Advisor	214.5	1.57%	Equity	10.0	0.07%
other construction costs	604.0	4.43%	Bond	11,345.0	83.29%
Start up cost	350.0	2.57%	Mezzanine	1,500.0	11.01%
Cash in balance	200.0	1.47%			
Upfront fees	338.4	2.48%			
IDC	726.1	5.33%			
DSRA funding	500.0	3.67%			
Imposta sostitutiva	32.1	0.24%			
VAT Line Upfront fees	0.0	0.00%			
Reserve for new capex	0.0	0.00%			
<b>Total Uses</b>	<b>13,620.7</b>	<b>100.00%</b>	<b>Total Funds</b>	<b>13,620.7</b>	<b>100.00%</b>
VAT Credit	1,240.2		SHL for VAT financing	1,240.2	
<b>Total Uses</b>	<b>14,860.9</b>		<b>Total Funds</b>	<b>14,860.9</b>	

**ANNEX G**  
**Report Green Bond Principles**

BIOGAS SARDEGNA GREEN S.R.L.

GREEN BONDS

SECOND PARTY OPINION

Assessment of the alignment with the Green Bond  
Principles

**ROMA, JULY 6, 2021**

## **Index**

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## 1 . SCOPE AND OBJECTIVES

BIOGAS SARDEGNA GREEN S.r.L. (“BSG” or the “Issuer”) is an Italian company incorporated with the purpose of the development, design and construction of a 635 kW<sub>e</sub> power plant (the “Plant”) fed by animal (slaughterhouse) waste (“Animal By-Products”, or “ABP”), in the municipality of San Nicolò d’Arcidano (OR), Sardinia, Italy.

The estimated thermal production of such Plant, assuming a supply of 30.000 t/y of cat.2/cat.3 ABP, is about of 6.132 MWh/y, with a related self-consumption of 4.492 MWh/y, while the electric production is about 5.153,5 MWh/y with a related self-consumption of 1.600 MWh/y. The estimated biogas production is 350,24 Nm<sup>3</sup>/h.

The environmental benefits expected from this project are twofold; on the one hand it avoids that 30,000 tons/year of ABP are sent to waste disposal plants contributing to the resolution of an emergency situation that afflicts the Region of Sardinia, since 2017, for the treatment of these materials and on the other hand, with the energy recovery of biogas produced, it avoids the emission of about 1,900 tons of CO<sub>2</sub> per year. Therefore, the Plant falls both into the pollution prevention and control category and into renewable energy category, as required by the ICMA Guidelines.

BSG is considering the issuance of four bonds in EURO (henceforth referred to as “BONDS”): one Senior A bond of Euro 5.650.00,00, one Senior B bond of Euro 5.650.00,00, one Junior A bond of Euro 750.00,00 and one Junior B bond of Euro 750.00,00 and would like to label the Bonds as a “Green Bonds” as defined within the Green Bond Principles (GBP) by ICMA – International Capital Market Association.

The Issuer intends to use the proceeds of the BONDS to fund the construction of the Plant.

SOGESA Consulting S.r.l. (“SOGESA”) has been commissioned by BSG to provide a Green Bond Second Party Opinion on the alignment with GBP.

SOGESA is independent from the issuing company, its directors, managers and consultants. We are a specialized entity with environmental expertise and we have an organizational structure, properly trained staff and working procedures for carrying out external reviews. Sogesa has put in place a robust conflict management framework that specifically addresses the need for independence, consistency of process and data protection and our compensation is not directly tied to specific commercial outcomes.

BSG Second-Party Opinion reflects our independent opinion on the alignment of the BSG project with the current market standards and the extent to which such project is credible and impactful. We were not commissioned to provide independent assurance or other audit activities. Our methodology to achieve this is described under ‘Work Undertaken’ below. No assurance is provided regarding the financial performance of the BONDS, the value of any investments in the BONDS, or the long-term environmental benefits of the transaction. Our objective has been to provide an assessment that the BONDS have met the criteria established on the basis set out below.

*The scope of this SOGESA Consulting opinion is limited to the Green Bond Principles by ICMA – International Capital Market Association – June 2021.*



## 2 . BASIS OF SOGESA CONSULTING' S OPINION

To provide as much flexibility for the issuer BSG, we have adapted our Green Bond Principles assessment methodologies, which incorporates the requirements of the Green Bond Principles, to create a BSG - specific Green Bond Second Party Opinion Protocol (henceforth referred to as “Protocol”). Our Protocol includes a set of suitable criteria that can be used to underpin SOGESA Consulting’s opinion. The overarching principle behind the criteria is that a green bond should “enable capital-raising and investment for new and existing projects with environmental benefits”.

As for our Protocol, the criteria against which the BONDS has been reviewed are grouped under the four Principles:

- **Principle One: Use of Proceeds.** The Use of Proceeds criteria are guided by the requirement that an issuer of a green bond must use the funds raised to finance eligible activities. The eligible activities should produce clear environmental benefits.
- **Principle Two: Process for Project Evaluation and Selection.** The Project Evaluation and Selection criteria are guided by the requirements that an issuer of a green bond should outline the process it follows when determining eligibility of an investment using Green Bond proceeds and outline any impact objectives it will consider.
- **Principle Three: Management of Proceeds.** The Management of Proceeds criteria are guided by the requirements that a green bond should be tracked within the issuing organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled should be made.
- **Principle Four: Reporting.** The Reporting criteria are guided by the recommendation that at least Sustainability Reporting to the bond investors should be made of the use of bond proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

### **3 . RESPONSIBILITIES OF THE MANAGEMENT OF BSG AND SOGESA CONSULTING**

The management of BSG has provided the information and data used by SOGESA Consulting during the delivery of this review. Our statement represents an independent opinion and is intended to inform BSG's management and other interested stakeholders in the BONDS as to whether the established criteria have been met, based on the information provided to us. In our work we have relied on the information and the facts presented to us by BSG.

SOGESA Consulting is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, SOGESA Consulting shall not be held liable if any of the information or data provided by BSG's management and used as a basis for this assessment were not correct or complete.

### **4 . WORK UNDERTAKEN**

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by BSG in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us.

The work undertaken to form our opinion included:

- Creation of a BSG - specific Protocol, adapted to the purpose of the BONDS, as described above;
- Assessment of documentary evidence provided by BSG on the BONDS and supplemented by a high-level desktop research. These checks refer to current assessment, best practices and standards methodology;
- Discussions with BSG management, and review of relevant documentation;
- Documentation of findings against each element of the criteria. Our opinion as detailed below is a summary of these findings.

## 5. FINDINGS AND SOGESA' OPINION

SOGESA' findings are listed below:

### 1. Principle One: Use of Proceeds

BSG intends to use the proceeds of the BONDS to fund the construction of the Plant.

SOGESA Consulting is aware that the Plant will work with an adequate supply of ABP and therefore allow significant savings in GHG emissions as biogas is a renewable biofuel which does not contribute to climate change and can substitute fossil fuels for production of heat and power.

Combined with ABP it contributes to solve the problem of difficult-to-process waste.

The Plant therefore meets the requirements for inclusion in the Green Bond Principles into the “*renewable energy*” category and into the “*pollution prevention and control*” category.

On the basis of the information provided by BSG and the work undertaken, it is SOGESA Consulting's opinion that the BONDS will meet the criteria established in the Protocol and that are aligned with the stated definition of green bonds within the Green Bond Principles by ICMA, which is to enable capital-raising and investment for new and existing eligible green projects with clear environmental benefits.

### 2. Principle Two: Process for Project Evaluation and Selection

BSG is a new company incorporated for the sole purpose of the realization of the Plant and no other project evaluation process will be carried out by BSG in the foreseeable future.

The environmental objective of the construction of the Plant is to provide an efficient and sustainable waste-to-energy solution in a region where the production of ABP is much higher than the availability of facilities for their proper management.

### 3. Principle Three: Management of Proceeds

SOGESA Consulting has reviewed evidence showing how BSG plans to trace the proceeds from the BONDS, from the time of issuance to the time of disbursement.

The amount of the proceeds from the BONDS' issuance will be used to finance the construction of the Plant during an estimated period of 180 days, will be managed within treasury or equivalent and disbursed in accordance with the construction works progress. The details of the disbursements and the outstanding value will be tracked using BSG internal financial reporting system.

As stated above, SOGESA Consulting provides no assurance regarding the financial performance of the BONDS, the value of any investments in the BONDS, or the effects of the transaction.

#### 4. Principle Four: Reporting

The new version of the ICMA Guidelines pays particular attention to this requirement.

BSG will make available in its annual financial statements adequate qualitative performance indicators and quantitative performance measures concerning the environmental impact of the Plant.

In particular, we consider as appropriate to point-out the annual volumes of ABP treated, the production of biogas and energy, both thermal and electrical, and a selection of relevant KPIs with particular attention to atmospheric emissions, especially of components with odour impacts.

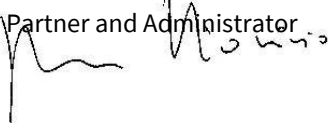
In addition, BSG shall promptly inform noteholders of any potentially significant environmental risks that may emerge during the operation of the Plant.

Roma, July 6, 2021

**for SOGESA Consulting S.r.l.**

**Stefano Dionisio**

Partner and Administrator



**Pierluigi Pireddu**

Partner and Technical Director



**SOGESA Consulting Srl**

Sede legale e operativa • Viale Giuseppe Mazzini, 6 • 00195 Roma • Tel. 06 86760968 • Fax 06 88652283

Ufficio di Milano • Via Cecilio S. Plinio, 74 • 20129 Milano • Tel. 02 84342339 • Fax 02 84342336

E-mail: [info@sogesaconsulting.it](mailto:info@sogesaconsulting.it) • PEC: [sogesaconsulting@gigapec.it](mailto:sogesaconsulting@gigapec.it) • [www.sogesaconsulting.com](http://www.sogesaconsulting.com)

P.IVA/Cod. Fisc. 09149841000 • CCIAA REA 1143178 • Organizzazione con certificazione di qualità ISO 9001:2015

# Protocol: GREEN BOND ASSESSMENT SCHEME OF BIOGAS SARDEGNA GREEN S.R.L.

## 1. USE OF PROCEEDS

Ref.	Criteria	Requirements	Work Undertaken	Findings
1a	Type of bond	<p>The bond must fall into one of the following categories, as defined by the Green Bond Principles by ICMA – International Capital Market Association – June 2021:</p> <ul style="list-style-type: none"> <li>• Standard Green Use of Proceeds Bond</li> <li>• Green Revenue Bond</li> <li>• Green Project Bond</li> <li>• Green Securitized Bond</li> </ul>	<p>Review of:</p> <ul style="list-style-type: none"> <li>- BONDS T&amp;C;</li> <li>- Technical Due Diligence;</li> <li>- Legal Due Diligence;</li> <li>- EPC Contract;</li> <li>- Feedstock supply Contracts scheme.</li> </ul> <p>Discussions with Biogas Sardegna Green ("BSG" or the "Issuer") management</p>	<p>SOGESA has verified that the Plant to be built will adopt state-of-the-art, high-efficiency technological solutions that will allow the achievement of significant environmental benefits.</p> <p>In particular, the environmental benefits expected from this project are twofold; on the one hand, it will prevent 30,000 tonnes/year of "Animal By-Products", or "ABP" are sent to disposal plants, thus contributing to the resolution of an emergency situation affecting the Region of Sardinia, since 2017, for the treatment of these materials and, on the other hand, with the energy recovery of the biogas produced, it will avoid the emission of approximately 1,900 tonnes of CO2 per year.</p> <p>The project meets the requirements for inclusion in the Standard Green Use of Proceeds Bond principles as the Plant falls both into the pollution prevention and control and renewable energy categories, as required by the ICMA Guidelines.</p>
1b	Green Project Categories	<p>The cornerstone of a Green Bond is the utilization of the proceeds of the bond, which should be appropriately described in the legal documentation.</p>	<p>Review of:</p> <ul style="list-style-type: none"> <li>- BONDS T&amp;C;</li> <li>- Technical Due Diligence;</li> <li>- Legal Due Diligence;</li> <li>- EPC Contract;</li> <li>- Feedstock supply Contracts scheme.</li> </ul> <p>Discussions with Biogas Sardegna Green management</p>	<p>BIOGAS SARDEGNA GREEN S.r.L. is an Italian company incorporated with the purpose of the development, design and construction of a 635 kWe power plant fed by animal (slaughterhouse) waste ("Animal By-Products", or "ABP"), in the municipality of San Nicolò d'Arcidano (OR), Sardinia, Italy.</p> <p>The Issuer intends to use the proceeds of the BONDS to fund the construction of the Plant.</p> <p>The revenues of the plant will be guaranteed mainly by the ABP feed-in tariff which customers will have to pay to BSG and, to a lesser extent, by the sale of the electricity produced by the CHP for the part exceeding the needs of the plant.</p>

Ref.	Criteria	Requirements	Work Undertaken	Findings
1c	Environmental benefits	All designated Green Project categories should provide clear environmentally sustainable benefits, which, where feasible, will be quantified or assessed by the issuer.	Review of: <ul style="list-style-type: none"> <li>- BONDS T&amp;C;</li> <li>- Technical Due Diligence;</li> <li>- Legal Due Diligence;</li> <li>- EPC Contract;</li> <li>- Feedstock supply Contracts scheme.</li> </ul> Discussions with Biogas Sardegna Green management	The environmental benefits expected from this project are twofold; on the one hand, it will prevent 30,000 tonnes/year of "ABP" are sent to disposal plants, thus contributing to the resolution of an emergency situation affecting the Region of Sardinia, since 2017, for the treatment of these materials and, on the other hand, with the energy recovery of the biogas produced, it will avoid the emission of approximately 1,900 tonnes of CO2 per year (based on the average level of emissions of European thermoelectric power plants).

## 2. PROCESS FOR PROJECT SELECTION AND EVALUATION

Ref.	Criteria	Requirements	Work Undertaken	Findings
2a	Investment-decision process	<p>The issuer of a Green Bond should outline the decision-making process it follows to determine the eligibility of projects using Green Bond proceeds.</p> <p>This includes, without limitation:</p> <ul style="list-style-type: none"> <li>• process to determine how the projects fit within the eligible Green Projects categories identified in the Green Bond Principles;</li> <li>• the criteria making the projects eligible for using the Green Bond proceeds;</li> <li>• and the environmental sustainability objectives.</li> </ul>	<p>Review of:</p> <ul style="list-style-type: none"> <li>- BONDS T&amp;C;</li> <li>- Technical Due Diligence;</li> <li>- Legal Due Diligence;</li> <li>- EPC Contract;</li> <li>- Feedstock supply Contracts scheme.</li> </ul> <p>Discussions with Biogas Sardegna Green management</p>	<p>BSG is a new company incorporated for the sole purpose of the realization of the Plant and no other project evaluation process will be carried out by BSG in the foreseeable future.</p>

### 3. MANAGEMENT OF PROCEEDS

Ref.	Criteria	Requirements	Work Undertaken	Findings
3a	Tracking procedure	The net proceeds of Green Bonds should be credited to a sub-account, moved to a sub- portfolio or otherwise tracked by the issuer in an appropriate manner and attested to by a formal internal process that will be linked to the issuer's lending and investment operations for Green Projects.	Review of: <ul style="list-style-type: none"> <li>- BONDS T&amp;C;</li> <li>- Technical Due Diligence;</li> <li>- Legal Due Diligence;</li> <li>- EPC Contract;</li> <li>- Feedstock supply Contracts;</li> <li>- Financial Model.</li> </ul> Discussions with Biogas Sardegna Green management	SOGESA Consulting has reviewed evidence showing how BSG plans to trace the proceeds from the BONDS, from the time of issuance to the time of disbursement.  The amount of the proceeds from the BONDS' issuance will be used to finance the construction of the Plant during an estimated period of 180 days, will be managed within treasury or equivalent and disbursed in accordance with the construction works progress. The details of the disbursements and the outstanding value will be tracked using BSG internal financial reporting system.



## 4. REPORTING

Ref.	Criteria	Requirements	Work Undertaken	Findings
4a	Periodical reporting	In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, issuers should provide at least annually a list of projects to which Green Bond proceeds have been allocated including - when possible with regards to confidentiality and/or competitive considerations - a brief description of the projects and the amounts disbursed, as well as the expected environmentally sustainable impact.	Review of: <ul style="list-style-type: none"> <li>- BONDS T&amp;C;</li> <li>- Technical Due Diligence;</li> <li>- Legal Due Diligence.</li> </ul> Discussions with Biogas Sardegna Green management	<p>BSG will make available in its annual financial statements adequate qualitative performance indicators and quantitative performance measures concerning the environmental impact of the Plant.</p> <p>In particular, we consider as appropriate to point-out the annual volumes of ABP treated, the production of biogas and energy, both thermal and electrical, and a selection of relevant KPIs with particular attention to atmospheric emissions, especially of components with odour impacts.</p> <p>Furthermore, no more than ten days after becoming aware of any social, labour, health and safety, security or environmental incident, accident or circumstance, of any material adverse effect on the implementation or operation of the Plant's operations in compliance with the Environmental Law requirements BSG shall notify the Noteholders of and shall in each case specify the nature of the incident, accident, or circumstance and the impact or effect arising or likely to arise therefrom, and the measures being taken, or plans to be taken to address them and prevent any future similar event.</p>

**ANNEX H**  
**Patronage Letter**

To:

[SPV 130]

[•]

*(as Junior Bondholder and Senior Bondholder)*

[Foresight Italian Green Bond Fund]

[•]

*(as Senior Bondholder)*

[•], 2021

**Re: Letter of Patronage proposal**

Dear Sirs,

following our previous discussions, please find below our letter of patronage proposal.

**WHEREAS:**

- (i) Biogas Sardegna Green S.r.l. a company incorporated under the laws of Italy, having its registered office at [•], VAT No. [•] (the “**Issuer**”), will issue on [•], the following notes: Euro [•] due [•] and Euro [•] due [•] (together, the “**Senior Bonds**”) and Euro [•] due [•] and Euro [•] due [•] (together, the “**Junior Bonds**” and together with the Senior Bonds, the “**Bonds**”);
- (ii) on [•] 2021, [Foresight Italian Green Bond Fund] and [SPV 130] (the “**Senior Bonds Subscribers**”) have entered into a senior bonds subscription agreement with the Issuer whereby the Issuer has undertaken to issue, and the Senior Bonds Subscribers have undertaken to subscribe, the Senior Bonds;
- (iii) on [•] 2021, [SPV 130] (in its capacity as the “**Junior Bonds Subscriber**”) has entered into a junior bonds subscription agreement with the Issuer whereby the Issuer has undertaken to issue, and the Junior Bonds Subscriber has undertaken to subscribe, the Junior Bonds;
- (iv) in accordance with the terms and conditions of the Junior Notes A, a patronage letter in favour of the Junior Bonds Subscriber shall be issued by Anaergia S.r.l., a company incorporated under the laws of Italy, having its registered office at [•], VAT No. [•] (the “**Patronnant**”) and holding [•]% of the corporate capital of the Issuer;
- (v) capitalised terms used in this letter but not defined herein shall have the same meaning ascribed to them in the terms and conditions of the Bonds, whose terms and conditions the Patronnant hereby acknowledges to be fully aware of.

Now, therefore, on the basis of the foregoing, by executing this letter the Patronnant undertakes as follows.

1. The Patronnant expressly and irrevocably undertakes to provide, directly or indirectly, without raising any objection, to the Issuer any amount necessary to repay in full or in part the principal of the Junior Bonds and any interest accrued and unpaid on such principal, as the case may be, on any relevant due date, in case the Issuer does not have sufficient available funds for such purpose, no later than [(five)] Business Days prior to the date on which the principal and/or interest amounts, as applicable, are due under the terms and conditions of the Junior Bonds, in immediately available funds on the Proceeds Account.
2. The maximum liability of the Patronnant under clause 1 of this letter shall not exceed an amount equal to Euro [•].
3. The undertakings of the Patronnant under this letter are provided by the Patronnant for the benefit of the Junior Bond Subscriber and, at the request of this latter, to any further holder of the Junior Bonds.
4. Should the Patronnant pay any amount in accordance with clause 1 above, it undertakes not to take any action or file any claim against Issuer until and unless the Senior Bonds and the Junior Bonds have been redeemed in full and interest accrued and unpaid thereon are fully paid.
5. The Patronnant represents and warrants that, as of the date of this letter and throughout the entire duration of this letter:
  - a) the Patronnant is a company validly incorporated, in good standing and duly registered under the laws of Italy and has all requisite power to conduct its business as currently conducted, holding [•]% of the corporate capital of the Issuer;
  - b) the Patronnant is not and has never been involved in proceedings for its dissolution, its liquidation, suspension of payments nor has it passed any resolution for its voluntary winding up and is not insolvent or subject to any bankruptcy or insolvency proceeding (or any equivalent or similar proceedings in any other jurisdiction) nor has it ever filed any application for admittance to any bankruptcy or insolvency procedure or similar proceedings;
  - c) all corporate actions necessary for the Patronnant to approve the execution and performance of this letter have been carried out and the Patronnant has full legal right, power and the authority and legal capacity to execute this letter and to fulfil its obligations hereunder;
  - d) the execution and delivery of this letter do not violate the Patronnant's articles of association and/or other constitutional and corporate documents (including any members' agreement), do not constitute a breach by the Patronnant under, nor give rise to a right of termination, cancellation, acceleration or amendments of, any contract or other commitment undertaken by the Patronnant, nor violate any judgement, order, injunction, award, decree or applicable laws whatsoever, where any such breach would affect its ability to execute or perform its obligations under this letter.
6. This letter shall terminate upon the full repayment of the principal of the Junior Bonds and any interest accrued and unpaid on such principal by the Issuer.
7. Any communication or notice required or permitted to be given under this letter shall be made in writing and in English language and shall be deemed to have been duly and validly given (i)

in the case of notice sent by registered letter, upon the Business Day following the signing of the return receipt by the recipient and (ii) in the case of notice sent by e-mail, upon the Business Day following receipt by the sender of the receipt of delivery by the recipient, addressed, in each case, as follows:

if to the Patronnant:

**Anaergia S.r.l.**

[•]

Italy

E-mail: [•]

if to the Junior Bondholders:

**[SPV 130]**

[•]

E-mail: [•],

or at such other address as either party may hereafter provide to the other by written notice.

8. The terms of this letter and any contractual and non-contractual obligations, dispute, damage, liability or claim arising out of or in connection with it shall be governed by, and interpreted in accordance with, the laws of Italy, and each of the parties submits to the exclusive jurisdiction of the courts of Milan.

Yours faithfully,

**Anaergia S.r.l.**

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Name: [•]

Title: [•]

**EXHIBIT A**  
**RULES OF THE ORGANISATIONS OF THE SENIOR NOTEHOLDERS AND JUNIOR NOTEHOLDERS**

**TITLE I**  
**GENERAL PROVISIONS**

**1**     **GENERAL**

- 1.1     Organisations of the Noteholders is created for each of the Euro 5.700.000 Senior Secured Notes due 2030 (the “**Senior Notes**”) and Euro 750.000 Junior Secured Notes due 2026 (the “**Junior Notes**”), concurrently with their issuance by Biogas Sardegna Green S.r.l. and are both governed by the Rules of the Organisation of the Noteholders set out therein (“**Rules**”).
- 1.2     Each Noteholder is a member of the Organisation of the Noteholders.
- 1.3     The Rules shall remain in force and effect until full repayment or cancellation of all the Notes.
- 1.4     The contents of the Rules are deemed to be an integral part of each Note issued by the Issuer, and, therefore, binding on any Noteholder.

**2**     **DEFINITIONS AND INTERPRETATION**

**2.1**    **Definitions**

2.1.1   In these Rules, the terms set out below have the following meanings:

“**Basic Terms Modification**” means any proposal:

- (a)     to change any date fixed for the payment of principal or interest in respect of the Notes of any Class;
- (b)     to reduce or cancel the amount of principal or interest due on any date in respect of the Notes of any Class or to alter the method of calculating the amount of any payment in respect of the Notes of any Class on redemption or maturity;
- (c)     to change the quorum required at any Meeting or the majority required to pass any Ordinary Resolution or Extraordinary Resolution;
- (d)     to change the currency in which payments due in respect of any Class of Notes are payable;
- (e)     to alter the priority of payments of interest or principal in respect of any of the Notes;
- (f)     to effect the exchange, conversion or substitution of the Notes of any Class for, or alter the nature (*rappporto causale*) of such Notes, including conversion into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate, formed or to be formed;
- (g)     to resolve on the matter set out in Condition 9.1 (*Noteholders not entitled to proceed directly against Issuer*); or
- (h)     a change to this definition.

“**Chairman**” means, in relation to a Meeting, the individual who takes the chair in accordance with Article 8 (*Chairman of the Meeting*) of the Rules.

“**Class**” means any of the Senior Notes and the Junior Notes.

“**Conditions**” means the terms and conditions of the Notes, as from time to time modified in accordance with the provisions herein contained.

“**Extraordinary Resolution**” means a resolution concerning only or also any matter set out in Article 17 (*Extraordinary Resolution*) of the Rules, passed at a Meeting, duly convened and held in accordance with the provisions contained in the Rules.

“**Holder**” in respect of a Note means the ultimate owner of such Note.

“**Meeting**” means a meeting of Noteholders of any Class or Classes whether originally convened or resumed following an adjournment.

“**Monte Titoli**” means Monte Titoli S.p.A.

“**Monte Titoli Account Holder**” means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli (*as intermediari aderenti*) in accordance with articles 83-bis *et seq.* of the Italian Consolidated Financial Act.

“**Most Senior Class of Noteholders**” means the Holders of the Most Senior Class of Notes, as from time to time identified.

“**Most Senior Class of Notes**” means (i) the Senior Notes, or (ii) following the redemption in full of the Senior Notes, the Junior Notes.

“**Ordinary Resolution**” means a resolution on any matter other than those set out in Article 16 (*Ordinary Resolution*) of the Rules, passed at a Meeting, duly convened and held in accordance with the provisions contained in the Rules.

“**Proxy**” means a person appointed to vote under a Voting Certificate as a proxy or in a separate document.

“**Relevant Fraction**” means:

(a) for voting on any Ordinary Resolution: 50 (fifty) per cent;

(b) for voting on any Extraordinary Resolution also when relating to a Basic Terms Modification: 75 (seventyfive) per cent.

“**Resolutions**” means Ordinary Resolutions and Extraordinary Resolutions collectively.

“**Transaction Party**” means any person who is a party to a Transaction Document.

“**Voter**” means, in relation to any Meeting, the Holder or a Proxy identified under a Voting Certificate.

“**Voting Certificate**” means, in relation to any Meeting, the notice issued in accordance with article 83-sexies, first paragraph, of the Italian Consolidated Financial Act.

“**Written Resolution**” means a resolution expressed in writing, by or on behalf of Noteholders of the relevant Class, having the relevant quorum set out in Rule 9, by signing one document or several documents.

“**24 hours**” means a period of 24 hours including all or part of a day on which banks are open for business both in the place where any relevant Meeting is to be held.

“**48 hours**” means 2 consecutive periods of 24 hours.

2.1.2 Unless otherwise provided in these Rules, or the context requires otherwise, words and expressions used in the Rules shall have the meanings and the constructions ascribed to them in the Conditions.

## 2.2 Interpretation

2.2.1 Any reference herein to an “**Article**” shall, except where expressly provided to the contrary, be a reference to an article of these Rules.

2.2.2 A “**successor**” of any party shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under any Transaction Document or to which, under such laws, such rights and obligations have been transferred.

2.2.3 Any reference to any person defined as a “**Transaction Party**” in these Rules or in any Transaction Document or the Conditions shall be construed so as to include its and any subsequent successors and transferees in accordance with their respective interests.

### 3 **PURPOSE OF THE ORGANISATION**

The purpose of the Organisation of the Noteholders is to co-ordinate the exercise of the rights of the Noteholders and, more generally, to take any action necessary or desirable to protect the interest of the Noteholders, in accordance with the provisions of article 2415 of the Italian Civil Code.

## TITLE II

### MEETINGS OF THE NOTEHOLDERS

#### 4 **VOTING CERTIFICATES**

##### 4.1 **Issue**

A Noteholder may obtain a Voting Certificate in respect of a Meeting by requesting its Monte Titoli Account Holder to issue a certificate in accordance with the regulation issued jointly by the Bank of Italy and CONSOB on August 13, 2018, (*Disciplina delle controparti centrali, dei depositari centrali e delle attività di gestione accentrata*) as amended from time to time.

##### 4.2 **Deemed holder**

So long as a Voting Certificate is valid, the party named therein as Holder or Proxy, shall be deemed to be the Holder of the Notes to which it refers for all purposes in connection with the Meeting to which such Voting Certificate relates.

#### 5 **VALIDITY OF VOTING CERTIFICATES**

A Voting Certificate shall be valid in accordance with the Italian Consolidated Financial Act and regulation issued jointly by the Bank of Italy and CONSOB on August 13, 2018, (*Disciplina delle controparti centrali, dei depositari centrali e delle attività di gestione accentrata*).

#### 6 **CONVENING A MEETING**

##### 6.1 **Meetings**

Each Class shall hold separate Meetings.

##### 6.2 **Convening a Meeting**

The Representative of the Noteholders or the Issuer may convene Meetings of the Noteholders of any Class at any time and the Representative of the Noteholders shall be obliged to do so upon the request in writing by Noteholders representing at least one-tenth of the aggregate Principal Amount Outstanding of the outstanding Notes of the relevant Class.

##### 6.3 **Meetings convened by Issuer**

Whenever the Issuer is about to convene a Meeting, it shall immediately give notice (in accordance with the Conditions) and in writing to the Representative of the Noteholders, specifying the proposed day, time and place of the Meeting, and the items to be included in the agenda.

#### 6.4 **Time and place of Meetings**

Every Meeting will be held on a date and at a time and place selected or approved by the Representative of the Noteholders or via audio-conference or tele-conference pursuant to Article 6.5.

#### 6.5 **Meeting by audio-conference or tele-conference**

Meetings may be held where the attendees are located at different places connected by audio-conference or videoconference, provided that:

- a) the Chairman may, also through its chairman office, ascertain and verify the identity and legitimacy of those Voters, monitor the meeting, acknowledge and announce the outcome of the voting process;
- b) the person drawing up the minutes may hear well the meeting events being the subject-matter of the minutes;
- c) each Voter may follow and intervene in the discussions and vote the items on the agenda in real time;
- d) the notice of the Meeting expressly states how Voters may obtain the information necessary to attend the relevant Meeting via audio-conference and/or video-conference equipment; and
- e) the Meeting being deemed to take place where the Chairman and the person drawing up the minutes will be.

### 7 **NOTICE**

#### 7.1 **Notice of meeting**

At least 15 (fifteen) days' notice (exclusive of the day notice is delivered and of the day on which the relevant Meeting is to be held), specifying the day, time, place and agenda of the Meeting, must be given to the relevant Class, with a copy to the Issuer, where the Meeting is convened by the Representative of the Noteholders.

#### 7.2 **Validity notwithstanding lack of notice**

A Meeting is valid notwithstanding that the formalities required by this Article 7 are not complied with if the Holders of the Notes constituting the whole Principal Amount Outstanding of all outstanding Notes are represented at such Meeting and the Issuer is present at the Meeting.

### 8 **CHAIRMAN OF THE MEETING**

#### 8.1 **Appointment of Chairman**

An individual (who may, but need not be, a Noteholder), nominated by the Representative of the Noteholders may take the chair at any Meeting, but if:

- 8.1.2 the Representative of the Noteholders fails to make a nomination; or
- 8.1.3 the individual nominated declines to act or is not present within 15 minutes after the time fixed for the Meeting,

the Meeting shall be chaired by the person elected by the majority of the Voters present, failing which, the Issuer shall appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was Chairman at the original Meeting.

#### 8.2 **Duties of Chairman**

The Chairman ascertains that the Meeting has been duly convened and validly constituted, manages the business of the Meeting, monitors the fairness of proceedings, leads and moderates the debate, and defines the terms for voting.



### 8.3 **Assistance to Chairman**

The Chairman may be assisted by outside experts or technical consultants, specifically invited to assist in any given matter, and may appoint one or more vote-counters, who are not required to be Noteholders.

## 9 **QUORUM**

9.1 The quorum at any Meeting shall be at least one or more Voters holding or representing at least the Relevant Fraction of the aggregate Principal Amount Outstanding of the Notes then outstanding in the relevant Class.

9.2 An Ordinary Resolution will be passed (both at a Meeting held in first call and at any adjourned Meeting) with the favorable vote of one or more Voters holding or representing at least 50 (fifty) per cent. of the Principal Amount Outstanding of the Notes then outstanding in the relevant Class;

9.3 An Extraordinary Resolution will be passed (both at a Meeting held in first call and at any adjourned Meeting) with the favorable vote of one or more Voters holding or representing at least 75 (seventyfive) per cent. of the Principal Amount Outstanding of the Notes then outstanding in the relevant Class.

## 10 **ADJOURNMENT FOR WANT OF QUORUM**

If a quorum is not present within 30 (thirty) minutes after the time fixed for any Meeting:

10.1 if such Meeting was requested by Noteholders, the Meeting shall be dissolved; and

10.2 in any other case, the Meeting (unless the Issuer and the Representative of the Noteholders otherwise agree) shall be adjourned to a new date no earlier than 2 (two) Business Days and no later than 5 (five) Business Days after the original date of such Meeting, and to such place as the Chairman determines with the approval of the Representative of the Noteholders provided that no Meeting may be adjourned more than twice for want of a quorum.

## 11 **ADJOURNED MEETING**

Except as provided in Article 10 (*Adjournment for want of quorum*), the Chairman may, with the prior consent of any Meeting (in accordance with Article 9 (*Quorum*)), adjourn such Meeting to another time or place or agenda.

## 12 **NOTICE FOLLOWING ADJOURNMENT**

### 12.1 **Notice required**

Article 7 (*Notice*) shall apply to any Meeting which is to be resumed after adjournment for lack of a quorum except that:

12.1.2 1 (one) Business Days prior notice (exclusive of the day on which the Meeting is to be resumed) shall be sufficient; and

12.1.3 the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

### 12.2 **Notice not required**

It shall not be necessary to give notice of resumption of any Meeting adjourned for reasons other than those described in Article 10 (*Adjournment for want of quorum*).

## 13 **PARTICIPATION**

The following categories of persons may attend and speak at a Meeting (both of the Senior Noteholders and the Junior Noteholders):

- 13.1 Voters;
- 13.2 the directors and the auditors of the Issuer;
- 13.3 the Representative of the Noteholders;
- 13.4 financial advisers to the Issuer and the Noteholders;
- 13.5 legal advisers to the Issuer and the Noteholders;
- 13.6 any other person authorised by the Issuer and the Most Senior Class of Noteholders.

#### 14 **VOTING**

The Chairman sets the conditions for the voting, including for counting and calculating the votes, and may set a time limit by which all votes must be cast. When the Chairman declares the opening of the polls, each vote shall be cast either verbally to the Chairman or in writing by delivering the relevant poll paper to the Chairman. After voting ends, the votes shall be counted and after the counting the Chairman shall announce to the Meeting the outcome of the vote.

#### 14.2 **Voting tie**

In the case of a voting tie, the relevant resolution shall be deemed to have been rejected.

#### 15 **VOTING BY PROXY**

Unless revoked, the appointment of a Proxy under a Voting Certificate in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment.

#### 16 **ORDINARY RESOLUTIONS**

##### 16.1 **Powers exercisable by Ordinary Resolution**

Subject to Rule 17 (*Extraordinary Resolutions*), a Meeting shall have power exercisable by Ordinary Resolution to:

- 16.1.2 grant any authority, order or sanction which, under the provisions of the Rules, the Conditions or the Transaction Documents, is required to be the subject of a resolution of the Noteholders; and
- 16.1.3 to authorise the Representative of the Noteholders or any other person to perform any activity, execute all documents and do all things necessary to give effect to any Ordinary Resolution.

##### 16.2 **Ordinary Resolution of the Senior Noteholders**

Any Ordinary Resolution of the Senior Noteholders shall be effective both absent any Ordinary Resolution of the Junior Noteholders and irrespective of any Ordinary Resolution to the contrary by the Junior Noteholders on the same matter(s).

##### 16.3 **Ordinary Resolution of the Junior Noteholders**

No Ordinary Resolution of the Junior Noteholders alone on any matter common to the Senior Notes shall be effective unless it is sanctioned by an Ordinary Resolution of the Senior Noteholders.

#### 17 **EXTRAORDINARY RESOLUTIONS**

##### 17.1 **Powers exercisable by Extraordinary Resolution**

A Meeting shall have power exercisable exclusively by Extraordinary Resolution to:

- 17.1.1 approve any Basic Terms Modification;
- 17.1.2 approve any modification, abrogation, variation or compromise of the provisions of these Rules, the Conditions or of any Transaction Document or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes which, in any

such case, is not a Basic Terms Modification and which shall be proposed by the Issuer, the Representative of the Noteholders and/or any other party thereto;

- 17.1.3 in accordance with Article 24 (*Appointment, Removal and Remuneration*), appoint and remove the Representative of the Noteholders;
- 17.1.4 authorise and ratify the actions of the Representative of the Noteholders, including the delivery of a Default Early Redemption Request and any enforcement of the Security Package;
- 17.1.5 waive any breach or authorise any proposed breach by the Issuer or (if relevant) any other Transaction Party of its obligations under or in respect of the Notes or any other Transaction Document or any act or omission which might otherwise constitute an Event of Default under the Notes;
- 17.1.6 authorize individual actions of one or more Noteholders;
- 17.1.7 confer to any person powers which the Noteholders could themselves exercise by Extraordinary Resolution;
- 17.1.8 authorise the Representative of the Noteholders (subject to its being indemnified and/or secured to its satisfaction) and/or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
- 17.1.9 consent to payments from the Escrow Account under article 5.2 annex C of the Conditions;
- 17.1.10 appoint a different Technical and Market Advisor;
- 17.1.11 approve the Operating Budget pursuant to article 4.1 of annex A of the Conditions;
- 17.1.12 approve any changes or reduction of the Insurance Policies under Annex D of the Conditions
- 17.1.13 approve any suppliers of Feedstock Supply Contracts;
- 17.1.14 approve any purchaser under a PPA;
- 17.1.15 consent to the payment of any Operating Cost payable by the Issuer in accordance with the Operation Budget;
- 17.1.16 consent to withdrawals, payments or transfers from the MRA;
- 17.1.17 agree the MRA Amount with the Technical and Market Advisor.

## 17.2 **Extraordinary Resolution of the Senior Noteholders**

Any Extraordinary Resolution of the Senior Noteholders shall be effective both absent any Extraordinary Resolution of the Junior Noteholders and irrespective of any Extraordinary Resolution to the contrary by the Junior Noteholders on the same matter(s).

## 17.3 **Extraordinary Resolution of the Junior Noteholders**

No Extraordinary Resolution of the Junior Noteholders alone on any matter common to the Senior Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the Senior Noteholders.

## 18 **EFFECT OF RESOLUTIONS**

### 18.1 **Binding Nature**

Subject to Article 16.2 (*Ordinary Resolution of the Senior Noteholders*), Article 17.2 (*Extraordinary Resolution of the Senior Noteholders*), Article 16.3 (*Ordinary Resolution of the Junior Noteholders*) and Article 17.3 (*Extraordinary Resolution of the Junior Noteholders*), any resolution passed at a Meeting of the Noteholders of the relevant Class duly convened and held in accordance with the Rules shall be binding upon all Noteholders of the relevant Class, whether

or not present at such Meeting and whether or not voting and all of the Noteholders of the relevant Class shall be bound to give effect to any such resolutions accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof.

## 18.2 **Notice of Voting Results**

Notice of the results of every vote on a Resolution duly considered by Noteholders shall be published (at the cost of the Issuer) in accordance with the Conditions.

## 19 **CHALLENGE TO RESOLUTIONS**

Any absent or dissenting Noteholder has the right to challenge Resolutions which are not passed in compliance with the provisions of article 2416 of the Italian civil code.

## 20 **MINUTES**

Minutes shall be made of all resolutions and proceedings of each Meeting. The minutes shall be signed by the Chairman and shall be *prima facie* evidence of the proceedings therein recorded. Unless and until the contrary is proved, every Meeting in respect of which minutes have been signed by the Chairman shall be regarded as having been duly convened and held and all resolutions passed or proceedings transacted at such Meeting shall be regarded as having been duly passed and transacted. The minutes shall be recorded in a book of Meetings of Noteholders maintained by the Issuer.

## 21 **WRITTEN RESOLUTION**

A Written Resolution shall take effect as if it were an Extraordinary Resolution or Ordinary Resolution, as applicable with respect the relevant matter(s). For the avoidance of doubt, provisions of these Rules related to the convening of the Meeting and the notices thereof, including, without limitation, Article 7 (*Notice*), shall not apply in case of a Written Resolution.

## 22 **INDIVIDUAL ACTIONS AND REMEDIES**

If any Noteholder considers bringing individual actions or using other individual remedies to enforce its rights under the Notes, any such action or remedy shall be subject to the approval by Extraordinary Resolution.

## 23 **FURTHER REGULATION**

The provisions of article 2410 *et seq.* of the Italian civil code will apply to any aspect of the Organisations of the Noteholders not expressly governed by the Rules.

### **TITLE III**

#### **THE REPRESENTATIVE OF THE NOTEHOLDERS**

## 24 **APPOINTMENT, REMOVAL AND REMUNERATION**

### 24.1 **Appointment**

The appointment of the Representative of the Noteholders takes place by Extraordinary Resolution of the Most Senior Class of Noteholders in accordance with the provisions of this Article 24, except for the appointment of the first Representative of the Noteholders which will be Banca Finanziaria Internazionale S.p.A. (*breviter* Banca Finint S.p.A.).

### 24.2 **Identity of Representative of the Noteholders**

The Representative of the Noteholders shall be:

24.2.2 a bank incorporated in any jurisdiction of the European Union, or a bank incorporated in any other jurisdiction acting through an Italian branch; or

24.2.3 a company or financial institution enrolled with the register held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act; or

24.2.4 any other individual or entity which is not prohibited from acting in the capacity of Representative of the Noteholders pursuant to the law.

The directors and auditors of the Issuer, the Shareholders or the Sponsor and those who fall within the conditions set out in article 2399 of the Italian civil code cannot be appointed as Representative of the Noteholders, and if appointed as such they shall be automatically removed.

#### 24.3 **Duration of appointment**

Unless the Representative of the Noteholders is removed by Extraordinary Resolution of the Meeting of the Most Senior Class of Noteholders pursuant to Article 17 (*Extraordinary Resolutions*) or resigns pursuant to Article 25 (*Resignation of the Representative of the Noteholders*), it shall remain in office until full repayment or cancellation of all the Notes.

#### 24.4 **Remuneration**

The Issuer shall pay to the Representative of the Noteholders a fee for its services as Representative of the Noteholders from the Issue Date, as agreed in a separate fee letter.

### 25 **RESIGNATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS**

The Representative of the Noteholders may resign at any time by giving at least two calendar months' written notice to the Issuer, without needing to provide any specific reason for the resignation and without being responsible for any costs incurred as a result of such resignation. The resignation of the Representative of the Noteholders shall not become effective until a new Representative of the Noteholders has been appointed in accordance with Article 24.1 (*Appointment*) and such new Representative of the Noteholders has accepted its appointment.

### 26 **DUTIES AND POWERS OF THE REPRESENTATIVE OF THE NOTEHOLDERS**

#### 26.1 **Representative of the Noteholders is legal representative**

The Representative of the Noteholders is the legal representative of each Organisation of the Noteholders and has the power to exercise the rights conferred on it by the Transaction Documents in order to protect the interests of the Noteholders. Upon request of the Representative of the Noteholders, a notarial proxy (*procura notarile*) shall be granted by the Noteholders or by a Meeting of the relevant Class.

#### 26.2 **Meetings and Resolutions**

Unless any Resolution provides to the contrary, the Representative of the Noteholders is responsible for implementing all Resolutions of the Noteholders. The Representative of the Noteholders has the right to convene and attend Meetings to propose any course of action which it considers from time to time necessary or desirable.

#### 26.3 **Delegation**

The Representative of the Noteholders may in the exercise of the powers, discretions and authorities vested in it by these Rules and the Transaction Documents, whenever it considers it expedient and in the interest of the Noteholders, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons some, but not all, of the powers, discretions or authorities vested in it as aforesaid. Any such delegate may be appointed, pursuant to article 1717 of the Italian Civil Code, upon such conditions and subject to such regulations as the Representative of the Noteholders may think fit in the interest of the Noteholders. The Representative of the Noteholders shall not be bound to supervise the acts or proceedings of any such delegate and shall not in any way or to any extent be responsible for any loss incurred by reason of any misconduct, omission or default on the part of such delegate, provided that the Representative of the Noteholders shall use all reasonable care in the appointment of any such delegate and shall be responsible for the instructions given by it to such delegate.

#### 26.4 **Judicial Proceedings**

The Representative of the Noteholders is authorised to initiate and to represent the Organisation of the Noteholders in any judicial proceedings including Insolvency Proceedings. Upon request of the Representative of the Noteholders, a notarial proxy (*procura notarile*) shall be granted by the Noteholders or by a Meeting of the relevant Class.

#### 26.5 **Consents given by Representative of Noteholders**

26.5.1 Any consent or approval given by the Representative of the Noteholders under these Rules and any other Transaction Document may be given on such terms and subject to such conditions (if any) as the Representative of the Noteholders deems appropriate and notwithstanding anything to the contrary contained in these Rules or in the Transaction Documents such consent or approval may be given retrospectively.

26.5.2 With regard to any matters specified in the Conditions or the Transaction Documents as requiring the Representative of the Noteholders to act in accordance with the instructions received from the holders of the Most Senior Class of Notes, the provisions of these Rules shall apply as if the Most Senior Class of Notes were the only Class of Notes outstanding.

#### 26.6 **No discretion**

26.6.1 By reason of acquiring and holding the Notes, each Holder, also in case of transfer of any of the Notes, shall be deemed to acknowledge that, pursuant to the provisions of the Transaction Documents, the Noteholders' Representative shall act exclusively on the basis of the instructions received from the Noteholders and, accordingly, agree that the Representative of the Noteholders shall be entitled to seek the direction and/or clarification of any such direction of the Noteholders when acting under the terms of the Transaction Documents and may refrain from acting in the absence of any such instruction, direction and/or clarification and shall incur no liability to any person for any omission or delay which may arise in relation to its seeking any such instruction, direction and/or clarification or in relation to its refraining from action in the absence of any such instruction, direction or clarification. The Representative of the Noteholders shall incur no liability for any act carried out in accordance with the instructions, directions and/or clarifications of the directions of the Noteholders save in the case of its gross negligence (*colpa grave*) or wilful misconduct (*dolo*).

26.6.2 Each reference to any activity to be performed by the Representative of the Noteholders contained in these Rules or in the Conditions (including, without limitation, any consent, approval or waiver to be granted by the Representative of the Noteholders) shall always be deemed to refer to the Representative of the Noteholders acting (i) pursuant to a Written Resolution of the Noteholders or (ii) pursuant to a Resolution of the Meeting of the Noteholders.

### 27 **EXONERATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS**

#### 27.1 **Limited obligations**

The Representative of the Noteholders shall not assume any obligations or responsibilities in addition to those expressly provided herein and in the Transaction Documents.

#### 27.2 **Specific limitations**

Without limiting the generality of Article 27.1, the Representative of the Noteholders:

27.2.2 shall not be under any obligation to take any steps to ascertain whether a Event of Default or any other event, condition or act, the occurrence of which would cause a right or remedy to become exercisable by the Representative of the Noteholders hereunder or under any other Transaction Document, has occurred and until the Representative of the Noteholders has actual knowledge or express notice to the

- contrary, it shall be entitled to assume that no Event of Default or such other event, condition or act has occurred;
- 27.2.3 shall not be under any obligation to monitor or supervise the observance and performance by the Issuer or any other parties of their obligations contained in these Rules, the Transaction Documents or the Conditions and, until it shall have actual knowledge or express notice to the contrary, the Representative of the Noteholders shall be entitled to assume that the Issuer and each other party to the Transaction Documents are duly observing and performing all their respective obligations;
- 27.2.4 except as expressly required in the Rules or any Transaction Document, shall not be under any obligation to give notice to any person of its activities in performance of the provisions of these Rules or any other Transaction Document;
- 27.2.5 shall not be responsible for investigating the legality, validity, effectiveness, adequacy, suitability or genuineness of these Rules or of any Transaction Document, or of any other document or any obligation or rights created or purported to be created hereby or thereby or pursuant hereto or thereto, and (without prejudice to the generality of the foregoing) it shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:
- (a) the nature, status, creditworthiness or solvency of the Issuer;
  - (b) the existence, accuracy or sufficiency of any legal or other opinion, search, report, certificate, valuation or investigation delivered or obtained or required to be delivered or obtained at any time in connection with the Notes or the Plant;
  - (c) the failure by the Issuer to obtain or comply with any licence, consent or other authority in connection with the construction or operation of the Plant; and
  - (d) any accounts, books, records or files maintained by the Issuer;
- 27.2.6 shall not be responsible for the receipt or application of any proceeds received by the Issuer;
- 27.2.7 shall not be responsible for or for investigating any matter which is the subject of any recital, statement, warranty, representation or covenant by any party other than the Representative of the Noteholders contained herein or in any Transaction Document or any certificate, document or agreement relating thereto or for the execution, legality, validity, effectiveness, enforceability or admissibility in evidence thereof;
- 27.2.8 shall not be liable for any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting or perfecting these Rules or any Transaction Document;
- 27.2.9 shall not be bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer in relation to the Plant or any part thereof, whether such defect or failure was known to the Representative of the Noteholders or might have been discovered upon examination or enquiry or whether capable of being remedied or not;
- 27.2.10 shall not be responsible for or have any liability with respect to any loss or damage arising from the construction and operation of the Plant;
- 27.2.11 shall not (unless and to the extent ordered to do so by a court of competent jurisdiction) be under any obligation to disclose to any Noteholder any confidential, financial, price sensitive or other information made available to the Representative of the Noteholders by the Issuer or any other person in connection with these Rules, the Notes or any other Transaction Document, and none of the Noteholders shall be entitled to take any action to obtain from the Representative of the Noteholders any such information;

27.2.12 shall not be liable if it acts in accordance with any resolution purporting to be a Written Instructions of the Noteholders or a Resolution of the Meeting of the Noteholders, even though it may subsequently be found that there was some defect in the passing of the Written Instructions or the constitution of the Meeting or that for any reason the resolution purporting to be a Written Instructions or a Resolution was not valid or binding upon the Noteholders.

### 27.3 **Specific Permissions**

27.3.1 When in the Rules or any Transaction Document the Representative of the Noteholders is required in connection with the exercise of its powers, trusts, authorities or discretions to have regard to the interests of the Noteholders, the Representative of the Noteholders shall have regard to the interests of the Noteholders as a whole and shall not be obliged to have regarded to the consequences of such exercise for any individual Noteholder resulting from his or its being for any purpose domiciled, resident in or otherwise connected with or subject to the jurisdiction of any particular territory or taxing authority.

27.3.2 Where the Representative of the Noteholders is required to consider the interests of the Noteholders and, in its sole opinion, there is a conflict between the interests of the Holders of different Classes of Notes, the Representative of the Noteholders will consider only the interests of the Holders of the Most Senior Class of Notes.

27.3.3 The Representative of the Noteholders may refrain from taking any action or exercising any right, power, authority or discretion vested in it under these Rules or any Transaction Document or any other agreement relating to the transactions herein or therein contemplated until it has been indemnified and/or secured to its satisfaction against any and all actions, proceedings, claims and demands which might be brought or made against it and against all costs, charges, damages, expenses and liabilities which may be suffered, incurred or sustained by it as a result. Nothing contained in the Rules or any of the other Transaction Documents shall require the Representative of the Noteholders to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

### 27.4 **Illegality**

No provision of the Rules shall require the Representative of the Noteholders to do anything which may be illegal or contrary to applicable law or regulations or to expend moneys or otherwise take risks in the performance of any of its duties, or in the exercise of any of its powers or discretion. The Representative of the Noteholders may refrain from taking any action which would or might, in its sole opinion, be contrary to any law of any jurisdiction or any regulation or directive of any agency of any state, or if it has reasonable grounds to believe that it will not be reimbursed for any funds it expends, or that it will not be indemnified against any loss or liability which it may incur as a consequence of such action. The Representative of the Noteholders may do anything which, in its sole opinion, is necessary to comply with any such law, regulation or directive as aforesaid.

## 28 **INDEMNITY**

The Issuer shall promptly indemnify the Representative of the Noteholders against any reasonable and duly documented charge, cost, loss, liability, damages, claims, fees, demands, legal expenses, taxes, judgments, actions, proceedings and expenses properly incurred or suffered by the Representative of the Noteholders, other than that due to its gross negligence (*colpa grave*) or wilful misconduct (*dolo*), directly arising from:



28.1.2 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; or

28.1.3 acting as Representative of the Noteholders under the Transaction Documents.

29 **GOVERNING LAW**

The Rules are governed by, and will be construed in accordance with, the laws of the Republic of Italy.

30 **JURISDICTION**

The Courts of Milan will have jurisdiction to hear and determine any suit, action or proceedings and to settle any disputes which may arise out of or in connection with the Rules.

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

**TERMS AND CONDITIONS OF THE SENIOR SECURED NOTES AND THE JUNIOR SECURED NOTES**

**Euro 5.650.000 Biogas Sardegna Green Senior Secured Notes 2030** (the “**Senior Notes B**”)

**Euro 750.000 Biogas Sardegna Green Junior Secured Notes 2026** (the “**Junior Notes B**”)

Issue Price on the Issue Date 100.00% (one hundred per cent.)

**SENIOR NOTES B ISIN CODE IT0005452633**

**JUNIOR NOTES B ISIN CODE IT0005452641**

issued by

**Biogas Sardegna Green S.r.l.**

a company incorporated under the laws of the Republic of Italy

**with Registered office:** Piazza Deffenu n. 12, Cagliari, Italy

**VAT no.: 03880350925**

**Quota capital: Euro € 112,300.00 (paid up in full)**

The following is the text of the terms and conditions (the “**Terms and Conditions**”) of the Senior Notes B and the Junior Notes B issued by Biogas Sardegna Green S.r.l. (the “**Issuer**”) on 20 July 2021 (the “**Issue Date**”), pursuant to articles 2483 of the Italian civil code (the “**Italian Civil Code**”).

In these Terms and Conditions:

**1. DEFINITIONS**

“**Accounts**” means each of:

- (a) the Proceeds Account;
- (b) the Cash Trap Lockup Account;
- (c) the Debt Service Reserve Account;
- (d) the Maintenance Reserve Account;
- (e) the Escrow Account;
- (f) the Distribution Account;
- (g) the Junior Notes Debt Service Reserve Account; and
- (h) any other account opened in accordance with the Conditions.

“**Account Bank**” means Banca Finanziaria Internazionale S.p.A., Agency of Milan, Via Manzoni 5, 20121 Milan.

“**Additional Amount**” has the meaning ascribed to it in Condition 7(xiii).

“**ADSCR**” or “**Annual Debt Service Coverage Ratio**” means, in respect of any Calculation Date falling after the Interest Payment Date falling in 30 June 2023 both:

- 1) the historic Annual Debt Service Coverage Ratio, being the ratio of A:B where:
  - A. is Cash Available for Debt in respect of the 12 month period ended on the relevant Calculation Date; and
  - B. is the aggregate of (i) the amounts of Principal Amount Outstanding of the Notes to be redeemed and (ii) the Interest Amounts due, on the Notes, on the two Interest Payment Dates immediately preceding the relevant Calculation Date,

and

- 2) the forward Annual Debt Service Coverage Ratio, being the ratio of A:B where:
  - A. is Cash Available for Debt in respect of the 12 month period beginning on such Calculation Date determined on the basis of the Base Case; and

B. is the aggregate of (i) the amounts of Principal Amount Outstanding of the Notes to be redeemed and (ii) the Interest Amounts due, on the Notes, of the 12 month period beginning on the relevant Calculation Date.

“**ADSCR Trigger**” means that the ADSCR is less than or equal to 1.30x (one point thirty times) on any Calculation Date falling after the Interest Payment Date falling in 30 June 2023.

“**Affiliates**” means, in relation to the Sponsor, any company, corporation or other entity, which controls, is controlled by or is under common control with the Sponsor and shall be considered an Affiliate only so long as the control, directly or indirectly, meets the conditions of this definition. For purposes of this definition, control, in relation to any company, corporation or entity, shall mean ownership or control, directly or indirectly, of more than fifty (50%) percent of the shares having voting rights, or other equivalent rights of the subject entity entitled to vote or having the right to appoint the majority of its board of directors (or equivalent) or otherwise (including by way of contract) having the right to control its management and operation.

“**Annex A**” means annex A hereto.

“**Annex B**” means annex B hereto.

“**Annex C**” means annex C hereto.

“**Annex D**” means annex D hereto.

“**Annex E**” means annex E hereto.

“**Annex F**” means annex F hereto.

“**Annex G**” means annex G hereto.

“**Annex H**” means annex H hereto.

“**Anti-Corruption Laws**” means any anti-corruption laws and regulations applicable to the Issuer, including laws and measures implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or the United Nations Convention Against Corruption.

“**Anti-Money Laundering Laws**” means Italian legislative decree No. 231, of 21<sup>st</sup> November 2007, as subsequently amended and supplemented, and any anti-money laundering laws and regulations applicable to the Issuer.

“**Arranging Fee**” has the meaning ascribed thereto in the Fee Letter.

“**Assets**” means of all inventory, work in progress, accruals, trade and other receivables, the tangible and intangible assets and/or shares and financial instruments held by the Issuer.

“**Assignment of Claims**” means the agreement entered into by the Issuer on or about the Issue Date whereby the receivables arising out of the Project Documents (other than any PPA, any Feedstock Supply Contract, any Liquid Digestate Disposal Agreement and any Solid Digestate Disposal Agreement) are assigned by way of security in favour of the Noteholders and the Second Issuance Noteholders.

“**Authorization**” means any authorization, including the SUAPE Final Measure, the Sole Environmental Authorization, connection rights, consent, approval, resolution, license, exemption, filing, notarization or registration necessary to (i) build, operate and maintain the Plant and all activities related thereto and (ii) run the business in which the Issuer is engaged.

“**Base Case**” means the agreed financial model published on the website of the Issuer, based on *inter alia* Technical and Market Assumptions and Economic Assumptions, deposited with, and available at the registered office of, the Representative of the Noteholders or any other custodian agreed by the Issuer and the Noteholders, as updated in accordance with Annex A.

“**Business Day**” means a day (other than Saturday or Sunday or a public holiday in Italy or in the United Kingdom) on which banks are generally open for business in Rome, Milan and London and TARGET2 (or any successor thereto) is open.

“**Calculation Agency Agreement**” means the agreement entered into or to be entered into on or about the Issue Date between the Issuer and the Calculation Agent for the services to be rendered by this latter under the Notes.

“**Calculation Agent**” Banca Finanziaria Internazionale S.p.A., *breviter* Banca Finint S.p.A., a bank incorporated under the laws of Italy as a joint stock company (*società per azioni*) with a sole shareholder, with registered office at via Vittorio Alfieri 1, 31015 Conegliano (TV), Italy, share capital of Euro 71,817,500.00 fully paid up, tax code and enrolment in the Companies’ Register of Treviso-Belluno number 04040580963, VAT Group “Gruppo IVA Finint S.p.A.” – VAT number 04977190265, registered in the Register of the Banks under number 5580 pursuant to article 13 of the Consolidated Banking Act and in the Register of the Banking groups as the parent company of the Banca Finanziaria Internazionale Banking Group, member of the “*Fondo Interbancario di Tutela dei Depositi*” and of the “*Fondo Nazionale di Garanzia*” or any other person for the time being acting in its capacity as Calculation Agent.

“**Calculation Date**” means a Business Day falling 7 (seven) Business Days following each Interest Payment Date, starting from the Interest Payment Date falling in 30 June 2023.

“**Capital Increase**” any cash subscription for shares (*aumento di capitale*) of, or any other form of equity contribution (*versamento in conto capitale*) to, the Issuer by any Shareholder (directly or indirectly).

“**Cash Available for Debt**” means, in respect of any period, A minus B, where:

- (i) A is the aggregate Project Revenues expected to be received by the Issuer (without double counting) during that period; and
- (ii) B is the aggregate of all amounts payable by the Issuer during that period in respect of Operating Costs expected to be paid by the Issuer (without double counting).

“**Cash Trap Lockup Account**” means the bank account having IBAN No. IT 93 W 03266 61620 000014103618 opened by the Issuer with the Account Bank.

“**Change of Control**” shall mean any event or circumstance in which any Person, other than the Sponsor, acquires, directly or indirectly, Control of the Issuer.

“**Condition**” means the relevant clause of the present Terms and Conditions.

“**Connection of the Plant**” means has the meaning ascribed to “*Entrata in Esercizio*” in the EPC Agreement.

“**CONSOB**” means the *Commissione Nazionale per le Società e la Borsa*.

“**Control**” or “**control**” means, in respect of the Issuer the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to appoint or remove (whether as a result of the exercise of dominant influence in accordance with Article 2359, paragraph 1, numbers 2 and 3, of the Italian Civil Code or its equivalent under the relevant applicable laws (“**Dominant Influence**”) or otherwise) all of, or the majority of, the members of the board of directors (or other equivalent body) of the Issuer.

“**Debt Service**” means the average, calculated by the Calculation Agent on each Calculation Date, with respect to the two Interest Payment Dates immediately following each such Calculation Date, of:

- (i) the Principal Amount Outstanding of the Senior Notes B to be repaid,
- (ii) any projected Interest Amount on the Principal Amount Outstanding of the Senior Notes B to be repaid, and
- (iii) all projected fees, and costs, under the Transaction Documents.

**“Debt Service Reserve Account”** or **“DSRA”** means the bank account having IBAN No. IT 83 Z 03266 61620 000014103626 opened by the Issuer with the Account Bank.

**“Default Interest”** has the meaning ascribed to it in Condition 5 (*Interest*).

**“Default Early Redemption Date”** has the meaning ascribed to it in Condition 8 (*Events of Default*).

**“Default Early Redemption Request”** has the meaning ascribed to it in Condition 8 (*Events of Default*).

**“Direct Agreement”** means the EPC Direct Agreement, the SE&M Direct Agreement, the Liquid Digestate Direct Agreement, the Solid Digestate Direct Agreement and the Feedstock Supply Direct Agreement.

**“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 Shareholders Loans, including any purchase by the Issuer of any Shareholders Loans.

**“Distribution Account”** means the bank account having IBAN No. IT 61 Z 03266 61620 000014103634 opened by the Issuer with the Account Bank.

**“Distribution Conditions”** means that each of the following conditions has occurred on an Interest Payment Date, as verified on the immediately following Calculation Date:

- (i) the Principal Amount Outstanding of the Notes and the Interest Amount due and payable on the relevant Interest Payment Date have been duly paid by the Issuer;
- (ii) no Potential Event of Default or Event of Default has occurred and is continuing or would result from the making of such Distribution;
- (iii) no ADSCR Trigger or LLCR Trigger has occurred and is continuing;
- (iv) the Technical and Market Advisor has delivered to the Noteholders the Technical Advisor Operating Report to be delivered, on the last due date of delivery, pursuant to Annex A (*Financial and Reporting Undertakings*);
- (v) the positive balance of the DSRA is equal to or greater than the DSRA Balance Target;
- (vi) the positive balance of the MRA is equal to or greater than the MRA Amount.

**“DSRA Balance Target”** means an amount equal to: (i) Euro 500,000 (five hundred thousand/00) from the Issue Date until the Entry into Operation and, thereafter (ii) an amount equal to the Debt Service.

**“Early Redemption Date”** means, as the case may be, an Optional Early Redemption Date and a Default Early Redemption Date.

**“Economic Assumptions”** means the economic assumptions (including, without limitation those relating to interest rates, inflation, rates of taxation and VAT) incorporated in the Base Case.

**“Entry into Operation”** means the date on which the FAC is released.

**“Environmental Law”** means any law or regulation which relates to:

- (a) the pollution or protection of the environment;
- (b) the conditions of the workplace; or

(c) the generation, handling, storage, use, release or spillage of any environmental contaminant, including but not limited to, to the extent applicable:

- (i) the Strategic Environmental Assessment Directive 2001/42/EC;
- (ii) the Environmental Impact Assessment Directive 2011/92/EU;
- (iii) the Habitats Directive 92/43/EEC;
- (iv) the Birds Directive 2009/147/EC;
- (v) the EU Water Framework Directive 2000/60/EC;
- (vi) the Pollution Prevention Control Directive 2008/1/EC;
- (vii) the Dangerous Substances Directive 2006/111/EC;
- (viii) the Nitrates Directive 91/676/EEC;
- (ix) Regulation 2001/999/EC; and
- (x) Italian laws and any regulation implementing any of the above.

**“EPC Contract”** means the engineering, procurement and construction agreement entered into between the Sponsor and the EPC Contractor on or about the Issue Date for the purposes of the completion of the Plant’s construction works.

**“EPC Contractor”** means the Sponsor or any successor or substitute thereof.

**“EPC Direct Agreement”** means the direct agreement entered into between the Sponsor, the EPC Contractor and the Noteholders.

**“EPC Price Instalment”** means each instalment of the EPC Contractor consideration due under the EPC Contract upon construction work progress of the Plant.

**“Equity Contribution”** means a Capital Increase or a Shareholder(s) Loan, for an aggregate amount not lower than the amount specified in the Funds Flow Memo and that will be updated until the Long Stop Date

**“Equity Contribution Agreement”** means the agreement entered into among the Sponsor, the Issuer and the Noteholders whereby, *inter alia*, the Sponsor undertakes to provide the Equity Contributions.

**“Escrow Account”** means the bank account having IBAN No. IT IT66 P 03266 61620 000014103600 opened by the Issuer with the Account Bank.

**“Escrow Agreement”** means the agreement entered into between the Issuer, the Account Bank and Foresight whereby the Issuer irrevocably instructs the Account Bank, in the interest of Foresight, as escrow account bank of the Escrow Account.

**“Exhibit A”** means exhibit A hereto.

**“ExtraMOT”** means the multilateral trading facility of financial instruments organised and managed by the Italian Stock Exchange.

**“ExtraMOT PRO<sup>3</sup>”** means the segment for the growth of small and medium-size enterprises which is part of ExtraMOT.

**“ExtraMOT PRO<sup>3</sup> Regulation”** means the ExtraMOT PRO<sup>3</sup> regulation issued by the Italian Stock Exchange in force from 16 September 2019 as subsequently amended or supplemented.

**“EU Insolvency Regulation”** means the European Resolution 2015/848.

**“Event of Default”** has the meaning ascribed to it in Condition 8 (*Events of Default*).

**“FAC”** has the meaning ascribed to it under *“Certificato di Accettazione”* in the EPC Contract as at the Issue Date.

“**Fee Letter**” means the fee letter entered into between the Issuer and Foresight Group S.à.r.l. on or about the Issue Date.

“**Feedstock Claims Assignment Agreement**” means each agreement entered into by the Issuer whereby the receivables arising out of the Feedstock Supply Contracts are assigned by way of security in favour of the Noteholders and the Second Issuance Noteholders.

“**Feedstock Supply Contract**” means each feedstock supply contracts (*contratti di conferimento SOA*) entered into between the Issuer and suppliers (i) as at the Issue Date and (ii) in case of termination thereof, within suppliers to be priorly approved by the Representative of the Noteholders (acting upon written instructions of the Noteholders in accordance with the provisions of the Rules and the Intercréditor Agreement) together with the Technical Advisor, at least at the following market terms and conditions: Gate fee: Euro 200/ton

Duration: 5 + 5 years.

“**Feedstock Supply Direct Agreement**” means the direct agreement to be entered into by the Issuer within 60 days from the Issue Date in order to grant certain rights to the Noteholders in relation to the termination rights of the Feedstock Supply Contract.

“**Final Maturity Date**” means (i) with respect to the Senior Notes B, the Payment Date falling on 31 December 2030 and (ii) with respect to the Junior Notes B, the Payment Date falling on 30 June 2026.

“**Financial Indebtedness**” means any indebtedness, although not yet due or payable for or in respect of (without double counting):

- (i) any amount arising from any kind of loan, or borrow of moneys borrowed;
- (ii) any amount raised by acceptance under any acceptance credit facility (*credito di firma*);
- (iii) any amount raised pursuant to any note purchase facility or the issuance of bonds, notes, convertible bonds debentures, loan stock or any other financial instrument provided by the applicable law;
- (iv) any amount related to any liability with respect to any lease other than operating leases of vehicles, plant, equipment or computers which are in effect as at the Issue Date, or hire purchase contract, which would, in accordance to Italian GAAP, be treated as a finance or capital lease;
- (v) any amount arising from any receivable sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a loan;
- (vii) any derivative transaction entered into for the purpose of the protection against or benefit from fluctuation of any rate or price (and, when calculating the value of any derivative transaction, only the market value shall be taken into account);
- (viii) any counter-indemnity obligation in respect of a corporate guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a company (other than the Issuer), which liability would fall under one of the other paragraphs of this definition; and
- (ix) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (viii) above.

“**First Interest Payment Date**” means the Interest Payment Date falling on 31 December 2021.

“**First Interest Period**” has the meaning ascribed to it in the definition “*Interest Period*”.



“**Foresight Group S.à.r.l.**” means Foresight Group S.à.r.l., Société à responsabilité limitée (Società a responsabilità limitata), with registered office in L-2320 Luxembourg, 68-70 Boulevard de la Pétrusse, registration number with the Company Register of Luxembourg with number B220274.

“**Foresight Group S.C.A. SICAV-SIF**” means Foresight Group S.C.A. SICAV-SIF, Société d’Investissement 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.

“**Funds Flow Memos**” means the charts showing the costs detailed in Annex F to be paid (i) on or about the Issue Date.

“**Insolvency Proceedings**” means any bankruptcy or similar proceeding applicable to any company or other organization or enterprise under the relevant laws of incorporation or operation, and in particular, as for Italian law, under the Italian Bankruptcy Law and including but not limited to the following procedures: *fallimento, concordato preventivo, liquidazione coatta amministrativa, amministrazione straordinaria delle grandi imprese in stato di insolvenza, piano di risanamento* and *accordi di ristrutturazione*.

“**Insurance Policy**” means any contract of insurance listed in Annex D.

“**Insurance Proceeds**” means any amount payable to the Sponsor, the Issuer, as applicable, by the relevant insurance company under the Insurance Policies.

“**Intercreditor Agreement**” means the intercreditor agreement entered into among the Issuer, the Noteholders and the Representative of the Noteholders whereby, *inter alia*, the parties define certain mutual rights and obligations.

“**Interest Amount**” means the amount payable as interest on the Notes, calculated by the Calculation Agent (or, upon failure by this latter to calculate, by the Noteholders), by applying the Interest Rate on an ACT/ACT ICMA to the then Principal Amount Outstanding of the Notes.

“**Interest Payment Date**” has the meaning ascribed to it in Condition 5 (*Interest*).

“**Interest Period**” means each period from (and including) each Interest Payment Date to (but excluding) the immediately following Interest Payment Date, provided that the first Interest Period will begin (and include) the Issue Date and end on (but exclude) the First Interest Payment Date (the “**First Interest Period**”).

“**Interest Rate**” means, *per annum*, on a ACT/ACT ICMA,

- a) with respect to the Senior Notes B (i) the product of 25% (twenty five per cent.) multiplied by the aggregate of (A) the Reference Rate and the (B) the Margin, *plus* (ii) the product of 75% (seventy-five per cent.) multiplied by the aggregate of (A) the Mid-Swap Rate, and the (B) the Margin; and
- b) with respect to the Junior Notes B, a fixed rate of 6.01% (six point zero one per cent.).

“**Interest Rate Fixing Date**” means, with respect to each Interest Period, the second Business Day preceding the first day of such Interest Period.

“**Insurance Due Diligence**” means the due diligence carried out by the insurance advisor appointed by the Issuer in the context the transaction at hand.

“**Issue Date**” has the meaning ascribed to it in Condition 4 (*Issue Date and Final Maturity Date*).

“**Issue Price**” has the meaning ascribed to it in Condition 2.1 (*Denomination and Price*).

“**Issuer**” means Biogas Sardegna Green S.r.l., a *società a responsabilità limitata* incorporated under the laws of the Republic of Italy, with registered office in Cagliari (CA), Piazza Deffenu

n. 12, share capital equal to Euro 10,000.00 fully subscribed and paid-up, tax code, VAT number and registration number with the Company Register of Cagliari no. 03880350925.

“**Italian Bankruptcy Law**” means the Italian Royal Decree no. 267, dated March 16, 1942, as amended and supplemented, and, when coming into force, Legislative Decree no. 14, dated January 12, 2019, as amended and supplemented.

“**Italian Consolidated Financial Act**” means the Italian Legislative Decree no. 58, dated February 24, 1998, as subsequently amended and supplemented.

“**Italian Stock Exchange**” means Borsa Italiana S.p.A., with registered office in Milan, Piazza degli Affari, 6.

“**Joint Venture**” means any joint venture entity, whether a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity.

“**Junior Notes B**” means the Euro 750,000 (seven hundred, fifty thousand/00) junior secured notes due 2026, issued by the Issuer.

“**Junior Notes Debt Service Reserve**” means the aggregate of the amounts of:

- (i) the Principal Amount Outstanding of the Junior Notes B to be repaid, and
- (ii) any projected Interest Amount on the Principal Amount Outstanding of the Junior Notes B to be repaid

both as set out in the Base Case with respect to each Interest Payment Date.

“**Junior Notes Debt Service Reserve Account**” means the bank account having IBAN No. IT 39 Z 03266 61620 000014103642 opened by the Issuer with the Account Bank.

“**Junior Noteholders**” means the holders of the Junior Notes B.

“**Land**” means the land on which the construction works of the Plant are currently being carried out and the Plant will be located.

“**Legal Due Diligence**” means means the due diligence carried out by the legal advisor appointed by the Issuer in the context the transaction at hand.

“**Legal Opinion**” means the legal opinion issued by Orrick, Herrington and Sutcliffe (Europe) LLP in favour of the Noteholders opining on (i) the corporate capacity, power and authority of the Issuer and the Sponsor to enter into the Transaction Documents to which they are parties, and, in relation to the Issuer, to issue the Notes, (ii) the legality, validity and enforceability of the Notes and the Transaction Documents to which the Issuer and the Sponsor are parties and (iii) the tax treatment of the Notes and the application of the substitutive tax regime pursuant to Article 20-bis of Presidential Decree of 29 September 1973, no. 601.

“**Liens**” means any guarantee, mortgage, pledge, charge or lien or privilege on assets (including any form of destination and segregation of assets).

“**Liquid Digestate Claims Assignment Agreement**” means each agreement entered into by the Issuer whereby the receivables arising out of the Liquid Digestate Disposal Agreement are assigned by way of security in favour of the Noteholders and the Second Issuance Noteholders.

“**Liquid Digestate Direct Agreement**” means the direct agreement to be entered into by the Issuer within 60 days from the Issue Date in order to grant certain rights to the Noteholders in relation to the termination rights of the Liquid Digestate Disposal Agreement.

“**Liquid Digestate Disposal Agreement**” means any contract entered into by the Issuer for the disposal of liquid digestate (*ritiro di effluenti liquidi*) produced by the Plant.

“**Liquidated Damages**” means any sum payable to or received by the Issuer in the nature of damages or compensation under, in relation to or in connection with, (i) any Project Document, excluding any Insurance Proceeds, (ii) partial or total nationalization, expropriation or

compulsory purchase of any interest in the Plant or (iii) refusal, revocation, suspension or modification of any Authorization.

“**LLCR Trigger**” means that the LLCR is less than or equal to 1.30x (one point thirty times) on any Calculation Date falling after the Interest Payment Date falling in 30 June 2023.

“**Loan Life Cover Ratio**” or “**LLCR**” means, in respect of any Calculation Date falling after the Interest Payment Date falling in 30 June 2023, the ratio of “A” to “B” where:

- (a) “A” is the aggregate of (1) the net present value (calculated at the weighted average cost of debt of the Issuer under the Notes and discounted on the same manner as in the Base Case) of Cash Available for Debt from the Interest Payment Date immediately preceding the relevant Calculation Date to the Final Maturity Date, and (2) the positive balance(s) (if any) of the DSRA on the Interest Payment Date immediately preceding the relevant Calculation Date; and
- (b) “B” is the Principal Amount Outstanding of the Notes on the Interest Payment Date immediately preceding the relevant Calculation Date.

“**Long Stop Date**” means 31 December 2022.

“**Make-Whole Percentage**” means, in respect of the Notes, the greater of:

- (A) 100 (one hundred per cent.); and
- (B) the amounts equal to the price of the Notes (as reported in writing to the Issuer by the Calculation Agent) expressed as a percentage (and rounded, if necessary, to three decimal places (0.0005 and higher being rounded upwards and otherwise being rounded downwards)) at which the Make-Whole Yield on the relevant Notes is equal to the Make-Whole Rate.

“**Make-Whole Rate**” means the Mid-Swap Rate, as calculated three Business Days prior to the Optional Early Redemption Date, *plus* 0.50% (zero point fifty per cent.)

“**Make-Whole Yield**” means a yield calculated in accordance with the market practice for euro denominated securities of a similar nature to the Notes or on such other basis as the Noteholders and the Issuer, may approve.

“**Margin**” means 6.01% (six point zero one per cent.) *per annum*.

“**Material Adverse Effect**” means, with respect to an event that has already occurred, an effect which results in or is likely to result (in the Noteholders’ opinion, acting in good faith, in accordance with the provisions of article 1375 of the Italian Civil Code) in a material adverse change in: (i) the business, performance, financial conditions, operations of the Issuer or the Sponsor; (ii) the operation of the Plant; (iii) the ability of the Issuer to perform any of its payment obligations under the Notes and existing debt financing; or (iv) the legality, validity, priority or enforceability of any obligations or security created by or arising under the Notes and the Security Package.

“**Mid-Swap Rate**” means the linear interpolation of EURO mid-swap rates, as displayed on the Bloomberg screen <ICAE> <GO> as soon as practicable after 11:00 am (London time) up to 2 (two) Business Days before the Issue Date, for terms of 4 years and 5 years respectively, commencing on the Issue Date, with floating rate legs based on the 6-month EURIBOR rate, being equal to 0% (zero per cent.); provided that if such calculation would result in less than 0 (zero), it will be considered as being equal to 0 (zero).

“**Minimum Denomination**” has the meaning ascribed to it in Condition 2.1 (*Denomination and Price*).

“**Minimum Positive Balance**” means an amount equal to (i) Euro 200,000 (two hundred thousand/00) from the Issue Date until the Entry into Operation and, thereafter (ii) 25% (twenty five per cent.) of the relevant annual Operating Budget.

“**Modified Following Business Day Convention - unadjusted**” means, for the First Interest Payment Date and any Interest Payment Date that falls on a day that is not a Business Day, that any payment due on the First Interest Payment Date or such Interest Payment Date will be postponed to the next day that is a Business Day; provided that, if such day would fall in the next succeeding calendar month, the date of payment with respect to such Interest Payment Date will be advanced to the Business Day immediately preceding such Interest Payment Date.

“**Monte Titoli**” means Monte Titoli S.p.A., with registered office in Milano, Piazza degli Affari, 6.

“**Mortgage on the Land**” means the mortgage (*ipoteca*) on the *diritto di superficie* over the Land, granted by the Issuer in favour of the Noteholders.

“**MRA**” or “**Maintenance Reserve Account**” means the bank account having IBAN No. IT 05 K 03266 61620 000014103659 opened by the Issuer with the Account Bank.

“**MRA Amount**” means (i) from the Issue Date until, but excluding, the first Calculation Date, Euro 250,000 (two hundred thousand/00) and (ii) on each Calculation Date, the amount to be determined from time to time by the Technical and Market Advisor, agreed with the Representative of the Noteholders (acting upon written instructions of the Noteholders in accordance with the provisions of the Rules and the Intercreditor Agreement) and notified to the Issuer, as this will be evidenced in the Base Case and the updated Base Case.

“**Nominal Amount**” has the meaning ascribed to it in Condition 2.1 (*Denomination and Price*).

“**Noteholders**” means the beneficial owner(s) of the Notes at any time.

“**Notes**” means the Senior Notes B and the Junior Notes B.

“**Officer**” means any of the following of the Issuer: the Chairman of the Board of Directors, the Chief Executive Officer, the General Manager, the Chief Financial Officer, or a responsible financial or accounting officer.

“**Officers Certificate**” means a certificate signed by two Officers.

“**Operating Budget**” means the semi-annual budget detailing the Operating Costs attached as Annex E and updated according to Annex A.

“**Operating Costs**” means, without double counting and within the caps set out in the Operating Budget:

- (i) before any Default Early Redemption Request is served, all costs and expenses expected to be incurred by the Issuer in connection with the operation, management, maintenance, asset management and repair of the Plant including:
  - (a) operating and maintenance costs and expenses detailed in the Operating Budget and approved by the Technical and Market Advisor in compliance with the provisions of Annex A (*Financial and Reporting Undertakings*);
  - (b) any capital expenditures detailed in the Operating Budget;
  - (c) costs and expenses due under any Authorization;
  - (d) amounts payable under the Project Documents;
  - (e) premia payable in respect of Insurance Policies;
  - (f) utilities and consumption costs;
  - (g) Taxes (including VAT, other than with respect to costs under lett. (c) above); and
  - (h) all other costs and expenses agreed by the Noteholders, but excluding the following:

- (i) any costs and fees due by the Issuer under the Transaction Documents;
  - (ii) amounts incurred or paid in respect of Shareholders Loans;
  - (iii) any amounts paid as Distributions to Shareholders;
  - (iv) depreciation, other non-cash charges, reserves, amortization of intangible and similar book-keeping entries; and
  - (v) all reinstatement or repair of work that is paid for by physical damage insurance proceeds.
- (ii) following the service of a Default Early Redemption Request (provided that, for the purposes of Annex C (*Accounts Management*) all the following item, other than the item under lett. f), shall not be deemed included in the definition of Operating Costs):
- a) on each Interest Payment Date, pay, *pro rata*, all costs, charges, fees and expenses of the Representative of the Noteholders ;
  - b) payment or making a prudent reserve for Taxes;
  - c) pay Interest Amounts and Default Interest (if any) due and payable under the Notes;
  - d) repay the due and payable Principal Amount Outstanding of the Notes;
  - e) pay all costs, charges, fees and expenses (other than Interest Amounts, Default Interest and Principal Amount Outstanding) due and payable under the Notes or for the enforcement of any rights of the Noteholders under the Transaction Documents;
  - f) subject to the prior written consent of the Representative of the Noteholders (acting upon written instructions of the Noteholders in accordance with the provisions of the Rules and the Intercreditor Agreement) in or towards and any other Operating Costs payable by the Issuer in accordance with the Operation Budget.

“**Optional Early Redemption Date**” has the meaning ascribed to it in Condition 6.4 (*Option Early Redemption*).

“**Operating Report**” has the meaning ascribed to it in Annex A (*Financial and Reporting Undertakings*).

“**PAC**” has the meaning ascribed to “*Certificato di collaudo a freddo*” in the EPC Contract as at the Issue Date.

“**Patronage Letter**” is the agreement whereby the Sponsor undertakes to provide, directly or indirectly, to the Issuer any amount necessary to repay in full or in part the principal of the Junior Notes and any interest accrued and unpaid on such principal, as the case may be, in case the Issuer does not have sufficient available funds for such purpose, substantially under the terms and conditions of the form herewith attached as Annex H.

“**Paying Agent**” Banca Finanziaria Internazionale S.p.A., *breviter* Banca Finint S.p.A., a bank incorporated under the laws of Italy as a joint stock company (*società per azioni*) with a sole shareholder, with registered office at via Vittorio Alfieri 1, 31015 Conegliano Veneto (TV), Italy, share capital of Euro 71,817,500.00 fully paid up, tax code and enrolment in the Companies’ Register of Treviso-Belluno number 04040580963, VAT Group “Gruppo IVA Finint S.p.A.” – VAT number 04977190265, registered in the Register of the Banks under number 5580 pursuant to article 13 of the Consolidated Banking Act and in the Register of the Banking groups as the parent company of the Banca Finanziaria Internazionale Banking Group, member of the “*Fondo Interbancario di Tutela dei Depositi*” and of the “*Fondo Nazionale di Garanzia*” or any other person for the time being acting in its capacity as Paying Agent.

“**Payment Agency Agreement**” means the agreement to be entered into on or about the Issue Date between the Issuer and the Paying Agent for the services to be rendered by this latter under the Notes.

**“Permitted Indebtedness”** means the (i) Notes, (ii) the Second Issuance Notes and (iii) any Shareholders Loan and any debt (including any guarantee) of the Issuer either (a) incurred in for the compliance of mandatory provisions of law or regulation in connection with the Authorizations for the construction and operation of the Plant or (b) incurred by the Issuer under the Project Documents and following the due performance thereof.

**“Person”** means any individual, company, corporation, firm, partnership, Joint Venture, association, organization, state or agency of a state or other entity, whether or not having separate legal personality.

**“Plant”** means the power plant fed by feedstock (*sottoprodotti di origine animale*) slaughterhouse waste, located in the municipality of San Nicolò d’Arcidano (OR) and the relevant connection facilities and cabins.

**“Pledge over Accounts”** means the pledge over the Accounts (other than the Distribution Account), granted by the Issuer to the Noteholders and the Second Issuance Noteholders.

**“Pledge over Quotas”** means the pledge over the quotas of the Issuer, granted by the Shareholders to the Noteholders and the Second Issuance Noteholders.

**“Potential Event of Default”** means any of the events listed in Condition 8 (*Events of Default*) that, following to a resolution approved by the Noteholders under Condition 12 (*Meeting of the Noteholders*), would result in an Event of Default.

**“PPA”** means a sale of electricity agreement (or *Ritiro Dedicato* Agreement) whereby the Issuer sells the electricity not applied for self- consumption.

**“PPA Security”** means (i) each assignment of the claims arising in favor of the Issuer under each PPA, granted by the Issuer to the Noteholders and/or (ii) each *mandato all’incasso* of the claims arising in favor of the Issuer under each *Ritiro Dedicato* Agreement, granted by the Issuer to the Noteholders and the Second Issuance Noteholders.

**“Principal Amount Outstanding”** means, at any relevant date, the Minimum Denomination *minus* the aggregate of all repayments of principal made on the relevant Note.

**“Priority of Payments”** means the priority of payments among the Notes set out in article 2.2 of Annex C.

**“Proceeds Account”** means the bank account having IBAN No. IT 68 K 03266 61620 000014103592 opened by the Issuer with the Account Bank.

**“Project Costs”** means the total costs incurred in by the Issuer, the Shareholders and the Sponsor and for the development and construction of the Plant, certified by the Technical and Market Advisor.

**“Project Documents”** means each of the following documents:

- (a) the EPC Contract;
- (b) the SE&M Agreement;
- (c) any Feedstock Supply Contract;
- (d) any Liquid Digestate Disposal Agreement;
- (e) any Solid Digestate Disposal Agreement;
- (f) any Direct Agreement;
- (g) any PPA;
- (h) any Insurance Policy;

- (i) any bond issued in favour of the Issuer pursuant to the terms of a Project Document to support the obligations of the Issuer's counterparty under the relevant Project Document;
- (j) the Calculation Agency Agreement;
- (k) the Payment Agency Agreement;
- (l) the Escrow Agreement;
- (m) all replacements of any of the foregoing.

**“Project Revenues”** means, in relation to any period, all amounts to be paid to or received by the Issuer (excluding, for the avoidance of doubt, any amounts made available under the Transaction Documents):

- (a) under each Feedstock Supply Contract;
- (b) under any PPA;
- (c) as Insurance Proceeds (other than Insurance Proceeds in relation to physical damage and liabilities against third parties);
- (d) as Liquidated Damages;
- (e) as interest on the Accounts;
- (f) as Tax refunds (other than VAT refunds); and
- (g) being a revenue from the Plant, not falling in any of the above.

**“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.

**“Reference Banks”** means Intesa Sanpaolo S.p.A., Unicredit S.p.A., and Banca Nazionale del Lavoro S.p.A.

**“Reference Rate”** means, as calculated by the Calculation Agent (or, upon failure by this latter to calculate, by the Noteholders), (A) with respect to each Interest Period other than the First Interest Period, (a) the interbank offered rate for six month deposits in Euro, as obtained by the Euribor Panel Steering Committee, which appears at or about 11:00 (Brussels Time) of the Interest Rate Fixing Date on Reuters page EURIBOR01, (ACT/360) or (b) if no rate is available at such time on page EURIBOR01 for the purposes of paragraph (a) above, the rate, offered for six-month Euro deposits, corresponding to the arithmetic mean (rounded up to the next sixteenth of a per cent.) of the rates offered by at least two of the Reference Banks of major banks in the Euro-zone inter-bank market at 11:00 (Brussels Time) of the Interest Rate Fixing Date; or (B) with respect to the First Interest Period, the linear interpolation between the two interbank offered rates for deposits in Euro having the closest standard durations by rounding up and down with respect to the duration of the First Interest Period, obtained (a) by the Euribor Panel Steering Committee which appears at or about 11.00 a.m. Brussels time of the relevant Interest Rate Fixing Date on Reuters or (b) if no rate is available at such time on Reuters, the

rate corresponding to the arithmetic mean (rounded up to the next sixteenth of a per cent.) of the rates offered by at least two of the Reference Banks at 11:00 (Brussels Time) of the relevant Interest Rate Fixing Date; provided that, if have of the above interbank rates shall be substituted by any other rate, such substituting rate will apply. In case the EURIBOR calculated pursuant to the present definition would be less than 0 (zero), it will be considered as being equal to 0 (zero).

**“Representative of the Noteholders”** means Banca Finanziaria Internazionale S.p.A., *breviter* Banca Finint S.p.A., a bank incorporated under the laws of Italy as a joint stock company (*società per azioni*) with a sole shareholder, with registered office at via Vittorio Alfieri 1, 31015 Conegliano (TV), Italy, share capital of Euro 71,817,500.00 fully paid up, tax code and enrolment in the Companies’ Register of Treviso-Belluno number 04040580963, VAT Group “Gruppo IVA Finint S.p.A.” – VAT number 04977190265, registered in the Register of the Banks under number 5580 pursuant to article 13 of the Consolidated Banking Act and in the Register of the Banking groups as the parent company of the Banca Finanziaria Internazionale Banking Group, member of the “*Fondo Interbancario di Tutela dei Depositi*” and of the “*Fondo Nazionale di Garanzia*” or any other person for the time being acting in its capacity as representative of the Noteholders pursuant to the Rules and the Intercreditor Agreement.

**“Ritiro Dedicato Agreement”** means an agreement entered into in accordance with the provisions of legislative decree n. 387/03 and law no. 239/04.

**“Rules of Organisation of the Noteholders”** or **“Rules”** means the rules of the organisation of the Senior Noteholders and the Junior Noteholders, attached as an Exhibit A to these Conditions.

**“Satisfactorily Subordinated”** means that:

- (a) the relevant Shareholders Loan is subordinated to the Notes and the lender(s) providing such Shareholders Loan has/have confirmed to the Noteholders that its indebtedness is subordinated to the Notes;
- (b) such Shareholders Loan is unsecured;
- (c) the lender(s) providing such Shareholders Loan has/have no right to receive any payments of any nature whether in respect of interest, principal, fees, indemnities or otherwise;
- (d) the lender(s) providing such Shareholders Loan has/have no contractual right to bring any claim of any nature against the Issuer, instigate any proceedings of any nature against the Issuer, or accelerate payment; and
- (e) the lender(s) providing such Shareholders Loan shall not create, incur, assume or permit to exist any Lien thereon, nor dispose of it in favour of any third party different from a Shareholder.

**“SE&M Agreement”** means the service and maintenance agreement of the Plant to be entered into between the Issuer and the SE&M Contractor.

**“SE&M Contractor”** means the Sponsor or any Affiliates thereof, and any successor thereto.

**“SE&M Direct Agreement”** means the direct agreement entered into between the Issuer, the SE&M Contractor and the Noteholders.

**“Second Issuance Notes”** means the notes issued by the Issuer on the Issue Date for an aggregate amount of Euro 6,450,000 (six million, four hundred fifty thousand/00).

**“Second Issuance Noteholders”** means the holders of the Second Issuance Notes.



“**Security Package**” means each of the following security granted to the Senior Noteholders and the Second Issuance Senior Noteholders to secure the payments of the Issuer under the Senior Notes:

- (i) the Pledge over Quotas;
- (ii) the Mortgage on the Land;
- (iii) the Special Privilege;
- (iv) the Pledge over Accounts;
- (v) each PPA Security;
- (vi) the Assignment of Claims;
- (vii) each Liquid Digestate Claims Assignment Agreement;
- (viii) each Solid Digestate Claims Assignment Agreement;
- (ix) each Feedstock Claims Assignment Agreement;
- (x) Assignment of Insurance Proceeds/Endorsement of Insurance Policies.

“**Senior Notes B**” means the Euro 5.650.000,00 (five million, six hundred fifty thousand/00) senior secured notes due December 2030, issued by the Issuer.

“**Senior Noteholders**” means the holders of the Senior Notes B.

“**Shareholders**” means WTE Holding, VMV Ingegneria, Andrea Massidda, Matteo Negri, Adele Mita, Emanuela Salmi, Angelo Daga, and any successor thereof.

“**Shareholders Loan**” means any loan to the Issuer by any Shareholder.

“**Sole Environmental Authorization**” means the *autorizzazione unica ambientale* no. 1652 of December 17, 2019 issued by the Oristano province, *Settore Ambiente e Attività Produttive* in accordance with DPR 59/2013.

“**Solid Digestate Claims Assignment Agreement**” means each agreement entered into by the Issuer whereby the receivables arising out of the Solid Digestate Disposal Agreement are assigned by way of security in favour of the Noteholders and the Second Issuance Noteholders.

“**Solid Digestate Direct Agreement**” means the direct agreement to be entered into by the Issuer within 60 days from the Issue Date in order to grant certain rights to the Noteholders in relation to the termination rights of the Solid Digestate Disposal Agreement.

“**Solid Digestate Disposal Agreement**” means any contract entered into by the Issuer for the disposal of solid digestate (*ritiro del digestato solido*) produced by the Plant.

“**Special Privilege**” means the special privilege (*privilegio speciale*) granted by the Issuer on the equipment, machineries and any other present and future, unregistered, movable assets of the Plant.

“**Sponsor**” means Anaergia S.r.l., with registered office at Via Bassa di Casalmoro 3, Asola (MN), VAT number and registration number with the Company Register of Mantova no. 02231580206.

“**SUAPE Final Measure**” means the *provvedimento unico* no. 8 issued by Sportello SUAPE dell’Unione dei Comuni del Terralbese on 22 February 2021.

“**SUAPE Plant Operation Authorization**” means the *provvedimento* to be issued by Sportello SUAPE dell’Unione dei Comuni del Terralbese following the Entry into Operation of the Plant.

“**Subscription Agreement**” means the or any agreement entered into on or before the Issue Date between the Issuer and the initial Noteholders for the subscription of the Notes.

“**Subscription Price**” means the net subscription price of Notes received by the Issuer from the initial Noteholders under the Subscription Agreement(s).

“**Target Ratio Conditions**” means that, on the Calculation Date falling after the Calculation Date on which any amounts were credited on the Cash Trap Lockup Account, both the ADSCR and the LLCR are above 1.35x (one point thirty five times).

“**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.

“**Technical and Market Advisor**” means RINA Consulting S.p.A., with registered office at Via Cecchi, 6, Genova, Italy, VAT no. 03476550102 or any other technical and market advisor appointed from time to time by the Issuer upon instruction of the Noteholders.

“**Technical Advisor Construction Report**” means the report to be delivered by the Technical and Market Advisor in accordance with para. 6 (*Technical Advisor Reports*) of Annex A (*Financial and Reporting Undertakings*).

“**Technical Advisor Operating Report**” means the report to be delivered by the Technical and Market Advisor in accordance with para. 6 (*Technical Advisor Reports*) of Annex A (*Financial and Reporting Undertakings*).

“**Technical Appraisal**” means the appraisal which will be carried out by the Technical and Market Advisor or any other entity appointed by the Issuer or the Sponsor with the prior approval of the Representative of the Noteholders (acting upon written instructions of the Noteholders in accordance with the provisions of the Rules and the Intercreditor Agreement), to appraise the commercial value of the Plant and related ongoing business.

“**Technical and Market Assumptions**” means the technical and market assumptions incorporated in the Base Case.

“**Technical Due Diligence**” means the due diligence carried out by the Technical and Market Advisor appointed by the Issuer in the context the transaction at hand.

“**Transaction Costs**” means any costs (other than the Arranging Fee) incurred in by the Issuer for the arranging, signing and closing of the Notes, including, *inter alia*, upfront fees, taxes, advisory fees, notarial costs, and any other pre-agreed costs.

“**Transaction Documents**” means this Terms and Conditions, the Subscription Agreement, the Security Package, the Project Documents, the Equity Contribution Agreement, the Intercreditor Agreement, the Fee Letter, and any other document entered into by the Issuer in the context of the issuance of the Notes.

“**Usury Law**” means Italian Law No. 108 of March 7, 1996, as subsequently amended and supplemented.

“**VMV Ingegneria**” means VMV Ingegneria s.r.l., with registered office at Via Monte Grappa 20, 20020, Linate (MI) VAT number and registration number with the Company Register of Milano-Monza-Brianza-Lodi no. 03239570124.

“**WTE Holding**” means WTE Holding s.r.l., with registered office at Via Ennio 23, 20137, Milano, VAT number and registration number with the Company Register of Milano-Monza-Brianza-Lodi no. 10104840961.

Where not already expressly set out, references to laws and regulations shall include amendments and supplements thereto.

## 2. NOTES

### 2.1 Denomination and Price

The total amount of the issued Notes on the Issue Date will be equal to Euro 6,400,000 (six million, four hundred thousand/00) (the “**Nominal Amount**”), comprised of:

- a) the Senior Notes B for Euro 5.650.000,00 (five million, six hundred fifty thousand/00); and
- b) the Junior Notes B for Euro 750,000 (seven hundred, fifty thousand/00).

The Notes issued on the Issue Date will be issued in a minimum denomination of Euro 50,000.00 (fifty thousand/00) and additional increments of Euro 50,000 (fifty thousand/00) thereafter (the “**Minimum Denomination**”).

The Notes issued on the Issue Date will be issued for a price equal to 100.00% (one hundred per cent.) of their Minimum Denomination, i.e. for a price equal to Euro 50,000.00 (fifty thousand/00) for each Note (the “**Issue Price**”).

## **2.2 Form and Title**

The Notes are issued in dematerialised form and will be wholly and exclusively deposited with Monte Titoli. The Notes will at all times be evidenced by book-entries in accordance with the provisions of articles 83-*bis* et seq. of the Italian Consolidated Financial Act and regulation of August 13, 2018 jointly issued by CONSOB and Bank of Italy, both as amended from time to time.

Any transaction regarding the Notes (including transfers of the Security Package), as well as the exercise of proprietary rights, may only be made in accordance with the provisions of articles 83-*bis* et seq. of the Italian Consolidated Financial Act and regulation of August 13, 2018 jointly issued by CONSOB and Bank of Italy (as amended and supplemented). The Noteholders will not be able to request delivery of the documents representative of the Notes, save for the right to request the certification referred to in articles 83-*quinquies* and 83-*sexies* of the Italian Consolidated Financial Act.

## **2.3 Status, ranking and guarantees**

The Notes are secured obligations solely of the Issuer.

In respect of the obligation of the Issuer to repay principal and pay interest on the Notes:

- (a) the Senior Notes B will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, and both interest and principal thereto will be in priority to the interest and principal payable on the Junior Notes B;
- (b) the Junior Notes B will rank *pari passu* and *pro-rata* without any preference or priority among themselves for all purposes, but interest and principal thereto will be subordinated to the interest and principal payable on the Senior Notes B;

except for the obligations of the Issuer, which are preferred according to the general provisions required by law.

The Notes are fully, unconditionally and irrevocably secured by the Security Package that will circulate together with the Notes.

The Notes have not been and will not be convertible into shares or participation rights in the share capital of the Issuer nor any other company

## **2.4 Rules of Organization of the Noteholders**

The rights and powers of the Noteholders may only be exercised in accordance with the Rules attached to these Conditions as an exhibit which shall constitute an integral and essential part of these Conditions.

## **3. SUBSCRIPTION AND TRANSFER OF THE NOTES**

The Notes shall be exclusively placed to Qualified Investors subject to Prudential Supervision and to securitisation vehicles pursuant to law 30 April 1999, no. 130, article 1 par. 1-*bis*. 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 or restricted 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, of 21<sup>st</sup> November 2007, as subsequently amended and supplemented.

#### **4. ISSUE DATE AND FINAL MATURITY DATE**

The Notes will be issued for an amount equal to their Nominal Amount on 20 July, 2021 (the “**Issue Date**”).

Unless previously redeemed in full or cancelled as provided under Condition 6 (*Redemption, purchase and cancellation*) or Condition 8 (*Events of Default*) the Issuer shall redeem the Notes at their Principal Amount Outstanding, plus any accrued but unpaid interest thereon, on the relevant Final Maturity Date.

#### **5. INTEREST**

Interest will accrue on the Principal Amount Outstanding of each Note from the Issue Date (included) up to the earlier of (a) an Early Redemption Date (being such date excluded) and (b) the Final Maturity Date (being such date excluded).

The Principal Amount Outstanding of the Notes shall accrue Interest Amounts, calculated by the Calculation Agent, the product of (a) the Principal Amount Outstanding of each Note and (b) the relevant Interest Rate, calculated by the Calculation Agent, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

Interest Amounts will be due and payable in Euro in arrears (i) on the First Interest Payment Date, and thereafter (ii) semi-annually on June 30 and December 31 of each year, and (iii) on the Final Maturity Date (each an “**Interest Payment Date**”).

If any Interest Payment Date, Optional Early Redemption Date or the Final Maturity Date falls on a day other than a Business Day, payments thereon will be made according to the Modified Following Business Day Convention – unadjusted.

Interest shall cease to accrue on any part of the Principal Amount Outstanding of the Notes from (and including) the due date for redemption of such part.

Should the Issuer fail to pay any amount payable by it in relation to the Notes, it shall pay the Interest Rate on the overdue amount plus a margin of 1.50% (one point fifty per cent.) *per annum*, in accordance with the applicable regulation (the “**Default Interest**”), to be calculated by the Calculation Agent from the date on which this payment should have been made (including) until the date of actual payment (excluded).

Should the Interest Rate, the Default Interest and other fees and costs, including, for the avoidance of doubt, any payment made pursuant to Condition 6.4, second paragraph, under the Conditions exceed the limits provided by the Usury Law, they shall be deemed automatically

reduced (for the period strictly necessary) to the maximum interest rate allowed by such law. The Calculation Agent is responsible for the checking the rate of Usury Law limit.

## **6. REDEMPTION, PURCHASE AND CANCELLATION**

### **6.1 Redemption**

Unless previously redeemed in full or in part and cancelled, (i) starting from and including the Interest Payment Date which falls on 31 December 2021 and (ii) ending on and including the relevant Final Maturity Date, the Notes will be redeemed on each Interest Payment Date, as per the attached Annex B, in accordance with the Priority of Payments:

- (a) in 19 (nineteen) consecutive instalments, with respect to the Senior Notes B and
- (b) in 10 (ten) consecutive instalments, with respect to the Junior Notes B.

### **6.2 Mandatory Early Redemption**

6.2.1 The Issuer shall apply any Insurance Proceeds (other than Insurance Proceeds in relation to physical damage and liabilities against third parties) and Liquidated Damages (after Tax, if any, is deducted) to the repayment of the Principal Amount Outstanding of the Note, in an amount equal to such Insurance Proceeds or Liquidated Damages, on the Interest Payment Date immediately following the relevant receipt thereof; provided that the Issuer shall not be required to apply to the repayment of the Principal Amount Outstanding of the Notes such Insurance Proceeds if, and to the extent that, the Noteholders are satisfied that the relevant Insurance Proceeds are to be or were applied in the repair or reinstatement of Plant in the manner advised by the Technical and Market Advisor.

6.2.2 On the Interest Payment Date falling on 31 December 2022, the Issuer shall repay the Principal Amount Outstanding of each Note in full, if the Technical and Market Advisor has not confirmed the Noteholders 10 (ten) Business Days prior to such Interest Payment Date that the Connection of the Plant will occur within the Long Stop Date.

6.2.3 If the Target Ratio Conditions are not met on the Calculation Date falling after the Calculation Date on which any amounts were credited on the Cash Trap Lockup Account, the Issuer shall apply the full positive balance standing to the credit of the Cash Trap Lock-Up Account to the repayment of the Principal Amount Outstanding of the Notes in the amount necessary to meet the Target Ratio Conditions.

6.2.4 In case the Issuer early redeems, in full but not in part, the Senior Notes A pursuant to Condition 6.4 (*Optional Early Redemption*) it shall also early redeem, in full but not in part, the Senior Notes B in accordance with this Condition 6.2 (*Mandatory Early Redemption*) and Condition 6.3 (*Early redemption application*).

### **6.3 Early redemption application**

Any redemption of the Notes under Conditions 6.2 (*Mandatory Early Redemption*) will occur in accordance with the Priority of Payments and reduce, *pro rata* and *pari passu*, the Principal Amount Outstanding of each relevant Note, rounded up or down, as the case may be, to one Euro, and shall apply to the instalments in inverse order of maturity.

A 7 (seven) Business Days prior written notice will be given by the Issuer to the Noteholders, the Representative of the Noteholders, the Calculation Agent, the Paying Agent and the Italian Stock Exchange in accordance with the applicable provisions of law and according to the ExtraMOT PRO<sup>3</sup> Regulation.

### **6.4 Optional Early Redemption**

Starting from and including the Interest Payment Date falling on 30 June 2025, the Issuer shall have the right to early redeem the Senior Notes, in full but not in part, on any Interest Payment Date (the “**Optional Early Redemption Date**”), in accordance with the Priority of Payments, by serving a 21 (twenty one) Business Days prior written notice given to the Noteholders, the Representative of the Noteholders, the Italian Stock Exchange, the Calculation Agent and the Paying Agent in accordance with the applicable provisions of law and according to the ExtraMOT PRO<sup>3</sup> Regulation.

On an Optional Early Redemption Date, provided that (i) no Default Early Redemption Request has been served, and (ii) the Issuer has given proof to the Noteholders that it will have the necessary funds, the Issuer shall pay to the Noteholders, in accordance with the provisions of article 1386 of the Italian Civil Code, (A) until 31 December 2025 (included), (x) any amount due in relation to the then Principal Amount Outstanding, *multiplied by* (y) the Make-Whole Percentage, as calculated by the Calculation Agent; (B) thereafter, any amount due in relation to the then Principal Amount Outstanding *increased of* the Interest Rate then applicable in accordance with the provisions of these Terms and Conditions; provided that if such amounts exceed the limits provided by the Usury Law, it shall be deemed automatically reduced to the maximum amount allowed by such law. No other penalty or damage costs shall apply.

## 7. COVENANTS BY THE ISSUER

As long as any Note remains outstanding and unless a waiver is approved by a resolution of the Noteholders under Condition 11 (*Meeting of the Noteholders*), the Issuer shall:

- (i) maintain its status of *società a responsabilità limitata*, duly incorporated and validly operating in accordance with the Italian law and having the full legal capacity, Authorizations, licenses and permits necessary to operate and maintain the Plant and carry on its business;
- (ii) not approve or carry out extraordinary transactions of any kind, including without limitation special transactions on its share capital, corporate transformations (*trasformazioni*), merger (*fusioni*) or spin-off (*scissioni*);
- (iii) not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary, to sell, lease, transfer, discount, factor, assign (including under article 1977 of the Italian civil code) or otherwise dispose of, all or any part of, (i) the Plant, the Land or its rights thereon; (ii) its rights under the Authorizations; or (iii) any other present or future undertakings, rights, revenues or Assets;
- (iv) not form, acquire, make any acquisition of, or investment in, companies or other entities;
- (v) other than the Transaction Documents and the expenses specified in the Funds Flow Memo, not enter into any agreements or obligation whereby the Issuer would incur in annual, aggregate costs or expenses higher than Euro 10,000.00 (ten thousand/00);
- (vi) have the operation and maintenance of the Plant (together with any activities ancillary thereto) as its sole business activity;
- (vii) not amend its by-laws (*atto costitutivo* and *statuto*) in any material respect;
- (viii) procure that its financial statements:
  - (a) will be prepared in compliance with law;
  - (b) will provide a true, complete and accurate financial position and the results of its financial operations, as on the date on which they were prepared and for all its reporting period;

- (c) will contain no significant errors or omissions of material facts that would make such documents misleading; and
- (d) will be audited;
- (ix) not change the date of its financial year's end;
- (x) not reduce its fully paid share capital below Euro 10,000.00 (ten thousand/00), except for the mandatory cases provided for by law; and, in the event that the share capital is reduced due to losses pursuant to applicable laws, ensure that, no later than 60 (sixty) Business Days from the resolution approving such reduction, the Issuer's share capital required by applicable laws is restored;
- (xi) not pay any Dividend to its Shareholder, other than when permitted under the Conditions;
- (xii) without prejudice to the provision of article 6.2 of Annex C, procure that all existing and future Shareholders Loan(s) be at all times Satisfactorily Subordinated;
- (xiii) make all payments due in connection with the Notes without any deduction or withholding on taxes or otherwise, unless is required by law. In such case:
  - (a) the Issuer shall procure that the deduction or withholding shall not exceed the minimum amount required by law; and
  - (b) the amounts due by the Issuer to the Noteholders shall be increased of an additional amount (the "**Additional Amount**") to allow that the amount to be paid, excluding the relevant deduction or withholding, is equal to the amount that would be due to the Noteholders without any such deduction or withholding;
 

provided that, no such Additional Amount shall be payable (i) to a non-Italian resident legal entity or non-Italian resident individual, which is resident in a country that does not allow for a satisfactory exchange of information with the Republic of Italy or (ii) in the event the Noteholders have transferred the Notes or made other changes to the shareholding structure which according to the Law in force when such transfer or change has been performed will generate a Tax on the payments received under the Notes; and

provided further that, in the event the Noteholders have the right to benefit in any way from any deduction or withholding on taxes or otherwise, in whole or in part, according to the applicable laws (i) no Additional Amount shall be due in the portion covered by any such deduction or withholding on tax benefits, or (ii) should such Additional Amount have already been paid by the Issuer, it will be paid back by the Noteholders to the Issuer;
- (xiv) promptly notify to the Noteholders and the Representative of the Noteholders the occurrence of any failure by the Issuer to fulfill its obligations under the present Terms and Conditions or any event which may cause an Event of Default;
- (xv) procure that the DSRA Balance Target is met at each Interest Payment Date, as verified on the immediately following Calculation Date;
- (xvi) maintain and operate the Plant in accordance with the applicable laws and Project Documents' provisions, and in a safe, efficient and business-like manner and preserve it from any damage;
- (xvii) maintain the Insurance Policies (also, but not limited to, by paying the relevant *premia*), refrain from modifying or amending any material provision thereof and

- from any action or omission that would reduce or avoid the liability of the relevant insurance company;
- (xviii) maintain any material intellectual property necessary for the operation and maintenance of the Plant;
  - (xix) ensure that a representative of the Noteholders, also through a Technical and Market Advisor appointed by the Noteholders or their representative, is (i) given reasonable access to the Plant and the Land and (ii) entitled to inspect and take copies of the Issuer's records on 5 (five) Business Days prior notice to the Issuer;
  - (xx) diligently fulfill all the obligations undertaken by the Issuer towards Monte Titoli and the Italian Stock Exchange, in relation to the centralized management of the Notes;
  - (xxi) other than any Permitted Indebtedness, not incur into any Financial Indebtedness;
  - (xxii) other than the Security Package, not create, incur, assume or permit to exist any Lien on any of the Issuer's Assets;
  - (xxiii) comply with the provisions of Annex A (*Financial and Reporting Undertakings*);
  - (xxiv) comply with all laws, regulations and tax provisions applicable to them and will make regular and timely liquidations and payments required and due with respect to taxes, and charges of a similar nature and their withholding taxes, except taxes that:
    - (a) are contested in good faith by the Issuer and for which appropriate reserves have been allocated in accordance with the accounting principles; and
    - (b) for which payment may be legitimately subordinated, without giving rise to the payment of any penalty or pre-emption rights of a competent tax authority on the assets of the Issuer;
  - (xxv) hire any employee solely in accordance with the Operating Budget;
  - (xxvi) promptly deliver to the Noteholders and the Representative of the Noteholders , upon becoming aware of any Potential Event of Default or Event of Default, an Officers' Certificate specifying such Potential Event of Default or Event of Default and what action the Issuer is taking or proposes to take with respect thereto;
  - (xxvii) annually provide, starting from release of the PAC, a report in the form attached hereto as Annex E;
  - (xxviii) within 3 days from the Issue Date, send to the Representative of the Noteholders the evidence that the Notes are traded in the green sector of the ExtraMOT PRO<sup>3</sup>;
  - (xxix) procure that each of the PAC and the FAC are obtained within the deadlines agreed in the EPC Contract;
  - (xxx) procure the issuance of the SUAPE Plant Operation Authorization by the Entry into Operation;
  - (xxxi) simultaneously with the execution of each PPA, procure that the Issuer's monetary claims thereunder are assigned by way of security (*cessione in garanzia*) to the Noteholders and its effectiveness (*opponibilità*) towards third parties;
  - (xxxii) procure that the Sponsor makes all Equity Contributions pursuant to the Equity Contribution Agreement;
  - (xxxiii) procure that the Minimum Positive Balance is respected from the Issue Date until the Entry into Operation and, thereafter, at each Calculation Date;



- (xxxiv) within 20 (twenty) Business Days from the Issue Date, procure the closing of the following bank accounts opened in the name of the Issuer: (a) account opened with Banca Monte Paschi di Siena S.p.A. and (b) account opened with Unicredit S.p.A.;
- (xxxv) not fire (*licenziare*) any employee without prior written consent of the Senior Noteholders;
- (xxxvi) procure that any Direct Agreement is entered into within 60 days from the Issue Date;
- (xxxvii) if the Technical and Market Advisor deems it required, the Issuer shall, within 90 days from the written request, (i) build an on-site tank for the storage of the liquid digestate for a capacity of ca 5,000 tonnes (or any other capacity deemed necessary by the Technical and Market Advisor) or alternatively (ii) provide for similar solutions (such as rent prefabricated tanks or other) approved by the Technical and Market Advisor. For this purpose the Issuer shall apply the funds allocated on the MRA for extraordinary expenses.

## 8. EVENTS OF DEFAULT

Each Noteholder shall have the right to request the early redemption of the Notes upon the occurrence of any of the following events (each event below shall be treated as an “**Event of Default**”), provided that, these are not remedied from the Issuer within the later of, 30 (thirty) calendar days from the date on which the Issuer is aware of such circumstance, or 60 (sixty) calendar days from the date of occurrence of Event of Default; and provided further that the Events of Default in let. (a), (b), (c), (d), (e), (g), (i), (j), (k), (m), (p), (r), (s), (t), (u), (v), (w) and (x) of this Conditions will not enjoy of such remedy period and no resolution of the Noteholders under Condition 11 (*Meeting of the Noteholders*) will be required, occurring the early redemption upon delivery to the Issuer of a Default Early Redemption Request:

- (a) **Payment Default:** any failure of the Issuer to pay any principal or Interest Amounts payable on the Notes, unless such failure (i) is due to an administrative or technical error which is not the result of willful misconduct (*dolo*) or gross negligence (*colpa grave*) of the Issuer and the relevant payment is performed within 5 (five) Business Days of the relevant discovery of the administrative or technical error or (ii) or solely with respect to any principal or Interest Amounts payable on the Junior Notes B, is remedied within 90 (ninety) calendar days from the due date.
- (b) **Insolvency Proceedings of the Issuer, the Sponsor:** (i) judicial steps have been taken against the Issuer, the Sponsor aimed at commencing any Insolvency Proceedings; and/or (ii) the Issuer or the Sponsor is subject to any Insolvency Proceedings or has entered into any of the agreements provided for by article 182 *bis* or article 67 paragraph 3 (d) of the Italian Bankruptcy Law; provided that the above subparagraphs (i) and (ii) shall not apply to any proceeding which is discharged, stayed or dismissed within 90 (ninety) calendar days from its commencement; and/or (iii) the Issuer or the Sponsor is subject to any of the situation described in articles 2482, 2482-bis and 2842-ter of the Italian Civil Code, save for what provided under Condition 7(x); (iv) the Issuer or the Sponsor is unable, or admits its inability, to pay its debts as they fall due, ceases or threatens to cease to carry on business or substantially the whole of its business.
- (c) **Liquidation:** the adoption of a resolution of the competent body of the Issuer whereby it is resolved the winding up of the Issuer or the Sponsor Guarantor, as applicable.
- (d) **Litigation:** (A)(a) any claim or investigation in relation to the Issuer or the Sponsor that is likely to be adversely determined and if so determined would have a Material Adverse Effect or (b) the filing against the Issuer or the Sponsor of any civil, criminal, labour, environmental, tax or other litigation, arbitration, or administrative or regulatory proceeding, claim or action (including any dispute with any statutory or

governmental authority) for an aggregate amount exceeding Euro 50.000 (fifty thousand/00); provided that subparagraphs (a) and (b) shall not apply to any litigation, arbitration or administrative proceedings which is (i) discharged, stayed or dismissed within 60 (sixty) calendar days of its commencement or (ii) frivolous, vexatious, or remotely able to produce a Material Adverse Effect, in the Noteholders' opinion (acting in good faith, in accordance with the provisions of article 1375 of the Italian Civil Code); or (B) the Issuer settles any civil, criminal, labour, tax or other litigation, arbitration, or administrative or regulatory proceeding, claim or action (including any dispute with any statutory or governmental authority); provided that the Issuer may enter into one or more settlements whereby it undertakes solely payment obligations for an aggregate, yearly amount not higher than Euro 50.000 (fifty thousand/00).

- (e) **Covenants:** any of the covenants under Condition 7 (*Covenants by the Issuer*) is not complied with by the Issuer.
- (f) **Cross default of the Issuer or the Sponsor:** (a) the Issuer or the Sponsor fails to pay any amount due to under any Financial Indebtedness, incurred in with respect to the Issuer, without breaching Condition 7 (xxi) (other than payment obligations arising from the Notes); (b) the Issuer or the Sponsor fails to pay any amount (other than payment obligations arising from the Notes) within 10 (ten) calendar days of its due date or within any grace period agreed with the relevant creditor; (c) any amount due by the Issuer or the Sponsor becomes due and payable prior to its specified maturity date as a result of an event of default (or the relevant creditor becomes entitled to make a declaration to that effect) or (d) any facility or commitment granted to the Issuer or the Sponsor, incurred into with respect to the Issuer without breaching Condition 7 (xxi), is cancelled or suspended by the relevant creditors as a result of an event of default, in each case save where the aggregate amount of all amounts under (b), (c) and (d) above at that time is less than Euro 100,000 (one hundred thousand/00).
- (g) **Project Documents, Equity Contribution Agreement and Patronage Letter:** (A) (i) any Project Document is amended or becomes invalid, null, void, unenforceable or is suspended, in full or in any material part thereof; (ii) the Issuer or any relevant party to a Project Document fails to comply with its material obligations thereunder; (iii) the Issuer fails to enforce its rights (other than its termination rights) under any Project Document; (iv) the Issuer assigns or transfers any of its rights under the Project Documents; (v) any action is taken (including, but not limited to giving notice) by the Issuer or any relevant party to a Project Document to terminate the relevant Project Document or the relevant Project Document terminates by law; or (vi) it is or becomes unlawful for any party to perform any of its obligations under the Project Documents; provided that, each Feedstock Supply Contract and PPA shall be renewed upon the relevant termination substantially at the terms and conditions defined in the relevant definitions hereunder and (B) the Equity Contribution Agreement becomes invalid, null, void, unenforceable or is suspended, in full or in any material part thereof; (ii) the Sponsor fails to comply with the material obligations under the Equity Contribution Agreement or the Patronage Letter; (iii) any action is taken by the Sponsor to terminate the Equity Contribution Agreement or the Patronage Letter or are terminated by law; or (iv) it is or becomes unlawful for the Sponsor to perform any of its obligations under the Equity Contribution Agreement or the Patronage Letter;
- (h) **Material Adverse Effect:** any event or circumstance occurs which in the Noteholders' opinion (acting in good faith, in accordance with the provisions of article 1375 of the Italian Civil Code) has or is reasonably likely to have a Material Adverse Effect.
- (i) **Force Majeure Events:** the occurrence of force majeure events, such as wars, revolutions, embargos, actions by civil and/or military authorities, earthquakes, floods, droughts, water pollution, power lines breaks that persist for a period exceeding 90

(ninety) nonconsecutive calendar days in the same solar year and from which on the expiry of the 90 (ninety) calendar days derives an Event of Default.

- (j) **Authorizations:** any Authorization (i) is transferred, or otherwise disposed of or is revoked, annulled, cancelled, terminated, or otherwise ineffective (also temporarily) and (ii) any Authorization is challenged via *ricorso straordinario al Presidente della Repubblica* in accordance with, and within the applicable terms set out by, law Decree of the President of the Republic no. 1199, dated November 24, 1999.
- (k) **Construction and operation of the Plant:** the Plant is not built and is not operated and managed in accordance with the applicable Project Documents, Authorizations and applicable laws (including, but not limited to, any Environmental Law).
- (l) **Grants:** the Issuer makes any application for any grant of funds or other benefit of any nature (including fiscal), whether national, regional or from any other local authority, the existence of which would be in contrast with the Authorizations.
- (m) **Compulsory nationalization of the Issuer's or Sponsor's Assets:** nationalization, expropriation or dispossession by a government, public or regulatory body of the Plant or all or substantially all of the Issuer's or Sponsor's Assets.
- (n) **Unlawfulness:** it is or will become unlawful for the Issuer or the Sponsor to perform or comply with any of its material obligations under the Transaction Documents to which it is a party or any of such material obligations conflicts with its by-laws (*atto costitutivo* and *statuto*) or contractual obligations.
- (o) **Validity and enforceability of the Security Package:** any agreement constituting the Security Package becomes null, void or unenforceable for any reason, other than by waiver (*rinuncia alle garanzie*) by the Noteholders.
- (p) **Change of Control:** an event or circumstance of Change of Control occurs.
- (q) **Information:** any information provided to the Noteholders by or behalf of the Issuer is misleading untrue or incorrect in any material respect.
- (r) **Compliance with laws:** the Issuer or the Sponsor fails to comply in any material respect with any applicable Anti-Corruption Laws, Anti-Money Laundering Laws, Environmental Laws, any employment law provisions, any collective bargaining labour contract provisions, any law provision (including any EU law provisions) for the specific field of operation of the Plant, or building laws (*norme edilizie, urbanistiche*).
- (s) **Illegality and increased costs:** the Noteholders notify the Issuer that (a) is or becomes contrary to any law or regulation for the Noteholders to maintain the Notes; or (b) as a result of any change in (or in the interpretation, administration or application of), or to the generally accepted interpretation or application of, or the introduction of, any law or regulation, any amounts payable in respect of the Notes would be subject to withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or any political or administrative subdivision thereof or any authority thereof or therein and no Additional Amount shall be paid by the Issuer to compensate such withholding or deduction.
- (t) **Accounts:** the Issuer opens any bank or deposit account, other than the Accounts.
- (u) **Center of interest:** the Issuer or the Sponsor fails to have (i) its “*business centre of interest*” in Italy, pursuant to article 3(1) of the EU Insolvency Regulation or (ii) establishes any foreign branch, pursuant to article 2(h) of the EU Insolvency Regulation.

- (v) **Change in law:** any law or regulation is enacted or issued to change, repeal or replace the energy regulatory legal framework which is likely to have a Material Adverse Effect.
- (w) **ADSCR and LLCR:** as at any Interest Payment Date (according to the calculation made on the immediately following Calculation Date), the ADSCR or the LLCR fall below 1.05x (one point zero five times).
- (x) **Plant performance and availability:** (i) minimum availability or performance thresholds set out in the EPC Contract are not met by the Plant during the relevant acceptance test regulated under the EPC Contract and/or minimum availability or performance thresholds set out in the SE&M Agreement are not met by the Plant during any contractual year of the SE&M Agreement or (ii) single or cumulative liability caps of the EPC Contractor under the EPC Contract and/or the SE&M Contractor under the SE&M Agreement (e.g., *inter alia*, indemnities due to delivery delays, or failure to meet performance or availability thresholds, or overall liability cap) are hit.
- (y) **Equity Contribution:** the quotholder's meeting of the Issuer has not adopted, within 30 days from the Issue Date, a Capital Increase resolution in relation to the Equity Contribution (*conferimento in conto futuro aumento di capitale*) of Euro 500.000 due and contributed by the Shareholders on 15 July 2021, and, therefore, the relevant Equity Contribution has become invalid, null or void.

Following a resolution approved under article 17 (*Extraordinary Resolutions*) of the Rules requesting the early redemption of the Notes, on the first Business Day following a 20 (twenty) calendar days prior request (the “**Default Early Redemption Request**”) of early redemption (the “**Default Early Redemption Date**”) by the Noteholders to the Issuer, to be sent according to the applicable provisions of law and as requested by the Italian Stock Exchange, the amounts payable by the Issuer to the Noteholders shall become immediately due and payable with respect to the then Principal Amount Outstanding, *plus* interest accrued and unpaid thereon, in accordance with the Priority of Payments.

The Issuer shall promptly notify to the Italian Stock Exchange, Monte Titoli, the Calculation Agent, the Paying Agent, the Noteholders and the Representative of the Noteholders of the receipt of the Default Early Repayment Request together with (i) detailed information of the Event of Default and (ii) the relevant Default Early Repayment Date.

The Noteholders may approve a resolution in accordance with article 17 (*Extraordinary Resolutions*) of the Rules to waive an existing Event of Default or Potential Event of Default and its consequences.

## 9. PAYMENTS

Payments of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by authorized intermediaries.

Payments of principal and interest in respect of the Notes are subject in all cases to any fiscal or other applicable laws and regulations.

## 10. ADMISSION TO TRADING

The Issuer has filed the Notes with the Italian Stock Exchange for admission to trading on the ExtraMOT PRO<sup>3</sup>.

The decision of the Italian Stock Exchange and the date of commencement of trading of the Notes on the ExtraMOT PRO<sup>3</sup>, together with the functional information to trading shall be communicated by the Italian Stock Exchange with a notice, pursuant to Sec. 224.3 of the Guidelines contained in the regulation for the management and operation of the ExtraMOT PRO<sup>3</sup> issued by the Italian Stock Exchange, and effective from June 8, 2009 (as amended and supplemented from time to time).

The Notes are not traded in a regulated market (“*mercato regolamentato*”) therefore are not subject to the Commission Regulation (EC) No 809/2004.

The Notes will not enjoy the support of an “*operatore specialista*” as defined in the ExtraMOT PRO<sup>3</sup> Regulation.

#### **11. RESOLUTIONS AND AUTHORIZATIONS RELATING TO THE NOTES AND THE SECURITY PACKAGE**

The issuance of the Notes and the granting of the Security Package were approved by the resolution of the quotaholders’ meeting of the Issuer on 4 June, 2021 and registered in the relevant chamber of commerce on 16 June 2021.

#### **12. MEETINGS OF THE NOTEHOLDERS AND APPOINTMENT OF THE REPRESENTATIVE OF THE NOTEHOLDERS**

Each of the Senior Noteholders A and the Junior Noteholders A will be organized (each an “**Organization**”) in a meeting (*assemblea*) pursuant to the Rules.

Each Organization may appoint and remove a representative, whose rights and powers are set out in the Rules (the “**Representative of the Noteholders**”). Banca Finint S.p.A. is hereby appointed as the first Representative of the Noteholders. As long as a Representative of the Noteholders is appointed, this latter:

(a) shall receive on behalf of the Noteholders from the Issuer any notice, proof, evidence and communication to be served or provided by the Issuer to the Noteholders under the Conditions (but it shall be obliged to forward such notices, proofs, evidences and communications to the Noteholders only upon written request of these latter); and

(b) may provide, on behalf and in the name of the Noteholders, consents, opinions and notifications that the Noteholders may provide to the Issuer under the Conditions (but it may provide such consents, opinions and notifications to the Issuer only upon written instructions of the Noteholders in accordance with the provisions of the Rules and the Intercreditor Agreement).

#### **13. STATUTE OF LIMITATION**

Claims against the Issuer for payments in respect of the Notes will be barred and become void (*prescritti*) unless made within ten years in the case of principal or five years in the case of interest from the date the relevant payment are due.

#### **14. TAXATION**

Without prejudice to the provisions of Condition 7 (xiii) (*Covenants by the Issuer*), any tax, levy, impost, duty or other charge of a similar nature, fee, present and future, applicable to the Notes shall be borne by the Noteholders.

#### **15. NOTICES**

Notwithstanding any applicable provision to the contrary, all the communications from the Issuer to the Noteholders will be considered valid if made through publication on the website of the Issuer at the following address [www.BSGreen.it](http://www.BSGreen.it), and in compliance with the disclosure requirements of the ExtraMOT PRO<sup>3</sup> Regulation and applicable laws; provided that, as long as the Notes are held on behalf of the beneficial owners through Monte Titoli, the Issuer shall maintain the right to notify certain communications to the Noteholders through Monte Titoli.

#### **16. GOVERNING LAW AND JURISDICTION**

The Notes are governed by, and shall be construed in accordance with, Italian law.

The Courts of Milan shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with these Notes.

## ANNEX A

### Financial and Reporting Undertakings

1. The Issuer will provide to the Noteholders all documents, confirmations and evidence required by the Noteholders to satisfy its "*know your customer*" requirements or similar identification checks in order to meet its obligations from time to time under applicable money laundering, or similar, laws and regulations;
2. the Issuer will provide the Noteholders with semi-annual and audited annual (as long as listed in ExtraMOT PRO<sup>3</sup>) financial statements for the Issuer at the earlier of (A) as regards the semi-annual financial statement, 90 (ninety) calendar days following each 30 of June (starting from June 30, 2022) and (B) as regards the audited annual financial statement (i) the provision of such statements to any shareholder in the Issuer or (ii) within one hundred and eighty (180) calendar days of the end of the relevant fiscal year, in each case including a statement of operations, balance sheet, statement of cash flows and shareholders' equity.
3. **Base Case update**
  - 3.1 No later than 40 (forty) calendar days following each Interest Payment Date the Issuer will notify to the Noteholders its proposal for the Technical and Market Assumptions certified by the Technical and Market Advisor to be used for the next Calculation Date and the figures to be used for the Economic Assumptions for the next Calculation Date.
  - 3.2 The Issuer will make such proposals in good faith after careful consideration and enquiry and such proposals will genuinely reflect views which it believes in good faith to be reasonable in the circumstances and will be consistent with the provisions of the Terms and Conditions.
  - 3.3 Together with the Base Case update, the Issuer shall provide that the Technical and Market Assumptions received from the Technical and Market Advisor.
  - 3.4 For the purpose of updating the Base Case, the Issuer shall factor in (i) the Economic Assumptions and (ii) any other economic and financial assumption in each Base Case update due on each Calculation Date falling in December.
  - 3.5 Upon receipt of the updated Base Case, the Noteholders may propose changes in order to:
    - (i) correct any historical data known to be inaccurate; or
    - (ii) correct any manifest error.
    - (iii) incorporate any changes to the Technical and Market Assumptions and Economic Assumption agreed or determined according to the above,
  - 3.6 The Noteholders may propose such a change by giving written notice to the Issuer setting out the proposed change and the reasons why it believes such a change is required.
  - 3.7 The Noteholders can prepare the updated Base Case in the event that the Issuer: (i) fails to deliver the notice according to 3.1 or delivers an updated

Base Case that has been proposed on the basis of the Technical and Market Assumptions and/or Economic Assumptions or changes to the Base Case that have not been agreed or determined in accordance with the Annex A.

- 3.8** If any disagreement arises in relation to such changes to the updated Base Case, the Noteholders and the Issuer will negotiate in good faith for the purpose of agreeing changes to the updated Base Case.
- 3.9** If the Issuer and the Noteholders are unable to reach on agreement on the above changes within 10 (ten) days from the relevant written notice, then either of them may refer the matter to an expert (the “**Expert**”) for resolution. The Expert shall be appointed jointly by the Issuer and the Noteholders or, if such agreement is not reached within 5 (five) Business Days of the proposal of either party, the Expert shall be the person nominated on the application of the Issuer or the Noteholders to the president for the time being of (i) the *Ordine dei Dottori Commercialisti di Milano* in the case of any reference in respect of the Base Case or relating to taxation or (ii) to the *Ordine degli Ingegneri di Milano* in the case of any other matter, or if such entity has ceased to exist or in case of failure to nominate the Expert, such other entity or persons as may be reasonably selected by the Noteholders.
- 3.10** The costs of any Expert and the costs reasonably incurred in giving effect to any decision of the Expert, shall be entirely borne by the Issuer.
- 3.11** Any changes to the updated Base Case shall take effect and be binding on and from the date such changes are agreed or determined in accordance with the above provisions.

#### **4. Operating Budget**

- 4.1** Not less than 60 (sixty) days and not more than 90 (ninety) days before the first day of each of its calendar year (starting from 2021), the Issuer shall deliver to the Noteholders and the Technical and Market Advisor a revised draft operating budget (the “**Operating Budget**”) for approval by the Noteholders.
- 4.2** Each revised operating budget shall comprise an Operating Budget (together with a commentary thereon) for the next following 24 (twenty four) months setting out costs and revenues for such 12 (twelve) month period on a monthly basis and setting out the costs and revenues for all subsequent financial years until the Final Maturity Date on a semi-annual basis. The Issuer shall also ensure that each revised Operating Budget is prepared using the same form as used for the initial operating budget and, in any event, consistent with the Base Case and sets out the costs and revenues in reasonable detail together with all related Technical and Market Assumptions and Economic Assumptions
- 4.3** Within 30 (thirty) days of receipt of the revised Operating Budget, the Noteholders shall notify the Issuer whether the Operating Budget has been approved by the Noteholders.
- 4.4** If the Noteholders do not approve the Operating Budget, then: (i) the Noteholders shall provide the Issuer with reasonable details of the grounds for such disapproval; (ii) the existing Operating Budget shall continue in



effect without any amendment; and (iii) the Issuer shall submit a further revised draft operating budget to the Noteholders.

- 4.5** Within 30 (thirty) days of receipt of the revised draft Operating Budget, the Noteholders may: (i) notify the Issuer that the revised draft Operating Budget has been approved, or (ii) ask the Issuer for amendments to the revised draft Operating Budget. In such a case, the Noteholders and the Issuer may consult between themselves and with the Technical and Market Advisor. If no agreement is reached within 20 (twenty) Business Days of the Noteholders request for amendments, the Expert shall apply provisions regarding the reference of the subject matter to on.
- 4.6** Upon the Expert having reached a decision in relation to a dispute over the revision of the Operating Budget, the draft Operating Budget as revised by the Expert shall become the Operating Budget.
- 4.7** Unless approved by the Noteholders, the Issuer shall not incur or pay any cost where that cost or payment (in aggregate with all other amounts incurred or paid in respect of that category of cost for the relevant half year period) exceeds the aggregate amount allowed for that category of costs for that half year period in the Operating Budget by more than 10% (ten per cent.). This clause shall not restrict or prevent the Issuer from incurring or paying a particular cost to the extent that the relevant cost is a tax payment related to applicable law (including but not limited to Environmental Law).

**5. Operating Report** The Issuer shall prepare and deliver to the Technical and Market Advisor an Operating Report for each semi-annual period from the Calculation Date falling in 31 December 2022 until the Final Maturity Date. The first Operating Report shall be delivered by the Issuer not later than the first Calculation Date. Each other Operating Report shall be delivered by the Issuer at each Calculation Date.

- 5.2** The Issuer will ensure that each Operating Report contains or encloses the following details: (i) the performance of the Plant during the semi-annual period ending on that Interest Payment Date; (ii) actual expenditure for the relevant semi-annual period and a comparison of that expenditure against the corresponding figures in the Operating Budget; (iii) forecast expenditure for each of the next following two semi-annual periods together with a comparison of that forecast expenditure against the corresponding figures in the Operating Budget; (iv) any change, damage to or destruction of the Plant; (v) copies of any certificates or reports provided to the Issuer under the SE&M Agreement; (vi) cash balances of each of the Accounts as at the first day and the last day of the relevant semi-annual period; and (vii) any other or additional information that the Noteholders may reasonably request the Issuer to provide in relation to the operation of the Plant.

**6. Technical Advisor Reports** The Issuer shall ensure that the Technical and Market Advisor delivers to the Noteholders a Technical Advisor Construction Report and Technical Advisor Operating Report according to the below.

- 6.2** The Issuer shall ensure that (i) the Technical and Market Advisor delivers to the Noteholders a Technical Advisor Construction Report within 10 (ten) Business Days from the end of each calendar month with respect to the construction work progress of the Plant with respect to the immediately prior calendar month, until the PAC and (ii) the relevant Technical Advisor

Construction Report is published on the Issuer website pursuant to Clause 15 of the Terms and Conditions.

- 6.3** The Issuer will ensure that each Technical Advisor Construction Report contains or encloses the following details: (i) material delivered in situ, (ii) works (work progress); (iii) actual expenditure for the relevant period and a comparison of that expenditure against the corresponding figures in the construction budget; (iv) details of the status of the interconnection works carried out by the EPC Contractor including Connection of the Plant, together with any information that indicates a delay or potential delay in such works; (v) the Issuer's opinion as to whether completion of the plant and, if the Issuer thinks that date is not achievable, the Issuer's best estimate of when completion of the plant will be achieved (together with reasons for that estimate); (vi) any material change, damage to or destruction of the Plant; (vii) any other material delay to the works or any extensions of time granted by the Issuer to any party carrying out construction related activities under the EPC Contract; (viii) details of any delay liquidated damages or performance liquidated damages which have been paid to or received by the Issuer under the EPC Contract; (ix) all change orders requested under the EPC Contract, together with details of any action it proposes to take in relation to the same; and (x) any other or additional information that the might reasonably request the Issuer to provide in relation to the construction of the Plant.
- 6.4** The Issuer shall ensure that the Technical and Market Advisor delivers to the Noteholders a Technical Advisor Operating Report for each semi-annual period from the Interest Payment Date falling in 31 December 2022 and, thereafter, for each annual period until the Final Maturity Date. The Issuer shall ensure that the first Technical Advisor Operating Report is delivered by the Technical and Market Advisor not later than the Interest Payment Date falling in 31 December 2022. The Issuer shall ensure that: (i) each other semi-annual Technical Advisor Operating Report shall be delivered by the Technical and Market Advisor within 20 (twenty) Business Days after each Calculation Date and (ii) each annual Technical Advisor Operating Report shall be delivered by the Technical and Market Advisor on each Calculation Date. The management of the digestate will be monitored quarterly and at any time upon specific request by the Noteholders.
- 6.5** The Issuer will ensure that each Technical Advisor Operating Report contains or encloses the following details: (i) the performance of the Plant during the semi-annual period ending on that Calculation Date including but not limited to: (a) electricity generated, (b) self-consumption (c) electricity injected into the grid; (d) global performance; (e) feedstock price and quantity (m3) burnt and feedstock price forecast ; (h) actual expenditure for the relevant semi-annual period and a comparison of that expenditure against the corresponding figures in the Operating Budget; (i) forecast expenditure for each of the next following two semi-annual periods together with a comparison of that forecast expenditure against the corresponding figures in the Operating Budget; (j) the general status of the Plant, the extraordinary maintenance activity carried out, recommendations on the O&M activities and on the extraordinary maintenance to be carried out by, any change, damage to or destruction of any material of the Plant; (k) the MRA Amount necessary (if applicable); and (l) any other or additional information that the Noteholders may reasonably request in relation to the

operation of the Plant. The management of the digestate will be monitored quarterly and at any time upon specific request by the Noteholders.

**7. Environmental and social** No more than ten (10) days after becoming aware of any social, labour, health and safety, security or environmental incident, accident or circumstance, of any material adverse effect or material adverse impact on the implementation or operation of the Plant's operations in compliance with the Environmental Law requirements, the Issuer shall notify the Noteholders of and shall in each case specify the nature of the incident, accident, or circumstance and the impact or effect arising or likely to arise therefrom, and the measures being taken, or plans to be taken to address them and prevent any future similar event; and keep the Noteholders informed of the on-going implementation of those measures. Without prejudice to the generality of the foregoing paragraph, if the Noteholders has cause to suspect that there is any material non-compliance with the Environmental Law requirements the Noteholders may request that the Issuer provide such information as necessary in order to assist the Noteholders with their enquiry into compliance with the Environmental Law requirements.

**7.2** The Issuer shall make available to the Noteholders any additional information in its possession or which it can reasonably obtain and that the Noteholders may reasonably request from time to time concerning environmental or social matters regarding the Plant.

**7.3** The Issuer and the Sponsor shall use its best efforts to cause the Plant to continue to comply with relevant environmental and social requirements and encourage to work towards continuous improvements in environmental, social and governance matters.

**7.4** The Issuer shall keep copies of the relevant documents collected during the due diligence process, concerning environmental or social matters regarding the Plant (including the documentation utilised for the due diligence process) for a period of not less than six (6) years.

**7.5** The Issuer shall make, and keep, readily available up to date information on the use of proceeds to be renewed annually until full allocation, and on a timely basis in case of material developments. The annual report shall include a list of the projects to which the proceeds of this Notes have been allocated, as well as a brief description of the projects and the amounts allocated, and their expected impact.

## **8. Miscellanea**

The Issuer will provide the Noteholders with:

**8.1** available details of civil, criminal, labour, tax or other litigation, arbitration, or administrative or regulatory proceeding, claim or action (including any dispute with any statutory or governmental authority) which takes place, is pending or threatened in writing against or involving the Issuer or to the extent it acquires knowledge in writing thereof, any of its counterparty under the Project Documents;

**8.2** without prejudice to the Conditions, a copy of any notice received or given by the Issuer constituting any step towards, or purporting or threatening default or, the rescission, termination or cancellation of any of the Project Documents, together with details of any action proposed to be taken in relation to the same;

- 8.3 details of any claims in relation to any Insurance Policy; and
- 8.4 any other reasonable information requested by the Noteholders with the respect to the Issuer and the Plant, the Land or any other of its Assets or activities.

**9. Financial and Reporting Undertakings through the Representative of the Noteholders**

As long as a Representative of the Noteholders is appointed, all reporting and undertakings to be provided or performed, as the case may be, to the Noteholders, shall be provided or performed, as the case may be, to the Representative of the Noteholders . For the avoidance of doubt, the Representative of the Noteholders shall be obliged to forward to the Noteholders all reports, notices, communications and other documents received in the context of the transaction only upon written request of these latter).

## ANNEX B

### Redemption schedule of the Notes

#### Senior Notes B

BS Green - Senior Bond 1						
Mandatory Scheduled Redemption						
Amount model			5,650,000			
Nominal Holding of			50,000			
Ratio		€	113.00			
Ratio Adjusted		€	113.00			
Amount model			5,650,000.00			
Note Interest Payment Date	Principal Due (Model)	Principal Due (per Nominal Holding of EUR 50000)	Oustanding (per Nominal Holding of EUR 50000)	Principal Due (per Nominal Amount)	Percentage	
0.00%	31-Dec-21	0.00%	-	50,000.00	-	0.000%
0.00%	30-Jun-22	0.00%	-	50,000.00	-	0.000%
6.40%	31-Dec-22	6.35%	3,175.00	46,825.00	358,775.00	6.350%
14.30%	30-Jun-23	7.91%	3,955.00	42,870.00	446,915.00	7.910%
22.40%	31-Dec-23	8.13%	4,065.00	38,805.00	459,345.00	8.130%
27.00%	30-Jun-24	4.55%	2,275.00	36,530.00	257,075.00	4.550%
34.00%	31-Dec-24	7.02%	3,510.00	33,020.00	396,630.00	7.020%
41.20%	30-Jun-25	7.21%	3,605.00	29,415.00	407,365.00	7.210%
48.40%	31-Dec-25	7.21%	3,605.00	25,810.00	407,365.00	7.210%
54.70%	30-Jun-26	6.34%	3,170.00	22,640.00	358,210.00	6.340%
60.30%	31-Dec-26	5.61%	2,805.00	19,835.00	316,965.00	5.610%
66.30%	30-Jun-27	5.95%	2,975.00	16,860.00	336,175.00	5.950%
70.90%	31-Dec-27	4.60%	2,300.00	14,560.00	259,900.00	4.600%
76.80%	30-Jun-28	5.92%	2,960.00	11,600.00	334,480.00	5.920%
82.20%	31-Dec-28	5.39%	2,695.00	8,905.00	304,535.00	5.390%
86.80%	30-Jun-29	4.58%	2,290.00	6,615.00	258,770.00	4.580%
92.00%	31-Dec-29	5.15%	2,575.00	4,040.00	290,975.00	5.150%
95.40%	30-Jun-30	3.43%	1,715.00	2,325.00	193,795.00	3.430%
100.00%	31-Dec-30	4.65%	2,325.00	-	262,725.00	4.650%

## Junior Notes B

### BS Green - Junior Notes

#### Mandatory Scheduled Redemption

Amount model	750,000
Nominal Holding of	50,000
Ratio	€ 15.00
Ratio Adjusted	€ 15.00
<b>Amount model</b>	<b>750,000.00</b>

Note Interest Payment Date	Principal Due (Model)	Principal Due (per Nominal Holding of EUR 50000)	Oustanding (per Nominal Holding of EUR 50000)	Principal Due (per Nominal Amount)	Percentage
31-Dec-21	0.00%	-	50,000.00	-	0.000%
30-Jun-22	0.00%	-	50,000.00	-	0.000%
31-Dec-22	17.79%	8,893.00	41,107.00	133,395.00	17.786%
30-Jun-23	15.43%	7,715.00	33,392.00	115,725.00	15.430%
31-Dec-23	5.44%	2,721.00	30,671.00	40,815.00	5.442%
30-Jun-24	12.26%	6,128.00	24,543.00	91,920.00	12.256%
31-Dec-24	13.90%	6,948.00	17,595.00	104,220.00	13.896%
30-Jun-25	14.91%	7,456.00	10,139.00	111,840.00	14.912%
31-Dec-25	12.15%	6,073.00	4,066.00	91,095.00	12.146%
30-Jun-26	8.13%	4,066.00	-	60,990.00	8.132%

## ANNEX C

### Accounts Management

1. The Issuer shall maintain the Accounts until the Final Maturity Date.

The Issuer shall not withdraw from any Account if it would cause such Account to become overdrawn.

2. **Proceeds Account**

The Issuer shall operate the Proceeds Account as follows:

- 2.1 Credits to the Proceeds Account**

The Issuer shall procure that the following amounts are credited to the Proceeds Account:

- (i) all amounts paid to the Issuer under (A) any Feedstock Supply Contract, (B) any PPA and (C) under the Patronage Letter;
- (ii) any Insurance Proceeds and any Liquidated Damages due to the Issuer;
- (iii) in accordance with para. 4.2, item (iii) of this Annex, any amount by which any DSRA positive balance exceeds the DSRA Balance Target;
- (iv) in accordance with para. 7.2, item (ii) of this Annex, any amount by which any MRA positive balance exceeds the MRA Amount;
- (v) in accordance with para. 3.2, item (i)(a), (ii) and (iii) of this Annex, full or part, as applicable, of the positive balance of the Cash Trap Lockup Account;
- (vi) 15 (fifteen) Business Days prior to the Final Maturity Date or an Early Redemption Date (if any), credit the full positive balance of the Escrow Account, the DSRA, the MRA and the Cash Trap Lockup Account;
- (vii) in accordance with para. 5.2(v) of this Annex, any amount standing to the credit of the Escrow Account;
- (viii) at the Issue Date, the Minimum Positive Balance;
- (ix) any amount (other than those to be credited on any other Issuer's Account) due and paid to the Issuer not listed above;

- 2.2 Payments from the Proceeds Account**

The Issuer shall only make withdrawals, payments or transfers from the Proceeds Account as follows, provided that the following order of priority will apply for payments due and payable on the same date:

- (i) pay the due and payable Operating Costs (provided that, following the service of a Default Early Redemption Request the following items (ii), (iii), (iv), (v) and (vi) shall not be deemed included in the definition of Operating Costs);
- (ii) pay any Taxes due by the Issuer and any Tax liability asserted against the Issuer;
- (iii) on each Interest Payment Date, pay, *pro rata*, all costs, charges, fees and expenses of the Representative of the Noteholders and the Senior Noteholders;
- (iv) on each Interest Payment Date, pay all costs, charges, fees and expenses (other than Interest Amounts, Default Interest and Principal Amount Outstanding) due and payable under the Notes or for the enforcement of any rights of the Noteholders under the Transaction Documents;
- (v) on each Interest Payment Date, pay Interest Amounts and Default Interest (if any) due and payable under the Senior Notes B;

- (vi) on each Interest Payment Date, repay the due and payable Principal Amount Outstanding of the Senior Notes B;
- (vii) if applicable, on each Calculation Date, credit the MRA with an amount equal to the positive difference (if any) between (x) the MRA Amount and (y) the positive balance of the MRA on the Interest Payment Date immediately preceding the relevant Calculation Date;
- (viii) on each Calculation Date, credit the DSRA with an amount equal to the positive difference (if any) between (x) the DSRA Balance Target calculated on such Calculation Date and (y) the positive balance of the DSRA on the Interest Payment Date immediately preceding the relevant Calculation Date;
- (ix) on the Calculation Date on which is verified that an ADSCR Trigger or an LLCR Trigger has occurred, unless a Default Early Redemption Request is served, in which case this item (ix) shall not apply, credit the Cash Trap Lockup Account the full positive balance remaining on the Proceeds Account after application thereof to all of the previous items;
- (x) on each Interest Payment Date, make mandatory prepayment of the Principal Amount Outstanding of the Notes in accordance with Condition 6.2;
- (xi) on each Interest Payment Date, make voluntary prepayment of the Principal Amount Outstanding of the Notes in accordance with Condition 6.4;
- (xii) on each Interest Payment Date, pay Interest Amounts and Default Interest (if any) due and payable under the Junior Notes B;
- (xiii) on each Interest Payment Date, repay the due and payable Principal Amount Outstanding of the Junior Notes B;
- (xiv) on each Calculation Date, credit the Junior Notes Debt Service Reserve Account with an amount equal to the Junior Notes Debt Service Reserve for the following Interest Payment Date;
- (xv) on each Calculation Date on which the Distribution Conditions are met, credit to the Distribution Account the positive difference (if any) between (a) the then positive balance of the Proceeds Account and (b) Minimum Positive Balance standing on the Proceeds Account.

### **3. Cash Trap Lockup Account**

The Issuer shall operate the Cash Trap Lockup Account as follows:

#### **3.1 Credits to the Cash Trap Lockup Account**

On any Calculation Date on which is verified that an ADSCR Trigger or an LLCR Trigger has occurred, the Issuer shall procure that, the payment from the Proceeds Account listed in para. 2.1, item (ix) of this Annex will be transferred on the Cash Trap Lockup Account.

#### **3.2 Payments from the Cash Trap Lockup Account**

The Issuer shall only make withdrawals, payments or transfers from the Cash Trap Lockup Account as follows:

- (i) on the Calculation Date falling after the Calculation Date on which any amounts were credited on the Cash Trap Lockup Account, the Issuer shall:
  - a) transfer the full positive balance thereon on the Proceeds Account, if the Target Ratio Conditions are met; or
  - b) apply the positive balance thereon to repay the Principal Amount Outstanding of the Notes in accordance with Condition 6.2.3, if the Target Ratio Conditions are not met; and



- (ii) on the Calculation Date immediately following the Calculation Date under (i) above, the Issuer shall transfer the remaining positive balance thereon on the Proceeds Account, if the Target Ratio Conditions are met;
- (iii) 15 (fifteen) Business Days prior to the Final Maturity Date or an Early Redemption Date (if any), transfer on the Proceeds Account the full positive balance of the Cash Trap Lockup Account.

#### **4. Debt Service Reserve Account**

The Issuer shall operate the Debt Service Reserve Account as follows:

##### **4.1 Credits to the DSRA**

The Issuer shall procure that the following amounts are credited to the Debt Service Reserve Account:

- (i) in accordance with para. 5.2, item (ii) of this Annex, transfer from the Escrow Account an amount equal to the DSRA Balance Target;
- (ii) thereafter, on each Calculation Date transfer amounts from the Proceeds Account, in accordance with para. 2.2, item (viii) of this Annex, up to the DSRA Balance Target.

##### **4.2 Payments from the DSRA**

The Issuer shall only make withdrawals, payments or transfers from the Debt Service Reserve Account as follows:

- (i) on each Interest Payment Date, to pay any shortfall of the Issuer in paying any of the amounts referred to in para. 2.2, items (v) and (vi) of this Annex with the positive balance of the Proceeds Account;
- (ii) on each Interest Payment Date, to credit the Proceeds Account with the sums credited to the DSRA under 4.1(iii) on the immediately prior Calculation Date;
- (iii) to credit the Proceeds Account with the positive difference (if any) between (a) the DSRA positive balance and (b) the DSRA Balance Target;
- (iv) and 15 (fifteen) Business Days prior to the Final Maturity Date or an Early Redemption Date (if any), transfer on the Proceeds Account the full positive balance of the DSRA.

#### **5. Escrow Account**

The Issuer shall operate the Escrow Account as follows:

##### **5.1 Credits to the Escrow Account**

The Issuer shall procure that:

- (i) on the Issue Date, the Subscription Price and the initial Equity Contribution is credited on the Escrow Account;
- (ii) each further Equity Contribution is credited on the Escrow Account.

##### **5.2 Payments from the Escrow Account**

The Issuer shall only make withdrawals, payments or transfers from the Escrow Account as follows, with the prior written approval of the Noteholders:

- (i) on or after the Issue Date, perform any payment of Transaction Costs in accordance with the Funds Flow Memo applicable on or about the Issue Date;
- (ii) on the Issue Date, in accordance with the Funds Flow Memo, fund the DSRA with an amount equal to the DSRA Balance Target;

- (iii) on the Issue Date, in accordance with the Funds Flow Memo, fund the MRA with an amount equal to the MRA Amount;
- (iv) upon receipt of the relevant Technical Advisor Construction Report certifying the construction work progress of the Plant, pay the relevant EPC Price Instalment to the EPC Contractor, provided that the Sponsor has complied with its obligations under the Equity Contribution Agreement;
- (v) 15 (fifteen) Business Days prior to the Final Maturity Date or the Early Redemption Date (if any), transfer the positive balance thereof (if any) on the Proceeds Account.

## **6. Distribution Account**

The Issuer shall operate the Distribution Account as follows:

### **6.1 Credits to the Distribution Account**

On each Calculation Date on which the Distribution Conditions are met, transfer the relevant amount of Distribution from the Proceeds Account, in accordance with para. 2.2, item (xv) of this Annex.

### **6.2 Payments from the Distribution Account**

Notwithstanding anything to the contrary under this Terms and Conditions, the Issuer may make payments or transfers from the Distribution Account without restrictions (including the repayment of any Shareholders Loan, as an exception to their subordination to the Notes).

## **7. Maintenance Reserve Account**

The Issuer shall operate the Maintenance Reserve Account as follows:

### **7.1 Credits to the MRA**

The Issuer shall procure that the following amounts are credited to the MRA:

- (i) in accordance with para. 5.2, item (iii) of this Annex, transfer from the Escrow Account an amount equal to the MRA Amount;
- (ii) thereafter, on each Calculation Date, transfer the MRA Amount from the Proceeds Account to the MRA Account, in accordance with the para. 2.2, item (vii) of this Annex;
- (iii) the sum(s) recovered by the relevant manufacturer for the defective components within warranty, in amount equal to the higher of (A) the relevant sum(s) and (B) the extraordinary maintenance expense(s) incurred in for the relevant component(s) within warranty paid from the MRA.

### **7.2 Payments from the MRA**

The Issuer shall only make withdrawals, payments or transfers from the MRA as follows:

- (i) with the prior written consent of the Representative of the Noteholders (acting upon written instructions of the Noteholders in accordance with the provisions of the Rules and the Intercreditor Agreement), for paying (A) any maintenance expense of the Plant which is not under the obligations of the SE&M Contractor under the relevant SE&M or that remains unpaid for a period longer than 120 days by the SE&M Contractor and (B) extraordinary maintenance expense of Plant components within warranty;
- (ii) to credit the Proceeds Account with the positive difference (if any) between (a) the MRA positive balance and (b) the MRA Amount;
- (iii) to pay any amount provided under Condition 7 (Covenants by the Issuer) item (xxxvii);
- (iv) upon full repayment of the Principal Amount Outstanding of the Senior Notes B and Interest Amounts accrued and unpaid thereof, transfer on the Distribution Account the full positive balance of the MRA;

- (v) 15 (fifteen) Business Days prior to the Final Maturity Date or an Early Redemption Date (if any), transfer on the Proceeds Account the full positive balance of the MRA.

## **8. Junior Notes Debt Service Reserve Account**

The Issuer shall operate the Junior Notes Debt Service Reserve Account as follows:

### **8.1 Credits to the Junior Notes Debt Service Reserve Account**

The Issuer shall procure, on each Calculation Date, that the amounts specified in para. 2.2, item (xiv) of this Annex are credited to the Junior Notes Debt Service Reserve Account.

### **8.2 Payments from the Junior Notes Debt Service Reserve Account**

One Business Day prior to each Interest Payment Date, the Issuer shall credit to the Proceeds Account the full positive balance of the Junior Notes Debt Service Reserve Account.

## ANNEX D

### Insurance Policies

The following insurance policies shall be entered into, in each case, the date set out in the relevant paragraphs of this Annex D (*Insurance Policies*) and have an annual (renewable) duration or a longer duration as may be agreed and shall be kept in full force and effect for so long as any amounts remain outstanding under the Transaction Documents.

The Insurances listed in this Annex D (*Insurance Policies*):

- (a) should be entered into and maintained in force with insurance companies having a rating not lower than "A-" by Standard & Poor's or equivalent rating from Moody's, Fitch or A.M. Best and however to the liking of the Noteholders;
- (b) the sums insured and the risks covered by the policies shall in no case be reduced without the prior written approval of the Noteholders and any modification will be subjected to acceptance of the Technical and Market Advisor and Insurance Advisor.

the conditions mentioned shall be understood as maximum limits in respect of deductibles, while minimum limits in relation to guarantees and limits of compensation.

- EAR Erection all risk, in the name of the EPC Contractor and with the Issuer as beneficiary for the construction phase: Policy Proposal n°00064 11 48328807 of Helvetia (will be entered into at the beginning of the EPC contract).
- RCT-RCO: Allianz proposal n°112452494 (will be entered into at the beginning of the construction phase).
- IAR : Industrial all risk, for the operation phase which covers in addition to everything else also latent defects for buildings and machinery, theft, fire, explosion, natural events, acts of terrorism.

**APPENDIX 1**  
**FINANCIERS ENDORSEMENT**

Insurances set out in this Annex D shall contain the following provisions or endorsements.

In particular, the All Risks Property - Machinery Breakdown - Business Interruption affected by the Issuer shall be endorsed with clauses provided in this Appendix 1.

In order to protect the financial entities interests on the project, we recommend incorporating the following loss payee clause in all insurance policies:

1. In this endorsement:

"**Noteholders**" has the meaning ascribed to it in the Terms and Conditions.

"**Company**" means the Issuer.

"**Insurers**" means each entity or person insured under this policy severally.

2. The Insurers acknowledge that they have been notified that the Company has assigned by way of first ranking security to the Noteholders all its rights title and interest in this insurance and in the subject matter of this insurance and consent thereto, and confirm that they have not been notified of any other assignment of or security interest in the Company's interest in this insurance.

3. The Insurers acknowledge that the Noteholders and (in respect of third party liabilities) their respective officers, directors, employees agents and advisers are each additional co-insureds under this policy. The Insurers waive all rights of contribution against any other insurance effected by the Noteholders or their directors officers or employees or agents or advisers.

4. The Insurers hereby waive all rights of subrogation or action howsoever arising which they may have or acquire arising out of any occurrence in respect of which any claim is admitted hereunder against:

- (a) any of the Noteholders or their officers, directors, employees, agents and advisers; and
- (b) the Company and any other insured party until all its financial indebtedness to the Noteholders has been discharged.

5. The Insurers acknowledge receipt of consideration for the insurance of the Noteholders hereunder and acknowledge that the Noteholders are not liable for payment of any premium payable by any other insured under this insurance. The Insurers shall not be entitled to offset any sums payable to the Noteholders against premium or other monies owing by the Company.

6. The insurance provided by this policy is primary insurance. The amount of the insurers' liability shall not be reduced by the existence of other insurance of the same risk. The Insurers waive any claim for average or contribution in respect of any other insurance of the insured risks.

7. It is agreed that the inclusion of one or more Insured in this policy shall not affect the rights of any Insured as respects any claim, demand, law suit or judgment made or brought by or for any other Insured or by or for any employee of any Insured. This policy shall protect each Insured in the same manner as though a separate policy has been issued to each, but the inclusion herein of more than one Insured shall not serve to increase the limit of the insurers' liability. the

liability of the Insurers under this Policy to any one Insured shall not be conditional upon the due observance and fulfilment by any other insured party of the terms and conditions of this Policy or of any duties imposed upon that insured party relating thereto, and shall not be affected by any failure in such observance or fulfilment by any such other insured party.

8. The Insurers acknowledge that (i) they have received adequate information in order to evaluate the risk of insuring the Company in respect of the risks hereby insured, on the assumption that such information is not materially misleading, and (ii) there is no information which has been relied on or is required by Insurers in respect of their decision to co-insure the Noteholders or their directors, officers, employees agents or advisers.
9. Notwithstanding any other provisions of this policy, Insurers agree not to avoid this insurance, or any valid claim under it on the grounds that the risk or claim was not adequately disclosed, or that it was misrepresented, unless deliberate or fraudulent non-disclosure or misrepresentation is established in relation thereto. Non-disclosure or misrepresentation by one Insured shall not be attributable to any other insured party who did not actively participate in that non-disclosure or misrepresentation knowing it to be such.
10. **Loss Payee Clause - Policies:** By way of loss payment agreement, the Insurers undertake that, until the Agent shall otherwise have notified and directed the Insurers, all monies due under this policy to any Insured, whether by way of claims, return premiums, ex gratia settlements or otherwise shall be paid as follows, or to such other account or accounts as the Agent so notifies to the Insurers:
  - (i) in the case of monies due under delay in start-up insurance and business interruption insurance, payment shall be made to the insured Company's Proceeds Account;
  - (ii) in the case of all other monies due under this policy, payment shall be made to the insured Company's Proceeds Account.

#### LOSS PAYEE CLAUSE - POLICIES INVOLVING THIRD PARTY LIABILITY:

By way of loss payment agreement, the Insurers undertake that, until the Agent shall otherwise have notified and directed the Insurers, all monies due under this policy to any Insured, whether by way of claims, return premiums, ex gratia settlements or otherwise shall be paid as follows, or to such other account or accounts as the Noteholder so notifies to the Insurers:

In the case of all monies due under this policy, payment shall be made to the insured Company's Proceeds Account provided that, where payment represents claims monies due to satisfy a liability of the Issuer to a third party and where those monies are to be paid by the Insurers against a release from the third party to the insured Company in respect of the liability satisfied through the payment, the Insurers may make the payment direct to the third party on behalf of the insured Company after giving the Noteholder 10 days notice in writing of its intention so to do if the Noteholder has not objected to that payment to that third party within that 10 day period.

11. The Insurer shall pay such amount as will reimburse to the Insured the cost to it in euro of its loss or liability.
12. The Insurers shall give to the Noteholder at least 45 days notice in writing:
  - (a) before any cancellation can take effect if any Insurer cancels or gives notice of such cancellation of all or any cover under this insurance for any reason;
  - (b) before avoiding for non payment of any outstanding premium in order to give an

opportunity for that premium to be paid within the notice period;

- (c) before any reduction in limits or coverage, any increase in deductibles or any termination before the original expiry date is to take effect;
  - (d) of any act or omission or of any event of which the Insurer has knowledge and which the Insurer considers may invalidate or render unenforceable in whole or in part this insurance.
13. The Noteholder is not agent of any party other than the Noteholders for receipt of any notice or any other purpose in relation to this insurance.
14. All notices or other communications under or in connection with this policy will be given in writing or by fax. Any such notice will be deemed to be given as follows:
- (a) if in writing, when delivered;
  - (b) if by fax, on the date on which it is transmitted but only if (i) immediately after the transmission, the sender's fax machine records the correct answerback (ii) the transmission date is a normal business day in the country of the recipient at the time of transmission and is recorded as received before 5 p.m. on that date in the recipient's time zone, failing which it shall be deemed to be given on the next normal business day in the recipient's country.

The address and fax number of the Noteholder for all notices under or in connection with this policy are those notified from time to time by the Noteholder for this purpose to the Company. The initial address and fax number of the Noteholder are as follows:

The Noteholder: Piazza Barberini 52, 00187 Rome  
For the attention of: Diomidis Dorkofikis e Francesco Maggi

15. This policy shall be governed by and interpreted in accordance with Italian Law.
16. This endorsement changes the policy. It overrides any conflicting provision in any policy or prior endorsement to which it applies.



## APPENDIX 2

### BROKER LETTER OF UNDERTAKING

The Borrower shall procure - in respect of the Insurances specified in this Annex D (*Insurance Policies*) that the brokers through whom such Insurances have been procured deliver to the Noteholder - (i) the Insurance Policies and/or documents certifying that the risks referred to and specified in this Annex D (*Insurance Policies*) are duly covered, and (ii) the Broker Letter of Undertaking substantially in the form set out in this Appendix 2 as soon as practicable after each insurance is effected or renewed.

To: **[Banca Finint S.p.A.]**

[•]

[•]

For the attention of: [•]

as agent (the "**Representative of the Noteholders** ") and any successors

Dear Sirs,

In this letter:

"**Borrower**" means the Issuer.

"**Noteholders**" has the meaning ascribed to it in the Terms and Conditions.

"**Insurance**" means each of those insurances which the Borrower has agreed with the Finance Parties to procure and maintain in relation to the said project which are from time to time arranged by ourselves or by other companies within our group of companies.

"**Insurance Proceeds**" means has the meaning ascribed to it in the Terms and Conditions.

Pursuant to instructions received from the Borrower and in consideration of your approving our appointment or continuing appointment on behalf of the Noteholders to arrange maintain and monitor the Insurances covered by this letter (including renewals and/or replacements of them), we confirm that:

- (a) the Insurances are in full force and effect as evidenced by the attached policies or, failing those, cover notes, and comply with the Borrower's obligations under the Transaction Documents including the loss payee clause in compliance with Transaction Documents;
- (b) we are not aware (after making reasonable enquiry) of any information which should have been disclosed to insurers in order to constitute proper disclosure of the risks insured, or that any information disclosed was inaccurate or misleading;
- (c) we are not aware (after making reasonable enquiry) of any reason why the Borrower or any insurer may be unwilling or unable to honour its obligations in relation to the Insurances, or to avoid the Insurances, in whole or in part.
- (d) we acknowledge that the Noteholders have a direct interest in the Material Insurances as co-insured and an indirect interest in them arising from their security interest in them and in the claims proceeds deriving from them. In respect of our services during the term of our appointment, we accept responsibility for acting as insurance broker on behalf of the Noteholders in respect of the co-insurance of the Noteholders (or the Noteholder on their behalf) under the Material Insurances on policy terms (including lender endorsements) agreed from time to time by you.

We hereby undertake in respect of the interests of the Borrower and the Noteholders in the Insurances:

1. To notify promptly to all insurers from time to time of the Insurances of the assignment of the Borrower's rights under the Insurances and to the Insurance Proceeds to the Noteholders in such form as you may require and to procure their acknowledgement of receipt of such notices of assignment and by having the notices endorsed on the policies of Insurance, and to provide you with true copies of such notices and endorsements;
2. in the case of any Insurance policy, as and when the same is issued or renewed, to ensure that it complies with the requirements that the Borrower and the Noteholders have previously agreed and that it contains terms or endorsements agreed between the Borrower and the Noteholders;
3. to notify you:
  - (i) promptly when we are informed of any proposed changes in the terms of the Insurances which we reasonably believe would, if effected, result in any material reduction in limits or alteration in coverage (including those resulting from extensions) or increase in deductibles, exclusions or exceptions;
  - (ii) at least 30 days prior to the expiry of these Insurances with all reasonable information regarding their renewal arrangements, including premiums and insurers and reinsurers and terms and conditions of renewal cover; and
  - (iii) promptly if any premium due has not been paid within when due, or if any insurer or reinsure gives notice of cancellation non-renewal or avoidance of any Insurance or threatens to do so;
  - (iv) of any act or omission or of any event of which we have actual knowledge and which might reasonably be foreseen as invalidating any Insurance or rendering it void, avoidable or unenforceable in whole or in part;
  - (v) immediately in the event of our becoming aware of any purported assignment of or the creation of any security interest over the Borrower's interest or rights in any of the Insurances;
4. to disclose to you any fact, change of circumstance or occurrence which we know to be material to the risks insured against under the Insurance arranged by us promptly when we become aware of such fact, change of circumstance or occurrence, and if so requested by you to disclose the same to affected insurers and reinsurers;
5. to hold all Insurance policies received by us to your order, subject to our lien, if any, in respect of monies owing to us in respect of any Insurance;
6. to procure payment of any claim collected by us on behalf of the Borrower or the Noteholders in accordance with the Loss Payment clause (if any) within the Insurance;
7. to pay promptly to insurers all premium received from the Borrower or for which we are liable in order to ensure that each Insurance is valid and enforceable in accordance with its terms;
8. to make available to you on reasonable request our placing and claims files, and provide you with copies of any documents from those files.

We undertake to inform you in writing immediately if we receive or give notice that we are to cease to act as insurance brokers to the Borrower for the purpose of arranging, maintaining and/or monitoring any Insurances previously arranged by us. Paragraphs 1-8 above are subject to our continuing appointment as insurance brokers in relation to the Insurances concerned and the handling of claims in relation to them.

This letter shall be governed by and construed in all respects in accordance with Italian law.

Yours faithfully

Attachments: [to be described]

# ANNEX E

## Operating Budget

BUDGET DI CASSA		Budget	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Totale	Varia Budget
<b>ENTRATA OPERATIVA</b>																				
Market energy selling - energia elettrica venduta a prezzo di mercato (year average)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Auto consumption - auto autoconsumo (year average)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Solid plant output - vendita biogas		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Plant waste income - conferimenti		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALI ENTRATE OPERATIVE (A)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>USCITE OPERATIVE</b>																				
Progetti impianti		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Costi startup		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Personale dipendenti		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Materie		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Manutenzioni		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Altre spese operative		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALI USCITE OPERATIVE (B)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RISULTATO DI CASSA (A - B)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>ENTRATE FINANZIARIE</b>																				
Rendimenti		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rendite		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rendite capitale		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rendite titoli		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALI ENTRATE FINANZIARIE (C)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>USCITE FINANZIARIE</b>																				
Rendimenti		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rendite		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rendite capitale		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rendite titoli		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALI USCITE FINANZIARIE (D)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RISULTATO DI CASSA (C - D)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RISULTATO DI CASSA (A + C - B - D)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RISULTATO DI CASSA (A + C - B - D) (MIGLIAIARDI)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RISULTATO DI CASSA (A + C - B - D) (MIGLIAIARDI) (MIGLIAIARDI)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**ANNEX F**  
**Funds Flow Memo**

Uses			Sources		
Fixed Assets	10,655.7	78.23%	Shareholder Loan	765.7	5.62%
Advisor	214.5	1.57%	Equity	10.0	0.07%
other construction costs	604.0	4.43%	Bond	11,345.0	83.29%
Start up cost	350.0	2.57%	Mezzanine	1,500.0	11.01%
Cash in balance	200.0	1.47%			
Upfront fees	338.4	2.48%			
IDC	726.1	5.33%			
DSRA funding	500.0	3.67%			
Imposta sostitutiva	32.1	0.24%			
VAT Line Upfront fees	0.0	0.00%			
Reserve for new capex	0.0	0.00%			
<b>Total Uses</b>	<b>13,620.7</b>	<b>100.00%</b>	<b>Total Funds</b>	<b>13,620.7</b>	<b>100.00%</b>
VAT Credit	1,240.2		SHL for VAT financing	1,240.2	
<b>Total Uses</b>	<b>14,860.9</b>		<b>Total Funds</b>	<b>14,860.9</b>	

**ANNEX G**  
**Report Green Bond Principles**

BIOGAS SARDEGNA GREEN S.R.L.

GREEN BONDS

SECOND PARTY OPINION

Assessment of the alignment with the Green Bond  
Principles

**ROMA, JULY 6, 2021**

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2. Basis of SOGESA Consulting's opinion .....	2
3. Responsibilities of the Management of BSG and SOGESA Consulting .....	3
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5. Findings and SOGESA' opinion .....	4



## 1 . SCOPE AND OBJECTIVES

BIOGAS SARDEGNA GREEN S.r.L. (“BSG” or the “Issuer”) is an Italian company incorporated with the purpose of the development, design and construction of a 635 kWe power plant (the “Plant”) fed by animal (slaughterhouse) waste (“Animal By-Products”, or “ABP”), in the municipality of San Nicolò d’Arcidano (OR), Sardinia, Italy.

The estimated thermal production of such Plant, assuming a supply of 30.000 t/y of cat.2/cat.3 ABP, is about of 6.132 MWh/y, with a related self-consumption of 4.492 MWh/y, while the electric production is about 5.153,5 MWh/y with a related self-consumption of 1.600 MWh/y. The estimated biogas production is 350,24 Nm<sup>3</sup>/h.

The environmental benefits expected from this project are twofold; on the one hand it avoids that 30,000 tons/year of ABP are sent to waste disposal plants contributing to the resolution of an emergency situation that afflicts the Region of Sardinia, since 2017, for the treatment of these materials and on the other hand, with the energy recovery of biogas produced, it avoids the emission of about 1,900 tons of CO<sub>2</sub> per year. Therefore, the Plant falls both into the pollution prevention and control category and into renewable energy category, as required by the ICMA Guidelines.

BSG is considering the issuance of four bonds in EURO (henceforth referred to as “BONDS”): one Senior A bond of Euro 5.650.00,00, one Senior B bond of Euro 5.650.00,00, one Junior A bond of Euro 750.00,00 and one Junior B bond of Euro 750.00,00 and would like to label the Bonds as a “Green Bonds” as defined within the Green Bond Principles (GBP) by ICMA – International Capital Market Association.

The Issuer intends to use the proceeds of the BONDS to fund the construction of the Plant.

SOGESA Consulting S.r.l. (“SOGESA”) has been commissioned by BSG to provide a Green Bond Second Party Opinion on the alignment with GBP.

SOGESA is independent from the issuing company, its directors, managers and consultants. We are a specialized entity with environmental expertise and we have an organizational structure, properly trained staff and working procedures for carrying out external reviews. Sogesa has put in place a robust conflict management framework that specifically addresses the need for independence, consistency of process and data protection and our compensation is not directly tied to specific commercial outcomes.

BSG Second-Party Opinion reflects our independent opinion on the alignment of the BSG project with the current market standards and the extent to which such project is credible and impactful. We were not commissioned to provide independent assurance or other audit activities. Our methodology to achieve this is described under ‘Work Undertaken’ below. No assurance is provided regarding the financial performance of the BONDS, the value of any investments in the BONDS, or the long-term environmental benefits of the transaction. Our objective has been to provide an assessment that the BONDS have met the criteria established on the basis set out below.

*The scope of this SOGESA Consulting opinion is limited to the Green Bond Principles by ICMA – International Capital Market Association – June 2021.*

## 2 . BASIS OF SOGESA CONSULTING' S OPINION

To provide as much flexibility for the issuer BSG, we have adapted our Green Bond Principles assessment methodologies, which incorporates the requirements of the Green Bond Principles, to create a BSG - specific Green Bond Second Party Opinion Protocol (henceforth referred to as “Protocol”). Our Protocol includes a set of suitable criteria that can be used to underpin SOGESA Consulting’s opinion. The overarching principle behind the criteria is that a green bond should “enable capital-raising and investment for new and existing projects with environmental benefits”.

As for our Protocol, the criteria against which the BONDS has been reviewed are grouped under the four Principles:

- **Principle One: Use of Proceeds.** The Use of Proceeds criteria are guided by the requirement that an issuer of a green bond must use the funds raised to finance eligible activities. The eligible activities should produce clear environmental benefits.
- **Principle Two: Process for Project Evaluation and Selection.** The Project Evaluation and Selection criteria are guided by the requirements that an issuer of a green bond should outline the process it follows when determining eligibility of an investment using Green Bond proceeds and outline any impact objectives it will consider.
- **Principle Three: Management of Proceeds.** The Management of Proceeds criteria are guided by the requirements that a green bond should be tracked within the issuing organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled should be made.
- **Principle Four: Reporting.** The Reporting criteria are guided by the recommendation that at least Sustainability Reporting to the bond investors should be made of the use of bond proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

### **3. RESPONSIBILITIES OF THE MANAGEMENT OF BSG AND SOGESA CONSULTING**

The management of BSG has provided the information and data used by SOGESA Consulting during the delivery of this review. Our statement represents an independent opinion and is intended to inform BSG's management and other interested stakeholders in the BONDS as to whether the established criteria have been met, based on the information provided to us. In our work we have relied on the information and the facts presented to us by BSG.

SOGESA Consulting is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, SOGESA Consulting shall not be held liable if any of the information or data provided by BSG's management and used as a basis for this assessment were not correct or complete.

### **4. WORK UNDERTAKEN**

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by BSG in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us.

The work undertaken to form our opinion included:

- Creation of a BSG - specific Protocol, adapted to the purpose of the BONDS, as described above;
- Assessment of documentary evidence provided by BSG on the BONDS and supplemented by a high-level desktop research. These checks refer to current assessment, best practices and standards methodology;
- Discussions with BSG management, and review of relevant documentation;
- Documentation of findings against each element of the criteria. Our opinion as detailed below is a summary of these findings.

## 5. FINDINGS AND SOGESA' OPINION

SOGESA' findings are listed below:

### 1. Principle One: Use of Proceeds

BSG intends to use the proceeds of the BONDS to fund the construction of the Plant.

SOGESA Consulting is aware that the Plant will work with an adequate supply of ABP and therefore allow significant savings in GHG emissions as biogas is a renewable biofuel which does not contribute to climate change and can substitute fossil fuels for production of heat and power.

Combined with ABP it contributes to solve the problem of difficult-to-process waste.

The Plant therefore meets the requirements for inclusion in the Green Bond Principles into the “*renewable energy*” category and into the “*pollution prevention and control*” category.

On the basis of the information provided by BSG and the work undertaken, it is SOGESA Consulting's opinion that the BONDS will meet the criteria established in the Protocol and that are aligned with the stated definition of green bonds within the Green Bond Principles by ICMA, which is to enable capital-raising and investment for new and existing eligible green projects with clear environmental benefits.

### 2. Principle Two: Process for Project Evaluation and Selection

BSG is a new company incorporated for the sole purpose of the realization of the Plant and no other project evaluation process will be carried out by BSG in the foreseeable future.

The environmental objective of the construction of the Plant is to provide an efficient and sustainable waste-to-energy solution in a region where the production of ABP is much higher than the availability of facilities for their proper management.

### 3. Principle Three: Management of Proceeds

SOGESA Consulting has reviewed evidence showing how BSG plans to trace the proceeds from the BONDS, from the time of issuance to the time of disbursement.

The amount of the proceeds from the BONDS' issuance will be used to finance the construction of the Plant during an estimated period of 180 days, will be managed within treasury or equivalent and disbursed in accordance with the construction works progress. The details of the disbursements and the outstanding value will be tracked using BSG internal financial reporting system.

As stated above, SOGESA Consulting provides no assurance regarding the financial performance of the BONDS, the value of any investments in the BONDS, or the effects of the transaction.

#### 4. Principle Four: Reporting

The new version of the ICMA Guidelines pays particular attention to this requirement.

BSG will make available in its annual financial statements adequate qualitative performance indicators and quantitative performance measures concerning the environmental impact of the Plant.

In particular, we consider as appropriate to point-out the annual volumes of ABP treated, the production of biogas and energy, both thermal and electrical, and a selection of relevant KPIs with particular attention to atmospheric emissions, especially of components with odour impacts.

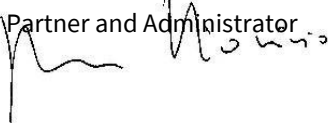
In addition, BSG shall promptly inform noteholders of any potentially significant environmental risks that may emerge during the operation of the Plant.

Roma, July 6, 2021

**for SOGESA Consulting S.r.l.**

**Stefano Dionisio**

Partner and Administrator



**Pierluigi Pireddu**

Partner and Technical Director



**SOGESA Consulting Srl**

Sede legale e operativa • Viale Giuseppe Mazzini, 6 • 00195 Roma • Tel. 06 86760968 • Fax 06 88652283

Ufficio di Milano • Via Cecilio S. Plinio, 74 • 20129 Milano • Tel. 02 84342339 • Fax 02 84342336

E-mail: [info@sogesaconsulting.it](mailto:info@sogesaconsulting.it) • PEC: [sogesaconsulting@gigapec.it](mailto:sogesaconsulting@gigapec.it) • [www.sogesaconsulting.com](http://www.sogesaconsulting.com)

P.IVA/Cod. Fisc. 09149841000 • CCIAA REA 1143178 • Organizzazione con certificazione di qualità ISO 9001:2015

# Protocol: GREEN BOND ASSESSMENT SCHEME OF BIOGAS SARDEGNA GREEN S.R.L.

## 1. USE OF PROCEEDS

Ref.	Criteria	Requirements	Work Undertaken	Findings
1a	Type of bond	<p>The bond must fall into one of the following categories, as defined by the Green Bond Principles by ICMA – International Capital Market Association – June 2021:</p> <ul style="list-style-type: none"> <li>• Standard Green Use of Proceeds Bond</li> <li>• Green Revenue Bond</li> <li>• Green Project Bond</li> <li>• Green Securitized Bond</li> </ul>	<p>Review of:</p> <ul style="list-style-type: none"> <li>- BONDS T&amp;C;</li> <li>- Technical Due Diligence;</li> <li>- Legal Due Diligence;</li> <li>- EPC Contract;</li> <li>- Feedstock supply Contracts scheme.</li> </ul> <p>Discussions with Biogas Sardegna Green ("BSG" or the "Issuer") management</p>	<p>SOGESA has verified that the Plant to be built will adopt state-of-the-art, high-efficiency technological solutions that will allow the achievement of significant environmental benefits.</p> <p>In particular, the environmental benefits expected from this project are twofold; on the one hand, it will prevent 30,000 tonnes/year of "Animal By-Products", or "ABP" are sent to disposal plants, thus contributing to the resolution of an emergency situation affecting the Region of Sardinia, since 2017, for the treatment of these materials and, on the other hand, with the energy recovery of the biogas produced, it will avoid the emission of approximately 1,900 tonnes of CO2 per year.</p> <p>The project meets the requirements for inclusion in the Standard Green Use of Proceeds Bond principles as the Plant falls both into the pollution prevention and control and renewable energy categories, as required by the ICMA Guidelines.</p>
1b	Green Project Categories	<p>The cornerstone of a Green Bond is the utilization of the proceeds of the bond, which should be appropriately described in the legal documentation.</p>	<p>Review of:</p> <ul style="list-style-type: none"> <li>- BONDS T&amp;C;</li> <li>- Technical Due Diligence;</li> <li>- Legal Due Diligence;</li> <li>- EPC Contract;</li> <li>- Feedstock supply Contracts scheme.</li> </ul> <p>Discussions with Biogas Sardegna Green management</p>	<p>BIOGAS SARDEGNA GREEN S.r.L. is an Italian company incorporated with the purpose of the development, design and construction of a 635 kWe power plant fed by animal (slaughterhouse) waste ("Animal By-Products", or "ABP"), in the municipality of San Nicolò d'Arcidano (OR), Sardinia, Italy.</p> <p>The Issuer intends to use the proceeds of the BONDS to fund the construction of the Plant.</p> <p>The revenues of the plant will be guaranteed mainly by the ABP feed-in tariff which customers will have to pay to BSG and, to a lesser extent, by the sale of the electricity produced by the CHP for the part exceeding the needs of the plant.</p>

Ref.	Criteria	Requirements	Work Undertaken	Findings
1c	Environmental benefits	All designated Green Project categories should provide clear environmentally sustainable benefits, which, where feasible, will be quantified or assessed by the issuer.	Review of: <ul style="list-style-type: none"> <li>- BONDS T&amp;C;</li> <li>- Technical Due Diligence;</li> <li>- Legal Due Diligence;</li> <li>- EPC Contract;</li> <li>- Feedstock supply Contracts scheme.</li> </ul> Discussions with Biogas Sardegna Green management	The environmental benefits expected from this project are twofold; on the one hand, it will prevent 30,000 tonnes/year of "ABP" are sent to disposal plants, thus contributing to the resolution of an emergency situation affecting the Region of Sardinia, since 2017, for the treatment of these materials and, on the other hand, with the energy recovery of the biogas produced, it will avoid the emission of approximately 1,900 tonnes of CO2 per year (based on the average level of emissions of European thermoelectric power plants).

## 2. PROCESS FOR PROJECT SELECTION AND EVALUATION

Ref.	Criteria	Requirements	Work Undertaken	Findings
2a	Investment-decision process	<p>The issuer of a Green Bond should outline the decision-making process it follows to determine the eligibility of projects using Green Bond proceeds.</p> <p>This includes, without limitation:</p> <ul style="list-style-type: none"> <li>• process to determine how the projects fit within the eligible Green Projects categories identified in the Green Bond Principles;</li> <li>• the criteria making the projects eligible for using the Green Bond proceeds;</li> <li>• and the environmental sustainability objectives.</li> </ul>	<p>Review of:</p> <ul style="list-style-type: none"> <li>- BONDS T&amp;C;</li> <li>- Technical Due Diligence;</li> <li>- Legal Due Diligence;</li> <li>- EPC Contract;</li> <li>- Feedstock supply Contracts scheme.</li> </ul> <p>Discussions with Biogas Sardegna Green management</p>	<p>BSG is a new company incorporated for the sole purpose of the realization of the Plant and no other project evaluation process will be carried out by BSG in the foreseeable future.</p>



### 3. MANAGEMENT OF PROCEEDS

Ref.	Criteria	Requirements	Work Undertaken	Findings
3a	Tracking procedure	The net proceeds of Green Bonds should be credited to a sub-account, moved to a sub- portfolio or otherwise tracked by the issuer in an appropriate manner and attested to by a formal internal process that will be linked to the issuer's lending and investment operations for Green Projects.	Review of: <ul style="list-style-type: none"> <li>- BONDS T&amp;C;</li> <li>- Technical Due Diligence;</li> <li>- Legal Due Diligence;</li> <li>- EPC Contract;</li> <li>- Feedstock supply Contracts;</li> <li>- Financial Model.</li> </ul> Discussions with Biogas Sardegna Green management	SOGESA Consulting has reviewed evidence showing how BSG plans to trace the proceeds from the BONDS, from the time of issuance to the time of disbursement.  The amount of the proceeds from the BONDS' issuance will be used to finance the construction of the Plant during an estimated period of 180 days, will be managed within treasury or equivalent and disbursed in accordance with the construction works progress. The details of the disbursements and the outstanding value will be tracked using BSG internal financial reporting system.

## 4. REPORTING

Ref.	Criteria	Requirements	Work Undertaken	Findings
4a	Periodical reporting	In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, issuers should provide at least annually a list of projects to which Green Bond proceeds have been allocated including - when possible with regards to confidentiality and/or competitive considerations - a brief description of the projects and the amounts disbursed, as well as the expected environmentally sustainable impact.	Review of: <ul style="list-style-type: none"> <li>- BONDS T&amp;C;</li> <li>- Technical Due Diligence;</li> <li>- Legal Due Diligence.</li> </ul> Discussions with Biogas Sardegna Green management	<p>BSG will make available in its annual financial statements adequate qualitative performance indicators and quantitative performance measures concerning the environmental impact of the Plant.</p> <p>In particular, we consider as appropriate to point-out the annual volumes of ABP treated, the production of biogas and energy, both thermal and electrical, and a selection of relevant KPIs with particular attention to atmospheric emissions, especially of components with odour impacts.</p> <p>Furthermore, no more than ten days after becoming aware of any social, labour, health and safety, security or environmental incident, accident or circumstance, of any material adverse effect on the implementation or operation of the Plant's operations in compliance with the Environmental Law requirements BSG shall notify the Noteholders of and shall in each case specify the nature of the incident, accident, or circumstance and the impact or effect arising or likely to arise therefrom, and the measures being taken, or plans to be taken to address them and prevent any future similar event.</p>

**ANNEX H**  
**Patronage Letter**

To:

**[SPV 130]**

[•]

*(as Junior Bondholder and Senior Bondholder)*

**[Foresight Italian Green Bond Fund]**

[•]

*(as Senior Bondholder)*

[•], 2021

**Re: Letter of Patronage proposal**

Dear Sirs,

following our previous discussions, please find below our letter of patronage proposal.

**WHEREAS:**

- (i) Biogas Sardegna Green S.r.l. a company incorporated under the laws of Italy, having its registered office at [•], VAT No. [•] (the “**Issuer**”), will issue on [•], the following notes: Euro [•] due [•] and Euro [•] due [•] (together, the “**Senior Bonds**”) and Euro [•] due [•] and Euro [•] due [•] (together, the “**Junior Bonds**” and together with the Senior Bonds, the “**Bonds**”);
- (ii) on [•] 2021, [Foresight Italian Green Bond Fund] and [SPV 130] (the “**Senior Bonds Subscribers**”) have entered into a senior bonds subscription agreement with the Issuer whereby the Issuer has undertaken to issue, and the Senior Bonds Subscribers have undertaken to subscribe, the Senior Bonds;
- (iii) on [•] 2021, [SPV 130] (in its capacity as the “**Junior Bonds Subscriber**”) has entered into a junior bonds subscription agreement with the Issuer whereby the Issuer has undertaken to issue, and the Junior Bonds Subscriber has undertaken to subscribe, the Junior Bonds;
- (iv) in accordance with the terms and conditions of the Junior Notes B, a patronage letter in favour of the Junior Bonds Subscriber shall be issued by Anaergia S.r.l., a company incorporated under the laws of Italy, having its registered office at [•], VAT No. [•] (the “**Patronnant**”) and holding [•]% of the corporate capital of the Issuer;
- (v) capitalised terms used in this letter but not defined herein shall have the same meaning ascribed to them in the terms and conditions of the Bonds, whose terms and conditions the Patronnant hereby acknowledges to be fully aware of.

Now, therefore, on the basis of the foregoing, by executing this letter the Patronnant undertakes as follows.

1. The Patronnant expressly and irrevocably undertakes to provide, directly or indirectly, without raising any objection, to the Issuer any amount necessary to repay in full or in part the principal of the Junior Bonds and any interest accrued and unpaid on such principal, as the case may be, on any relevant due date, in case the Issuer does not have sufficient available funds for such purpose, no later than [(five)] Business Days prior to the date on which the principal and/or interest amounts, as applicable, are due under the terms and conditions of the Junior Bonds, in immediately available funds on the Proceeds Account.
2. The maximum liability of the Patronnant under clause 1 of this letter shall not exceed an amount equal to Euro [•].
3. The undertakings of the Patronnant under this letter are provided by the Patronnant for the benefit of the Junior Bond Subscriber and, at the request of this latter, to any further holder of the Junior Bonds.
4. Should the Patronnant pay any amount in accordance with clause 1 above, it undertakes not to take any action or file any claim against Issuer until and unless the Senior Bonds and the Junior Bonds have been redeemed in full and interest accrued and unpaid thereon are fully paid.
5. The Patronnant represents and warrants that, as of the date of this letter and throughout the entire duration of this letter:
  - a) the Patronnant is a company validly incorporated, in good standing and duly registered under the laws of Italy and has all requisite power to conduct its business as currently conducted, holding [•]% of the corporate capital of the Issuer;
  - b) the Patronnant is not and has never been involved in proceedings for its dissolution, its liquidation, suspension of payments nor has it passed any resolution for its voluntary winding up and is not insolvent or subject to any bankruptcy or insolvency proceeding (or any equivalent or similar proceedings in any other jurisdiction) nor has it ever filed any application for admittance to any bankruptcy or insolvency procedure or similar proceedings;
  - c) all corporate actions necessary for the Patronnant to approve the execution and performance of this letter have been carried out and the Patronnant has full legal right, power and the authority and legal capacity to execute this letter and to fulfil its obligations hereunder;
  - d) the execution and delivery of this letter do not violate the Patronnant's articles of association and/or other constitutional and corporate documents (including any members' agreement), do not constitute a breach by the Patronnant under, nor give rise to a right of termination, cancellation, acceleration or amendments of, any contract or other commitment undertaken by the Patronnant, nor violate any judgement, order, injunction, award, decree or applicable laws whatsoever, where any such breach would affect its ability to execute or perform its obligations under this letter.
6. This letter shall terminate upon the full repayment of the principal of the Junior Bonds and any interest accrued and unpaid on such principal by the Issuer.
7. Any communication or notice required or permitted to be given under this letter shall be made in writing and in English language and shall be deemed to have been duly and validly given (i)

in the case of notice sent by registered letter, upon the Business Day following the signing of the return receipt by the recipient and (ii) in the case of notice sent by e-mail, upon the Business Day following receipt by the sender of the receipt of delivery by the recipient, addressed, in each case, as follows:

if to the Patronnant:

**Anaergia S.r.l.**

[•]

Italy

E-mail: [•]

if to the Junior Bondholders:

**[SPV 130]**

[•]

E-mail: [•],

or at such other address as either party may hereafter provide to the other by written notice.

8. The terms of this letter and any contractual and non-contractual obligations, dispute, damage, liability or claim arising out of or in connection with it shall be governed by, and interpreted in accordance with, the laws of Italy, and each of the parties submits to the exclusive jurisdiction of the courts of Milan.

Yours faithfully,

**Anaergia S.r.l.**

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Name: [•]

Title: [•]

**EXHIBIT A**  
**RULES OF THE ORGANISATIONS OF THE SENIOR NOTEHOLDERS AND JUNIOR NOTEHOLDERS**

**TITLE I**  
**GENERAL PROVISIONS**

**1**     **GENERAL**

- 1.1     Organisations of the Noteholders is created for each of the Euro 5.650.000 Senior Secured Notes due 2030 (the “**Senior Notes**”) and Euro 750.000 Junior Secured Notes due 2026 (the “**Junior Notes**”), concurrently with their issuance by Biogas Sardegna Green S.r.l. and are both governed by the Rules of the Organisation of the Noteholders set out therein (“**Rules**”).
- 1.2     Each Noteholder is a member of the Organisation of the Noteholders.
- 1.3     The Rules shall remain in force and effect until full repayment or cancellation of all the Notes.
- 1.4     The contents of the Rules are deemed to be an integral part of each Note issued by the Issuer, and, therefore, binding on any Noteholder.

**2**     **DEFINITIONS AND INTERPRETATION**

**2.1**    **Definitions**

2.1.1    In these Rules, the terms set out below have the following meanings:

“**Basic Terms Modification**” means any proposal:

- (a)     to change any date fixed for the payment of principal or interest in respect of the Notes of any Class;
- (b)     to reduce or cancel the amount of principal or interest due on any date in respect of the Notes of any Class or to alter the method of calculating the amount of any payment in respect of the Notes of any Class on redemption or maturity;
- (c)     to change the quorum required at any Meeting or the majority required to pass any Ordinary Resolution or Extraordinary Resolution;
- (d)     to change the currency in which payments due in respect of any Class of Notes are payable;
- (e)     to alter the priority of payments of interest or principal in respect of any of the Notes;
- (f)     to effect the exchange, conversion or substitution of the Notes of any Class for, or alter the nature (*rappporto causale*) of such Notes, including conversion into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate, formed or to be formed;
- (g)     to resolve on the matter set out in Condition 9.1 (*Noteholders not entitled to proceed directly against Issuer*); or
- (h)     a change to this definition.

“**Chairman**” means, in relation to a Meeting, the individual who takes the chair in accordance with Article 8 (*Chairman of the Meeting*) of the Rules.

“**Class**” means any of the Senior Notes and the Junior Notes.

“**Conditions**” means the terms and conditions of the Notes, as from time to time modified in accordance with the provisions herein contained.

“**Extraordinary Resolution**” means a resolution concerning only or also any matter set out in Article 17 (*Extraordinary Resolution*) of the Rules, passed at a Meeting, duly convened and held in accordance with the provisions contained in the Rules.

“**Holder**” in respect of a Note means the ultimate owner of such Note.

“**Meeting**” means a meeting of Noteholders of any Class or Classes whether originally convened or resumed following an adjournment.

“**Monte Titoli**” means Monte Titoli S.p.A.

“**Monte Titoli Account Holder**” means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli (*as intermediari aderenti*) in accordance with articles 83-bis *et seq.* of the Italian Consolidated Financial Act.

“**Most Senior Class of Noteholders**” means the Holders of the Most Senior Class of Notes, as from time to time identified.

“**Most Senior Class of Notes**” means (i) the Senior Notes, or (ii) following the redemption in full of the Senior Notes, the Junior Notes.

“**Ordinary Resolution**” means a resolution on any matter other than those set out in Article 16 (*Ordinary Resolution*) of the Rules, passed at a Meeting, duly convened and held in accordance with the provisions contained in the Rules.

“**Proxy**” means a person appointed to vote under a Voting Certificate as a proxy or in a separate document.

“**Relevant Fraction**” means:

(a) for voting on any Ordinary Resolution: 50 (fifty) per cent;

(b) for voting on any Extraordinary Resolution also when relating to a Basic Terms Modification: 75 (seventyfive) per cent.

“**Resolutions**” means Ordinary Resolutions and Extraordinary Resolutions collectively.

“**Transaction Party**” means any person who is a party to a Transaction Document.

“**Voter**” means, in relation to any Meeting, the Holder or a Proxy identified under a Voting Certificate.

“**Voting Certificate**” means, in relation to any Meeting, the notice issued in accordance with article 83-sexies, first paragraph, of the Italian Consolidated Financial Act.

“**Written Resolution**” means a resolution expressed in writing, by or on behalf of Noteholders of the relevant Class, having the relevant quorum set out in Rule 9, by signing one document or several documents.

“**24 hours**” means a period of 24 hours including all or part of a day on which banks are open for business both in the place where any relevant Meeting is to be held.

“**48 hours**” means 2 consecutive periods of 24 hours.

2.1.2 Unless otherwise provided in these Rules, or the context requires otherwise, words and expressions used in the Rules shall have the meanings and the constructions ascribed to them in the Conditions.

## 2.2 Interpretation

2.2.1 Any reference herein to an “**Article**” shall, except where expressly provided to the contrary, be a reference to an article of these Rules.

2.2.2 A “**successor**” of any party shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under any Transaction Document or to which, under such laws, such rights and obligations have been transferred.

2.2.3 Any reference to any person defined as a “**Transaction Party**” in these Rules or in any Transaction Document or the Conditions shall be construed so as to include its and any subsequent successors and transferees in accordance with their respective interests.

### 3 **PURPOSE OF THE ORGANISATION**

The purpose of the Organisation of the Noteholders is to co-ordinate the exercise of the rights of the Noteholders and, more generally, to take any action necessary or desirable to protect the interest of the Noteholders, in accordance with the provisions of article 2415 of the Italian Civil Code.

## TITLE II

### MEETINGS OF THE NOTEHOLDERS

#### 4 **VOTING CERTIFICATES**

##### 4.1 **Issue**

A Noteholder may obtain a Voting Certificate in respect of a Meeting by requesting its Monte Titoli Account Holder to issue a certificate in accordance with the regulation issued jointly by the Bank of Italy and CONSOB on August 13, 2018, (*Disciplina delle controparti centrali, dei depositari centrali e delle attività di gestione accentrata*) as amended from time to time.

##### 4.2 **Deemed holder**

So long as a Voting Certificate is valid, the party named therein as Holder or Proxy, shall be deemed to be the Holder of the Notes to which it refers for all purposes in connection with the Meeting to which such Voting Certificate relates.

#### 5 **VALIDITY OF VOTING CERTIFICATES**

A Voting Certificate shall be valid in accordance with the Italian Consolidated Financial Act and regulation issued jointly by the Bank of Italy and CONSOB on August 13, 2018, (*Disciplina delle controparti centrali, dei depositari centrali e delle attività di gestione accentrata*).

#### 6 **CONVENING A MEETING**

##### 6.1 **Meetings**

Each Class shall hold separate Meetings.

##### 6.2 **Convening a Meeting**

The Representative of the Noteholders or the Issuer may convene Meetings of the Noteholders of any Class at any time and the Representative of the Noteholders shall be obliged to do so upon the request in writing by Noteholders representing at least one-tenth of the aggregate Principal Amount Outstanding of the outstanding Notes of the relevant Class.

##### 6.3 **Meetings convened by Issuer**

Whenever the Issuer is about to convene a Meeting, it shall immediately give notice (in accordance with the Conditions) and in writing to the Representative of the Noteholders, specifying the proposed day, time and place of the Meeting, and the items to be included in the agenda.



#### 6.4 **Time and place of Meetings**

Every Meeting will be held on a date and at a time and place selected or approved by the Representative of the Noteholders or via audio-conference or tele-conference pursuant to Article 6.5.

#### 6.5 **Meeting by audio-conference or tele-conference**

Meetings may be held where the attendees are located at different places connected by audio-conference or videoconference, provided that:

- a) the Chairman may, also through its chairman office, ascertain and verify the identity and legitimacy of those Voters, monitor the meeting, acknowledge and announce the outcome of the voting process;
- b) the person drawing up the minutes may hear well the meeting events being the subject-matter of the minutes;
- c) each Voter may follow and intervene in the discussions and vote the items on the agenda in real time;
- d) the notice of the Meeting expressly states how Voters may obtain the information necessary to attend the relevant Meeting via audio-conference and/or video-conference equipment; and
- e) the Meeting being deemed to take place where the Chairman and the person drawing up the minutes will be.

### 7 **NOTICE**

#### 7.1 **Notice of meeting**

At least 15 (fifteen) days' notice (exclusive of the day notice is delivered and of the day on which the relevant Meeting is to be held), specifying the day, time, place and agenda of the Meeting, must be given to the relevant Class, with a copy to the Issuer, where the Meeting is convened by the Representative of the Noteholders.

#### 7.2 **Validity notwithstanding lack of notice**

A Meeting is valid notwithstanding that the formalities required by this Article 7 are not complied with if the Holders of the Notes constituting the whole Principal Amount Outstanding of all outstanding Notes are represented at such Meeting and the Issuer is present at the Meeting.

### 8 **CHAIRMAN OF THE MEETING**

#### 8.1 **Appointment of Chairman**

An individual (who may, but need not be, a Noteholder), nominated by the Representative of the Noteholders may take the chair at any Meeting, but if:

- 8.1.2 the Representative of the Noteholders fails to make a nomination; or
- 8.1.3 the individual nominated declines to act or is not present within 15 minutes after the time fixed for the Meeting,

the Meeting shall be chaired by the person elected by the majority of the Voters present, failing which, the Issuer shall appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was Chairman at the original Meeting.

#### 8.2 **Duties of Chairman**

The Chairman ascertains that the Meeting has been duly convened and validly constituted, manages the business of the Meeting, monitors the fairness of proceedings, leads and moderates the debate, and defines the terms for voting.

### 8.3 **Assistance to Chairman**

The Chairman may be assisted by outside experts or technical consultants, specifically invited to assist in any given matter, and may appoint one or more vote-counters, who are not required to be Noteholders.

## 9 **QUORUM**

9.1 The quorum at any Meeting shall be at least one or more Voters holding or representing at least the Relevant Fraction of the aggregate Principal Amount Outstanding of the Notes then outstanding in the relevant Class.

9.2 An Ordinary Resolution will be passed (both at a Meeting held in first call and at any adjourned Meeting) with the favorable vote of one or more Voters holding or representing at least 50 (fifty) per cent. of the Principal Amount Outstanding of the Notes then outstanding in the relevant Class;

9.3 An Extraordinary Resolution will be passed (both at a Meeting held in first call and at any adjourned Meeting) with the favorable vote of one or more Voters holding or representing at least 75 (seventyfive) per cent. of the Principal Amount Outstanding of the Notes then outstanding in the relevant Class.

## 10 **ADJOURNMENT FOR WANT OF QUORUM**

If a quorum is not present within 30 (thirty) minutes after the time fixed for any Meeting:

10.1 if such Meeting was requested by Noteholders, the Meeting shall be dissolved; and

10.2 in any other case, the Meeting (unless the Issuer and the Representative of the Noteholders otherwise agree) shall be adjourned to a new date no earlier than 2 (two) Business Days and no later than 5 (five) Business Days after the original date of such Meeting, and to such place as the Chairman determines with the approval of the Representative of the Noteholders provided that no Meeting may be adjourned more than twice for want of a quorum.

## 11 **ADJOURNED MEETING**

Except as provided in Article 10 (*Adjournment for want of quorum*), the Chairman may, with the prior consent of any Meeting (in accordance with Article 9 (*Quorum*)), adjourn such Meeting to another time or place or agenda.

## 12 **NOTICE FOLLOWING ADJOURNMENT**

### 12.1 **Notice required**

Article 7 (*Notice*) shall apply to any Meeting which is to be resumed after adjournment for lack of a quorum except that:

12.1.2 1 (one) Business Days prior notice (exclusive of the day on which the Meeting is to be resumed) shall be sufficient; and

12.1.3 the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

### 12.2 **Notice not required**

It shall not be necessary to give notice of resumption of any Meeting adjourned for reasons other than those described in Article 10 (*Adjournment for want of quorum*).

## 13 **PARTICIPATION**

The following categories of persons may attend and speak at a Meeting (both of the Senior Noteholders and the Junior Noteholders):

- 13.1 Voters;
- 13.2 the directors and the auditors of the Issuer;
- 13.3 the Representative of the Noteholders;
- 13.4 financial advisers to the Issuer and the Noteholders;
- 13.5 legal advisers to the Issuer and the Noteholders;
- 13.6 any other person authorised by the Issuer and the Most Senior Class of Noteholders.

#### 14 **VOTING**

The Chairman sets the conditions for the voting, including for counting and calculating the votes, and may set a time limit by which all votes must be cast. When the Chairman declares the opening of the polls, each vote shall be cast either verbally to the Chairman or in writing by delivering the relevant poll paper to the Chairman. After voting ends, the votes shall be counted and after the counting the Chairman shall announce to the Meeting the outcome of the vote.

#### 14.2 **Voting tie**

In the case of a voting tie, the relevant resolution shall be deemed to have been rejected.

#### 15 **VOTING BY PROXY**

Unless revoked, the appointment of a Proxy under a Voting Certificate in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment.

#### 16 **ORDINARY RESOLUTIONS**

##### 16.1 **Powers exercisable by Ordinary Resolution**

Subject to Rule 17 (*Extraordinary Resolutions*), a Meeting shall have power exercisable by Ordinary Resolution to:

- 16.1.2 grant any authority, order or sanction which, under the provisions of the Rules, the Conditions or the Transaction Documents, is required to be the subject of a resolution of the Noteholders; and
- 16.1.3 to authorise the Representative of the Noteholders or any other person to perform any activity, execute all documents and do all things necessary to give effect to any Ordinary Resolution.

##### 16.2 **Ordinary Resolution of the Senior Noteholders**

Any Ordinary Resolution of the Senior Noteholders shall be effective both absent any Ordinary Resolution of the Junior Noteholders and irrespective of any Ordinary Resolution to the contrary by the Junior Noteholders on the same matter(s).

##### 16.3 **Ordinary Resolution of the Junior Noteholders**

No Ordinary Resolution of the Junior Noteholders alone on any matter common to the Senior Notes shall be effective unless it is sanctioned by an Ordinary Resolution of the Senior Noteholders.

#### 17 **EXTRAORDINARY RESOLUTIONS**

##### 17.1 **Powers exercisable by Extraordinary Resolution**

A Meeting shall have power exercisable exclusively by Extraordinary Resolution to:

- 17.1.1 approve any Basic Terms Modification;
- 17.1.2 approve any modification, abrogation, variation or compromise of the provisions of these Rules, the Conditions or of any Transaction Document or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes which, in any

such case, is not a Basic Terms Modification and which shall be proposed by the Issuer, the Representative of the Noteholders and/or any other party thereto;

- 17.1.3 in accordance with Article 24 (*Appointment, Removal and Remuneration*), appoint and remove the Representative of the Noteholders;
- 17.1.4 authorise and ratify the actions of the Representative of the Noteholders, including the delivery of a Default Early Redemption Request and any enforcement of the Security Package;
- 17.1.5 waive any breach or authorise any proposed breach by the Issuer or (if relevant) any other Transaction Party of its obligations under or in respect of the Notes or any other Transaction Document or any act or omission which might otherwise constitute an Event of Default under the Notes;
- 17.1.6 authorize individual actions of one or more Noteholders;
- 17.1.7 confer to any person powers which the Noteholders could themselves exercise by Extraordinary Resolution;
- 17.1.8 authorise the Representative of the Noteholders (subject to its being indemnified and/or secured to its satisfaction) and/or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
- 17.1.9 consent to payments from the Escrow Account under article 5.2 annex C of the Conditions;
- 17.1.10 appoint a different Technical and Market Advisor;
- 17.1.11 approve the Operating Budget pursuant to article 4.1 of annex A of the Conditions;
- 17.1.12 approve any changes or reduction of the Insurance Policies under Annex D of the Conditions
- 17.1.13 approve any suppliers of Feedstock Supply Contracts;
- 17.1.14 approve any purchaser under a PPA;
- 17.1.15 consent to the payment of any Operating Cost payable by the Issuer in accordance with the Operation Budget;
- 17.1.16 consent to withdrawals, payments or transfers from the MRA;
- 17.1.17 agree the MRA Amount with the Technical and Market Advisor.

## 17.2 **Extraordinary Resolution of the Senior Noteholders**

Any Extraordinary Resolution of the Senior Noteholders shall be effective both absent any Extraordinary Resolution of the Junior Noteholders and irrespective of any Extraordinary Resolution to the contrary by the Junior Noteholders on the same matter(s).

## 17.3 **Extraordinary Resolution of the Junior Noteholders**

No Extraordinary Resolution of the Junior Noteholders alone on any matter common to the Senior Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the Senior Noteholders.

## 18 **EFFECT OF RESOLUTIONS**

### 18.1 **Binding Nature**

Subject to Article 16.2 (*Ordinary Resolution of the Senior Noteholders*), Article 17.2 (*Extraordinary Resolution of the Senior Noteholders*), Article 16.3 (*Ordinary Resolution of the Junior Noteholders*) and Article 17.3 (*Extraordinary Resolution of the Junior Noteholders*), any resolution passed at a Meeting of the Noteholders of the relevant Class duly convened and held in accordance with the Rules shall be binding upon all Noteholders of the relevant Class, whether

or not present at such Meeting and whether or not voting and all of the Noteholders of the relevant Class shall be bound to give effect to any such resolutions accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof.

#### 18.2 **Notice of Voting Results**

Notice of the results of every vote on a Resolution duly considered by Noteholders shall be published (at the cost of the Issuer) in accordance with the Conditions.

#### 19 **CHALLENGE TO RESOLUTIONS**

Any absent or dissenting Noteholder has the right to challenge Resolutions which are not passed in compliance with the provisions of article 2416 of the Italian civil code.

#### 20 **MINUTES**

Minutes shall be made of all resolutions and proceedings of each Meeting. The minutes shall be signed by the Chairman and shall be *prima facie* evidence of the proceedings therein recorded. Unless and until the contrary is proved, every Meeting in respect of which minutes have been signed by the Chairman shall be regarded as having been duly convened and held and all resolutions passed or proceedings transacted at such Meeting shall be regarded as having been duly passed and transacted. The minutes shall be recorded in a book of Meetings of Noteholders maintained by the Issuer.

#### 21 **WRITTEN RESOLUTION**

A Written Resolution shall take effect as if it were an Extraordinary Resolution or Ordinary Resolution, as applicable with respect the relevant matter(s). For the avoidance of doubt, provisions of these Rules related to the convening of the Meeting and the notices thereof, including, without limitation, Article 7 (*Notice*), shall not apply in case of a Written Resolution.

#### 22 **INDIVIDUAL ACTIONS AND REMEDIES**

If any Noteholder considers bringing individual actions or using other individual remedies to enforce its rights under the Notes, any such action or remedy shall be subject to the approval by Extraordinary Resolution.

#### 23 **FURTHER REGULATION**

The provisions of article 2410 *et seq.* of the Italian civil code will apply to any aspect of the Organisations of the Noteholders not expressly governed by the Rules.

### **TITLE III**

#### **THE REPRESENTATIVE OF THE NOTEHOLDERS**

#### 24 **APPOINTMENT, REMOVAL AND REMUNERATION**

##### 24.1 **Appointment**

The appointment of the Representative of the Noteholders takes place by Extraordinary Resolution of the Most Senior Class of Noteholders in accordance with the provisions of this Article 24, except for the appointment of the first Representative of the Noteholders which will be Banca Finanziaria Internazionale S.p.A. (*breviter* Banca Finint S.p.A.).

##### 24.2 **Identity of Representative of the Noteholders**

The Representative of the Noteholders shall be:

24.2.2 a bank incorporated in any jurisdiction of the European Union, or a bank incorporated in any other jurisdiction acting through an Italian branch; or

24.2.3 a company or financial institution enrolled with the register held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act; or

24.2.4 any other individual or entity which is not prohibited from acting in the capacity of Representative of the Noteholders pursuant to the law.

The directors and auditors of the Issuer, the Shareholders or the Sponsor and those who fall within the conditions set out in article 2399 of the Italian civil code cannot be appointed as Representative of the Noteholders, and if appointed as such they shall be automatically removed.

**24.3 Duration of appointment**

Unless the Representative of the Noteholders is removed by Extraordinary Resolution of the Meeting of the Most Senior Class of Noteholders pursuant to Article 17 (*Extraordinary Resolutions*) or resigns pursuant to Article 25 (*Resignation of the Representative of the Noteholders*), it shall remain in office until full repayment or cancellation of all the Notes.

**24.4 Remuneration**

The Issuer shall pay to the Representative of the Noteholders a fee for its services as Representative of the Noteholders from the Issue Date, as agreed in a separate fee letter.

**25 RESIGNATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS**

The Representative of the Noteholders may resign at any time by giving at least two calendar months' written notice to the Issuer, without needing to provide any specific reason for the resignation and without being responsible for any costs incurred as a result of such resignation. The resignation of the Representative of the Noteholders shall not become effective until a new Representative of the Noteholders has been appointed in accordance with Article 24.1 (*Appointment*) and such new Representative of the Noteholders has accepted its appointment.

**26 DUTIES AND POWERS OF THE REPRESENTATIVE OF THE NOTEHOLDERS**

**26.1 Representative of the Noteholders is legal representative**

The Representative of the Noteholders is the legal representative of each Organisation of the Noteholders and has the power to exercise the rights conferred on it by the Transaction Documents in order to protect the interests of the Noteholders. Upon request of the Representative of the Noteholders, a notarial proxy (*procura notarile*) shall be granted by the Noteholders or by a Meeting of the relevant Class.

**26.2 Meetings and Resolutions**

Unless any Resolution provides to the contrary, the Representative of the Noteholders is responsible for implementing all Resolutions of the Noteholders. The Representative of the Noteholders has the right to convene and attend Meetings to propose any course of action which it considers from time to time necessary or desirable.

**26.3 Delegation**

The Representative of the Noteholders may in the exercise of the powers, discretions and authorities vested in it by these Rules and the Transaction Documents, whenever it considers it expedient and in the interest of the Noteholders, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons some, but not all, of the powers, discretions or authorities vested in it as aforesaid. Any such delegate may be appointed, pursuant to article 1717 of the Italian Civil Code, upon such conditions and subject to such regulations as the Representative of the Noteholders may think fit in the interest of the Noteholders. The Representative of the Noteholders shall not be bound to supervise the acts or proceedings of any such delegate and shall not in any way or to any extent be responsible for any loss incurred by reason of any misconduct, omission or default on the part of such delegate, provided that the Representative of the Noteholders shall use all reasonable care in the appointment of any such delegate and shall be responsible for the instructions given by it to such delegate.

#### 26.4 **Judicial Proceedings**

The Representative of the Noteholders is authorised to initiate and to represent the Organisation of the Noteholders in any judicial proceedings including Insolvency Proceedings. Upon request of the Representative of the Noteholders, a notarial proxy (*procura notarile*) shall be granted by the Noteholders or by a Meeting of the relevant Class.

#### 26.5 **Consents given by Representative of Noteholders**

26.5.1 Any consent or approval given by the Representative of the Noteholders under these Rules and any other Transaction Document may be given on such terms and subject to such conditions (if any) as the Representative of the Noteholders deems appropriate and notwithstanding anything to the contrary contained in these Rules or in the Transaction Documents such consent or approval may be given retrospectively.

26.5.2 With regard to any matters specified in the Conditions or the Transaction Documents as requiring the Representative of the Noteholders to act in accordance with the instructions received from the holders of the Most Senior Class of Notes, the provisions of these Rules shall apply as if the Most Senior Class of Notes were the only Class of Notes outstanding.

#### 26.6 **No discretion**

26.6.1 By reason of acquiring and holding the Notes, each Holder, also in case of transfer of any of the Notes, shall be deemed to acknowledge that, pursuant to the provisions of the Transaction Documents, the Noteholders' Representative shall act exclusively on the basis of the instructions received from the Noteholders and, accordingly, agree that the Representative of the Noteholders shall be entitled to seek the direction and/or clarification of any such direction of the Noteholders when acting under the terms of the Transaction Documents and may refrain from acting in the absence of any such instruction, direction and/or clarification and shall incur no liability to any person for any omission or delay which may arise in relation to its seeking any such instruction, direction and/or clarification or in relation to its refraining from action in the absence of any such instruction, direction or clarification. The Representative of the Noteholders shall incur no liability for any act carried out in accordance with the instructions, directions and/or clarifications of the directions of the Noteholders save in the case of its gross negligence (*colpa grave*) or wilful misconduct (*dolo*).

26.6.2 Each reference to any activity to be performed by the Representative of the Noteholders contained in these Rules or in the Conditions (including, without limitation, any consent, approval or waiver to be granted by the Representative of the Noteholders) shall always be deemed to refer to the Representative of the Noteholders acting (i) pursuant to a Written Resolution of the Noteholders or (ii) pursuant to a Resolution of the Meeting of the Noteholders.

### 27 **EXONERATION OF THE REPRESENTATIVE OF THE NOTEHOLDERS**

#### 27.1 **Limited obligations**

The Representative of the Noteholders shall not assume any obligations or responsibilities in addition to those expressly provided herein and in the Transaction Documents.

#### 27.2 **Specific limitations**

Without limiting the generality of Article 27.1, the Representative of the Noteholders:

27.2.2 shall not be under any obligation to take any steps to ascertain whether a Event of Default or any other event, condition or act, the occurrence of which would cause a right or remedy to become exercisable by the Representative of the Noteholders hereunder or under any other Transaction Document, has occurred and until the Representative of the Noteholders has actual knowledge or express notice to the

- contrary, it shall be entitled to assume that no Event of Default or such other event, condition or act has occurred;
- 27.2.3 shall not be under any obligation to monitor or supervise the observance and performance by the Issuer or any other parties of their obligations contained in these Rules, the Transaction Documents or the Conditions and, until it shall have actual knowledge or express notice to the contrary, the Representative of the Noteholders shall be entitled to assume that the Issuer and each other party to the Transaction Documents are duly observing and performing all their respective obligations;
- 27.2.4 except as expressly required in the Rules or any Transaction Document, shall not be under any obligation to give notice to any person of its activities in performance of the provisions of these Rules or any other Transaction Document;
- 27.2.5 shall not be responsible for investigating the legality, validity, effectiveness, adequacy, suitability or genuineness of these Rules or of any Transaction Document, or of any other document or any obligation or rights created or purported to be created hereby or thereby or pursuant hereto or thereto, and (without prejudice to the generality of the foregoing) it shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:
- (a) the nature, status, creditworthiness or solvency of the Issuer;
  - (b) the existence, accuracy or sufficiency of any legal or other opinion, search, report, certificate, valuation or investigation delivered or obtained or required to be delivered or obtained at any time in connection with the Notes or the Plant;
  - (c) the failure by the Issuer to obtain or comply with any licence, consent or other authority in connection with the construction or operation of the Plant; and
  - (d) any accounts, books, records or files maintained by the Issuer;
- 27.2.6 shall not be responsible for the receipt or application of any proceeds received by the Issuer;
- 27.2.7 shall not be responsible for or for investigating any matter which is the subject of any recital, statement, warranty, representation or covenant by any party other than the Representative of the Noteholders contained herein or in any Transaction Document or any certificate, document or agreement relating thereto or for the execution, legality, validity, effectiveness, enforceability or admissibility in evidence thereof;
- 27.2.8 shall not be liable for any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting or perfecting these Rules or any Transaction Document;
- 27.2.9 shall not be bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer in relation to the Plant or any part thereof, whether such defect or failure was known to the Representative of the Noteholders or might have been discovered upon examination or enquiry or whether capable of being remedied or not;
- 27.2.10 shall not be responsible for or have any liability with respect to any loss or damage arising from the construction and operation of the Plant;
- 27.2.11 shall not (unless and to the extent ordered to do so by a court of competent jurisdiction) be under any obligation to disclose to any Noteholder any confidential, financial, price sensitive or other information made available to the Representative of the Noteholders by the Issuer or any other person in connection with these Rules, the Notes or any other Transaction Document, and none of the Noteholders shall be entitled to take any action to obtain from the Representative of the Noteholders any such information;



27.2.12 shall not be liable if it acts in accordance with any resolution purporting to be a Written Instructions of the Noteholders or a Resolution of the Meeting of the Noteholders, even though it may subsequently be found that there was some defect in the passing of the Written Instructions or the constitution of the Meeting or that for any reason the resolution purporting to be a Written Instructions or a Resolution was not valid or binding upon the Noteholders.

### 27.3 **Specific Permissions**

27.3.1 When in the Rules or any Transaction Document the Representative of the Noteholders is required in connection with the exercise of its powers, trusts, authorities or discretions to have regard to the interests of the Noteholders, the Representative of the Noteholders shall have regard to the interests of the Noteholders as a whole and shall not be obliged to have regarded to the consequences of such exercise for any individual Noteholder resulting from his or its being for any purpose domiciled, resident in or otherwise connected with or subject to the jurisdiction of any particular territory or taxing authority.

27.3.2 Where the Representative of the Noteholders is required to consider the interests of the Noteholders and, in its sole opinion, there is a conflict between the interests of the Holders of different Classes of Notes, the Representative of the Noteholders will consider only the interests of the Holders of the Most Senior Class of Notes.

27.3.3 The Representative of the Noteholders may refrain from taking any action or exercising any right, power, authority or discretion vested in it under these Rules or any Transaction Document or any other agreement relating to the transactions herein or therein contemplated until it has been indemnified and/or secured to its satisfaction against any and all actions, proceedings, claims and demands which might be brought or made against it and against all costs, charges, damages, expenses and liabilities which may be suffered, incurred or sustained by it as a result. Nothing contained in the Rules or any of the other Transaction Documents shall require the Representative of the Noteholders to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

### 27.4 **Illegality**

No provision of the Rules shall require the Representative of the Noteholders to do anything which may be illegal or contrary to applicable law or regulations or to expend moneys or otherwise take risks in the performance of any of its duties, or in the exercise of any of its powers or discretion. The Representative of the Noteholders may refrain from taking any action which would or might, in its sole opinion, be contrary to any law of any jurisdiction or any regulation or directive of any agency of any state, or if it has reasonable grounds to believe that it will not be reimbursed for any funds it expends, or that it will not be indemnified against any loss or liability which it may incur as a consequence of such action. The Representative of the Noteholders may do anything which, in its sole opinion, is necessary to comply with any such law, regulation or directive as aforesaid.

## 28 **INDEMNITY**

The Issuer shall promptly indemnify the Representative of the Noteholders against any reasonable and duly documented charge, cost, loss, liability, damages, claims, fees, demands, legal expenses, taxes, judgments, actions, proceedings and expenses properly incurred or suffered by the Representative of the Noteholders, other than that due to its gross negligence (*colpa grave*) or wilful misconduct (*dolo*), directly arising from:

28.1.2 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; or

28.1.3 acting as Representative of the Noteholders under the Transaction Documents.

29 **GOVERNING LAW**

The Rules are governed by, and will be construed in accordance with, the laws of the Republic of Italy.

30 **JURISDICTION**

The Courts of Milan will have jurisdiction to hear and determine any suit, action or proceedings and to settle any disputes which may arise out of or in connection with the Rules.

**ANNEX 4**

*(The audited Issuer's economic financial plan)*

# FRANCESCO MANETTI

DOTTORE COMMERCIALISTA E REVISORE LEGALE

## **Spettabile**

Biogas Sardegna Green S.r.l.  
Piazza Deffenu, 12  
09125 Cagliari  
(Società o Emittente)

A seguito dell'incarico conferitomi in data 25 maggio 2021, ho esaminato l'allegato Piano Economico Finanziario relativo al periodo 2021-2031, costituito dal Conto Economico Prospettico, Flusso di cassa e dalle Note illustrative, della Biogas Sardegna Green S.r.l.. Il Piano Economico Finanziario, consegnatomi anticipatamente in bozza, è stato approvato in data 11 giugno 2021 dagli organi amministrativi della Biogas Sardegna Green S.r.l..

## **Responsabilità degli Amministratori**

La responsabilità della redazione del Piano Economico Finanziario nonché delle ipotesi e degli elementi posti alla base della sua formulazione compete agli Amministratori della Biogas Sardegna Green S.r.l..

Il Piano Economico Finanziario è stato predisposto con l'obiettivo dell'emissione di titoli di debito ai sensi dell'art. 2483 del codice civile, con richiesta di ammissione degli stessi titoli di debito alla negoziazione sul segmento professionale "ExtraMOT PRO<sup>3</sup>" gestito da Borsa Italiana.

Il Piano Economico Finanziario si basa su un insieme di ipotesi di realizzazione di eventi futuri e di azioni che dovranno essere intraprese da parte degli Amministratori. Gli Amministratori hanno redatto il Piano Economico Finanziario sulla base di un insieme di ipotesi che includono assunzioni ipotetiche relative ad eventi futuri ed azioni degli Amministratori che non necessariamente si verificheranno, descritte nelle note illustrative del Piano Economico Finanziario.

## **Responsabilità del revisore**

E' mia la responsabilità della redazione della presente relazione sulla base delle procedure svolte. Il mio esame è stato svolto secondo le procedure previste per l'esame di informazioni prospettiche dall'International Standard on Assurance Engagements (ISAE) 3400 "The Examination of Prospective Financial Information" emesso dall'IFAC - International Federation of Accountants.

La mia responsabilità non si estende all'aggiornamento della presente relazione per eventi o circostanze che potrebbero presentarsi successivamente alla data della stessa.

## **Conclusioni e Giudizio**

Sulla base dell'esame degli elementi probativi a supporto delle ipotesi e degli elementi utilizzati nella formulazione del Piano Economico Finanziario, come descritti dagli Amministratori nelle note illustrative del Piano Economico Finanziario, non sono venute a conoscenza di fatti tali da farmi ritenere, alla data odierna, che le ipotesi e gli elementi menzionati non forniscano una base ragionevole per la predisposizione del Piano Economico Finanziario, assumendo il verificarsi delle assunzioni ipotetiche relative ad eventi futuri ed azioni degli Amministratori, descritte nelle note illustrative a corredo del Piano Economico Finanziario.

## FRANCESCO MANETTI

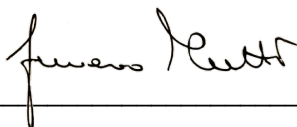
DOTTORE COMMERCIALISTA E REVISORE LEGALE

Inoltre, a mio giudizio, il Piano Economico Finanziario è stato predisposto utilizzando coerentemente le ipotesi e gli elementi descritti in precedenza ed è stato elaborato sulla base di principi contabili omogenei rispetto a quelli applicati da Biogas Sardegna Green S.r.l. nella redazione del bilancio d'esercizio chiuso al 31 dicembre 2020.

### **Altri aspetti**

Va tenuto presente che, a causa dell'aleatorietà connessa alla realizzazione di qualsiasi evento futuro, sia per quanto concerne il concretizzarsi dell'accadimento sia per quanto riguarda la misura e la tempistica della sua manifestazione, gli scostamenti fra valori consuntivi e valori preventivati contenuti nel Piano Economico Finanziario potrebbero essere significativi. Ciò anche qualora gli eventi previsti nell'ambito delle assunzioni ipotetiche, descritte in sintesi nel precedente paragrafo "Responsabilità degli Amministratori", si manifestassero. Inoltre, il Piano Economico Finanziario, per sua natura aleatorio e sensibile a significativi cambiamenti di scenario e a variazioni del quadro macroeconomico, è caratterizzato da un grado di incertezza che risulta maggiore quanto più ampio è il periodo di riferimento coperto dal Piano Economico Finanziario medesimo che, nel caso di specie, risulta essere di dieci anni (2021-2031).

Roma, 1 luglio 2021



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Francesco Manetti

*Allegato 1:* Piano Economico Finanziario relativo al periodo 2021 – 2031

**FRANCESCO MANETTI**  
DOTTORE COMMERCIALISTA E REVISORE LEGALE

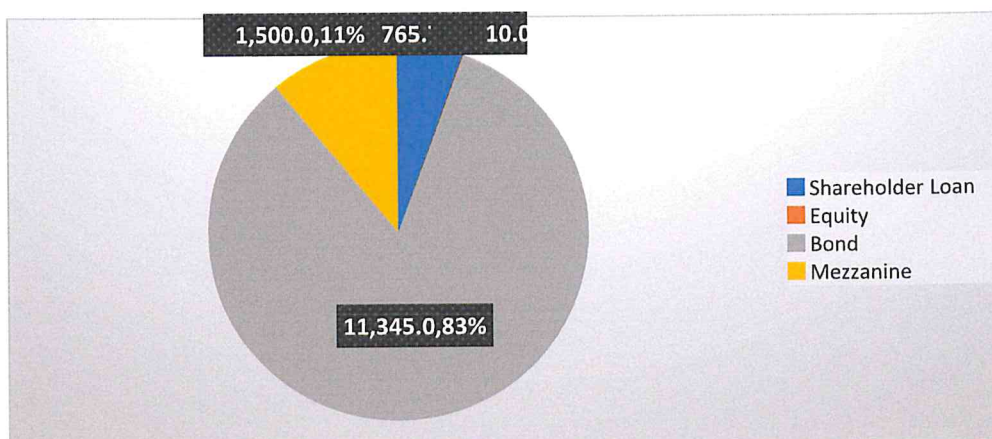
## **Allegato 1**

**Piano Economico Finanziario della Biogas Sardegna Green S.r.l.**

## Piano Economico Finanziario 2021 – 2031 della Biogas Sardegna Green S.r.l.

### Introduzione

- La società Biogas Sadregna Green S.r.l. ha ottenuto tutte le autorizzazioni necessarie per la realizzazione di un progetto riguardante la costruzione ed operazione di un impianto di biogas nel Comune di Terralba (OR), Sardegna, avente una capacità di trattamento di scarti di macellazione di circa 30k ton/anno.
- Al fine di finanziare i CAPEX del progetto ed il working capital della costruzione, ammontanti a circa Euro 14.800.000, la società ha ritenuto opportuno dotarsi di nuovi mezzi finanziari mediante l'emissione di una serie di titoli di debito per un importo pari a circa Euro 12.850.000 :
  1. titoli di debito di classe Senior per un importo complessivo di circa Euro 5.675.000 (i "Titoli A Senior") e titoli di debito di classe Junior per un importo complessivo di circa Euro 750.000 (i "Titoli A Junior" e insieme ai Titoli A Senior i "Titoli A");
  2. titoli di debito di classe Senior per un importo complessivo di circa Euro 5.675.000 (i "Titoli B Senior") e titoli di debito di classe Junior per un importo complessivo di circa Euro 750.000 (i "Titoli B Junior" e insieme ai Titoli B Senior i "Titoli B", i Titoli B insieme ai Titoli A i "Titoli").



- I Titoli A Senior ed i Titoli B Senior avranno una durata fino sino al 31 dicembre 2030; mentre i Titoli A Junior e i Titoli B Junior avranno una durata fino al 30 giugno 2026. Il rimborso del capitale avverrà a partire dal 31 dicembre 2022 in regolari rate semestrali al 30 giugno e al 31 dicembre di ciascun anno fino alla concorrenza dell'importo totale;
- I Titoli saranno sottoscritti da investitori professionali soggetti a vigilanza prudenziale a norma di leggi speciali ai sensi del secondo comma dell'art. 2483 del codice civile e a società veicolo per la cartolarizzazione ex articolo 1, comma 1 bis, legge 30 aprile 1999, n.130.
- Il Management della Biogas Sardegna Green S.r.l., con il supporto di Foresight Group S.à.r.l., ha predisposto il seguente Piano Economico Finanziario della Società in funzione della strategia che intende perseguire nella gestione della stessa Società e con obiettivo l'emissione di titoli di debito ai sensi dell'art. 2483 del codice civile, con richiesta di ammissione degli stessi titoli di debito alla negoziazione sul segmento professionale "ExtraMOT PRO Cube" gestito da Borsa Italiana.
- Con il presente documento si intende dimostrare la sostenibilità finanziaria, ossia la capacità del progetto di generare flussi monetari sufficienti a garantire il rimborso dei Titoli.
- Le informazioni ed i dati contenuti nel Piano Economico Finanziario di seguito esposto sono elaborati e basati sulle migliori stime e previsioni della futura gestione della Società che si ritengono ragionevoli e attendibili alla luce delle informazioni ad oggi a disposizione. Trattandosi di stime, i risultati effettivi a consuntivo potrebbero, pertanto, subire variazioni anche rilevanti rispetto ai dati previsionali.

Nel Seguito si rappresenta in dettaglio il Conto economico prospettico della Società per gli esercizi 2021-2031:

BIOGAS SARDEGNA GREEN SRL  
AMMINISTRATORE

**BS Green**

	31/12/2021	31/12/2022	31/12/2023	31/12/2024	31/12/2025	31/12/2026	31/12/2027	31/12/2028	31/12/2029	31/12/2030	31/12/2031
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	12	12	12	12	12	12	12	12	12	12	12
	2	2	2	2	2	2	2	2	2	2	2
	0	1	2	3	4	5	6	7	8	9	10

**P&L**

Revenues from CHP selling	3,74%	0,00	193,21	227,37	230,71	233,33	239,11	243,10	247,71	252,69	257,92	262,89
Revenues from Gate Fee	96,26%	0,00	4512,33	6000,00	6000,00	6000,00	5400,00	4800,00	4800,00	4800,00	4800,00	4800,00
Revenues from CIC	0,00%	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Revenues from Solid Plant Output	0,00%	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>Total Revenues</b>		<b>0,00</b>	<b>4705,54</b>	<b>6227,37</b>	<b>6230,71</b>	<b>6233,33</b>	<b>5639,11</b>	<b>5043,10</b>	<b>5047,71</b>	<b>5052,69</b>	<b>5057,92</b>	<b>5062,89</b>
O&M ant other costs Plant		0,00	-228,68	-232,23	-236,76	-240,79	-247,97	-252,93	-257,98	-263,14	-268,41	-273,77
Administrative costs		0,00	-221,54	-224,12	-227,41	-230,34	-235,56	-239,17	-242,85	-246,60	-250,43	-254,33
Biomass Costs		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Product costs (Chemicals, water, consumables)		0,00	-118,70	-120,08	-121,85	-123,42	-126,21	-128,14	-130,11	-132,13	-134,18	-136,27
IMU and TASI		0,00	-30,00	-30,00	-30,00	-30,00	-30,00	-30,00	-30,00	-30,00	-30,00	-30,00
Overheads		0,00	-150,24	-151,41	-152,90	-154,23	-156,59	-158,22	-159,88	-161,58	-163,32	-165,08
Insurance		0,00	-100,00	-100,00	-100,00	-100,00	-100,00	-100,00	-100,00	-100,00	-100,00	-100,00
General Expenses		0,00	-210,69	-213,95	-218,12	-221,84	-228,45	-233,02	-237,68	-242,43	-247,28	-252,23
Liquid Digestate and Residuals management		0,00	0,00	0,00	0,00	0,00	-61,75	-124,33	-126,82	-129,36	-131,94	-134,58
Royalties		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
EE Costs		0,00	-97,65	-27,53	-28,07	-28,55	-29,40	-29,99	-30,59	-31,20	-31,82	-32,46
Personnel		0,00	-1130,56	-1139,34	-1150,56	-1160,53	-1178,31	-1190,58	-1203,10	-1215,88	-1228,91	-1242,71
<b>Total Costs</b>		<b>0,00</b>	<b>-2288,07</b>	<b>-2238,67</b>	<b>-2285,67</b>	<b>-2289,68</b>	<b>-2394,24</b>	<b>-2486,39</b>	<b>-2519,01</b>	<b>-2552,33</b>	<b>-2586,29</b>	<b>-2620,93</b>
<b>EBITDA</b>		<b>0,00</b>	<b>2417,47</b>	<b>3988,70</b>	<b>3965,04</b>	<b>3943,64</b>	<b>3244,88</b>	<b>2556,71</b>	<b>2528,71</b>	<b>2500,36</b>	<b>2471,63</b>	<b>2441,96</b>
Ebitda margin			51%	64%	63%	63%	57%	50%	50%	49%	48%	48%
Depreciation		0,00	-1556,86	-1556,86	-1556,86	-1556,86	-1556,86	-1556,86	-1072,97	-105,20	-115,61	-126,03
Total Depreciation		0,00	-1556,86	-1556,86	-1556,86	-1556,86	-1556,86	-1556,86	-1072,97	-105,20	-115,61	-126,03
<b>EBIT</b>		<b>0,00</b>	<b>860,61</b>	<b>2431,84</b>	<b>2408,18</b>	<b>2386,79</b>	<b>1688,02</b>	<b>999,86</b>	<b>1455,74</b>	<b>2395,16</b>	<b>2356,02</b>	<b>2315,93</b>
Interest on Cash		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Interest on Bond		0,00	-680,70	-610,33	-512,72	-425,32	-332,14	-253,06	-181,49	-108,19	-44,50	0,00
Interest on Mezzanine		0,00	-90,00	-81,93	-57,64	-37,88	-12,74	0,00	0,00	0,00	0,00	0,00
Interest on VAT Line		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Interest on Subloan		0,00	-61,47	-11,57	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Agency fee		-7,50	-15,05	-15,28	-15,58	-15,84	-16,32	-16,64	-16,98	-17,32	-17,66	0,00
Total Financial Expenses		-7,50	-847,22	-719,11	-585,94	-479,04	-361,20	-269,70	-198,47	-125,51	-62,16	0,00
Extraordinary items (Tremonti Ambiente)		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>EBT</b>		<b>-7,50</b>	<b>13,40</b>	<b>1712,74</b>	<b>1822,24</b>	<b>1907,74</b>	<b>1326,82</b>	<b>730,15</b>	<b>1257,27</b>	<b>2269,66</b>	<b>2293,85</b>	<b>2315,93</b>
Tax		0,00	38,34	-477,54	-533,97	-553,65	-386,98	-216,94	-361,23	-640,84	-645,11	-648,86
Deferred Tax		1,80	29,27	-31,07	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>Net Profit</b>		<b>-5,70</b>	<b>81,01</b>	<b>1204,13</b>	<b>1288,27</b>	<b>1354,09</b>	<b>939,84</b>	<b>513,21</b>	<b>896,04</b>	<b>1628,82</b>	<b>1648,73</b>	<b>1667,08</b>

DEGNA GREEN SRI
   
 AMMINISTRATORE



## BS Green

	31/12/2021	31/12/2022	31/12/2023	31/12/2024	31/12/2025	31/12/2026	31/12/2027	31/12/2028	31/12/2029	31/12/2030	31/12/2031
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	12	12	12	12	12	12	12	12	12	12	12
	2	2	2	2	2	2	2	2	2	2	2
	0	1	2	3	4	5	6	7	8	9	10
<b>Cash Waterfall</b>											
Construction Costs	-11824,20	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Financial Costs	-758,99	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total VAT Credit during Construction	-1240,16	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Financial need	-13823,35	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Revenues from CHP selling	0,00	190,90	252,57	253,54	256,38	262,52	267,07	272,15	277,48	283,27	288,76
Revenues from Gate Fee	0,00	4459,45	6600,00	6601,38	6598,62	5990,41	5330,41	5281,10	5278,90	5280,00	5280,00
Revenues from CIC	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Revenues from Solid Plant Output	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Other Revenues (incl. Interest on DSRA)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total Revenues	0,00	4650,35	6852,57	6854,92	6855,01	6252,93	5597,48	5553,25	5556,38	5563,27	5568,76
O&M ant other costs Plant	0,00	-221,17	-282,39	-287,83	-292,58	-300,66	-307,31	-313,63	-319,55	-326,12	-332,65
Administrative costs	0,00	-214,31	-272,75	-276,75	-280,12	-286,03	-290,87	-295,51	-299,73	-304,55	-309,29
Biomass Costs	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Product costs (Chemicals, water, consumables)	0,00	-134,82	-146,38	-148,53	-150,41	-153,74	-156,17	-158,60	-160,99	-163,52	-166,07
IMU and TASI	0,00	-27,48	-30,00	-30,01	-29,99	-30,00	-30,00	-30,00	-30,00	-30,00	-30,00
Overheads	0,00	-170,66	-184,62	-186,45	-188,01	-190,84	-192,89	-194,96	-196,95	-199,10	-201,25
Insurance	0,00	-113,60	-122,00	-122,02	-121,98	-122,00	-122,00	-122,02	-121,98	-122,00	-122,00
General Expenses	0,00	-203,76	-260,17	-265,18	-269,55	-276,99	-283,13	-288,95	-294,40	-300,46	-306,47
Liquid Digestate and Residuals management	0,00	0,00	0,00	0,00	0,00	-30,88	-123,72	-126,28	-128,63	-131,29	-133,91
Royalties	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
EE Costs	0,00	-116,85	-33,56	-34,21	-34,78	-35,79	-36,54	-37,27	-38,00	-38,77	-39,55
Personnel	0,00	-1130,56	-1139,34	-1150,56	-1160,53	-1178,31	-1190,58	-1203,10	-1215,88	-1228,91	-1242,21
Total Operating Costs	0,00	-2333,20	-2471,22	-2501,53	-2527,94	-2605,23	-2733,72	-2770,33	-2806,11	-2844,73	-2883,39
New Capex	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-275,00	0,00
VAT Payment	0,00	-222,50	-387,48	-384,35	-381,52	-316,59	-253,19	-249,77	-246,31	-217,80	-239,18
Tax payment	0,00	-50,10	-50,10	-993,41	-590,40	-573,34	-232,35	-130,17	-505,52	-920,45	-649,40
Increase (decrease) VAT Credit (Reimbursement)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
(increase) Maintenance Service Reserve	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
(increase) Decrease Reserve for new capex	0,00	-31,25	-31,25	-31,25	-31,25	-31,25	-31,25	-31,25	-31,25	259,38	0,00
Operating Cash Flow	-13823,35	2013,30	3912,52	2944,39	3323,90	2726,52	2347,48	2371,74	1967,19	1564,67	1796,79
Shareholder Loan	765,74	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Equity	10,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Mezzanine Financing	1500,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Bond	11345,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
SHL for VAT financing	1240,16	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Operating Cash Flow	1037,55	2013,30	3912,52	2944,39	3323,90	2726,52	2347,48	2371,74	1967,19	1564,67	1796,79
Interest on Bond	0,00	-680,70	-610,33	-512,72	-425,32	-332,14	-253,06	-181,49	-108,19	-44,50	0,00
Bond Reimbursement	0,00	-720,41	-1819,74	-1312,62	-1635,95	-1355,73	-1196,90	-1283,12	-1103,87	-916,68	0,00
Interest on VAT SHL	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Agency Fee	-7,50	-15,05	-15,28	-15,58	-15,84	-16,32	-16,64	-16,98	-17,32	-17,66	0,00
Increase (decrease) VAT SHL	0,00	0,00	0,00	-1240,16	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Increase (decrease) VAT Credit (Reimbursement)	0,00	0,00	0,00	1240,16	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Decrease Debt Service Reserve	0,00	-1215,03	302,36	-117,96	186,70	118,95	-7,32	126,27	125,44	480,59	0,00
Decrease Maintenance Service Reserve	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Cash Flow available for Mezzanine Financing	1030,05	-617,88	1769,53	985,51	1433,48	1141,29	873,56	1016,42	863,25	1066,42	1796,79
Interest on Mezzanine financing	0,00	-90,00	-81,93	-57,64	-37,88	-12,74	0,00	0,00	0,00	0,00	0,00
Mezzanine repayment	0,00	0,00	-498,24	-265,48	-432,12	-304,17	0,00	0,00	0,00	0,00	0,00
Cash Flow available for Bond Cash sweep	1030,05	-707,88	1189,36	662,40	963,48	824,38	873,56	1016,42	863,25	1066,42	1796,79
Cash Sweep	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Free Cash Flow	1030,05	-707,88	1189,36	662,40	963,48	824,38	873,56	1016,42	863,25	1066,42	1796,79
Interest on cash	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Management Fees	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Tremonti Ambiente	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Interest on Subordinated Loan	0,00	0,00	-104,32	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Increase (decrease) Subordinated Loan	0,00	0,00	-255,82	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dividends	0,00	0,00	0,00	-51,69	-1337,62	-901,32	-1144,54	-916,56	-591,30	-635,84	-1822,45
Cash Pooling from BS Green to HoldCo	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Increase (decrease) Share Capital	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Net Cash Flow	1030,05	-707,88	829,22	610,71	-374,14	-76,94	-270,99	99,87	271,95	430,58	-25,66
Cash b/f	0,00	-1654,80	-955,10	-2479,70	-2658,77	-2266,63	-1988,65	-1728,08	-2124,03	-2652,89	-2819,42
Net Cash Flows	-1030,05	707,88	-829,22	-610,71	374,14	76,94	270,99	-99,87	-271,95	-430,58	25,66
Cash c/f	-1030,05	-946,91	-1784,32	-3090,40	-2284,63	-2189,69	-1717,67	-1827,95	-2395,98	-3083,47	-2793,76

## Note illustrative al Piano Economico Finanziario

- I dati di input utilizzati per la costruzione del Piano Economico Finanziario (in seguito anche “PEF”) sono riportati nel seguito del presente documento.
- Il PEF, approvato in data 11 giugno 2021, dagli organi amministrativi della Società, è stato sviluppato su un orizzonte temporale di 10 anni. Tale periodo di proiezione di flussi di cassa è adeguato alla copertura dell'intera durata degli strumenti finanziari emessi a favore della Biogas Sardegna Green S.r.l., così da poter meglio valutare l'andamento del debito finanziario negli anni – dalla data della assunzione fino al rimborso – e conseguentemente, valutarne la sostenibilità nel tempo, alla luce del Piano Economico Finanziario stesso.
- I valori previsionali derivanti dalla applicazione delle assunzioni del PEF sono presentati sulla base della classificazione comunemente utilizzata dal management nell'ambito delle proprie analisi gestionali in quanto si ritiene che tale classificazione sia in grado di fornire una più immediata indicazione della natura delle principali voci di costo e di ricavo.

Biogas SARDEGNA GREEN SRL  
AMMINISTRATORE

- Gli Amministratori hanno basato la stima dei dati previsionali del PEF sulla base delle specifiche assunzioni e azioni gestionali descritte nel seguito del presente documento.
- Lo sviluppo dei flussi di cassa prospettici prevede la distribuzione di dividendi a partire dall'esercizio 2024, sulla base della capienza di flussi a supporto del debito.

Nel seguito si riporta in dettaglio lo Stato patrimoniale riclassificato per il periodo 2021 – 2031:

BS Green	31/12/2021	31/12/2022	31/12/2023	31/12/2024	31/12/2025	31/12/2026	31/12/2027	31/12/2028	31/12/2029	31/12/2030	31/12/2031
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	12	12	12	12	12	12	12	12	12	12	12
	2	2	2	2	2	2	2	2	2	2	2
	0	1	2	3	4	5	6	7	8	9	10
<b>Balance Sheet</b>											
Tangible Assets	11509,70	11509,70	11509,70	11509,70	11509,70	11509,70	11509,70	11509,70	11509,70	11509,70	11509,70
- Cumulated depreciation Plant	0,00	-1506,62	-3013,23	-4519,85	-6026,47	-7533,09	-9039,70	-10062,44	-10117,39	-10182,77	-10258,56
Intangible Assets	214,50	214,50	214,50	214,50	214,50	214,50	214,50	214,50	214,50	214,50	214,50
- Cumulated depreciation Intangible Assets	0,00	-10,73	-21,45	-32,18	-42,90	-53,63	-64,35	-75,08	-85,80	-96,53	-107,25
Financial costs (Imposta sostitutiva, Interests during construction, etc)	790,28	790,28	790,28	790,28	790,28	790,28	790,28	790,28	790,28	790,28	790,28
- Cumulated depreciation Financial costs/Imposta sostitutiva	0,00	-39,51	-79,03	-118,54	-158,06	-197,57	-237,08	-276,60	-316,11	-355,63	-395,14
Transaction Fees	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
- Cumulated depreciation Transaction Fees	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Goodwill	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
- Cumulated depreciation goodwill	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Land/Financial assets	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00
<b>Net Fixed Assets</b>	<b>12.614</b>	<b>11.058</b>	<b>9.501</b>	<b>7.944</b>	<b>6.387</b>	<b>4.830</b>	<b>3.273</b>	<b>2.200</b>	<b>2.095</b>	<b>2.230</b>	<b>2.104</b>
Trade Receivables	0,00	525,74	523,28	522,14	523,80	473,89	423,81	423,04	424,62	425,06	425,48
Revenues from CHP selling	0,00	21,63	15,17	19,41	19,69	20,19	20,53	20,86	21,33	21,78	22,20
Revenues from Gate Fee	0,00	504,11	504,11	502,73	504,11	453,70	403,29	402,19	403,29	403,29	403,29
Revenues from CIC	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Revenues from Solid Plant Output	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Trade Payables	0,00	-202,92	-205,63	-208,50	-212,06	-248,38	-252,68	-256,36	-261,53	-266,09	-270,74
O&M Plant	0,00	-57,83	-58,75	-59,76	-60,94	-62,81	-64,06	-65,17	-66,65	-67,99	-69,35
O&M Landfill	0,00	-55,97	-56,65	-57,35	-58,24	-59,60	-60,51	-61,28	-62,39	-63,36	-64,35
Disposal costs	0,00	-10,00	-10,12	-10,24	-10,40	-10,64	-10,81	-10,94	-11,14	-11,32	-11,49
Fuel costs	0,00	-2,52	-2,52	-2,52	-2,52	-2,52	-2,52	-2,51	-2,52	-2,52	-2,52
IMU and TASI	0,00	-12,64	-12,75	-12,84	-12,99	-13,19	-13,33	-13,43	-13,61	-13,76	-13,91
Electric Power costs	0,00	-8,40	-8,40	-8,40	-8,40	-8,40	-8,40	-8,40	-8,40	-8,40	-8,40
Analysis and biological management	0,00	-53,27	-54,13	-55,06	-56,15	-57,86	-59,02	-60,04	-61,41	-62,63	-63,89
General Expenses	0,00	0,00	0,00	0,00	0,00	-30,88	-31,49	-32,03	-32,76	-33,42	-34,09
Material for whopper	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-2,53	-2,63	-2,69	-2,74
Conferment in landfill	0,00	-2,29	-2,32	-2,36	-2,41	-2,48	0,00	0,00	0,00	0,00	0,00
Methane costs	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Staff Costs	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Others Debts	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Tax Credit (Debt)	0,00	88,44	-339,00	120,44	157,19	343,54	358,96	127,89	-7,43	267,90	268,44
VAT Credit (Debt) during Operating Period	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Cash Pooling	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>Net Working Capital</b>	<b>-</b>	<b>411</b>	<b>(21)</b>	<b>434</b>	<b>469</b>	<b>569</b>	<b>530</b>	<b>295</b>	<b>156</b>	<b>427</b>	<b>423</b>
VAT Credit (Debt) during Construction	1240,16	1240,16	1240,16	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Deferred Taxes	1,80	31,07	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Reversal of advance payment	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
VAT Credit Reimbursement request	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Fund for after concession	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>NET INVESTED CAPITAL</b>	<b>13.856</b>	<b>12.740</b>	<b>10.720</b>	<b>8.378</b>	<b>6.856</b>	<b>5.399</b>	<b>3.803</b>	<b>2.495</b>	<b>2.251</b>	<b>2.656</b>	<b>2.527</b>
<b>Net Shareholders Equity</b>	<b>4,30</b>	<b>595,23</b>	<b>1799,36</b>	<b>3035,94</b>	<b>3052,41</b>	<b>3090,93</b>	<b>2459,60</b>	<b>2439,08</b>	<b>3476,60</b>	<b>4489,49</b>	<b>4334,11</b>
Share Capital	10,00	10,00	10,00	10,00	10,00	10,00	10,00	10,00	10,00	10,00	10,00
Reserves	-5,70	585,23	1789,36	3025,94	3042,41	3080,93	2449,60	2429,08	3466,60	4479,49	4324,11
Cumulated Profit/(Losses) - extraordinary reserve included	-5,70	75,31	1279,43	2567,71	3921,80	4851,64	5374,85	6270,89	7899,71	9548,44	11215,51
Current Profit/(loss) - Net of legal reserves accrual	0,00	509,9	509,9	458,2	-879,4	-1780,7	-2925,2	-3841,8	-4433,1	-5068,9	-6891,4
Legal Reserve	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>Medium/long term Financial Debt</b>	<b>14862,19</b>	<b>13713,33</b>	<b>11046,77</b>	<b>8228,52</b>	<b>6160,46</b>	<b>4500,56</b>	<b>3303,66</b>	<b>2020,54</b>	<b>916,68</b>	<b>0,00</b>	<b>0,00</b>
VAT SHL	1240,16	1240,16	1240,16	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Shareholders Loan	765,74	255,62	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Shareholders Loan - Interests	31,3	92,8	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Loan	11345,00	10624,59	8804,85	7492,24	5856,29	4500,56	3303,66	2020,54	916,68	0,00	0,00
Mezzanine	1500,00	1500,00	1001,76	736,28	304,17	0,00	0,00	0,00	0,00	0,00	0,00
<b>Cash</b>	<b>-1030,05</b>	<b>-1568,45</b>	<b>-2126,56</b>	<b>-2886,47</b>	<b>-2356,89</b>	<b>-2192,25</b>	<b>-1959,83</b>	<b>-1964,68</b>	<b>-2142,44</b>	<b>-1833,06</b>	<b>-1807,40</b>
Available cash	-1030,05	-322,17	-1151,39	-1762,09	-1387,96	-1311,02	-1040,03	-1139,90	-1411,85	-1842,43	-1816,77
MRA	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
DSRA	0,00	-1215,03	-912,67	-1030,63	-843,93	-724,98	-732,30	-606,03	-480,59	0,00	0,00
Escrow Account Bond Proceed c/f	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Reserve for new capex	0,00	-31,25	-62,50	-93,75	-125,00	-156,25	-187,50	-218,75	-250,00	-281,25	-312,50
<b>Net Financial Position</b>	<b>13.852</b>	<b>12.145</b>	<b>8.920</b>	<b>5.342</b>	<b>3.804</b>	<b>2.308</b>	<b>1.344</b>	<b>56</b>	<b>(1.226)</b>	<b>(1.833)</b>	<b>(1.807)</b>
<b>TOTAL SOURCES</b>	<b>13.856</b>	<b>12.740</b>	<b>10.720</b>	<b>8.378</b>	<b>6.856</b>	<b>5.399</b>	<b>3.803</b>	<b>2.495</b>	<b>2.251</b>	<b>2.656</b>	<b>2.527</b>

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Nel seguito si riportano i principali dati di Input utilizzati dal management della Società per la predisposizione del Piano Economico Finanziario della Biogas Sardegna Green S.r.l. per l'orizzonte temporale 2021 – 2031.

### Macro Inputs

Production Input													
Selected Scenario	Input Scenario	1	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
APB			30	30	30	30	30	30	30	30	30	30	
Production			0	0	0	0	0	0	0	0	0	0	
Input Scenario			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
APB			30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	
Growth Scenario	First year	Growth	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
APB	0	0,00%	0	0	0	0	0	0	0	0	0	0	
Calculation Scenario			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
APB			0	0	0	0	0	0	0	0	0	0	
Working days			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
APB			0	0	0	0	0	0	0	0	0	0	
Ton/day			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
APB			0,00	0	0	0	0	0	0	0	0	0	
Conversion Factor Waste to bimethan	Fixed		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
Conversion Factor Waste to bimethan	Variable		160,00	160,00	160,00	160,00	160,00	160,00	160,00	160,00	160,00	160,00	
Conversion Factor Waste to bimethan	Fixed		185,42	185,42	185,42	185,42	185,42	185,42	185,42	185,42	185,42	185,42	
Conversion Factor Waste to bimethan	Selected Sc		185,42	185,42	185,42	185,42	185,42	185,42	185,42	185,42	185,42	185,42	
CIC forecasting price													
L 1 Low	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
C 2 Central	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000
H 3 High	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000	375,0000
Solid plant output													
L 1 Low	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
C 2 Central	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000	0,0000
H 3 High	45,0000	45,0000	45,0000	45,0000	45,0000	45,0000	45,0000	45,0000	45,0000	45,0000	45,0000	45,0000	45,0000
ABP													
Price / ABP (Euro / ton)													
L 1 Worst	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
C 2 RINA	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000
H 3 Sponsor	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000	200,0000
L 1 Worst	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
C 2 RINA	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
H 3 Sponsor	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Operating Hours CHP	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
L 1 Worst	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
C 2 RINA	8,234	8,234	8,234	8,234	8,234	8,234	8,234	8,234	8,234	8,234	8,234	8,234	8,234
H 3 Sponsor	8,234	8,234	8,234	8,234	8,234	8,234	8,234	8,234	8,234	8,234	8,234	8,234	8,234
Electricity Price market													
Electricity PVN - €/MWh, nominal	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Low	45,81	41,59	41,75	42,58	42,34	41,19	40,19	39,01	37,98	37,29	37,09	37,10	37,24
Central	51,25	51,05	52,97	55,95	58,57	61,45	64,36	66,74	69,40	70,70	69,71	69,59	70,25
High	56,37	60,14	62,63	65,45	68,49	71,82	74,95	77,08	79,71	79,95	79,66	80,08	80,37
low (NOT LINK)	33,0000	33,0000	33,0000	33,0000	33,0000	33,0000	33,0000	33,0000	33,0000	33,0000	33,0000	33,0000	33,0000
reporto I3	1,000												
values expressed in kWh PCI	1,000												
L 1 Low	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
C 2 Central	0,0458	0,0416	0,0417	0,0426	0,0423	0,0412	0,0402	0,0390	0,0380	0,0373	0,0371	0,0371	0,0372
H 3 High	0,0513	0,0510	0,0530	0,0560	0,0586	0,0614	0,0644	0,0667	0,0694	0,0707	0,0697	0,0696	0,0703
	0,0564	0,0601	0,0626	0,0654	0,0685	0,0718	0,0749	0,0771	0,0797	0,0800	0,0797	0,0801	0,0804
Inflation													
Inflation	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
		2,50%	1,34%	0,44%	0,01%	0,24%	1,54%	1,75%	1,30%	0,00%	1,30%	1,50%	1,70%
EURIBOR Input													
EURIBOR 6M	10/06/2016	11/12/2016	10/06/2017	11/12/2017	10/06/2018	11/12/2018	10/06/2019	11/12/2019	10/06/2020	11/12/2020	10/06/2021	11/12/2021	10/06/2022
EURIBOR 6M	0,0%	-0,1%	-0,2%	-0,2%	-0,3%	-0,3%	0,0%	0,0%	0,0%	0,0%	-0,5%	-0,5%	-0,5%

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# General inputs

2021\_05\_19 Sardinia Biogas\_v24

Project Name			B5 Green
B5 Green			B5 Green
<b>Model Assumptions</b>			
Discount Rate		9,50%	
Model Start Date		30/06/2021	
Round		8	
Model End Date		Input	
Input		31/12/2031	
Production		31/12/2042	
<b>Inflation Assumption</b>			
Revenues	%		Curve
Costs	%		Constr
<b>Revenues Ass.</b>			
<b>Input Scenario</b>		<b>Input Scenario</b>	
Input Scenario	Index	1	
Growth Scenario	Index	2	
Calculation Scenario	Index	3	
<b>Growth Scenario Assumptions</b>		First year	Growth
APB	ton/4	0	0,00%
<b>Undesirables</b>		0,00%	
APB	%		
<b>GATE Fee</b>		<b>Inflation link</b>	
APB	Scenario	L	No
<b>Conversion Factor ABP</b>		Fixed	
If Fixed	Index	185	
<b>Operating Hours CHP</b>		8.760	
Operating Hours CHP	hours / years	L	
GSE Minimum Guaranteed Price	Index	90,00	
Maximum Annual Guaranteed	Euro / Mwh	2.000	
Self Consumption	MWh/y	40%	
<b>Cost of Biomethane sold</b>		Curve	
Price input	Euro / Mwh	0,234	Inflation link
Biomethan Price Scenario	Index	L	Yes
<b>Conversion Factor Waste to Waste Water</b>		0,000	
Conversion Factor Methan	ton/mc	0,000	
Conversion Factor Methan for autoconsumption		0,000	
<b>CIC</b>			
Conversione kWh in CIC [kWh/CIC]	[kWh/CIC]	0,00	
CIC Price Scenario	Index	L	
CIC price	€/CIC	0	
<b>Solid plant output</b>		4.949	
% Solid plant output	ton/year	16,50%	
Solid plant output	% of ABP		
From	date	31/12/2021	
To	date	31/12/2031	
Ir Biomethan Price Scenario	Index	L	
<b>Construction Inputs</b>			
Starting date	Date	30/06/2021	
Construction period	months	6	
Starting date	Date	31/12/2021	
Construction period	months	3	
Starting date	Date	31/03/2022	
Ramp - up		50,0%	
Construction period	months	3	
Starting date	Date	30/06/2022	
		50,0%	
<b>Depreciation</b>			
Years of depreciation		21,00	
Tangible Assets		13,1%	
Intangible Assets		5,0%	
Land/Financial assets		0,0%	
Transaction and financial costs		5,0%	
<b>Capex details</b>			
		amount	VAT
Fixed Assets	Euro'000	10.655,70	10%
Advisor	Euro'000	214,50	22%
Surface Rights (DDS)	Euro'000	100,00	0%
Start up cost	Euro'000	350,00	22%
Contingency	Euro'000	504,00	10%
			Tang. / Int.
			Tangible Assets
			Intangible Assets
			Land/Financial assets
			Tangible Assets
			Tangible Assets
<b>New Capex details</b>			
Revamping	Euro'000	250,00	Date
			31/12/2030
			VAT
			10%
Reserve for new capex	Index		Yes
Funding reserve starting from X years before capex	number of years		10,00

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VAT Operating Costs per SPVs				
SPV name			85 Green SPVs	
Tab reference				
Revenues from CHP selling	%	10,00%	10,00%	10,00%
Revenues from Gate Fee	%	10,00%	10,00%	10,00%
O&M ant other costs Plant	%	22,00%	22,00%	22,00%
Administrative costs	%	22,00%	22,00%	22,00%
Biomass Costs	%	22,00%	22,00%	22,00%
Product costs (Chemicals, water, consumables)	%	22,00%	22,00%	22,00%
IMU and TASI	%	0,00%	0,00%	0,00%
Overheads	%	22,00%	22,00%	22,00%
Insurance	%	22,00%	22,00%	22,00%
General Expenses	%	22,00%	22,00%	22,00%
Liquid Digestate and Residuals management	%	22,00%	22,00%	22,00%
Royalties	%	22,00%	22,00%	22,00%
EE Costs	%	22,00%	22,00%	22,00%
Personnel	%	0,00%	0,00%	0,00%
Leasing Installments	%	22,00%	22,00%	22,00%

Interest on Shareholder Loan				
SPV name			85 Green SPVs	
Tab reference				
Interest	%	8,00%	8,00%	8,00%

Working Capital				
SPV name			85 Green SPVs	
Tab reference				
Revenues from CHP selling	n. of months	1	1	
Revenues from Gate Fee	n. of months	1	1	
Revenues from CIC	n. of months	2	2	
Revenues from Solid Plant Output	n. of months	3	3	
O&M ant other costs Plant	n. of months	3	3	
Administrative costs	n. of months	3	3	
Biomass Costs	n. of months	1	1	
Product costs (Chemicals, water, consumables)	n. of months	1	1	
IMU and TASI	n. of months	1	1	
Overheads	n. of months	1	1	
Insurance	n. of months	1	1	
General Expenses	n. of months	3	3	
Liquid Digestate and Residuals management	n. of months	3	3	
Royalties	n. of months	1	1	
EE Costs	n. of months	1	1	
Personnel	n. of months	0	0	

	If paid annually	If paid monthly
	1	1

Operating Costs per SPV				
SPV name			85 Green SPVs	
Tab reference				
Purchase prices and Rates				
EE purchase price	Euro/kWh	140,00		
Liquid Digestate disposal price	Euro/t	4,50	54 month(s)	
Inert residuals disposal price	Euro/t	0,00		
Metals to recovery	Euro/t	0,00		
Liquid Digestate and Residuals management				
Liquid Digestate produced quantities	Ut incoming waste - %	83,00	30/06/2026	
Inert residuals	Ut incoming waste - %	0,00		
Metals to recovery	Ut incoming waste - %	0,00		
Residual Salts disposal expenses for analysis and registration	Euro/000ly	0,00		
Personnel Costs				
Production director - resp produzione impianti	Organization	Euro '000	1,00	122,1
administratives - amministrativi			2,00	62,2
technical - stipendi operai			7,00	62,2
Director			1,00	192,0
Technical consultant			1,00	122,4
Accountant			1,00	122,4
Chairman			1,00	19,0
Total Personnel Costs			1,00	1.118,72
Royalties				
Royalties	cent/Sm3	0,00		

Cooperation Plant			
	Cap	Rate	Inflation Link
Capacity	0,00		
COB availability	0,00		
Availability	0		
Production	0,00		
Biomass quantities	0,00		
Biomass	0,00		Yes
Bottom Ashes disposal price	0,00		Yes
Fly Ashes disposal price	0,00		Yes
Bottom Ashes	0%		
Fly Ashes	0%		

Photovoltaic Plant			
	Mark	Rate	Inflation Link
Production	0,00		
Degradation factor	0,00%		

Other Operating Coss			
Overheads	Euro'000/y	Z	221,0
Other overheads	Euro'000/y	Z	150,0
Consultancy and advisory	Euro'000/y	Z	135,0
Insurance	Euro'000/y	Z	100,0
O&M (CHP and Aenergia O&M)	Euro'000/y	Z	227,9
Water consumption	Euro'000/y	Z	31,4
Raw materials	Euro'000/y	Z	85,0
CDA costs	Euro'000/y	F	15,0
Organization	Euro'000/y	F	60,0
IMU	Euro'000/y	Z	30,0

Switch O&M	Date Switch
227,9	31/12/2026

Eletctricy				
EE Plant consumption	MWh		Amended compare to sponsor input	
		2.225,0		
O&M ant other costs Plant	Euro'000/y	0,00000	227,94	Monthly Inflation Link 100,0%
Administrative costs	Euro'000/y	0,00000	221,00	Monthly Inflation Link 75,0%
Biomass Costs	Euro'000/y	0,00000		Monthly Inflation Link 100,0%
Product costs (Chemicals, water, consumables)	Euro'000/y	0,00000	118,41	Monthly Inflation Link 75,0%
IMU and TASI	Euro'000/y	0,00000	30,00	Monthly Inflation Link 0,0%
Overheads	Euro'000/y	0,00000	150,00	Monthly Inflation Link 50,0%
Insurance	Euro'000/y	0,00000	100,00	Monthly Inflation Link 0,0%
General Expenses	Euro'000/y	0,00000	210,00	Monthly Inflation Link 100,0%
Liquid Digestate and Residuals management	Euro'000/y	0,00000		Monthly Inflation Link 100,0%
Royalties	Euro'000/y	0,00000		Monthly Inflation Link 100,0%
EE Costs	Euro'000/y	0,00000		Monthly Inflation Link 100,0%
Personnel	Euro'000/y	0,00000	1.128,72	Monthly Inflation Link 50,0%
Fund for after concession	Euro'000/y	0,00000	0,00	
Agency fee	Euro'000/y	15,00000	0,00	Inflation Link Yes
Permitted Capex	Euro'000/y		0,00	

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**Fiscal input**

Max deductible interest on EBITDA	%	0,00000	30,00%	
Non Deductable IMU	%	0,00000	0,00%	
Loss to be carried forward	%	0,00000	80,00%	
IRES	%	0,00000	24,00%	
IRAP	%	0,00000	3,90%	
Taxes paid first year in operation	Yes/No	0,00000	Yes	
Superdepreciation				
VMV Project		0,00000	685,25	0,00%
Civil works		0,00000	3.016,89	0,00%
Technological systems		0,00000	1.712,24	0,00%
Process plants		0,00000	4.300,00	0,00%
Anaergia technical cost		0,00000	586,00	0,00%
Anaergia Project		0,00000	157,03	0,00%
Insurance		0,00000	150,00	0,00%
Enel		0,00000	48,29	0,00%
0,00000		0,00000	0,00	0,00%
<b>Total Superdepreciation</b>		<b>0,00000</b>	<b>10.655,70</b>	<b>0,0%</b>

**Financial Structure**

DSCR Target Condition (DSCR)	x	1,60 x	1,60 x	85 Green
DSCR Target Condition Additional Sizing (DSCR)	x	1,60 x	1,60 x	
DSCR Trigger		1,35 x	1,35 x	
LLCR relevant event		1,35 x	1,35 x	
DSCR Annual & Forecast relevant event		1,35 x	1,35 x	
Tail for Debt Sculpting	n of month	12	12	
Margin	%	6,00%	6,00%	
Interest Rate Swap rate	%	0,00%	0,00%	
Spread on Cap Running	%	0,00%	0,00%	
% of New Senior Facility Swapped	%	75,00%	75,00%	
MRA	Euro '000/kwp/y	0,0	0,0	
Minimum cash in balance	n of month	3	3	
Minimum cash in balance - upfront construction	%	0,00000	100,00%	
Minimum cash in balance - end construction	%	0,00000	0,00%	
MTM on IRS of Project Debt	Euro '000		0	85 Green
Equity	Euro '000		0,0	
Shareholder loan	Euro '000		0,0	
Net Equity	Euro '000		0,0	
Tremonti Ambiente			0	
Amount	Euro '000		30/06/2016	
Cash in (date)				

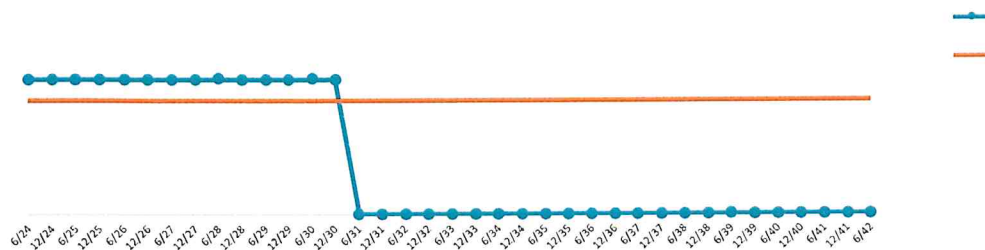
**Main Results**

Debt Drawdown	Euro '000	11.345,00	11.345,00
Last Repayment Date	Date	31/12/2030	31/12/2030
DSCR	x	1,60 x	1,60 x
ADSCR <sub>min</sub>	x	1,60 x	1,60 x
LLCR <sub>min</sub>	x	1,67 x	1,67 x
WAL	yr(s)	5,11 yr(s)	5,11 yr(s)

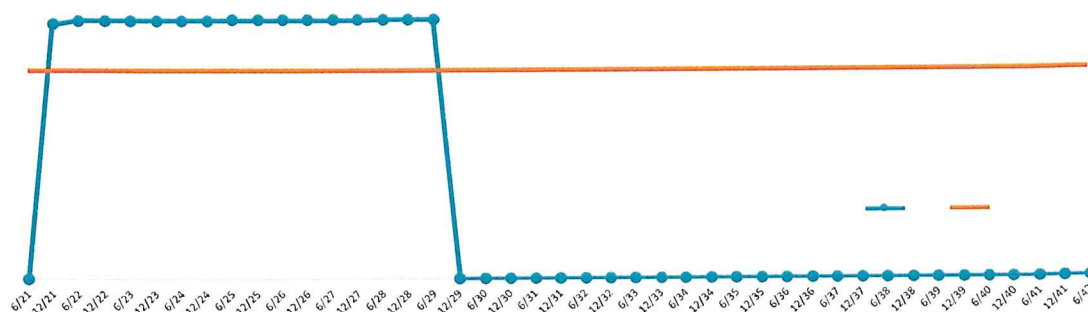
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## Debt Service Cover Ratio



## Loan Life Cover Ratio



## Principali assunzioni del caso base

Il business plan proposto prevede 2 voci di entrate attive:

1. vendita di energia elettrica pari a circa 240k €/anno (anno 2022)

Il Proponente ha considerato un prezzo di vendita dell'energia elettrica di 70 €/MWh e si basa su una produzione inferiore di circa il 10% rispetto ai risultati della relazione tecnica. Lo stesso valore è stato applicato agli anni successivi. L'autoconsumo di energia è stimato in un 40% (più conservativo del 30% rispetto alla scheda tecnica), ed è legato alle necessità derivanti dal processo dell'impianto.

2. Ricavi da conferitori della materia prima pari a circa 6.000.000 €/anno per 5 anni (più altri 5 anni possibili tramite rinnovo tacito dei contratti).

Il Proponente ha ottenuto contratti di fornitura per 200 €/t di ABP. Il conteggio delle entrate è basato su 30.000 t/a;

La ripartizione dei CAPEX, sulla base del report di due diligence tecnica, è invece la seguente:

- Progettazione VMV 685.250
- Opere civili 3.016.890
- Impianti tecnologici 1.712.240
- Impianti di processo 4.300.000
- Costi tecnici 586.000
- Progettazione Anaergia 157.030
- Assicurazione 150.000
- Enel 48.290
- Costi di startup ca. 600.000
- Altri costi generali 100.000

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Il Business Plan proposto include voci OpEx (quando l'impianto sarà pienamente operativo) derivanti dalla due diligence tecnica così distinte:

- O&M e altri costi Impianto 232.230
- Costi amministrativi 224.120
- Costi della biomassa 0,00
- Costi di prodotto (Prodotti chimici, acqua, materiali di consumo) 120.080
- IMU e TASI 30.000
- Spese generali 151.410
- Assicurazione 100.000
- Spese generali 213.950
- Spese EE 27.530
- Personale 1.139.340

### Assunzioni di carattere prospettico

- Il Piano Economico Finanziario, in quanto documento di programmazione che si estende su un orizzonte pluriennale, è basato su un insieme di ipotesi in ordine al verificarsi di eventi futuri e alla realizzazione di azioni che dovranno essere intraprese da parte del management e degli Amministratori della Società. Le previsioni espresse nel PEF includono assunzioni ipotetiche relative ad eventi futuri ed azioni degli Amministratori e del management che non necessariamente si verificheranno nonché ad eventi e azioni sui quali gli Amministratori e il management non possono, o possono solo in parte, influire, relativamente all'andamento delle principali grandezze patrimoniali ed economiche nonché ad altri fattori che ne influenzeranno l'evoluzione.
- Per effetto dell'aleatorietà connessa alla realizzazione di qualsiasi evento futuro, sia per quanto concerne il concretizzarsi dell'accadimento, sia per quanto riguarda la misura e la tempistica della sua manifestazione, non può esser escluso che vi potranno essere scostamenti fra valori consuntivi e valori preventivati, anche qualora le assunzioni ipotetiche e le proiezioni iniziali si manifestassero.
- In ogni caso gli Amministratori ritengono, sulla base degli elementi disponibili alla data della redazione della presente relazione, nonché sulla base delle validazioni tecniche/legali effettuate da RINA Consulting S.p.A. nonché dallo studio legale Orrick, che il PEF sia costruito secondo ipotesi ragionevoli e attendibili, nel rispetto di criteri razionali di quantificazione delle grandezze economico-finanziarie nelle quali si articola, e che esso rappresenti ed oggi la miglior stima, nelle attuali condizioni di mercato, del presumibile svolgimento della gestione.
- In particolare, le assunzioni ipotetiche sottostanti il PEF sono relative:
  - all'attesa evoluzione dello scenario macroeconomico riguardante l'Italia (i.e. inflazione, andamento pandemico, ecc.);
  - all'evoluzione della normativa fiscale italiana, ipotizzata invariata rispetto a quanto attualmente in vigore;
  - all'andamento di mercato del costo dell'energia elettrica.

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