

VE 7 ApS

**c/o Harbour House, Sundkrogsgade 21, DK-
2100 Copenhagen**

CVR no. 29 42 59 49

Annual report for 2018

Adopted at the annual general meeting
on 30 April 2019



Pernille Ohlsen
chairman

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Independent auditor's report	2
Management's review	
Company details	5
Management's review	6
Financial statements	
Income statement 1 January - 31 December	7
Balance sheet 31 December	8
Notes to the annual report	10
Accounting policies	12

Statement by management on the annual report

The executive board has today discussed and approved the annual report of VE 7 ApS for the financial year 1 January - 31 December 2018.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018.

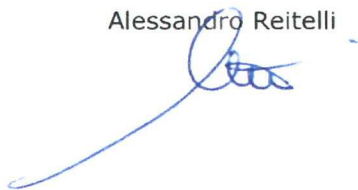
In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 30 April 2019

Executive board

Alessandro Reitelli



Independent auditor's report

To the shareholders of VE 7 ApS

Opinion

We have audited the financial statements of VE 7 ApS for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

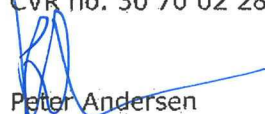
In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 30 April 2019

ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Peter Andersen
State authorised public accountant
MNE no. mne34313

Company details

The company

VE 7 ApS
c/o Harbour House
Sundkrogsgade 21
DK-2100 Copenhagen

CVR no.: 29 42 59 49

Reporting period: 1 January - 31 December 2018

Domicile: Copenhagen

Executive board

Alessandro Reitelli

Auditors

ERNST & YOUNG
Godkendt Revisionspartnersekskab
c/o Postboks 250, Osvald Helmuths Vej 4
DK-2000 Frederiksberg

Consolidated financial statements

The company is included in the group annual report of Athena Investments A/S

The group annual report of Athena Investments A/S may be obtained at the following address:

c/o Harbour House
Sundkrogsgade 21
DK-2100 Copenhagen

Management's review

Business activities

The principal activity is to invest in and finance wind energy projects.

Recognition and measurement uncertainties

The recognition and measurement of items in the financial statements is not subject to any uncertainty.

Unusual matters

The company's financial position at 31 December 2018 and the results of its operations for the financial year ended 31 December 2018 are not affected by any unusual matters.

Business review

The company's income statement for the year ended 31 December shows a profit of DKK 20.631.931, and the balance sheet at 31 December 2018 shows equity of DKK 379.333.622.

During the first semester of 2018, a corporate restructuring was implemented through mergers and contribution of shares with the aim of creating a sub holding company containing all the Italian solar and wind assets. In this operation Athena contributed to GWM RE SPA the shares of VE 7 ApS. At 31.12.2018 GWM Renewable Energy SpA is the new parent company of VE 7 ApS.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	Note	2018 DKK	2017 DKK
Other external expenses		-138.209	-66.412
Gross profit		-138.209	-66.412
Impairment losses on financial assets, reversal		20.883.535	24.200.000
Financial income	2	964.277	1.564.207
Financial expenses	3	-1.148.637	-1.530.531
Profit/loss before tax		20.560.966	24.167.264
Tax on profit/loss for the year		70.965	7.130
Profit/loss for the year		20.631.931	24.174.394
 Distribution of profit			
Retained earnings		20.631.931	24.174.394
		20.631.931	24.174.394

Balance sheet 31 December

	Note	2018 DKK	2017 DKK
Assets			
Investments in subsidiaries		392.483.535	371.600.000
Receivables from group companies		22.930.031	39.717.953
Fixed asset investments		415.413.566	411.317.953
Total non-current assets		415.413.566	411.317.953
Corporation tax		75.869	4.904
Receivables		75.869	4.904
Cash at bank and in hand		990.924	375.415
Total current assets		1.066.793	380.319
Total assets		416.480.359	411.698.272

Balance sheet 31 December

	Note	2018 DKK	2017 DKK
Equity and liabilities			
Share capital		140.000	140.000
Retained earnings		379.193.622	358.561.690
Equity	4	379.333.622	358.701.690
Payables to group companies		26.683.294	42.637.504
Total non-current liabilities	5	26.683.294	42.637.504
Trade payables		0	33.000
Payables to group companies		54.297	0
Other payables		10.409.146	10.326.078
Total current liabilities		10.463.443	10.359.078
Total liabilities		37.146.737	52.996.582
Total equity and liabilities		416.480.359	411.698.272
Contingencies, etc.	6		

Notes

	<u>2018</u>	<u>2017</u>
	DKK	DKK
1 Staff costs		
Average number of employees	<u>0</u>	<u>0</u>
	<u>2018</u>	<u>2017</u>
	DKK	DKK
2 Financial income		
Financial income, group companies	<u>964.277</u>	<u>1.564.207</u>
	<u>964.277</u>	<u>1.564.207</u>
	<u>2018</u>	<u>2017</u>
	DKK	DKK
3 Financial expenses		
Financial expenses, group companies	1.096.259	1.508.232
Other financial costs	19.052	6.802
Exchange adjustments costs	<u>33.326</u>	<u>15.497</u>
	<u>1.148.637</u>	<u>1.530.531</u>

Notes

4 Equity

	Share capital	Retained earnings	Total
Equity at 1 January 2018	140.000	358.561.691	358.701.691
Net profit/loss for the year	0	20.631.931	20.631.931
Equity at 31 December 2018	140.000	379.193.622	379.333.622

The share capital consists of 140.000 shares of a nominal value of DKK 1 each. No shares carry any special rights.

5 Long term debt

	Debt at 1 January 2018	Debt at 31 December 2018	Instalment next year	Debt outstanding after 5 years
Payables to group companies	42.637.504	26.683.294	0	26.683.294
	42.637.504	26.683.294	0	26.683.294

6 Contingencies, etc.

The company has provided a joint and several guarantees for the company's subsidiary Minerva Messina Srl's project financing. At 31 December 2018, this debt is amounted to tEUR 20,294.

The company is jointly taxed with other Danish companies in the Group. As a group company, the company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties in the joint taxation unit.

Accounting policies

The annual report of VE 7 ApS for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

The annual report for 2018 is presented in DKK.

Pursuant to sections §112, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

Accounting policies

Income statement

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Investments in subsidiaries

Investment in subsidiaries and associates are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Impairment of fixed assets

The carrying amount of investments in subsidiaries is reviewed for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

Receivables

Receivables are measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Accounting policies

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Other liabilities, which include trade payables and other payables, are measured at amortised cost, which is usually equivalent to nominal value.