



WindShareFund®

Investing in operational wind turbines in Germany

WindShareFund Europe

Summary

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DATED: 10 AUGUST 2020

WindShareFund Europe

a public limited liability company (naamloze vennootschap)
Avenue Louise 209A
1050 Brussels
Belgium

Trading under the name "WindShareFund IV"

WindShareFund Europe is a Belgian public limited liability company (société anonyme / naamloze vennootschap) which does not qualify as an "undertaking for collective investment other than the closed-end type" in the sense of Article 2 of Regulation (EU) 2017/1129.

1. Introduction and warnings

This summary must be read as an introduction to the registration document (the "**Registration Document**") and the securities note (the "**Securities Note**", together with the Registration Document, the "**Prospectus**"). Any decision to invest in the up to EUR 25,000,000 3% + variable component bonds due 2030 (the "**ClimateBonds – Series 1**") should be based on a consideration of the Prospectus as a whole. Investing in the ClimateBonds – Series 1 involve risks, including losing all or part of the capital. Where a claim relating to the information contained in the Prospectus is brought before a court the plaintiff may, under the national legislation of Member States of the European Economic Area where the claim is brought, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus, or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the ClimateBonds – Series 1.

WindShareFund Europe itself and financial intermediaries (as the case may be) designated by WindShareFund Europe will make the offer of the ClimateBonds – Series 1.

The official name of the issuer is WindShareFund Europe, trading under the name WindShareFund IV. WindShareFund Europe is a public limited liability company (*naamloze vennootschap*) incorporated and operating under Belgian law, having its registered office at Avenue Louise - 209A, B-1050 Brussels, Belgium and registered with the Belgian companies and trade register under number 0744498160. The legal entity identifier ("**LEI**") for WindShareFund Europe is 2549000PVT6QBOPUI138. Its telephone number is +32 279 25 767. The ClimateBonds – Series 1 will not bear an ISIN number and will not be admitted for clearance in any clearing system.

The authority approving the Prospectus is the *Commission de Surveillance du Secteur Financier* ("**CSSF**"), having its registered address at 283, route d'Arlon, L-1150 Luxembourg, Grand Duchy of Luxembourg, with telephone number (+352) 26 25 1 – 1.

The date of approval of the Prospectus is 10 August 2020.

2. Key information on WindShareFund Europe

2.1. Who is the issuer of the securities?

The official name of the issuer is WindShareFund Europe, trading under the name WindShareFund IV, having the form of a public limited liability company (*naamloze vennootschap*) and incorporated and operating under Belgian law. It has its registered office at Avenue Louise - 209A, B-1050 Brussels, Belgium and is registered with the Belgian companies and trade register under number 0744498160. The **LEI** for WindShareFund Europe is 2549000PVT6QBOPUI138.

WindShareFund Europe is a 100% subsidiary of WindShareFund N.V., a Dutch legal entity. WindShareFund N.V. is also the sole director of WindShareFund Europe. All shares in WindShareFund N.V. are held by WSF Holding B.V., a Dutch legal entity. Mr. C.E. Ratelband (the "**Director**") holds all share certificates in WSF Holding B.V. WindShareFund N.V. has set up and will continue to set up other legal entities, which are and will be active in the field of investments in renewable energy.

WindShareFund Europe was recently incorporated and the appointment of a statutory auditor (*commissaire aux comptes*) is currently not required under applicable law.

WindShareFund Europe will be purely a holding entity. WindShareFund Europe is a dedicated vehicle and has been incorporated in view of raising financing and using the proceeds from the offering, after deduction of costs, for purchase and exploitation of wind turbines (the "**Wind Turbines**") in Germany in accordance with the global strategy defined by WindShareFund Europe. In collaboration with experts in various fields, WindShareFund Europe will make a list of potentially interesting wind turbines taking into account the investment criteria. WindShareFund Europe will decide, at its discretion in consultation with the board of trustees (the "**Board of Trustees**"), on any purchases and initiations of purchase processes, including requesting one or more banks to co-finance the purchases.

We are solely interested in wind turbines in Germany as this will allow us to benefit from the German Renewable Energy Sources Act (*Erneuerbare-Energien-Gesetz*, "**EEG**"). Under this statutory framework we can receive fixed prices for every kilowatt-hour produced by wind turbines. WindShareFund Europe intends to purchase with the proceeds from the issuance of the ClimateBonds – Series 1.

2.2. What is the key financial information regarding WindShareFund Europe?

WindShareFund Europe has not yet published any historical financial information. Profit forecasts or estimates are not applicable as WindShareFund Europe has not issued financial forecasts or estimates yet. Selected historical key financial information and qualifications in the auditor's report are not applicable as WindShareFund has not yet commenced its operations. Therefore, to date no historic financial information is available.

2.3. What are the key risks that are specific to WindShareFund Europe?

Risk factors that may affect WindShareFund Europe's ability to fulfil its obligations under the ClimateBonds – Series 1 relate to the following:

- Risks relating to Wind Turbines:
 - o There is a risk that seeking to sell Wind Turbines before final redemption of the securities issued by WindShareFund Europe (the "**ClimateBonds**"), WindShareFund Europe does not succeed in receiving the price it is expecting resulting in insufficient funds to meet its obligations towards holders of ClimateBonds (the "**ClimateBondHolders**").
 - o There is a risk that WindShareFund Europe might not be able to purchase wind turbines for a reasonable price and in such event, the ClimateBonds will most likely be redeemed at a very early state, resulting in very low financial benefit for the ClimateBondHolders.
 - o There is a risk that there will be less wind on locations where the Wind Turbines will be located than foreseen in the wind analysis performed prior to the purchase of the wind turbines resulting in lower income and difficulties for WindShareFund Europe to meet its payment obligations toward ClimateBondHolders.
- Risks relating to the financing structure:
 - o There is a risk that the low percentage of equity will constitute almost no equity buffer, resulting in, when financial headwinds arise, a loss of the monetary sums invested by ClimateBondHolders, covering the negative financial impact.
 - o The Wind Turbines that WindShareFund Europe will purchase will be to a large extent financed with bank loans. There is a risk that unfavourable terms and conditions, and particularly the interest rate, will have a negative impact on the financial position of WindShareFund Europe and its ability to meet its obligations towards ClimateBondHolders. In the worst case scenario, banks may not be willing to grant WindShareFund Europe loans at all.
- Risks relating to WindShareFund Europe's business model:
 - o There is a risk that insolvency laws in Belgium may not be as favourable to the interest of ClimateBondHolders than laws in other jurisdictions. WindShareFund Europe's will only make payments towards ClimateBondHolders after payments have been made to creditors (e.g. banks or fiscal authorities) who have a higher ranking than a ClimateBondHolder.
 - o There is a risk that WindShareFund Europe only invest in a limited number of wind turbines resulting in material effect on its financial position in case any of the wind turbines has a disappointing return or finds itself in negative circumstances.
 - o There is a risk that the market for wind turbines materially adversely changes (e.g. due to the impact of the Covid-19 on capital markets) which will have an immediate detrimental effect on WindShareFund Europe and its ability to meet its obligations towards ClimateBondHolders.
 - o There is a risk that WindShareFund Europe may experience fluctuations in its operating results from period to period due to a number of factors, including (i) changes in the values of investments that it makes, (ii) changes in the amount of distributions or interest paid in respect of investments, (iii) changes in WindShareFund Europe's operating expenses, variations in and the timing of the recognition of realised and unrealised gains or losses, (iv) the degree of competition and (v) general economic and market conditions.
 - o The fact that WindShareFund Europe has no operations means that it also has no operating history. As a consequence, there are no data within WindShareFund Europe which can be used as a fair assessment for future results.
- Risks relating to laws and regulations:
 - o There is a risk that as WindShareFund Europe will only invest in Wind Turbines where the remuneration systems under the former German Renewable Energy Sources Act (EEG) applies, it will result in a certain limitation in the investment opportunities.

3. Key information on the ClimateBonds – Series 1

3.1. What are the main features of the ClimateBonds – Series 1?

The ClimateBonds – Series 1 are freely transferable registered fixed rate bonds. The ClimateBonds – Series 1 also feature a variable component element.

The ClimateBonds – Series 1 are denominated in EUR. The ClimateBonds – Series 1 bear a nominal denomination of EUR 1,000 per ClimateBond – Series 1. A maximum of 25,000 ClimateBonds – Series 1 will be issued. The maturity of the ClimateBonds – Series 1 is 10 years from the issue date of the ClimateBonds – Series 1. The ClimateBonds – Series 1 will not bear an ISIN number and will not be admitted for clearance in any clearing system.

As from issuance of the ClimateBonds – Series 1, a fixed yearly interest of 3% (comprising of a fixed interest return of 2.75 % increased by a compensation interest amounting to 0.25 % for the purpose of compensating the possibility for WindShareFund Europe to redeem at an early redemption date, the outstanding ClimateBonds – Series 1 held by the holders of ClimateBonds – Series 1 (the “**ClimateBondHolders – Series 1**”) will be paid on the ClimateBonds – Series 1. The interest is payable on a quarterly basis to the registered holders of ClimateBonds – Series 1. Subscribers to ClimateBonds – Series 1 will be required to pay 2% of the nominal value for issuance costs. The first interest date will be the last day of the calendar quarter in the quarter in which the ClimateBonds – Series 1 have been issued.

In addition, 50% of the Residual Profits (as defined in the terms and conditions appended as schedule 1 to the Securities Note (the “**Terms and Conditions**”) of WindShareFund Europe, if any (which cannot be guaranteed), as estimated by WindShareFund Europe at the earlier of (i) the early redemption date of the last series of outstanding securities issued by WindShareFund Europe, at its option or (ii) at the maturity date of the last series of securities issued by WindShareFund Europe, as determined at the Residual Profits Distribution Date (as defined in the Terms and Conditions), will be distributed *pro-rata* to ClimateBondHolders in accordance with the terms and conditions of each issued series of ClimateBonds. For the avoidance of doubt, such distribution of the Residual Profits (as defined in the Terms and Conditions) shall not be payable in case of mandatory redemption by the occurrence of an Event of Default (as defined in the Terms and Conditions).

As from 12 months from the date of the Prospectus if the cumulative amount of the cash balance on the bank account of WindShareFund Europe and its short term receivables

(payable within one month) is less than EUR 300,000 per EUR 2,500,000 outstanding ClimateBonds – Series 1 the payment of interest may be deferred at the discretion of WindShareFund Europe. Payment of interest will not be deferred within 12 months from a distribution of dividend or other funds to the shareholder of WindShareFund Europe. Any deferred interest is payable as from an interest payment date on which the cumulative amount of the cash balance on the bank account and short term receivables (after deduction of the interest payment) is more than EUR 300,000 per EUR 2,500,000 outstanding ClimateBonds – Series 1.

The ClimateBonds – Series 1 final maturity is 10 years following the issuance of the ClimateBonds – Series 1. WindShareFund Europe may decide to partially or fully redeem the ClimateBonds – Series 1 prior to their final maturity. In case of early redemption, the interest accumulated and not yet paid at such time will also be paid.

The ClimateBonds – Series 1 will not grant any right of shareholder in WindShareFund Europe.

The ClimateBonds – Series 1 constitute unsecured and unsubordinated obligations of WindShareFund Europe and will rank *pari passu* without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of WindShareFund Europe save for those preferred by mandatory and/or overriding provisions of law and for those arising from bank financing for the purpose of the purchase of the Wind Turbines. The ClimateBonds – Series 1 will rank structurally senior to the shares in WindShareFund Europe. The ClimateBonds – Series 1 are expected to rank junior to external bank financing arrangements that may be required in connection with the funding of the acquisition of the Wind Turbines.

The ClimateBonds – Series 1 are freely transferable. There is no dividend or pay-out policy applicable for WindShareFund Europe. The ClimateBonds – Series 1 are not expected to be traded on any stock exchange and will not be guaranteed by any entity.

3.2. What are the key risks specific to the ClimateBonds – Series 1?

Risk factors that are material to the ClimateBonds – Series 1 in order to assess the market risk associated with ClimateBonds – Series 1 relate to the following:

- Risks relating to the ClimateBonds – Series 1:
 - o As from 12 months from the date of the Prospectus if the cumulative amount of the cash balance on the bank account of WindShareFund Europe and its short term receivables (payable within one month) is less than EUR 300,000 per EUR 2,500,000

outstanding ClimateBonds – Series 1 the payment of interest may be deferred at the discretion of WindShareFund Europe.

- o WindShareFund Europe may at any time redeem the ClimateBonds – Series 1 prior to their final maturity.
- o The ClimateBonds – Series 1 will not be traded on any official market and WindShareFund Europe has no obligation to redeem the ClimateBonds – Series 1 at the request of a ClimateBondHolder.
- o The availability and payment of the Residual Profits (as defined in the Terms and Conditions) will be uncertain, given that (i) WindShareFund Europe may not manage to close the sale or disposal of any Wind Turbine still owned by it (directly or indirectly) or (ii) the cash available to WindShareFund Europe may not be sufficient to cover all outstanding liabilities and expenditures of WindShareFund Europe.

4. Key information on the offer of the ClimateBonds – Series 1 to the public

4.1. Under which conditions can I invest in the ClimateBonds – Series 1?

The issuance and offering of the ClimateBonds – Series 1 have been authorised by the sole director of WindShareFund Europe on 20 July 2020. The maximum total value of the ClimateBonds – Series 1 will be EUR 25,000,000. The offer and the ClimateBonds – Series 1 are governed by Luxembourg law. Interested persons may subscribe to ClimateBonds – Series 1 from the date of publication of the Prospectus until the earlier of 12 months after the date of the approval of the Prospectus by the CSSF, being 9 August 2021, and the date on which the ClimateBonds – Series 1 will be issued.

Investors should complete and submit the subscription form available on WindShareFund Europe' website being www.WindShareFund.com and submit it to WindShareFund Europe. The earliest possible date on which a number of ClimateBonds – Series 1 may be issued is expected to be on 1 October 2020.

The subscription price of the ClimateBonds – Series 1 together with the initial 2% issuance costs must be paid in full by wire transfer on the date of the confirmation of the subscription is made by WindShareFund Europe. The confirmation will also include a request to wire the nominal value increased by 2% issuance costs within 5 days to WindShareFund Europe. Allocation will take place on a first come first served basis. WindShareFund Europe may at its own discretion decide

not to accept subscriptions, in which case amount paid by subscribers will be transferred to the relevant bank accounts as soon as possible.

4.2. Who is the offeror and/or the person asking for an admission to trading?

The offeror is WindShareFund Europe and no person is expected to be asking for an admission to trading.

Financial intermediaries might be appointed by WindShareFund Europe in connection with the offering of the ClimateBonds – Series 1.

4.3. Why is the Prospectus being produced?

Reasons for the transaction. The Securities Note is prepared in connection with the offering to the public of the ClimateBonds – Series 1 in the Grand Duchy of Luxembourg, Belgium, France, The Netherlands and Germany. WindShareFund Europe will use the net proceeds for the purchase of the Wind Turbines, including costs to be made in relation to such purchases and operations. The investment in Wind Turbines will be made either through an investment company or vehicle holding in turn the Wind Turbine (in combination, as the case may be, with a loan granted to such intermediary company or vehicle by WindShareFund Europe) or by acquiring the Wind Turbines directly. It may be that such investment is made jointly with one or more actors in the wind energy industry, acceptable to WindShareFund Europe.

Net proceeds. WindShareFund Europe anticipates that the costs relating to the offering and issuance of the ClimateBonds – Series 1 (including but not limited to the costs relating to the distribution, legal, marketing and translation fees) will amount to 15% of the proceeds of the ClimateBonds – Series 1. As a result, if the maximum amount of ClimateBonds – Series 1 is issued (i.e. EUR 25,000,000), the net proceeds will amount to approximately EUR 21,250,000. WindShareFund Europe will use the net proceeds arising from the ClimateBonds – Series 1 for the purchase of the Wind Turbines, including costs to be made in relation to such purchases. WindShareFund Europe anticipates that around 5% of the gross proceeds from the ClimateBonds – Series 1 will be used to finance costs related to the purchase of the Wind Turbines.

WindShareFund Europe expects the total costs in relation to the offering and issuance of the ClimateBonds – Series 1 and the costs related to the purchase of the Wind Turbines to amount to approximately 20% of the gross proceeds of the issuance of the ClimateBonds – Series 1. All such costs in excess of 20%, if any, will be paid by WindShareFund N.V. The offer is not subject to an underwriting agreement.