

WindShareFund
ANNUAL REPORT



WindShareFund®

WindShareFund NV 2019



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1. INTRODUCTION

WindShareFund makes investing in high quality wind turbines simple and attractive and accelerates the energy transition to sustainable, green energy. Here you will find an explanation of the market positioning of WindShareFund as well as the annual report for 2019 of WindShareFund NV. In line with the general availability of the annual reports for all participants and the internationalization of the company, the annual reports are drawn up in the English language.

2. SUSTAINABLE DEVELOPMENT GOALS AND WINDSHAREFUND

In September 2015, the United Nations established the Sustainable Development Goals (SDGs) for 2030. It concerns 17 ambitious goals in areas such as climate, poverty, healthcare and education. Realizing these SDGs by 2030 will require an annual investment of USD 5,000-7,000 billion. This is not possible without capital from institutional and private investors. These goals were created as a global call to action for positive change.

2.1 We can no longer think and act in silos

The Goals recognize that all social and environmental goals are interrelated and affect everyone in the international community. It's about what the whole world needs to do to make sure we have a habitable planet and reduce inequality. All goals are interrelated. Climate change is related to, for example, our food system, economic growth, access to clean energy and our soils. We can no longer think and trade in silos.

2.2 How is impact investing linked to the SDGs?

The SDGs includes goals such as reducing poverty, increasing gender equality, providing access to clean and affordable energy and creating more sustainable cities and communities. Each goal requires some form of financial investment. Impact investment plays a critical contributing role as it unlocks private capital to address societal issues. In order for impact investing to succeed, you have to look at investing through a lens and the investor asks, "What is my money doing for a cleaner planet or for equal opportunities for everyone?" And take action from there.

2.3 The urgency to change the way of thinking

The SDGs have the power to influence the financial industry to look through a different lens and explore the true value of investing and encourage investors to think differently.

The urgency to change how the financial industry views investing and how investors currently use their money is clear. We can see it in climate change, mass migration and the growing social inequality in the world. This is an urgency that applies directly to every country and everyone - in our homes, in our families, and in our communities.

2.4 Wind energy and impact investing

We see clear demand in the market, including retail investors, for SDG investment opportunities such as impact investing. For this reason, it is important that impact investing is widely accessible and that it is possible for every investor to invest in sustainable projects that actively contribute to the realization of the UN Sustainable Development Goals. That is why WindShareFund offers a widely accessible investment product through a fund that is used to purchase wind turbines. As mentioned, all SDGs are related, but the most direct impact of investing in wind energy is on SDG number 7 Affordable and clean Energy.

WindShareFund acknowledging the importance of the UN Sustainable Development Goals. We adopted 2 of the of the 17 UN Sustainable Development Goals (SDGs) as a blueprint to achieve a better and more sustainable future. We address global challenges such as Affordable and Clean Energy and Climate Action. We believe fighting climate change and improving access to sustainable energy are instrumental in achieving many of the Sustainable Development Goals.



2.5 Climate Impact 2019

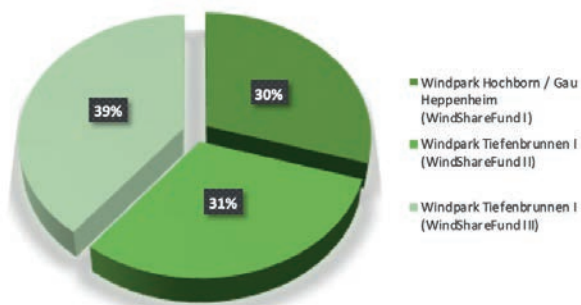
WindShareFund investments make a difference. The numbers below present our annual 2019 results in a context of positive social and environmental change.



- **CO₂ EMISSIONS AVOIDED:** The clean energy generated by our turbines in 2019, resulted in 19,360 tonnes of avoided CO₂ emissions.
- **TREES:** Only in 2019, we generated as much energy as 290,402 tree seedlings grown for 10 years
- **PRODUCTION:** The total production realised by our turbines in 2019 is 24,839,675 kWh.

The impact of each fund

Each of our funds – WindShareFund I, WindShareFund II and WindShareFund III contribute to the energy transition.



3. MARKET DEVELOPMENT

3.1 Incentive legislation

WindShareFund invests exclusively in onshore wind turbines in Germany. German policymakers realized that incentives are needed to entice individuals, cooperatives and companies to invest in sustainable resources. A feed-in tariff for electricity was introduced in 1991 to encourage the use of environmentally friendly techniques such as wind energy, biomass, hydropower and geothermal energy. The “Stromeinspeisungsgesetz” was revised in 1999, in 2000 the “Erneuerbare-Energien-Gesetz” (EEG) was adopted.¹ The EEG is an incentive scheme that ensures that energy generated from renewable sources is “given priority” over energy from fossil sources. The scheme provides for an obligatory purchase of sustainably generated energy at a fixed price. This determination is issued for a period of 20 years. This gives investors more certainty, for example when investing in a wind turbine. With this legislation, the German government indirectly guarantees that the generated energy must be purchased for a fixed price.

As a result of the EEG, the share of renewable energy in net electricity consumption has risen considerably. For example, solar energy barely played a role when the law was passed; in 2015 it was 7.5 percent. Wind energy also received an enormous boost. More than 30 percent of Europe’s wind energy capacity is located in Germany

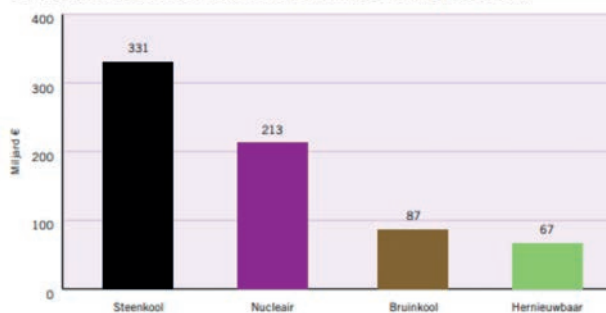
3.2 Wind energy in Germany

The business card of the Energiewende is the extensive wind farms, which have risen in recent years mainly in the northeast of Germany. Anyone who has ever driven on the A1 freeway to Berlin knows them. A mill of the latest generation, with blades up to 150 meters high, can power 2,000 to 3,500 households on its own. At the end of 2016, there were more than 27 thousand windmills in Germany, plus another thousand in the Baltic Sea and

the North Sea. Together they account for 13 percent of energy production.² And Germany is not sitting still, large economies are delivering big figures: 75% of the new wind capacity worldwide was installed in just five countries: China (15 GW), USA (6 GW), Germany (6 GW), United Kingdom (4 GW) and India (4 GW).³

But those windmills only run on subsidies, don't they? Admittedly, in the political game it was a cleverly found oneliner that stuck around for a long time. But in terms of content, nothing makes sense. The support in the form of subsidies for renewable energy in Germany falls far short of the support that has gone to coal and nuclear energy over the past forty years. Moreover, support for renewable energy is decreasing year after year. Technological developments mean that wind energy can be produced more and more cheaply. Whereas the costs of supporting ‘dirty energy sources’ are passed on to taxpayers and future generations, investment in renewable energy is direct and transparent.

TOTALE ENERGIESUBSIDIES PER ENERGIEBRON IN DUITSLAND (1972-2012)



Fossiele brandstoffen en kernenergie kregen veel meer subsidies dan hernieuwbare energie.

Source: 9 myths about the German Energiewende disproved, Bond Beter Leefmilieu, Greenpeace Belgium, WWF Belgium

3.3 No problems with the transition?

The German electricity network is one of the most reliable in Europe. While the share of renewable energy has increased tremendously in recent years, the number of power outages has been decreasing year after year. A stable network and renewable energy sources can therefore go hand in hand perfectly. This does not mean that there are no more challenges. For example, the simple fact that energy production from fossil fuels is easier to adapt to current demand than energy from renewable sources. The increasing market share of ‘electric’ in transport can lead to an overload of the energy network.

For this reason, the Energiewende will not only focus on further growth in the production of renewable energy in the coming years, but will also focus on new high-voltage lines, better coordination of the distribution networks and limiting

¹ 2004 - Law on renewable energy in the electricity sector

² De Volkskrant

³ IRENA, Renewable capacity highlights 2018



energy consumption by companies and citizens. Stronger European integration is also important: the interconnection between the various European countries must be expanded so that, in the event of temporary overcapacity in one country, energy can be supplied to another country that is not generating enough sustainable energy at that time.

The Energiewende teaches us that challenges are there to be met and that it is possible to make the energy supply more sustainable on a large scale.

3.4 Large and growing support base for sustainable energy among Dutch people

The CBS report 'Milieu en duurzame energie. Opvattingen en gedrag' describes the attitude towards the environment and sustainable energy of the Dutch population of 18 years and older in 2017. This report shows a large and growing support among the Dutch population for the energy transition:

- No less than 90 percent of the adult population indicates that they generally consider the environment important or very important.
- More than three quarters of the population says they see the need for sustainable energy, 11 percent do not, 12 percent are neutral.
- 89 percent say that renewable energy contributes to a better environment, 8 percent are neutral about this, 4 percent disagree with the statement.
- 84 percent believe that the government should stimulate sustainable energy with subsidies, 6 percent do not share this view, and 10 percent are neutral.

A majority of the population is aware that climate and energy consumption are problems. The Eurobarometer of 2017 shows that 70 percent of the Dutch population experiences climate change as one of the four most important problems. There has also been a strong increase in environmental awareness in the period 2012-2017 (CBS, 14 September 2018). In 2012, 40 percent still felt that air, soil and water were heavily polluted; in 2017 this increased to 55 percent. In 2012, 59 percent still believed that a lot of damage had been done to nature; in 2017 this will be considerably higher, at 75 percent.

Also, a larger group is willing to pay more tax for a better environment. Finally, almost half are worried about the

depletion of fossil resources (Van der Lelij, De Graaf and Visscher, 2016). This growing environmental awareness translates into views on sustainable energy. For example, three-quarters of the Dutch are positive about stimulating sustainable energy, only 2 percent are negative about it (Van der Lelij, Graaf and Visscher, 2016). Furthermore, a majority of the population believes that the development of renewable energy will make the Netherlands more independent from other countries and improve its competitive position (Van der Lelij, De Graaf and Visscher, 2016).

3.5 From sustainable to impact investing

The Schroders Global Investor Study 2017 shows that Dutch private investors are attaching increasing value to sustainable investment, a trend that can also be observed elsewhere in Europe and among investors worldwide among 22,000 investors in 30 countries.



Sustainable investment is increasingly important to investors, with 72% of Dutch respondents reporting that it has become more important to them than five years ago. It is striking that the concept of sustainable investment has long since passed the stage of excluding cluster bombs and landmines. When asked about the definition of SRI, a very significant proportion of Dutch investors opt for definitions such as investing in companies that are best in class in environmental, social or governance terms and investing in companies that are proactive and prepare their companies for climate change, for example, and therefore constitute good investments. The trend towards impact investing is clearly visible.

Source: iexprofs.nl

Almost three-quarters (72%) of Dutch investors are willing to sacrifice some return if an investment fund aims to have a positive impact on people, the environment and society, according to a survey of more than 1,100 Dutch people conducted by DirectResearch for ING and NN Investment Partners.

3.6 The environment of WindShareFund

The need for the energy transition is supported by a large and growing group of people, companies and governments. Considerable investments will be made in wind energy (in Germany) in the coming years, which will lead to financing requirements; IRENA has calculated that up to 2030 €14 billion of capital will be needed annually to invest in renewable energy in Germany. Consumers (in the Netherlands and worldwide) are showing increasing interest in impact investing. There is a market for and need for investment products with a direct contribution to the transition to renewable energy.

3.7 Net and gross wind energy additions on land in Germany

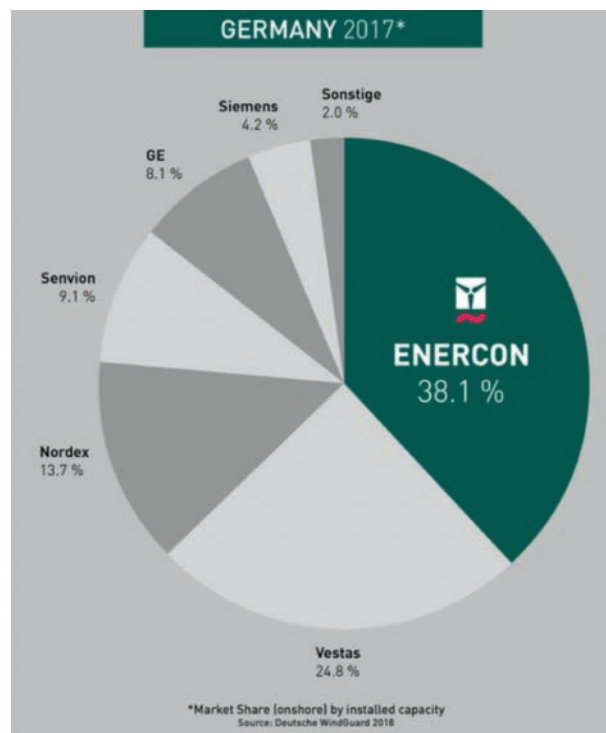
In the course of 2018, 743 wind turbine generators (WTG) were built in Germany. This corresponds to a gross addition of 2,402 MW. After several years of significant additions, this is a significant decrease. Compared to 2017, 55% less capacity has been installed. Taking into account the decommissioning of 205 WTG with a combined capacity of 249 MW, the resulting net additions for 2018 are 2,154 MW. The registered cumulative turbine portfolio subsequently increased to 29,213 WTG with a total capacity of 52,931 MW on 31 December 2018.

Source: Deutsche WindGuard

3.8 Wind turbine manufacturers in Germany

WindShareFund will only purchase wind turbines manufactured by ENERCON, General Electric, Nordex, Siemens or Vestas.

The largest producers have all been active in wind energy for a relatively long time. Below you will find the starting moments (in alphabetical order) by way of illustration.



4. STRATEGY

WindShareFund has defined a strategy for expansion in three phases.

PHASE 1 BECOME OPERATIONAL

In the first phase, an organization was set up that can raise funds, serve customers and select and purchase the right investment objects (wind turbines). With the successful realization of three funds and the associated assets in Germany, this phase has been completed at the time of this report.

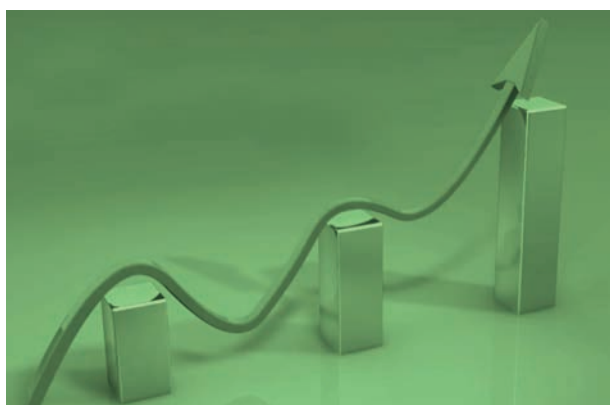
PHASE 2 PROFESSIONALIZE ORGANIZATION AND INVESTMENT OFFER

In the past, WindShareFund could raise a maximum of 5 million euros per year in the Netherlands with an exempted investment fund. With a prospectus recently approved by the competent Luxembourg financial markets authority, the Commission de Surveillance du Secteur Financier (CSSF) that amount can be significantly increased. WindShareFund aims to collect at least 25 million euros.

PHASE 3 ROLL-OUT IN OTHER MARKETS

At the moment we work on the extension to the European market from a strong base in the Netherlands. Starting in Belgium (despite the current focus on the Dutch market, approximately 5% of our participants already reside in Belgium) and from there to France, Germany and Luxembourg. We approach these markets from one head office in the Netherlands.

The investment opportunities in Germany are so suitable that we have no reason to plan investments in wind turbines outside Germany.



5. BUSINESS MODEL

WindShareFund's business model is similar to other investment companies. The funds meet markets needs for a large and growing interest among private investors in impact investing. In the coming years, the need to expand the capacity of renewable energy and related financing needs in Germany will remain high. IRENA has estimated that €14 billion of capital will be required annually to invest in renewable energy in Germany until 2030.

6. CORPORATE GOVERNANCE

Corporate Governance is about management and control, about responsibility and influence, and about supervision and accountability. WindShareFund facilitates a solid and transparent system to regulate relationships between the board, the Advisory Board, the WindShareFund Foundation and participants.

WindShareFund bears responsibility for the mission, management and control of the company. For the time being WindShare-Fund is a company with less than 10 permanent employees who comply as much as possible with the Corporate Governance rules drawn up by WindShareFund.

The main points of the WindShareFund Corporate Governance are published on the website, including the Code of Conduct. The WindShareFund Code of Conduct can be found on the website under the heading "Investor relations".

The interests of our participants are represented by a ClimateBondHolders Foundation for each fund. The board consists of a representative from the ClimateBondHolders, a representative from WindShareFund and an independent third party director.

WindShareFund N.V. (Arnhem, the Netherlands)

ANNUAL REPORT

31 DECEMBER 2019



COMMERCIAL REGISTER:
FILE NUMBER:

Arnhem, The Netherlands
60822783

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1.1 BALANCE SHEET AS OF 31 DECEMBER 2019 (before result appropriation)

Assets		31-12-19	31-12-18
		€	€
Fixed assets			
<i>Tangible fixed assets</i>	Note 1 (see paragraph 1.4)		
Inventory		4.332	2.141
		4.332	2.141
<i>Financial fixed assets</i>	Note 2 (see paragraph 1.4)		
Participations in group companies		46.686	44.009
Other securities		500	500
		47.186	44.509
Current assets			
<i>Receivables</i>	Note 3 (see paragraph 1.4)		
Trade receivables		2.800.696	512.100
Receivables from group companies		459.979	1.527
Taxes		500	59.554
Other receivables		330.373	246.747
Other prepayments and accrued income		39.541	1.362.530
		3.631.089	2.182.458
<i>Cash at bank and in hand</i>	Note 4 (see paragraph 1.4)	2.970.809	611.390
Total assets		6.653.416	2.840.498
Liabilities		31-12-19	31-12-18
		€	€
Shareholder's equity	Note 5 (see paragraph 1.4)		
Issued share capital		225.000	225.000
Other reserves		(351.083)	276.709
Result financial year		(1.186.582)	(627.793)
		(1.312.665)	(126.084)
Non-current liabilities	Note 6 (see paragraph 1.4)		
Bonds		3.531.061	-
		3.531.061	-
Current liabilities	Note 7 (see paragraph 1.4)		
Accounts payable		76.156	140.749
Debts to group companies		1.040.543	1.569.982
Taxes		7.245	9.153
Other debts		2.547.553	1.183.936
Accrued liabilities		763.523	62.762
		4.435.020	2.966.582
Total liabilities		6.653.416	2.840.498

1.2 PROFIT AND LOSS ACCOUNT 2019

		2019	2018
		€	€
Net turnover			
Net turnover	Note 8 (see paragraph 1.4)	30.000	636.344
Gross operating result		30.000	636.344
Operating costs			
Wages and salaries		221.926	247.617
Social security		36.470	41.116
Depreciation tangible fixed assets		777	561
Other operating costs	Note 9 (see paragraph 1.4)	847.823	768.172
Total operating costs		1.106.996	1.057.466
Operating result		(1.076.996)	(421.122)
Interest and similar income	Note 10 (see paragraph 1.4)	249	4.419
Interest and similar expenditure	Note 11 (see paragraph 1.4)	(112.512)	(22.958)
Total financial income and expenditure		(112.263)	(18.539)
Result before taxation		(1.189.259)	(439.661)
Taxation		-	-
Result after taxation		(1.189.259)	(439.661)
Share in result of participations	Note 12 (see paragraph 1.4)	2.677	(188.131)
Result after taxation		(1.186.582)	(627.792)

1.3 NOTES TO THE FINANCIAL STATEMENTS

GENERAL NOTES

Activities

WindShareFund N.V. (the 'Company') was incorporated on 11 February 2015. The Company has its statutory seat in Arnhem, The Netherlands and its registered office at Zijpendaalseweg 51A, Arnhem. The sole shareholder of the Company is WSF Holding B.V., Arnhem, the Netherlands.

The principal activities of the Company are to act as a holding -, finance and investment company with a focus on sustainable and renewable energy.

The actual activities are carried out at Zijpendaalseweg 51A, Arnhem.

Going concern

The current equity of the Company shows a negative net equity due to the initial start-up costs of the Company. The Company is set up for ultra-long-term and has a ultra-long-term vision. Management is adamant to maintain its initial mission of generating sustainable energy and sustainable positive cash flows. The shareholder has issued a letter of support for a period of at least 12 months after the date of these financial statements. These measures combined, should enable the Company to operate on a going concern basis. The Company will continue to further grow its investments in sustainable energy solutions and management has full confidence and indisputable trust in reaching its goals.

Registered office, legal form and registration number at the chamber of commerce

WindShareFund N.V., a public limited company, has been registered at the Chamber of Commerce under file number 60822783.

Group relationships

Consolidated accounts have not been prepared as permitted by Section 407, Part 9, Book 2 of the Dutch Civil Code.

Estimates

In applying the principles and policies for drawing up the financial statements, the management of the Company makes different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under art. 362, sub 1, book 2 of the Dutch Civil Code the nature of these estimates and judgments, including related assumptions, is disclosed in the Notes to the relevant financial statement item.

GENERAL ACCOUNTING POLICIES

General

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards applicable to small legal entities, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

Comparison with previous year

The valuation principles and method of determining the result are the same as those used in the previous year, with the exception of the changes in accounting policies as set out in the relevant sections.

When preparing the financial statements for the year under review, management concluded that a number of balance sheet - and profit - and loss items for the financial year ended 31 December 2018 needed adjustment for a fair presentation of the affairs of that financial year. This was mainly due to missing information at the moment of preparation of the annual reports. For ease of comparison, if applicable and if material, the restated numbers for 2018, based on corrected information have been presented at the notes to the balance sheet and profit - and loss account. The adjusted numbers are reflected in the comparative figures as per 31 December 2018. The adopted and published annual report for the financial years 2018 were, consequently, not adjusted. Most of the changes relate to movements within the WindShareFund as an investment fund. Management believes that the overall impact of the restated accounts did not have a significant impact on the accounts for the financial position of the Company until the date of the financial year under review.

ACCOUNTING POLICIES APPLIED TO THE VALUATION OF ASSETS AND LIABILITIES

Tangible fixed assets

Other tangible fixed assets are valued at historical cost including directly attributable costs, less straight-line depreciation based on the expected future life and impairments.

Financial fixed assets

Participations

Participations (associates), over which significant influence can be exercised, are valued according to the net asset value method. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence.

The net asset value is calculated in accordance with the accounting principles that apply for these financial statements; with regard to participations in which insufficient data is available for adopting these principles, the valuation principles of the respective participation are applied.

If the valuation of an associate based on the net asset value is negative, it will be stated at nil. If and insofar as the Company can be held fully or partially liable for the debts of the associate, or has the firm intention of enabling the participation to settle its debts, a provision is recognised for this.

Newly acquired associates are initially recognised on the basis of the fair value of their identifiable assets and liabilities at the acquisition date. For subsequent valuations, the principles that apply for these financial statements are used, with the values upon their initial recognition as the basis.

The amount by which the carrying amount of the associate has changed since the previous financial statements as a result of the net result achieved by the associate is recognised in the income statement.

In the event of an impairment loss, valuation takes place at the realisable value.

Accounts receivable

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash at banks and in hand

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is carried at nominal value.

Non-current liabilities (Long-term debts)

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs.

The difference between stated book value and the mature redemption value is accounted for as interest cost in the income statement on the basis of the effective interest rate during the estimated term of the long-term debts.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

PRINCIPLES FOR THE DETERMINATION OF THE RESULT

General

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised. Profit or loss is determined taking into account the recognition of unrealised changes in fair value of investment property, securities included in current assets and derivative financial instruments not designated as hedging instruments.

REVENUE RECOGNITION

General

Net turnover comprises the income from the supply of services.

Costs

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Employee benefits

Benefits to be paid periodically

The benefits payable to personnel are recorded in the profit and loss account on the basis of the employment conditions.

Depreciation of tangible fixed assets

Tangible fixed assets are depreciated over their estimated useful lives as from the moment that they are ready for use. Gains and losses from the occasional sale of equipment are included in depreciation.

Financial income and expense

Interest income and interest expenses

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

Income tax

The Company forms part of a fiscal unity with WindShareFund I B.V., WindShareFund III B.V., WindShareFund IM B.V. and WSF Holding B.V.. The annual accounts of each member recognises a tax charge based on their results for the financial year. The head of the fiscal unity settles the tax charges of the other members through current accounts. The head of the fiscal unity, WSF Holding B.V. is solely liable for the full tax charge. Corporation tax is calculated at the applicable tax rates based on the result before taxation shown in the Profit and loss account and taking into account tax allowances and tax adjustments. Deferred tax assets arising from tax loss carry forwards are only recognised if recovery is reasonably certain.

Result from participations (valued at net asset value)

The result is the amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the earnings achieved by the participation to the extent that this can be attributed to the company.

1.4 NOTES TO THE BALANCE SHEET

ASSETS | FIXED ASSETS | NOTE 1: TANGIBLE FIXED ASSETS

A SUMMARY OF THE MOVEMENTS OF TANGIBLE FIXED ASSETS IS GIVEN BELOW:	
Equipment	
Acquisition value	3.129
Accumulated depreciations	(987)
Book value as of 1 January	2.142
Investments	2.967
Depreciations	(777)
Movements 2019	2.190
Acquisition value	6.096
Accumulated depreciations	(1.764)
Book value as of 31 December	4.332
Depreciation percentages:	
Equipment	20%

ASSETS | FIXED ASSETS | NOTE 2: FINANCIAL FIXED ASSETS

Participations in group companies				
PARTICIPATIONS IN GROUP COMPANIES WERE AS FOLLOWS:				
Name	Place of business	Share in capital	Equity last annual accounts	Result last annual accounts
		%	€	€
WindShareFund I B.V.	Arnhem, The Netherlands	100	(2.378.372)	(127.135)
WindShareFund III B.V.	Arnhem, The Netherlands	100	(2.123.853)	(333.086)
WindShareFund IM B.V.	Arnhem, The Netherlands	100	(229)	(405)
WindshareFund Deutschland Verwaltungs GmbH	Minden, Germany	100	46.686	2.853
WindShareFund REIM B.V. (formerly WindShareFund IV B.V.)	Arnhem, The Netherlands	100	-	-

Participations in group companies	31-12-2019	31-12-2018
	€	€
WindShareFund I B.V.	-	-
WindShareFund III B.V.	-	-
WindShareFund IM B.V.	-	176
WindshareFund Deutschland Verwaltungs GmbH	46.686	43.833
WindShareFund REIM B.V. (formerly WindShareFund IV B.V.)	-	-
	46.686	44.009

WindShareFund I B.V.	2019	2018
	€	€
Cost price as of 1 January	100.000	100.000
Accumulated provision as of 1 January	(100.000)	(100.000)
Value as of 31 December	-	-

WindShareFund III B.V.	2019	2018
	€	€
Cost price as of 1 January	200.000	800.000
Accumulated provision as of 1 January	(200.000)	(200.000)
Net asset value as of 1 January	-	600.000
Change of articles of association	-	(600.000)
Value as of 31 December	-	-

WindShareFund IM B.V.	2019	2018
	€	€
Cost price as of 1 January	300	300
Accumulated provision as of 1 January	(124)	-
Net asset value as of 1 January	176	300
Share in result	(176)	(124)
Value as of 31 December	-	176

WindshareFund Deutschland Verwaltungs GmbH	2019	2018
	€	€
Cost price as of 1 January	27.500	27.500
Accumulated provision / results as of 1 January	16.333	4.340
Net asset value as of 1 January	43.833	31.840
Share in result	2.853	11.993
Value as of 31 December	46.686	43.833

Other securities	31-12-2019	31-12-2018
	€	€
WindShareFund ClimateBonds	500	500

This represents 1 bond issued by WindShareFund I B.V. to the Company as the 'Initiator', for an amount of € 499.99. The bond is due for repayment ultimately in 2036.

ASSETS | CURRENT ASSETS | NOTE 3: RECEIVABLES

Trade receivables	31-12-2019	31-12-2018
	€	€
Trade receivables	2.800.696	512.100

A provision for doubtful accounts is not considered to be necessary.

Receivables from group companies	31-12-2019	31-12-2018
	€	€
	459.979	1.527

These current accounts bear no interest. No specific repayment conditions have been agreed.

Taxes and premiums social insurance	31-12-2019	31-12-2018
	€	€
Corporate income tax	500	-
Value added tax	-	59.554
	500	59.554

Other receivables	31-12-2019	31-12-2018
	€	€
	330.373	246.747

Management would like to restate the Other Receivables. As per 31 December 2018, these amounted to € 246,747 in stead of € 112,783.

Other prepayments and accrued income	31-12-2019	31-12-2018
	€	€
Accrued income	30.000	1.360.596
Prepaid office rent	1.972	1.934
Prepaid insurance premiums	7.569	-
	39.541	1.362.530

Management would like to restate the item 'Accrued income'. As per 31 December 2018 this item amounted to € 1,360,596 in stead of € 2,103,096.

ASSETS | CURRENT ASSETS | **NOTE 4: CASH AT BANK AND IN HAND**

Cash at bank and in hand	31-12-2019	31-12-2018
	€	€
Current account	1.870.462	611.045
Savings account	347	345
Deposit	1.100.000	-
	2.970.809	611.390

The deposit account has a duration of 1 month; the interest amounts to 0.1%.

LIABILITIES | **NOTE 5: SHAREHOLDERS' EQUITY**

Issued share capital	2019	2018
	€	€
Value as of 1 January	225.000	225.000
Value as of 31 December	225.000	225.000

The share capital amounts to € 1,125,000, divided in 225,000 ordinary shares with a face value of € 1. The issued and paid up share capital amounts to € 225,000.

Other reserves	2019	2018
	€	€
Value as of 1 January	276.709	148.772
Result prior period	(627.792)	438.594
Adjustments relating to years up to and including 2018	-	(310.657)
Value as of 31 December	(351.083)	276.709

Proposed appropriation of result for the financial year 2019

The board of directors proposes to the general meeting that the result for the 2019 financial year, amounting to € -1,186,582, should be transferred fully to other reserves and that no dividend should be paid.

The retained part of the result for the year 2019 is € 0.

LIABILITIES | NOTE 6: NON-CURRENT LIABILITIES

Bonds	31-12-2019	31-12-2018
	€	€
WindShareFund GreenBonds I	3.531.061	-

WindShareFund GreenBonds I	2019	2018
	€	€
Value as of 1 January	-	-
Raised	3,434,500	-
Received emission costs	96,561	-
Value as of 31 December	3.531.061	-

During 2019 the Company issued 6,869 WindShareFund GreenBonds with a nominal value of € 500 per bond, totalling a nominal amount of € 3,434,500 (GreenBonds I). The interest on the bonds amounts to 6.5%, fixed for the period of the bond loan, which is five years after the first issue of the bonds. The Company may (partially) repay the bonds over the course of the five years or fully repay at the end of the term in 2025.

The interest percentage remains unchanged over the period of the loan. Since management believes that the interest percentage is in conformity with that of comparable bonds, no premium or discount calculations on the value of the bond loan were taken into account.

The bonds rank similarly to any other debts to Company may have.

Also, during 2019 the Company collected prepayments on 2,931 bonds with a total value of € 1,465,500. This amount is presented at current liabilities. The GreenBonds II are formally issued on 1 January 2020.

LIABILITIES | NOTE 7: CURRENT LIABILITIES

Debts to group companies	31-12-2019	31-12-2018
	€	€
	1.040.543	1.569.982

These current accounts bear no interest. No specific repayment conditions have been agreed.

Management would like to restate one of the current accounts. As per 31 December 2018 the current accounts amounted to € 1,569,982 in stead of € 2,318,676.

Taxes	31-12-2019	31-12-2018
	€	€
Value added tax	7,245	-
Wage tax	-	9,153
	7.245	9.153

Other debts	31-12-2019	31-12-2018
	€	€
Current account WindShareFund II B.V.	1.082.053	1.183.936
Prepayments received on GreenBonds II	1.465.500	-
	2.547.553	1.183.936

This current account bears 2% interest per year (2018: 2%). No specific repayment conditions have been set.

Accrued liabilities	31-12-2019	31-12-2018
	€	€
Accrued holiday allowance and salaries	5.372	10.887
Accrued accounting expenses	10.000	10.000
Accrued expenses	748.151	41.875
	763.523	62.762

Management would like to restate the item 'Accrued liabilities'. As of 31 December 2018 the total amounted to € 62,762 in stead of € 87,761.

1.5 NOTES TO THE PROFIT AND LOSS ACCOUNT

NOTE 8: NET TURNOVER

Net turnover	2019	2018
	€	€
Turnover	-	606.344
Management fees	30.000	30.000
	30.000	636.344

This current account bears 2% interest per year (2018: 2%). No specific repayment conditions have been set.

NOTE 9: OPERATING EXPENSES

Operating expenses	2019	2018
	€	€
Other personnel expense	20.321	16.017
Housing expense	26.829	26.299
Selling expense	279.512	226.509
Car expense	3.668	4.656
Office expense	45.502	51.144
General expense	471.991	443.547
	847.823	768.172

FINANCIAL INCOME AND EXPENDITURE | NOTE 10: INTEREST AND SIMILAR INCOME

Interest and similar income	2019	2018
	€	€
	249	4.419

FINANCIAL INCOME AND EXPENDITURE | **NOTE 11: INTEREST AND SIMILAR EXPENDITURE**

Interest and similar expenditure	2019	2018
	€	€
	112.512	22.958

FINANCIAL INCOME AND EXPENDITURE | **NOTE 12: SHARE IN RESULT OF PARTICIPATIONS**

Share in result of participations	2019	2018
	€	€
Result on participations	2.677	(188.131)

1.6 OTHER NOTES

STAFF MEMBERS

During the year 2019 an average of 6 employees has been in service on base of a fulltime employment. The year 2018 counted 6 employees.

This annual report is not yet signed by management, nor adopted by the shareholder. As such, it may be subject to change.

**Arnhem,
WindShareFund N.V.**

**C.E. Ratelband
Stichting WindShareFund Continuity Foundation**

2. OTHER INFORMATION

2.1 LEGAL EXEMPTION

The company has made use of the possibility of audit exemption under Article 396 (7), Book 2 of the Dutch Civil Code.

2.2 STATUTORY RULES CONCERNING APPROPRIATION OF RESULT

In accordance with article 11 of the Articles of Association the result for the year is at the disposal of the General Meeting of Shareholders. Dutch law stipulates that distributions may only be made to the extent the Company's

equity is in excess of the reserves it is required to maintain by law and its Articles of Association. Moreover, no distributions may be made if the Management Board is of the opinion that, by such distribution, the Company will not be able to fulfil its financial obligations in the foreseeable future.

2.3 APPROPRIATION OF RESULT FOR THE FINANCIAL YEAR 2018

The annual accounts for 2018 were adopted at the general meeting held on 29 October 2019. The general meeting determined the appropriation of the result in accordance with the motion tabled for that purpose.

Date report: 11 December 2020