



ARX ZeroPoint Fund SLP

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Grand Duchy of Luxembourg

Luxembourg Investment Fund

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PRELIMINARY INFORMATION MEMORANDUM

ARX Zeropoint FUND SLP

Solar Photovoltaic Energy Fund

Fund with sub-fund specialising in investments in utility-scale and agri PV systems in Italy.

1. Executive Summary

ARX Zeropoint FUND SLP ("the Fund") is a Luxembourg alternative investment fund, structured as a SLP (Special Limited Partnership), reserved for professional and institutional investors. The Fund aims to invest through its specific sub-fund in:

- ✓ **Utility-scale** photovoltaic installations (10 MWp of power per base module unit) on land without agricultural crops
- ✓ Direct holdings in **SPVs** (Special Purpose Vehicles/Italian limited liability companies), of greenfield and brownfield photovoltaic projects on Italian territory managed in **EPC (Engineering Procurement Construction)** with **PPA (Power Purchase Agreement)** energy contracts
- ✓ **Active and industrial** approach to energy asset management (not purely financial)
- ✓ Focus on **energy transition**, environmental sustainability and diversification of renewable energy sources

2. Fund structure

- ✓ **Jurisdiction:** Luxembourg
- ✓ **Legal form:** SLP
- ✓ **Asset Manager / General Partner (GP):** **ARX Strategic Systems Sarl** (responsible for strategy and execution)
- ✓ **Initial funding target:** €150 million
- ✓ **Maximum size:** €500 million



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- ✓ **First closing:** Q3 2025
 - ✓ **Sub-fund structure:** the Fund envisages a specialised sub-fund aimed exclusively at photovoltaic systems, the subject of this Preliminary Information Memorandum (which may soon be joined by other energy sector sub-funds, this time aimed at technologies for the production of green hydrogen, bio-fuel and e-Fuel)

3. Investment Strategy

a. Objectives

- ✓ Generate stable and predictable cash flows higher than the market average and/or similar funds
- ✓ Benefit from the European energy transition and the evolution of the energy sector towards new forms of renewable energy
- ✓ Maximise the value of investments with an active approach on industrial and entrepreneurial as well as financial activities
- ✓ Maximising the monetary value of investments with a conservative ('investment grade') approach
- ✓ Characteristics sought: double-digit returns, flexibility on time horizon, optionality on ownership
- ✓ Granting the investor the option of acquiring/redeeming 100% of the shares of the SPV (SRL) that owns the photovoltaic plants, upon completion of plant construction and testing

b. Target Sectors, Management and Partners

- ✓ **Target:** Ground-mounted photovoltaic plants (utility scale and agri-voltaic)
- ✓ **Development and management management:** all plants will be managed in **EPC (Engineering Procurement Construction)** where the Fund through its partners will manage all phases of the work, from the initial design, construction, management of bureaucratic paperwork (authorisations) up to the installation and testing and commissioning of the plants while maintaining 100% ownership of the plants, depending on the exploitation of **PPA (Power Purchase Agreement)** contracts with national energy agencies (GSE, ENEL, Terna, etc..), on the supply and sale of electricity in the long term (minimum 20 years) or in order to sell 100% of the SPV (SRL company)



that owns the plant (controlled by the Fund) through a "redemption option" reserved to its investors exercisable at plants ready for delivery.

- ✓ **Partners:** The Fund operates in Joint Ventures and/or in synergy with:
 - ✧ Design Studies and Engineering Companies with considerable know-how and experience in renewables;
 - ✧ EPC [Engineering, Procurement & Construction], i.e. companies equipped with the best technology to build and then manage photovoltaic plants once connected to the grid, including O & M (Operation and Maintenance) activities;
 - ✧ Energy Traders for the sale of the energy produced.

c. Investment shares by type

- ✓ **EPC (Engineering Procurement Construction)** in greenfield and brownfield with local developers (95%)
- ✓ Ready-to-build (5%)

d. Geographical area

- ✓ **Location:** The photovoltaic plants that the Fund will manage are all located in **Italy** in areas and regions with high solar radiation.

e. Peculiarities of the proposed Business Model

- ✓ The Fund proposes a unique Business Model in the panorama of Funds that invest in the same sector of renewables by offering the investor the option to directly acquire/redeem one or more photovoltaic plants through the sale of 100% of the shares of the SPV (limited liability company) that the Fund controls, upon completion of the installation and testing of the plants (see section "option" for details).
- ✓ Alternatively, the investor will be able to remain within the Fund with a passive investment and benefit from a constant cash flow guaranteed by the sale of all the energy produced to Italian national energy agencies (GSE/ENEL/TERNA) with which agreements of 20 years or more are envisaged.
- ✓ At the same time, this Business Model provides the constant opportunity over time, regardless of the period and other variables related to the development of the photovoltaic plants, to benefit from the distribution of good profits



obtained from the very conservative monetary management that the Fund will apply in all phases in which the capital will be waiting to be used for plant development. This *modus operandi*, allows the investor not to have to wait long periods (necessary for the development and installation of the systems) before obtaining the distribution of the profits (which will already occur during the first six months) in addition to the subsequent profits that will come from the sale/redemption of the systems and/or the sale of the energy produced by the systems.

f. Acquisition, development, plant construction and options

Phase 1: Acquisition, development, plant construction

In this first phase the Fund operates by developing the following tasks:

- ✓ The Fund invests in the SPV that owns the photovoltaic project (Early Stage or Ready To Build)
- ✓ The construction and commissioning of the plant (EPC) is carried out.
- ✓ The main risk borne by the Fund is **development and construction risk**, mitigated by:
 - ✧ Turnkey EPC contracts,
 - ✧ CAR / EAR insurance (insurance to protect assets under construction),
 - ✧ Selection of expert developers.

Phase 2: Option for the investor to acquire the SPV

In this second phase, the Fund operates by developing the following tasks:

- ✓ The investor has the option, **once the project is completed and connected to the grid**, to purchase/redeem the SPV (SRL) holding the plant at a price defined according to:
 - ✧ Pre-agreed valuation (under "redemption option"),
 - ✧ or disposal price negotiated with third party buyers plus a performance fee for the Fund
- ✓ The Fund, with a view to diversification, will decide how many base plants (with a capacity of 10 MWp) to hold in its portfolio, in order to exploit the profitability derived from the sale of the energy produced (PPA contracts).



The number of PPA plants available in the portfolio will also depend on whether one or more investors decide not to exercise the "call options for the redemption of the plants" or on the Fund's management decision to maintain, in any case, a number of plants in PPA such as to balance and diversify wisely the base profitability and keep it constant over time in favour of all the investors of the Fund.

4. Investment Modalities

Investment terms:

- ✓ **Minimum investment quota:** €5 million
- ✓ **Six-monthly distributions** from income (dividends + divestments)
- ✓ **Closed-end structure** with high flexibility for periodic entry of new investors
- ✓ **Direct shareholdings** in SPVs (SRL company, one for each plant)
- ✓ **Co-development** in JV/alliance with local developers
- ✓ **Option (Call Option):** The subscription of each basic unit of the Fund (5M€) will automatically entitle the investor to a Call Option for the redemption of a PV plant (see below for further option details)
- ✓ **Investment mechanism:** The Fund will issue a capital call to the investor who already has a reservation/commitment to invest in the Fund, which will be followed by the transfer of the subscription capital to the Fund's account by the investor.
- ✓ **Side Letter:** upon subscription to the Fund by the investor, a Side Letter will be included which will contain all the specificities with respect to energy sector investments that may not be provided for in the Fund's Base Memorandum, which will essentially reflect all the terms set out in this Preliminary Information Memorandum.
- ✓ **Photovoltaic Plants Redemption Option**
 - ✧ **Description:** The subscription of each basic unit of the Fund (5M€) will automatically entitle the investor to the issue of an Option in favour of the investor for the redemption of a photovoltaic plant of 10 MWp, at a predefined price ("option price"), exercisable at a future date on which the Asset Manager will inform the investor of the availability of one or more ready-to-deliver plants which the Asset Manager will activate through a "call option" which the investor will be free to exercise or not.



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- ✧ **Renewal and restrictions:** The option will not contain any penalty: the investor will be free to choose to exercise the option or not without incurring in any type of restriction or penalty. The **option will automatically renew** on the next exercise "call" date, which the Fund will subsequently determine based on the progress of the development of other plants and their availability for delivery.
 - ✧ **Basic photovoltaic plant "option" cost:** it should be noted that all the basic photovoltaic plants treated by the Fund will have **a capacity of approximately 10 MWp** and the relative price indicated within the redemption "options" in favour of the investor, has been set at **€12 million**. The final value was determined by calculating all the costs related to the development up to the delivery of the plant including possible brokerage fees and the profit margin in favour of the Fund (around 10%-15%, variable depending on the plant). It is specified that in the case of plants with a capacity lower or higher than 10 MWp, the price will be duly recalculated proportionally.
 - ✧ **Option distribution mechanism:** The option distribution mechanism provides that every 5M€ of invested capital will entitle the investor to one (1) option to purchase one (1) PV plant worth 12M€. For example, an investor who invests 20M€ will be entitled to 4 redemption options for 4 photovoltaic plants (of 10MWp each) that can be acquired by the investor at the time of the "turnkey" delivery of the plants, where each investor will also obtain a different priority level, based on the date of subscription to the Fund (in FIFO mode: first in, first out): in other words, the first investors will be awarded higher priority to obtain the first plants available than investors who subscribe at later dates.
 - ✧ **Equivalent treatment and monetary integration of redemption:** All investors, regardless of the amount invested, will be entitled to the same type of treatment, with the exception of the possibility of acquiring a different number of redemption "options" for photovoltaic plants, which will be directly proportional to the capital invested (we repeat that every 5M€ of capital invested entitles the investor to opt for one plant). It is worth noting that the exercise of the option will require the investor to supplement, by means of a transfer of funds to the Fund's account, the sums lacking to reach the "option price" of 12M€ per plant, which will normally translate into the transfer of 7M€ (12M€ - 5M€) supplement.



Fees/Commissions (indicative):

- ✓ **Management Fee:** 1.00% AUM/year
- ✓ **Performance Fee:** No single Performance Fee (PF) will be charged but but rather three different PFs differentiated by underlying economic/underlying financial assets as follows:
 - ❖ 20% on monetary/financial activities
 - ❖ 10% on the sale of energy
 - ❖ 10%-15% on plant sales (indicative)
This last value will be subject to the operating costs paid for the development of the plants and to the construction companies (calculated with respect to the Option price)

Return targets:

The Fund will benefit from the generation of profits from the following 3 sources of income:

Income source	Annual IRR for each source	When produced
Monetary-financial management:	20%-30% (net, expected per year)	From 1st month (from investment date onwards)
Sale/redemption of photovoltaic systems	10%-15% (net, expected at each plant redemption (via option) or sale of plants on the market)	From 2nd year (period required to complete the installations)
Sale of electricity	15%-20% (net, expected annually for the duration of 20/25 years)	From the second year (period required for completion of the plants and connection to the electricity grid operator)



The overall average return value expected for the investor will be derived from a mix of the cash-flows of the three sources of financial-industrial income indicated above and may vary depending on the period. As a rather indicative estimate, the Fund expects to produce the following average global returns per period:

Period	Annual average global IRR expected with mix of all income sources
Year 1 and 2	15%-20%
Year 3, 4 and 5	25%-35%
from 6th year onwards	30%

5. Added Value for the Investor

- ✓ **Access to proprietary deals** through network of co-developers and local developers
- ✓ **Established pipeline** (over 200 MWp under advanced negotiation) on photovoltaic plants. Advanced project status close to industrial implementation.
- ✓ In-house technical and legal **due diligence**
- ✓ **Experienced** energy, finance and project management **team**
- ✓ **Sustainability**: Article 9 SFDR (sustainability as an objective)
- ✓ **Fiscal advantages**: the Fund is not subject to any tax at source (pass-through) and thus allows great contractual and fiscal freedom

(#) Other advantages for the investor:

- ✓ Enters the capital of the SPV when the plant is **de-risked**
- ✓ Has direct access to cash flows from PPA or spot market
- ✓ Possibility to optimise direct holding for tax purposes (e.g. Italian Holding)
- ✓ No exposure to authorisation or construction risk
- ✓ Will be granted a window to disinvest every 6 months, either for partial or full disinvestment without constraints or penalties



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6. Target Investors and Distribution Strategy

Target Investors:

- ✓ Large energy investors or institutional investors
- ✓ Private professional investors
- ✓ Pension funds
- ✓ Insurance companies
- ✓ Family offices and HNWI's
- ✓ Fund of funds
- ✓ Hedge Funds
- ✓ Venture capital
- ✓ Development banks
- ✓ Sovereign funds

Distribution network

- ✓ Through specialised Placement Agents
- ✓ Private events
- ✓ Direct marketing in Italy, EU, Middle East, North America
- ✓ Preferred channels: Italy, Europe, Middle East, USA, Canada, Asia

7. Distributions and Exit Strategy

Profit distributions:

- ✓ **Semi-annual distributions** from operating profits on: plant redemptions/sales, energy produced sales and cash management
- ✓ **Redemptions/Redemptions:** the investor retains the option of partial or total disinvestment of his capital every 6 months without constraints or penalties



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- ✓ **Objective:** regular returns over time (semi-annual or early), rapid development of photovoltaic projects, flexibility in requesting redemptions and/or re-investments, "exits" facilitated to favour the investor (plant redemption)

Exit strategies for the Fund:

- ✓ The Fund realises the profit by **selling the SPV** to the investor or to a third party (alternative option)
- ✓ If the investor does not exercise the option, the Fund can aggregate multiple assets and sell them en bloc or continue to generate operating returns
- ✓ Aggregate sale of asset portfolios to long-term investors (utilities, insurance companies)
- ✓ Portfolio restructuring (roll-over into new fund)

8. Main risks

- ✓ Authorisation and construction delays
- ✓ Energy price volatility (if merchant)
- ✓ Local regulatory risk
- ✓ Very low (or no) monetary risk

9. Roadmap 2025-2028

Period	Key Activity
Q3 2025	Launch marketing & collection (investment commitments)
Q3/Q4 2025	First closing and acquisitions
2026	Completion of initial portfolio (150+ MWp)
2027	Portfolio enlargement (300+ MWp)
2028	Portfolio enlargement (600+ MWp)



10. Operating benefits

Advantages	Why it is attractive
Access to de-risked plants	Reduced authorisation and construction risk
Structured exit in favour of the investor	Flexibility for asset owners
Tax-efficient structure (SLP)	Tax look-through, transparency, optimisation
ESG compliant & Article 8/9	Attractive for institutional investors
Prudent management at both industry and financial level	Return optimisation without impacting the fund

11. Booking and subscription procedure

Investors interested in participating in the Fund in the Photovoltaic (PV) renewable energy segment as described in this Preliminary Information Memorandum should follow the following procedure to first obtain a reservation for one or more investment units and then for "on-boarding" to the Fund:

Investment Reservation Phase:

The Fund has activated during this period the phase of collecting reservations from investors interested in investing in the Fund, photovoltaic segment. The interested investor will have to send a **Reservation Letter/LOI** to the Fund as expression of interest and preliminary commitment to want to subscribe shares of the Fund (the Asset Manager will provide a template/draft of "Reservation Letter/LOI" upon request).

- a) Reservation collection start date: **21 July 2025**
- b) Reservation collection period duration: **30 days**

On-boarding Phase at the Fund:

1. Once the booking collection phase is over, the Asset Manager will contact each investor who has expressed his or her intention to invest in the PV plant segment through the **Reservation Letter/LOI** to begin the investor's "on-boarding" phase to the Fund;



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2. The Fund's Asset Manager will request a CC interview with the investor or the investor's representative in order to verify that the terms of access to the Fund are well understood and to clarify any possible doubts and/or provide any clarification. If deemed necessary, at the request of one or both parties, a meeting may also be organised within the offices of the Fund in Luxembourg or in other locations in Italy (Milan or other location to be defined);
 3. The Asset Manager then sends to the investor the prospectus, the Information Memorandum, the Side Letter and the subscription forms to the Fund with the instructions for the on-boarding procedure (online and/or by email);
 4. The investor must return the completed subscription forms including CIS/KYC and anything else necessary to complete the due diligence procedures as required by Fund policy and international regulations;
 5. The Fund completes the due diligence procedures and upon successful completion, notifies the investor of the acceptance and countersigns the on-boarding documents. The investor is then invited to make the transfer of funds to the Fund's bank details to complete the subscription, receiving in return a number of Fund shares corresponding to the value of the investment;
 6. From that moment, the investor officially participates in the management of the Photovoltaic Energy Fund. On a semi-annual basis, the Fund will verify the possibility of distributing profits and will communicate this decision to the investor;
 7. The Asset Manager, when the installation and testing of a photovoltaic system is completed and according to the priority acquired by the investor (referred to the time of its subscription), will inform the investor of the availability of the photovoltaic plant, including all the technical and corporate information (SPV/SRL) of the system, ready to be sold "turnkey" to the investor by requesting if he intends to exercise the option to redeem the plant in his own favour. The investor will then officially inform the Asset Manager whether he intends to exercise the option or not. If the investor decides to exercise the option, then the Asset Manager, based on the option price already pre-established in the option itself (i.e. 12M€), will calculate the difference in the amount to be paid with respect to the pre-established price in the option and will communicate such amount to the investor and will proceed to the exercise of the option by formally transferring 100% of the shares of the SPV/SRL company owning the photovoltaic plant (formal transfer at an Italian notary's office), subject to the balance of the missing amounts to be sent to the Fund's account, by the investor. In the event that the sums invested in the Fund by the investor who has exercised the option are higher than the cost of the plant, the investor may communicate his intention to keep the surplus sums invested in the Fund benefiting from the profits that the Fund will produce in the meantime from the exploitation of the other photovoltaic plants in the portfolio, from the sale of energy and from the profits of the money management or to disinvest the surplus sums by exiting from any investment in the Fund.



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Contact

For more information and/or booking/subscription requests please send an email to: info@arx-zeroPointFund.com with your contact details.

July 2025

Kind regards

The Asset Manager for:

ARX Zeropoint Fund SLP (the Fund)

ARX Strategic Systems Sarl (the Asset Management Company)

Disclaimer: This **Preliminary Information Memorandum** is intended only for professional and institutional investors within the meaning of the AIFM Directive (2011/61/EU) and applicable local regulations. It does not constitute a public offer, solicitation or promotion to retail investors. Any investment decision must be based on the final legal documentation of the Fund.

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