2019 ANNUAL REPORT

ATHENA
INVESTMENTS

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2019 IN OUTLINE

CLIMATE AND ENVIRONMENTAL ACHIEVEMENTS

CO_2 REDUCTIONS:
Athena's gross production reduced the $C0_2$ emissions by approx. 142,000 tons – equaling the elimination of emissions from 59,000 cars.

GREEN ENERGY SUPPLY:
Athena's gross production supplied 89,000 families with clean energy in 2019.

79GWh
NET PRODUCTION
in 2019*

-6.2MEUR
EBITDA

-46.8MEUR
NET RESULT

92MEUR
DIVIDENDS
paid in 2019**

70%
OF RENEWABLE PORTFOLIO
in Italy and Spain sold in 2019

* Excluding the portfolio sold during the year
** Ordinary dividend for 2018 and extraordinary dividend for 2019

LETTER FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER

A LANDMARK YEAR IN THE TRANSFORMATION OF ATHENA

A LANDMARK YEAR IN THE TRANSFORMATION OF ATHENA

With the extraordinary – and highest ever – dividend in Athena's history distributed in November 2019, the Board of Directors proposes that no ordinary dividend be distributed for the financial year 2019.

2019 proved to be a year of fundamental changes for Athena. The remarkable acceleration in the portfolio rotation through the sale of more than 70% of the Company's wind and solar assets constituted a decisive step towards exiting from the renewable energy sector.

The sale of Athena's major operating wind and solar plants in Italy and Spain to Ardian Infrastructure and Glennmont Capital for a price of EUR 91M ensured a very significant cash position. This provided the Company the basis to continue the exploration of opportunities for further diversification in terms of geography and businesses.

With the path paved for progressive portfolio rotation, Athena is now pursuing opportunities for the disposal of the remaining wind and solar assets, Thus, the Company's renewable business units are considered as 'Discontinued operations'.

As a consequence of the extensive portfolio reduction and the expected disposal of all renewable activities during 2020, a comprehensive organisational restructuring has taken place at year-end 2019. The downsizing has reduced the headcount from 28 to 8 employees, streamlining the organisation to an actual industrial holding and producing considerable cost savings.

Due to the ongoing political instability and macro-economic uncertainty, 2019 did not bring any relevant investment opportunities for Athena which could provide the adequate balance between growth and yield, despite persistent efforts from the Management. The Board of Directors therefore considered it appropriate to propose to the shareholders to extract as much value as possible through dividend distribution. In November 2019, the highest dividend payment in Athena's history for a total of EUR 50M, corresponding to DKK 3.685/EUR 0.493 per outstanding share, was distributed to the shareholders. Considering the payout of this extraordinary dividend, the Board of Directors will propose to the General Meeting that no ordinary dividend be distributed for the financial year 2019.

The financial performance for 2019 was extensively affected by the reclassification of the renewable business units of solar and wind to 'Discontinued operations' from an accounting point of view. Applying the relevant accounting principle (IFRS 5), the EBITDA resulted negative for EUR 6.2M and the net result amounted to EUR -46.8M. If considered without the effect of IFRS 5, revenue would have amounted to EUR 40M and EBITDA (including joint ventures) to EUR 27M – in line with formerly announced expectations. The cash flow development in 2019 reflected the sale transaction and the two dividend distributions.

In 2019, the renewable energy gross production provided by the Company has satisfied the energy requirements of almost 89,000 families, resulting in energy savings of 365,000 barrels of oil and almost 142,000 tons of CO_2.

On behalf of the Board of Directors and the Management Board, we take this opportunity to express our gratitude towards our dedicated employees, our partners and, not least, our shareholders for continued support. We confirm our commitment in continuing to pursue the best opportunities for Athena.

PETER HØSTGAARD-JENSEN
Chairman of the Board of Directors

ALESSANDRO REITELLI
Chief Executive Officer

STRATEGY

ATHENA AIMS TO DELIVER A LONG-TERM STABLE STREAM OF DIVIDENDS TO ITS SHAREHOLDERS

THE 3 PILLARS ARE:

PROVIDING PERMANENT CAPITAL WITH A BALANCE GROWTH/YIELD

INVESTING IN A DIVERSIFIED SECTOR BASE TO BENEFIT FROM SECULAR TRENDS

LEVERAGING ON A STABLE AND SOLID SHAREHOLDER BASE TO ENSURE LONG-TERM VALUE CREATION

FINANCIAL HIGHLIGHTS OF THE GROUP

EUR'000	2019	2018*	2017	2016	2015
Income statement					
Revenue	386	272	56,443	46,586	47,321
Gross profit	-78	-306	26,908	20,534	18,894
EBITDA **	-6,160	-5,501	39,308	30,411	29,341
Gain from a bargain purchase	-	-	-	3,722	-
Earnings before interest and tax (EBIT) before impairment	-6,202	-5,551	23,023	17,667	12,121
Net financials	-905	152	-11,184	-8,522	-10,205
Profit/loss for the year from Continuing operations	-9,721	-6,606	8,808	11,399	4,292
Profit/loss for the year from Discontinued operations	-37,031	11,549	-	-5,864	-2,948
Profit/loss for the year	**-46,752**	**4,943**	**8,808**	**5,535**	**1,344**
Comprehensive income for the year	**-46,726**	**6,877**	**13,164**	**6,590**	**2,590**
Balance sheet					
Non-current assets	15,841	311,287	335,924	366,550	350,334
Current assets	32,997	90,908	77,546	57,014	53,134
Assets classified as held for sale and Discontinued operations	79,426	1,100	8,975	2,218	10,941
Total assets	**128,264**	**403,295**	**422,445**	**425,782**	**414,409**
Share capital	71,623	71,623	71,623	71,623	71,623
Equity	**73,005**	**212,205**	**209,358**	**198,421**	**191,831**
Non-current liabilities	422	159,950	180,842	152,796	152,527
Current liabilities	3,880	31,140	31,557	72,347	66,995
Liabilities classified as held for sale and Discontinued operations	50,957	-	688	2,218	3,056
Net working capital (NWC)	-148	13,412	16,367	14,392	12,784
Cash flows					
Cash flow from operating activities	12,818	27,099	23,834	16,155	12,135
Cash flow from/used in investing activities	62,141	10,152	6,891	3,160	2,917
Of which investment in property, plant and equipment	-	301	170	-1,312	-1,070
Cash flow from financing activities	-103,210	-20,809	-11,275	-13,724	-17,010
Total cash flow from Continuing operations	-89,217	12,291	19,450	7,108	1,312
Total cash flow from Discontinued operations	60,966	4,151	-	-1,517	-3,270
Total cash flow	**-28,251**	**16,442**	**19,450**	**5,591**	**-1,958**

EUR'000	2019	2018*	2017	2016	2015
Key figures					
Gross margin before impairment	-20.2%	-112.7%	47.7%	44.1%	39.9%
EBITDA margin **	N/A	N/A	69.6%	65.3%	62.0%
EBIT margin ***	N/A	N/A	40.8%	37.9%	25.6%
Equity ratio	56.9%	52.6%	49.6%	46.1%	46.3%
Return on invested capital (ROIC)	-5.5%	-2.0%	6.7%	6.3%	5.0%
Return on equity	-32.8%	2.3%	4.3%	2.8%	0.7%
Gearing ratio	-0.4	0.4	0.6	0.8	0.8
Per share figures					
Average number of shares, 1000 shares	101,367.38	101,367.38	101,367.38	101,367.38	101,367.38
Number of shares at the end of the period, 1000 shares	101,367.38	101,367.38	101,367.38	101,367.38	101,367.38
Earnings per share (EPS basic), EUR before Discontinued operations	-0.10	-0.07	0.09	0.11	0.04
Earnings per share (EPS basic), EUR after Discontinued operations	-0.46	0.05	0.09	0.05	0.01
Net asset value per share, EUR	0.72	2.09	2.07	1.96	1.89
Price/net asset value	0.69	0.40	0.55	0.45	0.46
Actual price earnings (P/E Basic)	N/A	17.14	13.14	16.08	66.23
Dividend per share	0.91	0.03	0.02	-	-
Payout ratio (%)	neg.	40%	40%	-	-
Market price, year end, EUR	0.50	0.84	1.14	0.88	0.88
Average number of employees	28	30	32	52	65
Number of employees	26	29	32	50	56.5
Of which consultants	1	1	1	1	1
Of which employees under notice	18.5	-	2	2	2
Key figures related to operations					
Production in GWh	267.7	368.5	373.9	372.4	368.7
of which Joint Ventures	37.5	55.8	60.5	74.0	76.0
Net capacity (MW)	213.5	213.5	238.6	254.0	251.2
of which Joint Ventures	49.5	49.5	49.5	49.5	54.4

Due to implemetation of IFRS 9 and IFRS 15, 2015-2017 comparatives are not restated.
Due to implementation of IFRS 16, 2015-2018 comparatives are not restated.

* Restated due to IFRS 5 - Discontinued operations (Income statement and Cash flow)
** Operation profit/loss before impairment excluding depreciations (Note 5) and income from investments in Joint Ventures
*** Before impairment and Special Items

TARGET ACHIEVEMENTS 2019

During 2019, Athena completed the sale to Ardian and Glennmont which included some of Athena's wind and solar assets in Italy and Spain. Additionally, the Group is pursuing some opportunities for the disposal of the remaining wind and solar portfolio.

According to IFRS 5, reclassifications have been made in order to include both the assets sold and the remaining wind and solar portfolio as Discontinued operations. More details of reclassified activities are given in Note 26. Due to the reclassification made, the main key financial indicators of 2019 are not comparable with Athena's Outlook which includes the wind and solar portfolio fully consolidated.

For consistency with the Outlook, the Management performed a restatement of those indicators which excludes the impact of IFRS 5 (see Restated 2019 included in the table aside). Based on this, the performance delivered by Athena in 2019 was in line with the Revised Outlook published on 1 August 2019 in terms of Production, Revenue and EBITDA. The impact of IFRS 5 on Athena's results is explained in more details in the Financial Review paragraph.

OUTLOOK 2020

MEUR	Actual 2018	Outlook 2019	Revised outlook 2019	Restated 2019*	Outlook 2020
Net production (GWh)	313	310 - 335	220 - 242	230	na
Revenue	52	49- 52	34- 37	35	-
Revenue from Joint Ventures	9	8 - 9	5 - 6	5	-
Total revenue	**61**	**57 - 61**	**39 - 43**	**40**	-
EBITDA**	**37**	**34 - 37**	**21 - 24**	**23**	**-3 /-4**
EBITDA from Joint Ventures	7	7 - 8	4 - 5	4	-
EBITDA adjusted including Joint Ventures ***	**44**	**41 - 45**	**25 - 29**	**27**	**-3 /-4**
EBITDA margin including Joint Ventures	72%	71% - 73%	65% - 67%	67%	na
Net profit	5	n.d.	n.d.	-47	-3/-4

RESTATED CALCULATION OF EBITDA

EUR'000	2019
Operating profit/loss before impairment Continuing operations	**-6,202**
(-) Total Depreciation and amortisation	42
(A) EBITDA Continuing operations**	**-6,160**
Operating profit/loss before impairment Discontinued operations	**18,160**
(-) Income from Investments in JV	-1,500
(-) Total Depreciation and amortisation	12,191
(B) EBITDA Discontinued operations**	**28,851**
(A+B) EBITDA**	**22,691**
(+) Operating profit/loss before impairment Joint Ventures (pro-quota)	2,271
(-) Total Depreciation and amortisation Joint Ventures (pro-quota)	2,033
EBITDA adjusted including Joint Ventures ***	**26,995**

* For consistency, excluding the effect of IFRS 5 (for more details, please refer to Note 26).
** Adjusted for income from Joint Ventures.
*** Operation profit/loss before impairment and special items, excluding depreciations and income from investments in Joint ventures including the EBITDA pro-quota of Joint Ventures.

OUTLOOK FOR 2020

The expectations of Athena for the financial year 2020 are based on estimates and assumptions prepared in accordance with the recognition and measurement requirements of the International Financial Reporting Standards (IFRS) and the ordinary internal procedures for preparing the forecasts of the Company.

Management believes that the key assumptions underlying the financial outlook of the Company for 2020 are:

» Disposal of the remaining portfolio and implementation of new business.

» Improvement in Holding costs.

More specifically, the estimates are based on the following assumptions:

» Despite Athena is looking for new opportunities with a view to re-focusing its business, no new business has been included in the Outlook 2020. The remaining wind and solar assets classified as Discontinued operations are not included.

» At the end of 2019, Athena implemented a restructuring process with the purpose to reduce the operating costs and lessen the holding cost structure.

The Outlook for 2020 is negatively impacted by the portfolio disposal in the year and by the Discontinued operations. In 2020, EBITDA should result negative for approx. EUR 3.0-4.0M which represents the new level of Athena's holding costs, sufficient to develop and manage potential new business. The implementation and consolidation of new business will modify the main key financial indicators of the Group.

Regarding the Company's expectations on the arbitration proceedings in Italy and Spain, for 2020 the Company does not expect to receive any proceeds from the awards unless Italy and Spain voluntarily comply.

FINANCIAL REVIEW

CHANGES IN PERIMETER OF CONSOLIDATION

On 8 May 2019, Athena received binding offers from Ardian Infrastructure ("Ardian") and Glennmont Partners ("Glennmont") for the acquisition of some subsidiaries of the Athena group. The Transaction Perimeter of the offers included some of Athena's wind and solar assets in Italy and Spain for a total net capacity of 156 MW divided between Ardian (107.8 MW, composed of 50% of the Monte Grighine wind farm, 100% of the Cerveteri solar plant, 100% of the Nardò Caputo solar plant, 100% of the La Castilleja solar plant and 100% of the Conesa wind farm) and Glennmont (48.3 MW, corresponding to 100% of the Minerva Messina wind farm). The total purchase price offered amounted to EUR 90.9M.* On 4 June 2019, an Extraordinary General Meeting of Athena was held where the shareholders adopted the proposal to accept the offers received from Ardian and Glennmont** and, on 5 June 2019, Athena entered into an agreement with Ardian and Glennmont by signing the offers.*** On 25 July 2019, Athena announced that the transaction was completed.****

* See Company Announcements No. 06/2019 and 07/2019 which include the overallstatement by the Board of Directors pertaining to the offers.
** See Company Announcement No. 09/2019
*** See Company Announcement No. 10/2019).
**** See Company Announcement No. 13/2019.

Additionally, Athena is pursuing some opportunities for the disposal of the remaining wind and solar portfolio. With respect to such assets, conditions are met to qualify them as assets held for sale also from an accounting point of view. The rationale of this rotation relates to the process of refocusing Athena's activities started at the end of 2017 with the company name change from Greentech Energy Systems A/S to Athena Investments A/S.

The following table shows the changes in the installed capacity during 2019.

As a consequence of the transaction already closed with Ardian and Glennmont and the potential sale of the remaining wind and solar assets that the Group is actively pursuing, conditions exist to qualify the transaction as a

CHANGES IN PRODUCTION CAPACITY

	01.01 2019		Effects of the Ardian/ Glennmont transaction		31.12.2019		Of which: Assets held for sale	
(MW)	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**
Wind								
Italy	192.2	142.8	147.2	97.8	45.0	45.0	45.0	45.0
Spain	30.0	30.0	30.0	30.0	-	-	-	-
Total Wind	**222.2**	**172.8**	**177.2**	**127.8**	**45.0**	**45.0**	**45.0**	**45.0**
Solar								
Italy	31.0	31.0	18.5	18.5	12.4	12.4	12.4	12.4
Spain	9.8	9.8	9.8	9.8	-	-	-	-
Total Solar	**40.8**	**40.8**	**28.3**	**28.3**	**12.4**	**12.4**	**12.4**	**12.4**
Total	**263.0**	**213.6**	**205.5**	**156.1**	**57.4**	**57.4**	**57.4**	**57.4**

-12%

EBITDA
of EUR -6.2M (2018: EUR -5.5M)

whole as the disposal of the two major business segments in which the Group operates. Both are a separate line of business and are expected to be sold within 12 months.

Therefore, from an accounting standpoint, conditions are met to qualify such business segments as held for sale and Discontinued operations in accordance with IFRS 5, meaning that:

» the contribution of assets and liabilities associated to wind and solar plants for which the Group is actively pursuing a sale strategy will be presented in the balance sheet as of December 2019 in two separate line items named "Assets classified as held for sale" and "Liabilities classified as held for sale";

» the contribution to the income statement for the entire year 2019 of all the wind and solar assets, either those already sold or those presented as "held for sale", will be synthetically reported in the single line named "Income/(loss) Discontinued operations";

» the comparative figures related to the income statement for 2018 will be also restated accordingly to present the contribution of all the wind and solar assets in the same line "Income/(loss) Discontinued operations".

Due to this requirement, Revenues, Costs and Operating Margin related to 2019 and 2018 only include the results from the activities currently qualified as continuing operations, mainly related to central holding costs and related recharges.

The following table shows the main indicators of financial performance extracted from the Consolidated Income Statements for the years ended as at 31 December 2019 and 2018. The latter has been restated to reflect the effects on comparatives of the presentation of result from wind and solar assets as Discontinued operations:

MEUR	2019	Restated 2018
Revenues	0.4	0.3
EBITDA	**-6.2**	**-5.5**
Special Items	-2.2	-
Net Result from Continuing operations	-9.7	-6.6
Net Result from Discontinued operations	-37.0	11.5
Total net result	**-46.8**	**4.9**

REVENUE

Revenue generated in 2019 was EUR 0.4M compared to EUR 0.3M in 2018. The amount is mainly related to some services rendered to third parties.

EBITDA

The EBITDA* generated in 2019 was EUR -6.2M compared to EUR -5.5M in 2018. After the reclassification of activities to Discontinued Operations, the EBITDA of Athena mainly includes the holding costs of the Group. The decrease in EBITDA is explained by the higher costs registered in 2019.

SPECIAL ITEMS

In 2019, an amount of EUR -2.2M was reclassified as Special Items. This amount is related to the restructuring costs occurred for the reorganisation process implemented at the end of 2019 because of the major reduction in the portfolio.

DISCONTINUED OPERATIONS

As mentioned in the paragraphs above, the transaction with Ardian and Glennmont and the opportunities for the disposal of the remaining wind and solar assets represent

* Operation profit/loss before impairment excluding Special Items, depreciations (Note 5) and income from investments in Joint Ventures.

EUR 10.3M

OPERATING RESULT DISCONTINUED OPERATIONS

(2018: EUR 14.5M)

a disposal of the entire segment activities "Wind" and "Solar". According to IFRS 5, these business units are reclassified in a single line as "Income/(loss) from Discontinued operations" in the Income statement and, only for the remaining wind and solar portfolio, as "Assets classified as held for sale" and "Liabilities classified as held for sale" in the balance sheet (for more details please refer to Note 26).

The result from Discontinued operations does not only include the effects of the operating performance of the plants considered therein but also the effects of the sale and other items in terms of impairment to fair value less costs to sell and gain or losses on realisation of net assets sold.

The result for the year 2019 from Discontinued operations was a loss of EUR 37.0M compared to a profit of EUR 11.5M registered in 2018. The significant decrease was a result of different items which influenced 2019, as follows:

MEUR	**2019**	**Restated 2018**
Operating result	10.3	14.5
Impairment, Disposed assets	-33.5	-
Impairment, Remaining assets at 30 June 2019	-8.8	-3.0
Impairment, Remaining assets at 31 December 2019	-5.0	-
Net Result from Discontinued operations	**-37.0**	**11.5**

OPERATING RESULT

The operating result for 2019 of the Wind and Solar assets classified as Discontinued operations was a profit of EUR 10.3M compared to EUR 14.5M in 2018. The decrease is mainly due to the deconsolidation of the assets included in the Ardian/Glennmont transaction perimeter at the end of July 2019 compared to the full consolidation in 2018.

IMPAIRMENT, DISPOSED ASSETS

The transaction with Ardian and Glennmont closed on 25 July 2019 generated an impairment of EUR 33.5M. This amount was the result of the difference between the price paid by the buyers net of transaction costs and the carrying amount of the transaction perimeter at the closing date (for a more detailed analysis of the transaction, see Company Announcement No. 7/2019).

IMPAIRMENT, REMAINING ASSETS

In connection with the preparation of the H1 2019 Interim Financial Report published on 1 August 2019 and as a consequence of the transaction with Ardian and Glennmont considered as a clear impairment indicator, the Board of Directors and the Management have reviewed the activities of the Company and decided to perform the impairment test of the remaining portfolio not included in the transaction perimeter. The long-term industrial plan has been thoroughly reviewed and has been the basis for the preparation of the impairment test for the goodwill, intangible and tangible assets, for each plant. The outcome of the Impairment on the remaining assets at 30 June 2019 was a loss of approximately EUR 8.8M (including EUR 2.3M of Deferred Tax Assets). In 2018 an Impairment Loss of approx. EUR 3.0M had been recognised related to the Energia Verde wind farm.

Additionally, since Athena is pursuing some opportunities for the disposal of the remaining wind and solar portfolio, according to IFRS 5 the requirement to measure a non-current asset held for sale at the lower between the carrying amount and the fair value less cost to sell, gave rise to an additional Impairment on the remaining assets at 31 December 2019. The outcome was a loss of EUR 5M mainly related to the Energia Verde and Energia Alternativa wind farms.

In total, the combined effect of the Impairment Test made and the ffect of the IFRS 5 generated a loss of EUR 13.8M.

EUR-46.8M

NET RESULT

(2018: EUR 4.9M)

RESULT

The following table shows the total result extracted from the Consolidated Income Statements for the years ended at 31 December 2019 and 2018.

MEUR	2019	Restated 2018
Net Result from Continuing operations	-9.7	-6.6
Net Result from Discontinued operations	-37.0	11.5
Total net result	**-46.8**	**4.9**

The total result for the year 2019 was a loss of EUR 46.8M compared to a profit of EUR 4.9M registered in 2018. In particular, the result from Continuing operations was a loss of EUR 9.7M compared to a loss of EUR 6.6M in 2018. The decrease is mainly due the above-mentioned restructuring costs occurred for the reorganisation process implemented at the end of 2019. The result from Discontinued operations was a loss of EUR 37.0M compared to a profit of EUR 11.5M registered in 2018. The total result for the Group generated in H2 2019 was a loss of EUR 2.5M compared to a loss of EUR 0.5M in H2 2018.

CASH FLOW

The following table shows the total cash flow for the years ended at 31 December 2019 and 2018.

The total cash flow for 2019 amounted to EUR -28.3M compared to EUR 16.4M in 2018. It is worth mentioning that 2019 was influenced by the positive contribution of the transaction with Ardian and Glennmont for approx. EUR 71.4M and by the dividends distributed to Athena's shareholders for EUR -92.0M. The extraordinary dividends distributed mainly explain the decrease in the total cash flow from Continuing operations from EUR 12.3M in 2018 to EUR -89.2M in 2019. The total cash flow from Discontinued operations amounted to EUR 60.9M vs EUR 4.1M in 2018. The deconsolidation of the total cash related to the perimeter sold to Ardian and Glennmont impacted the cash flow from Discontinued operations for approx.

MEUR	2019	Restated 2018
Cash flow from operating activities Continuing operations	-4.3	-5.4
Cash flow from operating activities Discontinued operations	17.1	32.5
Cash flow from operating activities	**12.8**	**27.1**
Cash flow from investing activities Continuing operations	7.1	21.2
Cash flow from investing activities Discontinued operations	55.0	-11.0
Cash flow from investing activities	**62.1**	**10.2**
Cash flow from financing activities Continuing operations	-92.0	-3.5
Cash flow from financing activities Discontinued operations	-11.2	-17.3
Cash flow from financing activities	**-103.2**	**-20.8**
Cash flow for the year Continuing operations	-89.2	12.3
Cash flow for the year Discontinued operations	60.9	4.1
Total cash flow for the year	**-28.3**	**16.4**

EUR -10.4M. On the other hand, the positive contribution of the transaction with Ardian and Glennmont for approx. EUR 71.4M mainly explain the increase in the total cash flow from Discontinued operations.

TOTAL ASSETS AND LIABILITIES

The following table shows the main categories of assets and liabilities as extracted from the Consolidated Income Statements for the years ended as at 31 December 2019 and 2018.

MEUR	December 31 2019	December 31 2018
Non-Current Assets	15.8	311.3
Current Assets	33.0	90.9
Assets classified as held for sale	79.4	1.1
Total assets	**128.3**	**403.3**
Net Equity	73.0	212.2
Non-Current Liabilities	0.4	160.0
Current Liabilities	3.9	31.1
Liabilities classified as held for sale	51.0	-
Total liabilities and equity	**128.3**	**403.3**

The change in total assets from EUR 403.3M in 2018 to EUR 128.3M in 2019 was mainly composed by the following items occurred in 2019:

» the change in perimeter related to the transaction with Ardian and Glennmont for EUR -243.8M because of the full deconsolidation of the assets sold net of the cash paid by the buyers;

» the Impairment test made in H1 2019 for EUR -8.8M;

» the classification as "Assets held for sale" of the remaining wind and solar portfolio due to the effect of IFRS 5 accounting standard and the consequent Impairment of EUR -5.0M;

» the decrease in the total cash mainly due to the cash distributed to Athena's shareholders for EUR 92M net of the cash paid by Ardian and Glennmont for EUR 71.4M.

The change in total liabilities from EUR 191.1M in 2018 to EUR 55.3M in 2019 was mainly composed by the deconsolidation of the assets sold to Ardian and Glennmont.

In 2019, the negative net result of the year of EUR 46.8M and the amount of EUR 92.0M distributed to Athena's shareholders, generated a decrease in the total equity of EUR 139.2M.

COMMENTS TO PARENT COMPANY FINANCIAL STATEMENTS

The following table shows the total result of the Parent company for the years ended as at 31 December 2019 and 2018.

MEUR	2019	2018
EBITDA	**-3.4**	**-2.5**
Impairment	-79.3	-5.7
Financial activities	31.5	2.3
Total net result	**-51.3**	**-6.4**

The result for the year is a loss of EUR -51.3M compared to EUR -6.4M registered in 2018. The decrease in EBITDA is explained by the higher costs registered in 2019 due to the extraordinary activities made during the year. The Impairment test made on investments in subsidiaries negatively impacted the profit for the year for EUR -79.3M compared to EUR -5.7M in 2018. The impairment loss was the result of the transaction closed with Ardian and Glennmont and the market valuation on the remaining wind and solar portfolio classified as Discontinued operations at consolidated level. The financial activities resulted strongly higher for EUR 29.2M compared to 2018 mainly due to the extraordinary dividend from subsidiaries received in H2 2019.

EVENTS AFTER THE BALANCE SHEET DATE

No events occurred after the balance sheet date.

ATHENA'S ACTIVITIES

DISCONTINUED OPERATIONS

Athena's combined portfolio of wind and solar projects, located in Italy and Spain, was reduced in July 2019 by approximately 80% through the sale to Ardian Infrastructure and Glennmont Partners. For further information on this transaction, please refer to Company Announcements No. 6/2019, 7/2019, 9/2019, 10/2019 and 13/2019.

As Athena is pursuing some opportunities for the disposal of the remaining wind and solar portfolio, the Company's renewable business units are considered as 'Discontinued operations'.

Activities divested in 2019

In July 2019, Athena sold wind and solar assets for a total, combined gross installed capacity of 205.5 MW (156.1 MW net) in Italy and Spain. Following the sale, Athena has no operational activities in Spain.

Wind

The sale of wind assets totalled 177.2 MW gross (127.8 MW net), consisting of Athena's 50% ownership of the Monte Grighine plant and 100% ownership of the Minerva Messina plant in Italy and the Conesa plant in Spain.

Solar

The sale included solar assets for 28.3 MW (gross and net), consisting of the Cerveteri and Nardò Caputo plants in Italy and the La Castilleja plant in Spain.

Remaining renewable activities

At year-end 2019, Athena's portfolio consisted of projects in wind and solar technologies located in Italy with a total net capacity of 57.4 MW. Disposal opportunities for these activities are currently being pursued.

Wind

At the end of 2019, Athena's operational wind portfolio amounted to 45 MW net, distributed on the two Italian plants Energia Verde and Energia Alternativa.

Solar

At the end of 2019, Athena's solar production capacity amounted to approx. 12.4 MW net, distributed on 12 plants located in Italy.

PRODUCTION

The operational wind portfolio, including production until July 2019 from the divested assets, reached a total full-year net production of approximately 186 GWh in 2019.

The full-year net solar production, including production until July 2019 from the divested assets, reached approximately 44 GWh.

In 2019, the combined production of the wind and solar activities reached 268 GWh (gross) and 230 GWh (net). The production realised in 2019 was significantly lower than in 2018 as a consequence of the above-mentioned sale of assets.

Overall, in 2019, Athena's wind and solar assets delivered a combined production in line with the revised Outlook announced in the Interim Report for H1 2019.

PRODUCTION CAPACITY

	31.12.2018		Discontinued operations: Assets divested in July 2019*		Discontinued operations: 31.12.2019 Portfolio for potential disposal**	
MW	Gross	Net	Gross	Net	Gross	Net
Wind						
Italy	192.2	142.8	147.2	97.8	45.0	45.0
Spain	30.0	30.0	30.0	30.0	-	-
Total Wind	**222.2**	**172.8**	**177.2**	**127.8**	**45.0**	**45.0**
Solar						
Italy	31.0	31.0	18.5	18.5	12.4	12.4
Spain	9.8	9.8	9.8	9.8	-	-
Total Solar	**40.8**	**40.8**	**28.3**	**28.3**	**12.4**	**12.4**
Total	**263.0**	**213.6**	**205.5**	**156.1**	**57.4**	**57.4**

* On 25 July 2019, Athena sold the majority of its wind and solar assets located in Italy and Spain to Ardian Infrastructure and Glennmont Partners.
** Athena is pursuing opportunities for the disposal of the remaining wind and solar portfolio.

PRODUCTION

	PRODUCTION 2019 *		PRODUCTION 2019 from remaining assets		PRODUCTION 2018 **		PRODUCTION 2018 from remaining assets	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Wind								
Poland**	-	-	-	-	2,068	2,068	-	-
Italy	183,713	146,176	61,206	61,206	249,241	193,415	53,391	53,391
Spain	40,312	40,312	-	-	59,210	59,210	-	-
Total Wind	**224,025**	**186,488**	**61,206**	**61,206**	**310,519**	**254,693**	**53,391**	**53,391**
Solar								
Italy	34,166	34,166	18,010	18,010	42,874	42,874	17,672	17,672
Spain	9,474	9,474	-	-	15,060	15,060	-	-
Total Solar	**43,640**	**43,640**	**18,010**	**18,010**	**57,934**	**57,934**	**17,672**	**17,672**
Total	**267,665**	**230,128**	**79,216**	**79,216**	**368,453**	**312,627**	**71,063**	**71,063 ***

* Including production until 25 July 2019 of the sold wind and solar assets located in Italy and Spain.
** In November 2018 Athena sold its last operating wind farm in Poland to a private Polish Investor.

ACTIVITIES

ASSETS DIVESTED IN JULY 2019

MW	Gross	Net
Wind		
Monte Grighine	98.9	49.5
Minerva Messina	48.3	48.3
Italy, total	**147.2**	**97.8**
Conesa	30.0	30.0
Spain, total	**30.0**	**30.0**
Total wind	**177.2**	**127.8**
Solar		
Cerveteri	8.7	8.7
Nardò Caputo	9.8	9.8
Italy, total	**18.5**	**18.5**
La Castilleja	9.8	9.8
Spain, total	**9.8**	**9.8**
Total solar	**28.3**	**28.3**
Total	**205.5**	**156.1**

RENEWABLE PORTFOLIO AT 31.12.2019 – FOR POTENTIAL DISPOSAL

MW	Gross	Net
Wind		
Energia Alternativa	24.0	24.0
Energia Verde	21.0	21.0
Italy, total	**45.0**	**45.0**
Total wind	**45.0**	**45.0**
Solar		
Vaglio 2	1.96	1.96
Vaglio 1	1.02	1.02
Montemesola	1.00	1.00
De Marinis	0.99	0.99
Ferrante	0.99	0.99
Torremaggiore	0.99	0.99
Ugento 1	0.98	0.98
Ugento 2	0.98	0.98
Alessano Bortone	0.98	0.98
Nardò Nanni	0.94	0.94
Mercurio	0.91	0.91
Alessano Strutture	0.70	0.70
Italy, total	**12.4**	**12.4**
Total solar	**12.4**	**12.4**
Total	**57.4**	**57.4**

RISK MANAGEMENT

Risks are inherent to any business activity. Through constant monitoring, data collection, analysis and reporting, a structured risk management approach is applied by Athena with the aim of reducing risks to an acceptable level.

Athena's risk profile has changed significantly during 2019. Following the sale of the majority of the operating wind and solar assets in Italy and Spain, the Company has reduced its risk exposure from a geo-political, operational and financial perspective. The remaining renewable portfolio is located in Italy and maintains diversification within 2 different technologies.

The overall risk categories related to Athena's business activities are presented in the table below. The list is not exhaustive and categories are not presented in order of priority or significance:

Risks may have substantial impact on a company's earnings, financial position and achievements of other objectives. Presented below are some operating risks assessed by Athena as inherent to the business (weather conditions) or actualised in the recent past (political risks related to regulatory changes of economic regimes and subsidies as well as variations in energy prices).

Operating risks

- Weather conditions
- Mechanical operation
- Credit related to the off-taker
- Regulation
- Variation in energy price

General risks

- Human capital
- Interest rate evolution
- Exchange rate evolution
- Insurance
- Project financing

WEATHER CONDITIONS

Athena's operational activities are, inevitably, exposed to variations in weather conditions, which may impact the production and ultimately the earnings of each plant. Athena's activities within complementary technologies reduces this risk. In addition, in order to minimise the risks related to the business forecasts, Athena only applies a realistic approach in terms of wind conditions and irradiation when forecasting the production.

REGULATION

In the past, Athena has been exposed to a number of regulatory changes regarding subsidies and settlement terms of renewable energy projects in the Company's markets Italy and Spain. With retroactive replacement of the support scheme applicable to renewable energy generation, tax measures, elimination of minimum guaranteed prices and changes in feed-in tariffs, Athena's profitability has been negatively impacted by a number of factors with limited possibilities of counteracting. To mitigate the negative consequences of the changes, in 2015, Athena initiated two arbitration procedures under the Energy Charter Treaty against respectively the Republic of Italy and the Kingdom of Spain.

The Company was granted the final awards for the arbitrations against the Kingdom of Spain in November 2018 and against the Republic of Italy in December 2018 with a very positive outcome. Both Countries have commenced an action with the SVEA Court of Appeal in order to overturn the awards, and Athena is currently challenging such appeals. In the proceedings between Spain and Athena, the SVEA Court is considering whether referral to the EU Court of Justice is necessary, which, in such case, may result in a further delay in the appeal decision. Nonetheless, the Company has started the confirmation procedure of the Awards according to the 1958 New York Convention for its further enforcement.

Potential further regulatory changes or variations in settlement terms or prices in Athena's market may affect the Company's projects.

VARIATION IN ENERGY PRICE

In addition to regulatory changes of the support regime settlement, the evolution of the market price of energy may affect the Company's financial results. Athena carefully monitors the price trend and acquires qualified forecasts on a regular basis in order to align forecast data to market ones.

PROJECT FINANCING

The production of energy is a capital intense business requiring financing provided largely by credit institutions. Therefore, the optimisation of the capital structure of the Company is a key element of the overall performance of the business. For each project, the Company makes an assessment of the maximum leverage to obtain from the credit institutions subject to the performance of the project. The higher the leverage, the higher the internal rate of return of each project. But an excessive leverage could also lead to a breach of covenants or a reduced cash flow to the shareholder when the performance of the project is affected by operating risks such as poor weather conditions or a decrease in energy price. Athena has a number of existing material financing contracts which could impact the transferability in the event of a takeover. A change in ownership and control on the project companies could impact the current financing agreements. A potential new owner should be accepted by the financing parties in order to avoid the anticipated reimbursement of the outstanding debt. Should the potential owner neither be accepted by the current financing parties nor be able to find new financing parties, the ownership of the assets would be transferred to the current financing parties.

RISKS RELATED TO POTENTIAL FUTURE ACTIVITIES

The Company has changed its name and objects with the aim of diversifying the business activities while also limiting the risk exposure through focus on investments in segments or sectors less capital-intensive compared to renewable energy production. The future risk profile of Athena will depend on the future activities; however, it is a clear priority of the Company to preserve a balanced risk exposure to ensure long-term value creation and stable growth.

For further disclosure on Risk Management, please refer to Note 3 of the Financial Statements.

CORPORATE GOVERNANCE

The Board of Directors and the Management Board of Athena consider the development of the management model and the organisation to be an ongoing process adjusted as needed with due consideration to the Company's activities, business environment, statutory requirements and general practices. During this continuous process, Athena addresses the recommendations of Corporate Governance as a tool contributing to ensure reliable information, transparency and insight into the business for our stakeholders.

GOVERNANCE STRUCTURE

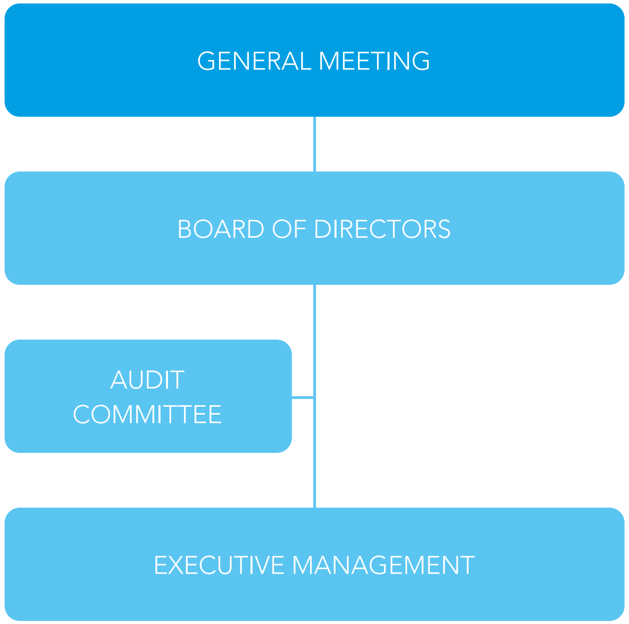
Shareholders and general meetings
The General Meeting is the supreme authority of the Company. Resolutions are made by a simple majority of votes, unless legislation prescribes special rules on representation and majority. The Articles of Association of Athena, available on the Company's website, contain information about the notice of the general meeting, shareholders' rights to submit proposals and have specific subjects considered on the agenda, admission and voting rights. In 2019, Athena held its Annual General Meeting on 23 April. The next Annual General Meeting is scheduled for 23 April 2020.

In 2019, two extraordinary general meetings were held:

» **4 June:** An extraordinary general meeting was held with a view to resolve on the acceptance of the offers received from Ardian and Glennmont for the acquisition of some of Athena's wind and solar assets in Italy and Spain.

» **19 November:** An extraordinary general meeting was held with a view to resolve on the distribution of an extraordinary dividend of DKK 3.685 (EUR 0.493) per share of nominally DKK 5.

GOVERNANCE STRUCTURE



Board of Directors
The Board of Directors is responsible for the overall management of the Company, including the appointment of a Board of Management, determination of strategy, action plans, targets and budgets, and also the definition of the principles for risk management and control procedures, etc.

Board authorisations
Under the Articles of Association, the Board of Directors has been granted authorisation, which remains in force until 26 April 2022, to increase the nominal share capital in one or more issues by up to DKK 150,000,000, corresponding to 30,000,000 shares of DKK 5.

In addition, the Board of Directors holds the authority to extend the existing authorisations to issue convertible debt instruments in articles 4b(i) and 4b(ii) of the articles of association. Consequently, the Board of Directors is authorised until 24 April 2023 to increase the Company's share capital in one or more issues, respectively without and with preemptive rights for the Company's shareholders, by up to nominally DKK 50,000,000 by converting the convertible debt instruments.

In connection with the exercise of the authorisations in sections 4b(i) and 4b(ii) of the articles of association, the Board of Directors cannot, however, increase the share capital of the Company by more than a total of nominally DKK 50,000,000.

The Board of Directors, moreover, has been authorised for one year by the latest General Meeting to let Athena acquire treasury shares for a total holding of up to 10% of the share capital. By year-end 2019, Athena holds an amount of treasury shares corresponding to 4.96 % of the share capital (unchanged from the end of 2018).

Board practices
The Board of Directors meets on a regular basis according to a work and meeting calendar with five scheduled annual meetings and otherwise if required. 7 meetings were held in 2019 including conference calls. Ordinary Board meetings have a predetermined agenda under which operation and performance are discussed and current issues and new projects are considered and approved. The Board of Directors reviews its rules of procedure on a regular basis and checks that the framework and procedures are in order. Risk management, capital and share structures are also items on the agenda. The Annual Report is reviewed at the meeting in March, where accounting policies and audit process are also reviewed and discussed together with the Auditor, without the Management Board being present. Moreover, the Board of Directors has implemented a self-assessment procedure with the aim of evaluating, on an annual basis, the contributions and results of the Board of Directors and the individual members as well as the Management Board.

Composition and independence
The Board of Directors currently consists of five members elected at the Annual General Meeting with a broad composition of skills and experiences. Board member mandates are subject to renewal every year. No board member is elected by and among the employees since the Parent Company, Athena Investments A/S, has not met the threshold of having more than 35 employees. At the latest Annual General Meeting held on 23 April 2019, the five incumbent members of the Board of Directors were re-elected. In terms of independence, as defined in the Corporate Governance recommendations, 1 out of 5 current Board members (Mr Sigieri Diaz della Vittoria Pallavicini, deputy chairman of the Board of Directors) is considered non-independent as he indirectly represents Athena's controlling shareholder SDP RAIF – Genesis. Moreover, Sigieri Diaz della Vittoria Pallavicini has been previously employed by the Company as CEO. There are no current transactions between the Company and the Board of Directors, excluding remuneration as Members of the Board. For a presentation of the members of the

Board of Directors, please refer to the section "Board of Directors and Board of Management".

Board of Management
The Board of Management is appointed by the Board of Directors which sets the guidelines and terms for the Board of Management to perform its duties. The Board of Management implements the strategy and is in charge of the day-to-day management, organisation and development of Athena, management of assets and liabilities, bookkeeping and reporting. Its performance is evaluated by the Board of Directors. The Board of Management consists of:

Alessandro Reitelli
Chief Executive Officer

Francesco Vittori
Chief Financial Officer

STATUTORY STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors of Athena employs the recommendations of the Committee on Corporate Governance (available on www.corporategovernance.dk) as an important source of inspiration in its efforts. A detailed review of Athena's position on all the recommendations as well as a description of the internal control and risk management system relating to the financial reporting can be found in the statutory report on corporate governance pursuant to section 107b of the Danish Financial Statements Act which is available on Athena's website, www.athenainvestments.com, under "Investor", "Corporate Governance" (https://www.athenainvestments.com/governance/corporate-governance/).

According to the recommendations issued by the Committee on Corporate Governance in November 2017, companies must explain any noncompliance. Athena fully complies with the vast majority of the recommendations, but has opted to derogate from six of the 47 recommendations as described below:

» Considering that, so far, the business activities of Athena have had a stable and recurring trend over the year and that, since November 2015, the publication of quarterly reports is no more mandatory, the Company has decided to publish only H1 results and the Annual report. Athena also publishes monthly announcements disclosing the production realised and other material events in order to keep its stakeholders, including shareholders and other investors, informed on a regular basis (**Recommendation 1.1.3**).

» Due to the Company's size, Athena has so far not deemed necessary to set up specific committees under the Board of Directors. Instead, Management has relied on special skills and know-how held by members of the Board of Directors in respect of specific projects. The Board of Directors jointly functions as the Audit Committee (**Recommendations 3.4.1; 3.4.6; 3.4.7**).

» Athena has not incorporated policies which ensure the possibility for reclaim, in full or in part, variable components of remuneration that were paid on the basis of data which proved to be manifestly misstated (**Recommendation 4.1.2**).

» The combined remuneration of the Management Board is disclosed in note 5 of this Annual Report. Considered in accordance with practices applied in comparable companies, the remuneration granted to each member of the Management Board is not disclosed in the Annual Report. The remuneration of the Management Board is in line with the remuneration guidelines and no material retention or severance programmes are currently applied (**Recommendation 4.2.3**).

REMUNERATION POLICY

Remuneration for the Board of Directors and the Management Board is currently based on the "General guidelines for incentive pay to the Board of Directors and the Management Board of Athena Investments A/S", most recently approved by the shareholders at the Annual General Meeting held on 23 April 2019, which is available on Athena's website. The Board of Directors approves remuneration for the Board of Management within the framework of the guidelines. In 2019, an event-specific bonus was granted to the Management Board members as an extraordinary incentive element in addition to the potential allocation of a yearly bonus based on the annual salary. Remuneration for the Board of Directors is approved by the shareholders at the General Meeting.

A Remuneration Policy covering the Management Board and the Board of Directors will be proposed for approval at the Annual General Meeting scheduled for 23 April 2020.

The Board of Directors is empowered with an authorisation to issue up to 5,000,000 warrants (nominal share capital of DKK 25,000,000) in one or more issues with expiry on 26 April 2022 in accordance with the "General guidelines for incentive pay" and article 4c of the Articles of Association. The Board of Directors has not exercised this authorisation in 2019.

ORGANISATION

As of 31 December 2019, the Athena Investments Group totalled 26 employees (full-time equivalent). The distribution by geography and by technology is presented below.

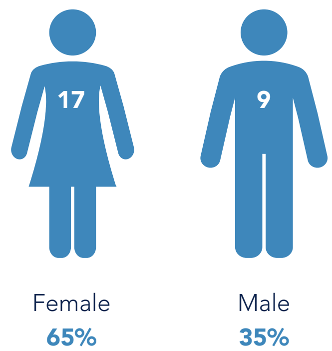
As of 31 December 2019, the average age of the employees is about 42.4 and the average seniority with the Company is about 7.6 years.

At year-end 2019, the managerial positions below top-management level in the Company were covered by respectively 35% male managers and 65% female managers.

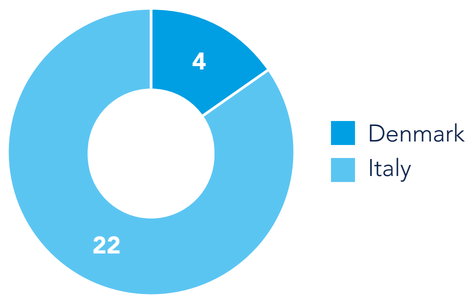
In 2019, following the sale of approximately 70% of the operating renewable assets, the Company started a collective dismissal procedure that was completed in January 2020. At the end of the dismissals, 8 employees (7.5 full-time equivalent) remained in Athena (4 in Denmark and 4 in Italy).

Furthermore, please find a distribution by gender:

HEADCOUNT BY GENDER



HEADCOUNT BY GEOGRAPHY



HEADCOUNT BY TECHNOLOGY	Wind		Solar		Holding		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Average number of employees	3.8	4.0	2.2	2.8	22.0	23.1	28.0	29.9
Number of employees	3.0	4.0	1.0	3.0	22.0	22.0	26.0	29.0
- of which consultants	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0
- of which employees under notice	3.0	0.0	1.0	0.0	14.5	0.0	18.5	0.0

CORPORATE RESPONSIBILITY

Athena recognises the responsibility linked to being a player in society in a local, national and international context.

Therefore, Athena remains continuously attentive towards making efforts to ensure that its business activities are conducted in a financially, environmentally and socially sound manner by complying with statutory requirements while considering also voluntary corporate responsibility initiatives in the countries and communities in which the Company operates. Athena believes that responsible business behaviour is a precondition for long-term value creation for the Company and its stakeholders.

ATHENA'S CONTRIBUTION TO THE SDGS

The 17 UN Sustainable Development Goals (SDGs) address the major global economic, social and environmental challenges that the world faces towards 2030 as a framework for pursuing a more sustainable future.

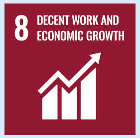
Athena is committed to contributing to the achievement of the SDGs. The Company directly and indirectly supports a number of the goals and will continuously consider, how its business operations can promote the SDGs.

Through its renewable business activities, Athena has mainly contributed directly to SDG 7 on 'Affordable and

Sustainable Development Goal (SDG) | **Athena's contribution to the SDG**

Deployment of wind and solar
Athena has contributed to increasing the share of renewable energy in the global energy mix through the Company's wind and solar activities.

Green energy production
Athena has contributed to mitigating climate change through its generation of 100% green energy.



Workplace safety
A safe workplace is a priority to Athena. Health and safety initiatives have been implemented on the Company's operational sites to ensure injury and accident prevention.

Workforce diversity
Athena values a diverse workforce and remains committed to promoting equal opportunities for all employees, also at managerial levels of the Company.

Good business behaviour
Athena has practices and procedures in place to ensure behaviour compliant with statutory requirements and other ruling applied and to avoid inappropriate interactions with authorities and other stakeholders.

clean energy' and SDG 13 on 'Climate action'. In addition, Athena contributes indirectly to a number of other SDGs.

In the table above, Athena presents the SDGs which the Company currently considers most material in relation to its business activities and conduct.

CLIMATE AND ENVIRONMENT

Athena has directly addressed significant societal challenges through the Company's business of producing and selling renewable energy from wind and solar technologies, contributing to reduce the environmental and climate impact.

	Gross production (kWh)	Clean Power Supply (number of households in 1 year)	Emission of CO_2 avoided (tons)	Oil saved (barrels)	Cars eliminated
2019	267,665,000	89,222	141,862	365,389	59,109
2009 - 2019	3,961,083,664	1,320,361	2,099,374	5,407,275	874,739

Resource	Energy payback time	Lifespan	"Green" lifetime
Wind	15 months	25 years	95%
Solar	37 months	20 years	85%

Based on a portfolio of renewable energy producing assets, Athena has contributed to generate and distribute clean energy production in order to preserve the environment and to support a world sustainable growth.

Athena's contributed production of renewable energy has provided immediate environmental advantages in terms of savings of fossil fuels and elimination of CO_2 emissions.

In 2019, the gross production generated by Athena's operating assets corresponded to the supply of approximately 89,000 families with non-polluting energy and saved the consumption of about 365,000 barrels of oil. Also, Athena's 2019 clean energy gross production corresponded to a reduction of approximately 142,000 tons CO_2 – equalling the elimination of emissions from around 59,000 cars.

Over the last 10 years, the production of Athena's gross installed capacity supplied almost 1,300,000 families with non-polluting energy and saved the consumption of almost 5,400,000 barrels of oil corresponding to a reduction of approx. 2,100,000 tons CO_2 – corresponding to the elimination of emissions from almost 875,000 cars.

Despite Athena offering alternatives to the scarce and polluting power sources providing clean energy without emissions of hazardous particles or greenhouse gases, there are certain environmental risks related to the environment around the Company's plants.

The Company does care about the physical impact of its activities. Athena's renewable projects have been subject to environmental permits and at all project stages Athena is governed by comprehensive environmental legislation and rules which, through mandatory annual surveys and analyses, have safeguarded the surroundings of the Company's plants, i.e. flora and fauna, local households and the landscape.

In 2019, Athena had no significant outstanding environmental issues with authorities, nongovernmental organisations or local households.

On average, Athena's operating wind assets are energy neutral within 15 months from the first connection – their "energy payback time". This means that within 15 months of operation, the turbines have generated the same amount of energy that has been or will be consumed for the development, construction, maintenance etc. of the plants during their 25-year lifetime.

Having compensated any related generation of pollution and CO_2 after 15 months, Athena's wind turbines, averagely, have delivered a pure energy production during 95% of their lifespan.

Athena's operating solar projects are energy neutral within 37 months from the first connection. With an expected lifespan of 20 years, the solar assets provide fully clean energy during 85% of their lifespan.

In line with the low environmental impact of the Company's operating assets, Athena is not an energy intensive company from an administrative point of view: any greenhouse gas emissions are mainly related to heating and electricity use in our offices and with car, rail and air travel. Travel activities are limited to the extent possible and partly replaced by video or conference calls.

PEOPLE

Athena considers diversity an important asset and remains committed to ensuring equal opportunities and rights for employees and therefore does not tolerate discrimination or harassment based on religion, race, ethnicity, gender, age, sexuality, political opinion or other status.

Athena has a diverse workforce with a broad employee composition in terms of geographical and cultural background, gender and age distribution (see the paragraph "Organisation" for details on the composition of the employees).

Moreover, a safe and healthy workplace continues to be a priority for Athena. Particularly in the Company's wind and solar plants, severe health and safety procedures have been implemented to secure the employees and minimise the risk of occupational accidents. Also, in 2019, these provisions have contributed to an injury- and incident-free working environment.

DIVERSITY IN MANAGEMENT

Athena also maintains focus on encouraging diversity at managerial levels, an initiative which was introduced in 2013 with the policy on equal representation in management centred on gender distribution in the Board of Directors. In line with section 139a of the Danish Companies Act, the Board of Directors, thus, implemented a target figure for the proportion of women (the underrepresented sex). The Board of Directors is ambitious on the topic and has confirmed a target figure of two female board members to be elected by the General Meeting within 2022. The target has not yet been met as currently one woman, which corresponds to 20% of the total Board of Directors, elected at the Annual General Meeting, holds a Board position. In 2019, there were no changes in the composition of the Board of Directors and, consequently, no additional female candiddates were identified and proposed for election at the General Meeting. The Board of Directors will, however, continue its efforts towards reaching the target within the shortest possible time frame, maintaining obviously the primary criteria that any candidates proposed for the Board of Directors are selected considering their suitability based on professional and personals skills and competences.

Additionally, the Company has adopted policies regarding the proportion of gender at the other management levels of the Company, and Athena remains committed to working towards creating and maintaining equal opportunities for women and men at all management levels in the Company. In connection with all recruitment, including recruitment at management level, it is Athena's policy to fulfil the Company's requirements for employees with the necessary skills and competences, regardless of gender, age, ethnicity etc. When choosing between equally qualified candidates, the diversity among the employees shall be taken into consideration. In connection with recruitment for managerial positions it should be ensured, where possible, that the candidates invited for interview include both men and women.

At year-end 2019, the managerial positions below top management level in the Company were covered by respectively 35% male managers and 65% female managers. This represents an equal gender distribution and reflects the gender composition of the employees.

ETHICS AND BEHAVIOUR

Transparency and compliance with national and international regulation and standards are considered cornerstones in Athena's business behaviour, and the Company is committed to conduct its activities in a lawful and conscientious way and perform its practices responsibly with due consideration and respect of internal and external procedures and guidelines. A code of ethics has been introduced which addresses relevant issues including corruption and bribery and prescribes the correct behaviour in interactions with the Company's internal and external stakeholders. More precisely, the External relations chapter of the Code of Ethics clearly specifies the Company's behaviour guidelines to employees for any gifts, benefits, money, goods or services and relationships with external advisors, suppliers, public authorities, politicians, any organisations and the media. A system to increase awareness and of empowerment among the employees regarding the rules of conduct and business ethics has been applied in 2019. During 2019, the Company did not face any breach of the Code of Ethics.

Athena operates in an international context, currently in two different European countries (Italy and Denmark) which both constitute fairly limited risk factors in terms of businesses' exposure to human rights violations. Consequently, Athena does not conduct any activities, liaise or contract with business partners or suppliers in countries considered high-risk in terms of negatively impacting human rights. Athena has not prepared a specific policy on human rights as, so far, the Company has not deemed it relevant, considering its business activities and locations.

In the future, Athena will continuously endeavour to expand its corporate responsibility efforts in its planning and decision-making processes. These efforts will be based on statutory requirements and the topics most material to Athena's business and commercial goals as this is the best way in which Athena can contribute through relevant initiatives to the benefit of the Company and of its stakeholders.

BOARD OF DIRECTORS AND BOARD OF MANAGEMENT

Peter Høstgaard-Jensen

Chairman
Former CEO of Elsam A/S
Graduated in Chemical Engineering and Business
Born in 1945
Nationality: Danish

Elected as chairman of the Board of Directors in October 2010, most recently elected at the Annual General Meeting in 2019. Current election period expires at the Annual General Meeting in 2020.

Attendance
Attended all board meetings in 2019.

Independence
Peter Høstgaard-Jensen is considered as an independent board member.

Competencies of special relevance to Athena Investments:
Energy, power distribution

Other executive functions/directorships:
Crestwing ApS (Chairman)
Borean Innovation A/S (Board member)
Frederikshavn Forsyning A/S (Board member)
Nordenergie A/S (Board member)
Norsk Miljøkraft AS (Board member)

Sigieri Diaz Della Vittoria Pallavicini

Deputy Chairman
Former CEO of Greentech Energy Systems A/S (now Athena Investments A/S) from 2010-2014
Graduated cum Laude in Economics and Business Administration
Born in 1969
Nationality: Italian

Elected as Deputy chairman of the Board of Directors in April 2018, most recently elected at the Annual General Meeting in 2019. Current election period expires at the Annual General Meeting in 2020.

Attendance
Attended all board meetings in 2019, except one.

Independence
Sigieri Diaz della Vittoria Pallavicini is considered as a non-independent board member as he represents the major shareholders of Athena Investments A/S.

Competencies of special relevance to Athena Investments:
Broad experience and expertise within investment management, M&A and financial markets and with extensive international reach and network

Other executive functions/directorships:
Armonia SGR S.p.A (Chairman)
Armonia Holding S.r.l (Chairman)
Atlantica Real Estate S.r.l (Vice chairman)
SDP Holding di Partecipazioni S.r.l (Sole Director)
SDP Fiduciaria S.r.l (Chairman and CEO)
SDP Advisory S.A (Chairman)
Terre dei Pallavicini S.r.l (Chairman)
Holding Pallavicini S.p.A (Director)
Fidim S.r.l (Director)
SDP Capital Management (Malta) Ltd (Director)
SDP Real Estate S.r.l. (Sole Director)
Banca Illimity (Director)

Michèle Bellon

Former CEO of ERDF
Graduated from Northwestern University (Illinois, USA) with a Master of Sciences in Nuclear Engineering and Graduate Engineer of Ecole Centrale de Paris (equivalent PhD)
Born in 1949
Nationality: French

Elected as board member at the Annual General Meeting in 2014, most recently elected at the Annual General Meeting in 2019. Current election period expires at the Annual General Meeting in 2020.

Attendance
Attended all board meetings in 2019.

Independence
Michèle Bellon is considered as an independent board member.

Competencies of special relevance to Athena Investments:
Broad experience within the energy field and from major companies in an international environment.

Other executive functions/directorships:
RATP (Board member)
HF Company (Board member)
Groupe Cahors (Board member)

Valerio Andreoli Bonazzi

CEO of Epico and of its subsidiary Hydrowatt Abruzzo S.p.A.
Graduated in Finance
Born in 1970
Nationality: Italian

Elected as board member in October 2010, most recently elected at the Annual General Meeting in 2019. Current election period expires at the Annual General Meeting in 2020.

Attendance
Attended all board meetings in 2019, except two.

Independence
Valerio Andreoli Bonazzi is considered as an independent board member.

Competencies of special relevance to Athena Investments:
Hydro, Biomass, Solar, Wind.

Other executive functions/directorships:
Epico (CEO)
Hydrowatt Abruzzo spa (CEO)

BOARD OF DIRECTORS AND BOARD OF MANAGEMENT

Jean-Marc Janailhac

Senior Advisor Macquarie Capital (Macquarie Investment bank division)
Former CEO of Veolia Environmental Services South Europe (Subsidiary of the waste management division of Veolia Environment Group)
Graduated in Economics at HEC Paris (Hautes Etudes Commerciales) and at IHEDN (Institut des Hautes Etudes de Defense Nationale), member of the French independent board members association (IFA, Institut Francais des Adminsitrateurs)
Born in 1954
Nationality: French

Elected as board member in October 2010, most recently elected at the Annual General Meeting in 2019. Current election period expires at the Annual General Meeting in 2020.

Attendance
Attended all board meetings in 2019, except one.

Independence
Jean-Marc Janailhac is considered as an independent board member.

Competencies of special relevance to Athena Investments:
Environment & Utilities, Energy & Renewables, Infrastructure & Construction

Other executive functions/directorships:
SFIC development SAS (CEO)
SFEIR SA (Board Member)
Cabinet Roux SA (Board Member)
Fabregue SA (Board member)
Fondation Contes (Financial advisor)
Eurohold (Senior advisor)
PhotoMe (Board member)

Alessandro Reitelli

CEO
Employed with the Company as COO in September 2012
CFO and COO ad interim from November 2012 to October 2014
CEO since October 2014
Graduated cum laude in Economics
Born in 1969
Nationality: Italian and French

Other executive functions/directorships:
None

Directorships held within the Athena Investments Group are excluded from the descriptions above. All directorships are as per 1 February 2020.

Francesco Vittori

CFO
Employed with the Company as Planning and Control Manager in June 2014
CFO since October 2014
Graduated in Business administration and financial markets management
Born in 1980
Nationality: Italian

Other executive functions/directorships:
None

SHAREHOLDINGS IN ATHENA INVESTMENTS A/S AS AT 31 DECEMBER 2019*

	Shares
Board of directors	
Peter Høstgaard-Jensen	20,000
Sigieri Diaz della Vittoria Pallavicini**	0
Michèle Bellon	0
Valerio Andreoli Bonazzi	0
Jean-Marc Janailhac	0
Total	**20,000**
Management Board:	
Alessandro Reitelli	25,000
Francesco Vittori	0
Total	**25,000**

* During 2019, the shareholdings have remained unchanged compared to 2018.
** Through his engagement in SDP RAIF – Genesis, Sigieri Diaz della Vittoria Pallavicini represents a shareholding of 31,042,832 shares.

SHAREHOLDER INFORMATION

SHARE CAPITAL AND OWNERSHIP

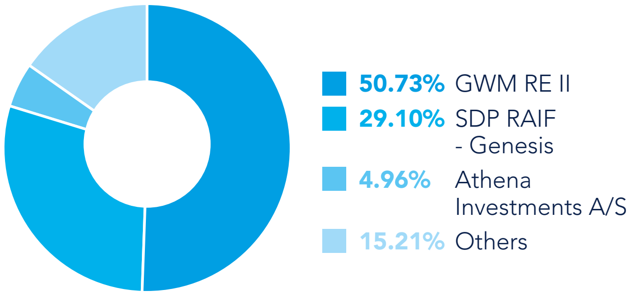
Athena Investments A/S' total share capital amounts to DKK 533,313,475 divided into 106,662,695 shares with a nominal value of DKK 5 each. Athena has a single share class and no restrictions on voting rights. At 31 December 2019, Athena had approximately 4,300 shareholders registered by name, including custodian banks, a number in line with the previous year. The registered shareholders represented more than 99% of the share capital which was generally at the same level as at year-end 2018. In line with previous years, the vast majority – around 86 % – of Athena's shares are held by international investors. The following shareholders have reported holding more than 5% of Athena's share capital in accordance with the Danish Companies Act, article 55:

» GWM Renewable Energy II, Italy: 50.73%

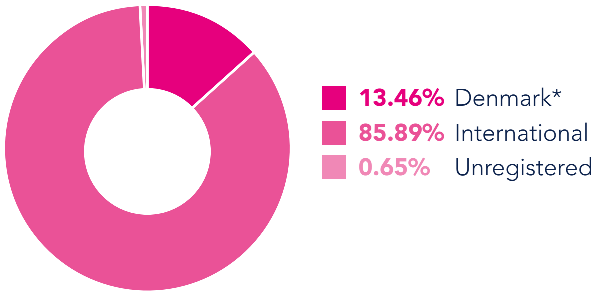
» SDP RAIF – Genesis, Luxembourg: 29.10%

At 31 December 2019, Athena held 4.96% own shares (unchanged compared to year-end 2018).

SHAREHOLDER OVERVIEW AS PER 31.12.2019



SHAREHOLDING BY GEOGRAPHY AS PER 31.12.2019



* Including Athena's position of treasury shares of 4.96%

SHARE INFORMATION

Share capital (DKK)	533,313,475
Number of shares	106,662,695
Nominal value (DKK)	5
Number of treasury shares	5,295,314 (4.96%)
Share classes	One (A share)
Voting/ ownership restrictions	None
Stock Exchange	Nasdaq Copenhagen A/S
Index	Small Cap
ISIN code	DK0010240514
Trading symbol	ATHENA
Bloomberg ticker	ATHENA:DC
Reuters ticker	ATHENAI.CO

THE ATHENA SHARE

The Athena share is listed on Nasdaq Copenhagen and included in the OMX Copenhagen Small Cap Index. At 31 December 2019, the Athena shares were priced at DKK 3.7 with a market capitalisation of DKK 395M. The share price depreciated 41 % in 2019. If adjusted for the significant dividend payments made, the share price appreciation would be 68%. By comparison, the Nasdaq Copenhagen Small Cap Index, of which Athena is a component, appreciated by 17% during the same period.

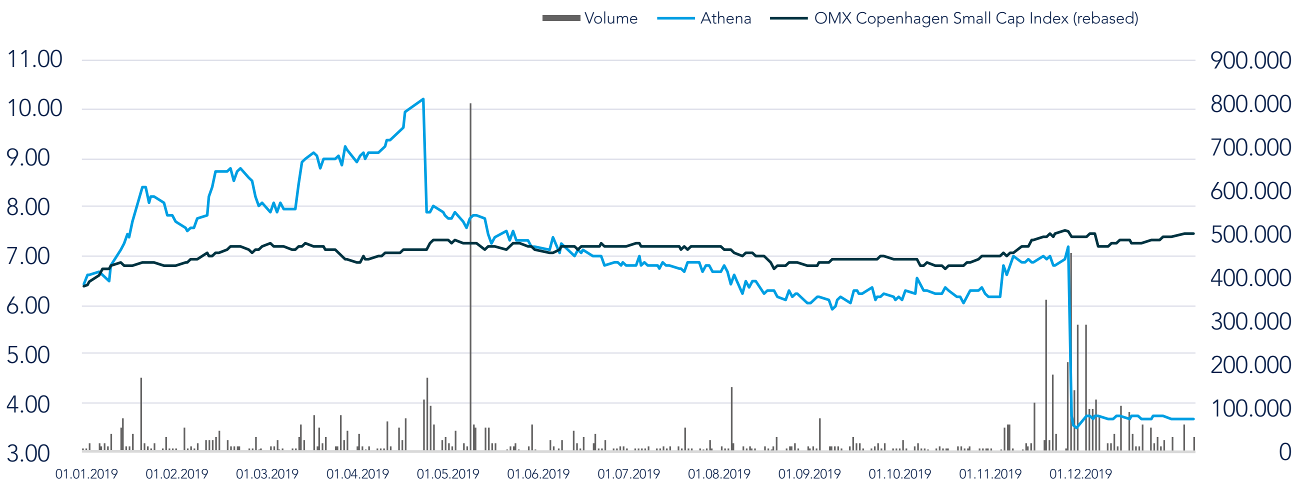
DIVIDEND POLICY

In 2017, the Board of Directors changed the former dividend policy by introducing distribution of dividends in continuation of the Company's restructuring process and the related improvement in cash flow generation.

The yearly distribution of dividends will, however, always be decided with due consideration for the Company's plans, requirements or priorities. Hence, the dividend framework expresses stability, through a floor, growth perspective, through the Pay-out Ratio (PR), and flexibility, based on sound expectations:

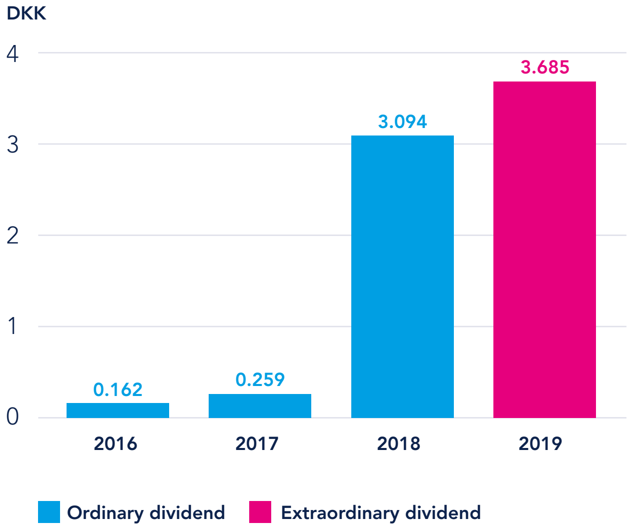
- Maximum PR 40%, net of equity for selected accretive opportunities and stable cash-free buffer of EUR 10M.
- Minimum dividend of EUR 2M per year.

SHARE PRICE PERFORMANCE AND SHARE VOLUME



In 2019, a significant dividend of DKK 3.094 (EUR 0.414) per outstanding share was paid for the financial year 2018. Moreover, in November 2019, an extraordinary dividend of DKK 3.685 (EUR 0.493) per outstanding share was distributed following the transaction with Ardian and Glennmont.

DIVIDEND PER SHARE



Considering the extraordinary dividend paid in November 2019, the Board of Directors proposes that no additional dividend be distributed for the financial year 2019. Please refer to the letter of the Chairman of the Board of Directors and the Chief Executive Officer, on p. 5.

INVESTOR RELATIONS

Athena aims to ensure that investors have adequate and equal access to relevant information by providing communications to the financial markets in a timely and accurate manner to support normal trading and a fair and efficient pricing of the share. The Company seeks to create awareness of its activities by pursuing an open dialogue with investors, analysts and other stakeholders. This is done through activities such as meetings and potential participation in other events and seminars. Moreover, Athena's Management Board hosts conference calls following the publication of financial results. Athena's website contains an "Investor" section which provides access to company announcements, financial reports, investor presentations etc. Moreover, all interested parties can subscribe to Athena's newsletter and automatically receive announcements, publication of financial results etc. via e-mail. The Management is responsible for the Company's investor relations.

IR contact person is:

Camilla Lydom
E-mail: clydom@athenainvestments.com
Telephone: +45 33 36 42 02

FINANCIAL CALENDAR	2020
Deadline for shareholders to submit proposals for the agenda of the Annual General Meeting	11 March
Annual Report 2019	30 March
Annual General Meeting 2020	23 April
Interim Report for H1 2020	4 August

STATEMENT AND REPORT

STATEMENT BY THE BOARD OF DIRECTORS AND THE MANAGEMENT BOARD

Today the Board and Management Board have discussed and approved the Annual Report of Athena Investments A/S for the financial year ended 31 December 2019.

The Annual Report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2019 and of the results of the Group's and the Parent Company's operations and cash flow for the financial year then ended.

In our opinion the Management's Review includes a true and fair review about the development in the Group's and the Parent Company's operations and financial matters, the results for the year and the Parent Company's financial position, and the position as a whole for the entities included in the Consolidated Financial Statements, as well as a review of the more significant risks and uncertainties faced by the Group and the Parent Company.

We recommend that the Annual Report be approved at the Annual General Meeting.

Copenhagen, 30 March 2020

MANAGEMENT BOARD

Alessandro Reitelli
CEO

Francesco Vittori
CFO

BOARD OF DIRECTORS

Peter Høstgaard-Jensen
Chairman

Sigieri Diaz della Vittoria Pallavicini
Deputy Chairman

Michèle Bellon

Valerio Andreoli Bonazzi

Jean-Marc Janailhac

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ATHENA INVESTMENTS A/S

Opinion
We have audited the consolidated financial statements and the parent company financial statements of Athena Investments A/S for the financial year 1 January – 31 December 2019, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies, for the Group and the Parent Company. The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2019 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January – 31 December 2019 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Our opinion is consistent with our long-form audit report to the Audit Committee and the Board of Directors.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "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 Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

To the best of our knowledge, we have not provided any prohibited non-audit services as described in article 5(1) of Regulation (EU) no. 537/2014.

Appointment of auditor
We were initially appointed as auditor of Athena Investments A/S on 19 April 2011 for the financial year 2011. We have been reappointed annually by resolution of the general meeting for a total consecutive period of 9 years including the financial year 2019.

Key audit matters
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year 2019. These matters were addressed during our audit of the financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section, including in relation to the key audit matters below. Accordingly, our audit included the design and performance of procedures to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Assets and liabilities held for sale and discontinued operations
When classifying businesses as discontinued operations and assets and liabilities as held for sale in the consolidated financial statements, Management makes judgments and estimates. These judgements include assessment of criteria for classification as discontinued operations and assets and liabilities as held for sale as well as the measurement of the assets held for sale at the lower of the carrying amount and fair value less cost to sell, including potential impairments. Due to the materiality of management's ongoing disposal plans and the inherent uncertainty involved in classifying and assessing assets and liabilities held for sale and discontinued operations, we considered these judgments and estimates as a key audit matter.

For details on the assets and liabilities held for sale and discontinued operations reference is made to note 26 in the consolidated financial statements.

How our audit addressed the above key audit matters
Our audit procedures included:

» Reconciliation of the carrying amounts of the assets and liabilities held for sale, to underlying accounting records.

» Discussing the criteria for classification of businesses as discontinued operations and assets and liabilities as held for sale with Management, reading agreements and offers received for disposing the operations, as well as review of board minutes, timetables and other relevant documentation of the expected sales processes.

» Examination of management's assessment of the measurement of assets and liabilities held for sale, including assessment of key assumptions applied and test to supporting documentation when determining the lower of carrying amount and fair value less cost to sell. Further we have evaluated the explanations provided by comparing key assumptions to market data, where available.

» Assessment of the adequacy of disclosures of assets and liabilities held for sale and discontinued operations in the financial statements according to IFRS 5.

Statement on the Management's review
Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the Management's review. Independent auditor's report

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of 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 Group's and the Parent 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 Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.

» Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

» Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the parent company financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Copenhagen, 30 March 2020

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

Mikkel Sthyr State Authorised Public Accountant mne26693	Peter Andersen State Authorised Public Accountant mne34313

FINANCIAL STATEMENTS

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INCOME STATEMENT

Note	1 January - 31 December	Group		Parent company	
	EUR'000	2019	2018 *	2019	2018
4	Revenue	386	272	6	-3
5	Production costs	-464	-578	-2	-26
	Gross profit	**-78**	**-306**	**4**	**-29**
5,6	Administrative expenses	-6,124	-5,032	-3,500	-2,462
7	Other operating income	101	591	60	-
7	Other operating expenses	-101	-804	-5	-39
	Operating profit/loss before impairment	**-6,202**	**-5,551**	**-3,441**	**-2,530**
	Impairment of assets	-291	-733	-79,329	-5,659
9	Special items	-2,227	-	-	-
	Operating profit/loss	**-8,720**	**-6,284**	**-82,770**	**-8,189**
7	Financial income	35	27	31,594	2,212
8	Financial expenses	-940	124	-95	128
	Profit/loss before tax	**-9,625**	**-6,133**	**-51,271**	**-5,849**
10	Tax on profit/loss for the year	-96	-474	-	-534
	Profit/loss for the year from Continuing operations	**-9,721**	**-6,606**	**-51,271**	**-6,383**
	Profit/loss for the year from Discontinued operations	-37,031	11,549	-	-
	Profit/loss for the year	**-46,752**	**4,943**	**-51,271**	**-6,383**
	Is distributed as follows:				
	Shareholders in Athena Investments A/S	-46,752	4,943	-51,271	-6,383
		-46,752	**4,943**	**-51,271**	**-6,383**
	EARNINGS PER SHARE				
	Earnings per share (EPS basic), EUR before Discontinued operations	-0.10	-0.07		
	Earnings per share (EPS basic), EUR after Discontinued operations	-0.46	0.05		
	PROPOSED DISTRIBUTION OF PROFIT/LOSS				
	Proposed dividends			-	42,000
	Retained earnings			-51,271	-48,383
				-51,271	**-6,383**

* Restated due to IFRS 5 - Discontinued operations

STATEMENT OF COMPREHENSIVE INCOME

1 January - 31 December	Group		Parent company	
EUR'000	2019	2018 *	2019	2018
Profit/loss for the year	**-46,752**	**4,943**	**-51,271**	**-6,383**
Other comprehensive income:				
Items subsequently reclassified to Profit and Loss:				
Gross Value adjustment of hedging instruments	351	3,252	-	-
Value adjustment of hedging instruments recognised in P&L as financial items	-345	-925	-	-
Net Value adjustment of hedging instruments	4	2,327	-	-
Tax on fair value adjustment of hedging instruments	-1	-571	-	-
Other comprehensive income in joint ventures	125	494	-	-
Exchange adjustment of translation to reporting currency	-102	-316	-75	-622
Total other comprehensive income	**26**	**1,934**	**-75**	**-622**
Comprehensive income for the year	**-46,726**	**6,877**	**-51,346**	**-7,005**

BALANCE SHEET

Note	Assets - at 31 December	Group		Parent company	
	EUR'000	2019	2018	2019	2018
	Goodwill	-	2,617	-	-
	Other intangible assets	15	27,142	-	-
14	**Total intangible assets**	**15**	**29,759**	**-**	**-**
	Land and building	-	1,756	-	-
	Plant and machinery	-	216,328	-	-
	Equipment	29	135	-	-
	Plant and machinery under construction	-	249	-	-
14	**Total property, plant and equipment**	**29**	**218,468**	**-**	**-**
12	Investments in subsidiaries	-	-	57,608	129,946
13	Investments in associates and joint ventures	-	28,381	-	-
15	Other non-current financial assets	15,758	20,856	5,559	58,462
	Other non-current assets	6	7	-	-
22	Deferred tax	33	13,816	-	-
	Other non-current assets	**15,797**	**63,060**	**63,167**	**188,408**
	Total non-current assets	**15,841**	**311,287**	**63,167**	**188,408**
16	Inventories	-	171	-	-
17	Trade receivables	45	12,825	40	-
	Income tax receivable	831	3,697	82	-
18	Other current financial assets	-	2,235	-	-
19	Other current assets	3,682	5,390	17	110
	Cash at bank and in hand	28,439	66,590	14,698	31,556
	Total current assets	**32,997**	**90,908**	**14,837**	**31,666**
26	Assets classified as held for sale and Discontinued operations	79,426	1,100	-	-
	Total assets	**128,264**	**403,295**	**78,004**	**220,074**

Liabilities and equity - at 31 December	Group		Parent company		Note
EUR'000	2019	2018	2019	2018	
Share capital	71,623	71,623	71,623	71,623	21
Share premium account	-	32,448	-	32,448	
Exchange adjustment reserve	-1,557	-1,325	-	-	
Hedging instrument reserve	-867	-3,227	-	-	
Retained earnings	3,806	112,686	4,616	115,515	
Total equity	**73,005**	**212,205**	**76,239**	**219,586**	
Provision for deferred tax	-	1,875	-	-	22
Employee benefits	422	472	-	-	
Other deferred liabilities	-	7,563	-	-	23
Credit institutions	-	140,376	-	-	24
Derivatives	-	9,664	-	-	30
Non-current liabilities	**422**	**159,950**	**-**	**-**	
Current portion of long-term bank debt	-	20,217	-	-	24
Trade payables	417	2,826	894	104	
Income tax	5	2,211	-	76	
Other current liabilities	3,458	2,148	871	308	25
Derivatives	-	3,738	-	-	30
Current liabilities	**3,880**	**31,140**	**1,765**	**488**	
Total liabilities	**4,302**	**191,090**	**1,765**	**488**	
Liabilities classified as held for sale and Discontinued operations	50,957	-	-	-	26
Total liabilities and equity	**128,264**	**403,295**	**78,004**	**220,074**	

STATEMENT OF CHANGES IN EQUITY GROUP

Group - at 31 December

EUR'000	Share Capital	Share premium account	Exchange adjustment reserve	Hedging instruments reserve	Retained earnings	Total
Equity at 1 January 2018	**71,623**	**132,448**	**-1,117**	**-4,984**	**11,388**	**209,358**
Profit/Loss for the period	-	-	-	-	4,943	4,943
Other comprehensive income	-	-	-316	1,757	494	1,935
Dividends paid	-	-	-	-	-3,523	-3,523
-Transferred	-	-100,000	-	-	100,000	-
Reserve FTA IFRS 9	-	-	-	-	-506	-506
Other Movements	-	-	108	-	-110	-2
Equity at 31 December 2018	**71,623**	**32,448**	**-1,325**	**-3,227**	**112,686**	**212,205**
Equity at 1 January 2019	**71,623**	**32,448**	**-1,325**	**-3,227**	**112,686**	**212,205**
Profit/Loss for the period	-	-	-	-	-46,751	-46,751
Other comprehensive income	-	-	-232	4	125	-103
Dividends paid	-	-	-	-	-92,000	-92,000
Transferred	-	-32,448	-	-	32,448	-
Reserve FTA IFRS 9	-	-	-	-	-511	-511
Disposal	-	-	-	2,356	-2,356	-
Other Movements	-	-	-	-	165	165
Equity at 31 December 2019	**71,623**	**-**	**-1,557**	**-867**	**3,806**	**73,005**

STATEMENT OF CHANGES IN EQUITY PARENT COMPANY

Parent company - at 31 December

EUR'000	Share Capital	Share premium account	Retained earnings	Total
Equity at 1 January 2018	**71,623**	**132,448**	**17,408**	**221,479**
Profit/Loss for the year	-	-	-6,383	-6,383
Other comprehensive income	-	-	-622	-622
Dividends paid	-	-	-3,523	-3,523
Transferred	-	-100,000	100,000	-
Merger Subsidiaries	-	-	8,635	8,635
Equity at 31 December 2018	**71,623**	**32,448**	**115,515**	**219,586**
Equity at 1 January 2019	**71,623**	**32,448**	**115,515**	**219,586**
Profit/Loss for the year	-	-	-51,271	-51,271
Other comprehensive income	-	-	-75	-75
Dividends paid	-	-	-92,000	-92,000
Transferred	-	-32,448	32,448	-
Equity at 31 December 2019	**71,623**	**-**	**4,616**	**76,239**

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

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Accounting policy

Exchange adjustment reserve

The translation reserve in the Consolidated Financial Statements comprises exchange adjustments arising from the translation of the Financial Statements of foreign enterprises from their functional currencies into the presentation currency (EURO) of the Athena Group.

On full or partial realisation of a net investment, foreign exchange adjustments are recognised in the Income Statement.

Hedging instruments reserve

The hedging instruments reserve in the Consolidated Financial Statement is related to changes in the fair value of derivative financial instruments classified as hedging of expected future transactions.

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Accounting policy

Dividend

Dividend is recognised as liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. A distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

CASH FLOW STATEMENT

1 January - 31 December	Group		Parent company	
EUR'000	2019	2018 *	2019	2018
Profit/loss for the year from Continuing operations	-9,721	-6,606	-51,271	-6,383
Adjustments to reconcile profit/loss for the year to net cash flow:				
Depreciation and amortization on property, plant and equipment	42	168	-	-
Impairment of assets	246	733	79,329	5,659
Income from Joint Ventures	-	-	-	-
Other adjustments	2,261	203	-	57
Financial income	-	-27	-31,594	-2,212
Financial expenses	905	-124	95	-128
Tax	96	474	-	534
Cash flow before change in working capital Discontinued operations	28,993	30,719	-	-
Cash flow before change in working capital	**22,822**	**37,088**	**-3,441**	**-2,473**
Change in working capital	2,868	47	596	-232
Change in working capital from Discontinued operations	-3,981	2,908	-	-
Cash flow from operations	**21,709**	**40,043**	**-2,845**	**-2,705**
Dividends from Joint Ventures/subsidiaries	-	-	-	229
Interest received	-	-	1,029	1,029
Interest paid	-905	-52	-95	-71
Tax paid	-96	-240	-957	-957
Cash flow from other operating activities Discontinued operations	-7,891	-12,652	-	-
Cash flow from operating activities	**12,818**	**27,099**	**-2,868**	**-2,475**
Sale of business/subsidiaries, net of cash sold	-	9,368	-	3,980
Dividend received from associates and Joint Ventures	1,500	1,650	-	-
Dividends from subsidiaries	1,187	1,121	30,518	1,121
Decrease in loans to subsidiaries/Joint Ventures	4,400	9,100	47,498	13,066
Increase in loans to subsidiaries	-	-	-	-5,500
Cash flow from investing activities Discontinued operations	55,054	-11,087	-	-
Cash flow from investing activities	**62,141**	**10,152**	**78,016**	**12,667**

1 January - 31 December	Group		Parent company	
EUR'000	2019	2018 *	2019	2018
Cash flow from financing activities Discontinued operations	-11,210	-17,286	-	-
Dividend paid to shareholders	-92,000	-3,523	-92,000	-3,523
Cash flow from financing activities	**-103,210**	**-20,809**	**-92,000**	**-3,523**
Cash flow for the year from continuing operations	-89,217	12,291	-16,852	6,669
Cash flow for the year from Discontinued operations	60,966	4,151	-	-
Cash flow for the year	**-28,251**	**16,442**	**-16,852**	**6,669**
Exchange adjustment of cash at the beginning of the year	-	-99	-6	-25
Total Cash and cash equivalents at the beginning of the year	**66,590**	**50,248**	**31,556**	**24,912**
Cash from Merger subsidiaries	-	-	-	394
Total Cash and cash equivalents, year end	**38,339**	**66,590**	**14,698**	**31,556**
Of which:				
Continuing operations	28,439			
Discontinued operations	9,900			

The cash flow statement cannot be derived using only the published financial data

* Restated due to IFRS 5 - Discontinued operations

CASH FLOW STATEMENT (CONTINUED)

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Accounting policy

The cash flow statement shows the cash flow for the year from operating, investing and financing activities. The cash flow statement is presented using the indirect method on the basis of the profit/loss of the year. The cash flow statement shows cash flow for the year, as well as cash and cash equivalents at the beginning and at the end of the financial year. Cash flow from operating activities is calculated as profit/loss of the year adjusted for non-cash operating items and working capital changes. Cash flow from investing activities comprises payments in connection with acquisition and divestment of enterprises or assets. Cash flow from financing activities comprises the raising of loans, instalments on loans, payment of dividends and increases of the share capital. Cash flow concerning acquired companies is recognised from the date of acquisition, while cash flow concerning divested companies is recognised until the date of divestment.

Cash and cash equivalents

Cash and cash equivalents consist of cash at banks and in hand and short-term deposits with an original maturity of less than three months. Cash and cash equivalents include cash and bonds less short-term bank debt. Cash and cash equivalents include free cash available for the holdings and cash available only for the operations of the project companies.

Please also refer to Note 30.

NOTES

1. ACCOUNTING POLICIES

Basis of preparation

Athena Investments A/S is a public limited company incorporated in Denmark and listed on NASDAQ Copenhagen. Annual report for the Group and the Parent Company has been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and additional requirements in the Danish Financial Statement Act. The Annual Report is presented in EURO.

New International Financial Reporting Standards and Interpretations

The annual report for 2019 is presented in conformity with the new and revised IFRS standards and new IFRIC interpretations endorsed by the EU, which apply to financial years beginning on January 1, 2019. The accounting policies have been applied consistently during the financial year and for the comparative figures. For standards implemented prospectively the comparative figures are not restated. The Group has adopted IFRS 16 "Leases" and all other new, amended or revised accounting standards and interpretations endorsed by the EU effective for the accounting period beginning as of January 1 2019. Comparative figures are not restated due to either no impact or insignificant impact on the group and parent company financial statements or due to the transitional provisions in the newly adopted standards.

IFRS 16

IThe adoption of IFRS 16 has been done by the Group for annual reporting periods beginning on 1 January 2019. Athena adopted IFRS 16 using the modified retrospective approach, which means that the cumulative impact of the adoption has been recognised in retained earnings as of 1 January 2019 and that comparatives were not restated. For IFRS 16 adoption, the Group has been recognised through retained earnings as of 1 January 2019, amounting to EUR 0.5M.

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right of use are measured using as the internal borrowing rate the Cost of Debt for country and tecnology, as component of the WACC calculation. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land 20 to 25 years

The Group elected to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value. The Group has leases of certain office equipment (i.e., personal computers, printing and photocopying machines) that are considered of low value.

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

New standards and interpretations not yet entered into force

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

The IASB has issued a number of new or amended standards and interpretations with effective date after 31 December 2019. None of the standards are expected to have significant effect for Athena Investments A/S.

Consolidation method

Relevant principles of consolidation are as follows:

» the Consolidated Financial Statements include the Financial Statements of the Company and the companies in which it holds a controlling interest, from the date control over such subsidiaries begins until

NOTES

1. ACCOUNTING POLICIES (CONTINUED)

the date that control ceases. Control exists when the Group has the majority of voting rights or has the power, directly or indirectly, to govern, also through contractual agreements, the financial and operating policies of an enterprise so as to obtain benefits from its activities;

» the Consolidated Financial Statements are based on the Financial Statements of the individual Group companies prepared for the same reporting period using consistent accounting policies. The Financial Statements have been prepared under the historical cost convention, except for certain financial assets and liabilities measured at fair value as described in the Notes. The closing date of the Financial Statements of the individual Group companies utilised in the consolidation is the same closing date of the Consolidated Financial Statements. Such Financial Statements are adjusted, where necessary, to comply with Group accounting policies;

» all significant intra-Group balances and transactions, including unrealised profits arising from intra-Group transactions, are eliminated in full. Unrealised profits and losses resulting from transactions with Joint Ventures are eliminated for the amount attributable to the Group; the acquisition of controlling investments from third parties are accounted for by the acquisition method of accounting and the excess between the consideration transferred and the amount recognised for non-controlling interest over the fair value of the identifiable assets acquired, less liabilities assumed, is allocated to goodwill. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the Income Statement. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Acquisition-related costs are accounted for in the Income Statement as expenses in the period in which the costs are incurred;

» if the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Consolidated Financial Statements present provisional amounts for the items for which the accounting is incomplete. The measurement period for the completion of the accounting does not exceed one year from the acquisition date. During the measurement period, the Company recognizes retrospectively the adjustments to the provisional amounts to reflect new information obtained about facts and circumstances that existed at the acquisition date and which, if known, would have affected the measurement of the amounts recognised at that date;

» the assets, liabilities, revenues and expenses of the consolidated companies have been consolidated on a line-by-line basis; noncontrolling interests in shareholders' equity and net income are disclosed separately in the consolidated balance sheet and included in the consolidated Income Statement. Losses within a subsidiary are attributed to the noncontrolling interest even if that results in a deficit balance;

» when acquiring minority interests, the net assets are not valued at fair value. The difference between the consideration and the minority's share of the book value inclusive of goodwill is transferred from the minorities share of the equity to the share of the equity related to the shareholders of Athena;

» if the Group loses control over a subsidiary, it:

› derecognises the assets (including goodwill) and liabilities of the subsidiary;

› derecognises the carrying amount of any noncontrolling interest;

› derecognises the cumulative translation differences, recorded in equity;

› recognises the fair value of the consideration received;

› recognises the fair value of any investment retained;

› recognises any surplus or deficit in the Income Statement;

› reclassifies the parent's share of components previously recognised in other comprehensive income to Income Statement or retained earnings, as appropriate.

NOTES

1. ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation

Functional currency and reporting currency

The Group determines a functional currency for each reporting entity in the Group. The functional currency is the currency used in the primary financial environment in which the individual reporting entity operates. Transactions in currencies other than the functional currency are foreign exchange transactions. The functional currency of the Parent company is Danish kroner (DKK), but out of consideration for the Group's international relations the Consolidated Financial Statements are presented in euro (EUR).

Translation to reporting currency

The Balance Sheet is translated to the reporting currency based on the EUR rate at the Balance Sheet date. The Income Statement is translated at the rate at the date of the transaction. An average rate for the year is used as the rate at the date of the transaction to the extent that this does not give materially different view.

On initial recognition, transactions denominated in foreign currencies are translated into the functional currency at the exchange rate ruling at the transaction date. Exchange differences arising between the exchange rate at the transaction date and the exchange rate at the date of actual payment are recognised in the Income Statement under financial income or financial expenses.

Receivables, payables and other monetary items in foreign currencies are translated at the exchange rates at the Balance Sheet date. The exchange rate ruling at the date when the receivable or payable arose or the exchange rate applied in the most recent annual report is recognised in the Income Statement under financial income or financial expenses.

On consolidation of companies with functional currencies other than EUR, the Income Statement is translated at the exchange rates ruling at the transaction date, and the Balance Sheets is translated at the exchange rate ruling at the respective Balance Sheet date.

The average exchange rate for each individual month is used as the rate at the transaction date, provided this does not give a much different view. Exchange differences arising from the translation of the opening equity of such companies at the exchange rate ruling at the Balance Sheet date and on the translation of the income statement from the exchange rate ruling at the transaction date to the exchange rate ruling at the Balance Sheet date are taken through other comprehensive income directly to equity under a separate reserve for currency translation.

Exchange adjustments of balances that represent part of the total net investment in enterprises with a functional currency other than EUR are recognised through other comprehensive income directly in equity in the Consolidated Financial Statements under a separate reserve for currency translation. Similarly, exchange gains and losses on the portion of loans and derivative financial instruments entered into to hedge the net investment in these enterprises and which constitute effective hedging against corresponding exchange gains/loss on net investment in the enterprise are recognised through other comprehensive income directly in equity under a separate reserve for currency translation.

On recognition in the Consolidated Financial Statements of Joint Ventures with a functional currency other than EUR, the share of results for the year is translated at average exchange rates, and the share of equity including goodwill is translated at the exchange rates at the Balance Sheet date.

Exchange adjustments arising from the translation of the share of the opening equity of foreign Joint Ventures at exchange rates at the Balance Sheet date and on the translation of the share of results for the year from average exchange rates to exchange rates at the Balance Sheet date are recognised through other comprehensive income directly in equity under a separate reserve for currency translation.

NOTES

1. ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets

At each reporting date, the Group assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has a reasonably estimated impact on the estimated future cash flow of the financial asset or the group of financial assets. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulties, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial restructuring and where observable data indicate that there is a measurable decrease in the estimated future cash flow, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, first the Group assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has incurred, the amount of the loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flow (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flow is discounted at the original effective interest rate of the financial asset. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the Income Statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the interest rate used to discount the future cash flow for the purpose of measuring the impairment loss.

The interest income is recorded as part of finance income in the Income Statement. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is adjusted to finance costs in the Income Statement.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the recoverable amount of the asset. The recoverable amount is the higher of the fair value of the asset or the cash-generating unit (CGU) less costs to sell, and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflow that is largely independent from the cash flow of other assets or groups of assets. If the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flow is discounted to their present value using a pretax discount rate that reflects current market assessments of the time-value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

NOTES

1. ACCOUNTING POLICIES (CONTINUED)

Impairment losses of continuing operations are recognised in the Income Statement in those expense categories consistent with the function of the impaired asset. For assets excluding goodwill, or CGU, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Income Statement unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Book Value method
The book value method is applied to mergers where the merging companies are under common control without any restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquiree are recognised directly through equity.

Definitions
Earnings per share (EPS) and diluted earnings per share (D-EPS) are calculated according to IAS 33. Other key ratios are calculated in accordance with “Recommendations and Ratios” issued by the Danish Finance Society.

NOTES

1. ACCOUNTING POLICIES (CONTINUED)

Gross margin	Gross profit/loss x 100 / Revenue
EBITDA margin	Earnings before interest, tax, depreciation and amortisation (EBITDA) / Revenue
EBIT margin	Earnings before interest and tax x 100 / Revenue
Equity ratio	Equity (end of year) excl minority interests x 100 / Total assets
Return on equity	Net profit/loss x 100 / Average equity
Earning Per Share Basic (EPS Basic) before/after Discontinued operations	Net profit/loss / Average number of shares in circulation
Net asset value per share (BVPS)	Equity / Number of shares, year end
Price/net asset value	Market price / BVPS
Net working capital (NWC)	Inventories + Trade Receivables + Other Current Assets – Trade Payables (excluding Trade Payables related to Assets Under Construction and current tax assets/liabilities) - Other Current Liabilities
Gearing ratio	Net interest-bearing debt / Equity incl minority interests
Return on invested capital (ROIC)	EBIT / Average invested capital
Invested capital	NWC + property, plant and equipment + intangible assets – other provisions – other non-current liabilities

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2. MATERIAL ACCOUNTING ESTIMATES AND UNCERTAINTIES

Estimates and assessments
The calculation of the carrying amounts of certain assets and liabilities at the Balance Sheet date requires an estimate of how future events will affect the value of such assets and liabilities. Estimates vital to the financial reporting are made in the calculation of, inter alia, depreciation, amortisation and impairment losses, provisions as well as contingent liabilities and assets.

The estimates applied are based on assumptions which Management believes to be reasonable, but which are inherently uncertain and unpredictable. Such assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise afterwards. In addition, the Company is subject to risks and judgments (E.g. operational lease vs. financial lease classification, assessment of assets held for sale, classification of investments) that may cause actual results to deviate from the estimates. Risk factors which are specific to the Group are described in Note 3.

To the extent possible, the notes to the financial statements disclose information about assumptions regarding the future and other estimation uncertainties relating to estimates at the balance sheet date involving a considerable risk of changes that could lead to a material adjustment of the carrying amount of assets or liabilities within the upcoming financial year.

The accounting estimates which are relevant to the Management Board in the preparation of the Consolidated Financial Statements are described in Notes 14, 22, 30.

3. RISK MANAGEMENT

Athena's risk management activities apply to the individual projects and are related to a wide range of parameters, including political and regulatory matters. Risk management operations are currently approved by the Board of Directors at its meetings. In addition to risks relating to the individual projects, Athena also seeks to manage its overall risks by diversifying its operations in several countries under different tariff systems, and in the individual countries, by diversifying its operations in different regions. Additionally, Athena seeks to manage its overall risks by a diversification in the technologies and applied.

Athena carefully evaluates every single project offered to the Company before committing resources to such project. The evaluation is formalised in a comprehensive due diligence review, including legal, financial and technical audits and other relevant criteria. In spite of a thorough reviewing process, there will always be risks related to the Company's activities. Athena's activities cover the following phase:

1) Operation of renewable energy projects

The specific risks are reviewed below. The review contains the risks that Athena has identified on the basis of its experiences to date. The review is not necessarily exhaustive and the various risks have not been prioritised.

Operations of renewable energy projects
The risk of operating renewable energy projects basically relates to weather conditions, the mechanical operations of the wind turbines/solar panels, credit risk related to the buyer of electricity and green certificates, political risks and variations in settlement prices.

Risk relating to weather conditions
Weather conditions may vary and impact production and thereby earnings in the individual plant. To minimise this risk, the Company only considers projects for which weather conditions have been analysed with data covering a period of not less than 12 months. Often, there will also be weather data generated by referenced measuring stations over a longer period to support the data measured. Even with lengthy weather measurements, however, and under normal operations of the projects, changes will occur in weather conditions, which may affect the results of a specific year.

Mechanical risk
Operating failures may occur resulting in the projects not generating power for short or long periods of time.

Athena seeks to minimise this risk by concluding current service and maintenance agreements with suppliers of wind turbines and electrical installations. The agreements bind the suppliers to react as quickly as possible to operating failures. Athena focuses on the supplier having a wellfunctioning service organisation in the country where the operating assets are located.

During the service and maintenance period, the wind turbine supplier also guarantees that the turbines are available for production typically 95- 97% of the time. Where this is not the case, the wind turbine supplier is liable to pay a penalty. Athena has an internal department manag-

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3. RISK MANAGEMENT (CONTINUED)

ing the solar projects. Athena has implemented its own monitoring system of solar projects, which gives complete control of the actual operating status and performance of each project. This system enables immediate action if operating issues arise and, consequently, minimises the loss of production.

Athena's renewable energy projects are insured against consequential losses. The typical consequential loss insurance covers production loss due to technical problems with a deductible for the first 48-120 hours. The consequential loss is calculated on the basis of production figures from other power-generating units in the project. The insurance does not cover consequential losses due to lack of wind/solar, grid errors, grid failure, repairs and other disturbances that may reduce the output capacity of the project.

Credit risk related to the buyer

In Italy and Spain, electricity generated by renewable projects is sold through a power exchange, where only players who meet their obligations may participate. Athena considers this to be an acceptable credit risk. In Poland, the electricity generated by the wind turbines is sold to the power company in the area where the wind turbines are installed. Hence, the credit risk is related to the power company and as these are typically financially very strong, this risk is limited.

In Italy and Spain, the feed-in-tariff is paid by the respective National Authorities. Incentives are counter guaranteed by the Government and therefore this is considered as being a country risk.

In Poland, Green certificates are traded in an exchange system where only players who meet their obligations may participate. Athena considers this to be an acceptable credit risk.

Political risk

The Company's investment calculations are based on the laws and settlement terms applying at the time when the individual investment is decided. If the regulatory framework changes as a result of political decisions, this could impact the profitability of the individual investment. In Poland, producers of renewable energy from wind are subsidised by the green certificates and the income from the sale of these certificates is a supplement to the price of the power produced. This also applies to Spain and Italy where subsidisation takes place by way of guaranteed tariffs for the life of the project. If the rules on allocation and settlement of incentives are changed, this could impact the Company's income base.

Risk related to variations in settlement prices

A wind farm is estimated to have a technical lifetime of 25 years (according to the reassessment made by the Group at the beginning of 2015, the useful life of the wind farms shifted from 20 to 25 years) and a solar project is estimated to have a technical lifetime of 25-30 years. Naturally, investment calculations for such a long-time horizon must be based on several assumptions, such as developments in settlement prices.

The settlement price of Athena wind assets in Italy and Poland is based on a granted incentive composed of Feed-in-Tariffs or Green Certificates for 15 years and Energy Market Price; in Spain it is calculated through a fixed price by the Authority on a plant-by-plant basis for 20 years plus the Energy Market Price.

The settlement price of Athena solar assets in Italy and Spain is based on guaranteed tariffs for a period of 20 or 30 years respectively plus the Energy Market Price.

General risks

Intellectual capital

The Company's core competencies involve project evaluation, financial engineering and operating renewable energy projects. A few key employees at Athena have comprehensive knowledge and experience in these fields which enable the Company to make decisions on a well-documented basis and Management also has a substantial network in the Company's focus markets and in the industry. Athena aims to retain these key employees by offering them challenges in a dynamic company, attractive pay and working conditions. To date, Athena has not encountered difficulties in recruiting or retaining employees.

Interest rate risk

Increases in interest rates may harm the profitability of individual projects, because 50-80% of the project sum is debt-funded. Thus, the policy of the Company is to conclude interest rate hedge agreements to minimise this risk where the interest rate is variable. Therefore, when concluding large project financing agreements, the Company also concludes a so-called "hedge agreement" which ensures that the final interest rate only fluctuates

NOTES

3. RISK MANAGEMENT (CONTINUED)

by a small spread of usually 2-2.5%. Reference is made to Note 30.

Currency risks

There is a sound currency equilibrium in Athena's cash inflow and outflow and between assets and liabilities. Athena's net interest-bearing debt is primarily denominated in EUR. Similarly, the main operating expenses are in EUR, which is the currency in which Athena expects to generate most of its income going forward.

Consequently, the Company's future accounting figures for operations and investments may be affected by possible exchange rate fluctuations throughout the entire process from budgeting and investment until payment is made or received. Reference is made to Note 30.

Project financing

The production of energy is a capital intense business requiring financing provided largely by credit institutions. Therefore, the optimisation of the capital structure of the Company is a key element of the overall performance of the business.

For each project, the Company makes an assessment of the maximum leverage to obtain from the credit institutions subject to the performance of the project. The higher the leverage, the higher the internal rate of return of each project. But an excessive leverage could also lead to a breach of covenants or a reduced cash flow to the shareholder when the performance of the project is affected by operating risks such as poor weather conditions or a decrease in energy price.

Athena has a number of existing material financing contracts which could impact the transferability in the event of a takeover. A change in ownership and control on the project Companies could impact the current financing agreements. A potential new owner should be accepted by the financing parties in order to avoid the anticipated reimbursement of the outstanding debt. Should the potential owner neither be accepted by the current financing parties nor be able to find new financing parties, the ownership of the assets would be transferred to the current financing parties.

Environmental risk

There are no special environmental risks related to Athena's activities. On the contrary, renewable energy generation contributes to a cleaner and better environment. All projects require local environmental approval, which ensures that the Company acts in accordance with applicable legislation.

Insurance risk

Athena uses insurance to cover the most significant risks, but there can be no assurance that the Company is or will be 100% covered in case of major disruptions in production at the wind farms or solar plants.

Research and development risk

Athena has no independent research and development activities, but exploits the latest knowhow of wind turbine/ solar panel manufacturers and other business partners.

4. SEGMENT INFORMATION

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Accounting policy

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales taxes or duty

Sale of goods

Income from sales of goods is recognised upon appropriate transfer of control.

Sales of electricity

Revenue from the sale of electricity is recognised from the time when production output was delivered to the power network but has still not been invoiced, and is calculated on the basis of readings of installed production metres. Revenue is calculated in accordance with the domestic laws applicable in the country where it is produced. Revenue from green certificates and other incentive systems is recognised as revenue at the time when the related power is generated. Revenue is recognised on the basis of the average price of green certificates in the period when entitlement is earned.

Rendering of services

Revenues from services rendered are recognised in the Income Statement over time and only when the outcome of the service rendered can be estimated reliably.

Production costs

Production costs comprise the costs incurred to obtain the revenue for the year. Cost comprises consumables as well as maintenance and depreciation, etc.

NOTES

4. SEGMENT INFORMATION (CONTINUED)

Administrative expenses
Administrative expenses comprise expenses for wages and salaries, office premises, office expenses, sales expenses, travelling expenses, advisory services and depreciation, etc.

Segment information
Segment reporting is made in respect of different technologies which are the Group primary segments. Segments are based on the Group's structure and internal financial reporting system as determined by the Management Board. Segment information has been prepared in accordance with the Group accounting policies.

Segment income and segment costs as well as segment assets and liabilities comprise those items that can be directly attributed to each individual segment and those items that can be allocated to the individual segments on a reliable basis.

The segment table on represents the Group's operating segments. "Other" includes administrative expenses and all development and construction activities that cannot be allocated to segments.

There are no material transactions between the reporting segments, and the revenue listed for the segments is therefore external revenue. All eliminated intra-group transactions are included in "Other" and amounts to EUR 1.133K (2018: EUR 1.635K).

The table on p. 58 presents a view of intangible and tangible assets and revenue by geography.

By Technology 1 January - 31 December	Wind		Solar		Other		Discontinued/ Asset held for sale		Group	
EUR'000	**2019**	**2018**	**2019**	**2018**	**2019**	**2018***	**2019**	**2018***	**2019**	**2018***
Revenue	-	-	-	-	386	271	-	-	386	271
Operating profit/loss (EBIT)	-	-	-	-	-8,720	-6,284	-	-	-8,720	-6,284
Negative goodwill	-	-	-	-	-	-	-	-	-	-
Income from investments in Joint Ventures	-	-	-	-	-	-	-	-	-	-
Special items	-	-	-	-	-2,227	-	-	-	-2,227	-
Profit/loss before tax	-	-	-	-	-9,625	-6,133	-	-	-9,625	-6,133
Profit/loss for the year from continuing operations	-	-	-	-	-9,721	-6,606	-	-	-9,721	-6,606
Profit/loss for the year from Discontinued operations	-	-	-	-	-	-	-37,031	11,549	-37,031	11,549
Profit/loss for the year	**-**	**-**	**-**	**-**	**-9,721**	**-6,606**	**-37,031**	**11,549**	**-46,752**	**4,943**
Non-current assets	-	176,613	-	129,519	15,841	5,155	-	-	15,841	311,287
–of which shares in associates and jv	-	28,381	-	-	-	-	-	-	-	28,381
Addition, fixed assets	-	28	-	249	-	22	-	-	-	299
Depreciation	-	-8,481	-	-8,471	-42	-382	-	-	-42	-17,334
Impairment	-	-2,973	-	-	-246	-738	-	-	-246	-3,711
Impairment, reversal of prior year	-	-	-	-	-	-	-	-	-	-
Current assets	-	20,939	-	19,327	32,997	50,642	-	-	32,997	90,908
Assets classified as Discontinued operations	-	-	-	-	-	1,100	79,426	-	79,426	1,100
Segment Assets	**-**	**197,552**	**-**	**148,846**	**48,838**	**56,897**	**79,426**	**-**	**128,264**	**403,295**
Liabilities classified as Discontinued operations	-	-	-	-	-	-	50,957	-	50,957	-
Segment Liabilities	**-**	**75,319**	**-**	**114,266**	**4,302**	**1,505**	**50,957**	**-**	**55,259**	**191,090**
Average number of employees	-	-	-	-	24	25	6	7	30	32
Number of employees	-	-	-	-	24	25	6	7	30	32

* Restated due to IFRS 5 - Discontinued operations

NOTES

4. SEGMENT INFORMATION (CONTINUED)

By Geography - 1 January - 31 December	Intangible & tangible assets		Revenues	
EUR'000	**2019**	**2018**	**2019**	**2018***
Italy	15	170,051	386	277
Spain	-	77,964	-	-
Denmark	29	-	-	-5
Poland		212	-	-
Total	**44**	**248,227**	**386**	**272**
Transfer to Discontinued operations and held for sale				
Italy	56,927	-	26,899	37,897
Spain	-	-	8,023	13,673
Poland	-	1,100	-	174
Total held for sale and Discontinued operations	**56,927**	**1,100**	**34,922**	**51,744**

* Restated due to IFRS 5 - Discontinued operations

For Wind and Solar segments reclassified as Discontinued operations, there are no private customers and the revenue is fully originated by the sales of electricity to the domestic grid operator.

5. PRODUCTION COSTS AND ADMINISTRATIVE EXPENSES

Staff costs	Group		Parent company	
EUR'000	**2019**	**2018 ***	**2019**	**2018**
Wages and salaries	2,613	2,243	1,166	582
Pensions	120	120	3	6
Other social security costs	480	526	4	4
Total Staff Costs	**3,213**	**2,889**	**1,173**	**592**
Included in Discontinued operations	**32**	**32**	**-**	**-**
Board of Directors (remuneration)	214	247	214	247
Management (salary)	592	582	131	131
Management (provision for potential and paid bonus)	709	110	709	110
Total remuneration to Board of Directors and Management	**1,515**	**939**	**1,054**	**488**
Staff costs are recognised as follows:				
Production costs	348	167	-	-
Administrative expenses	2,865	2,722	1,173	599
Total Staff Costs	**3,213**	**2,889**	**1,173**	**599**

Staff costs	GROUP		PARENT COMPANY	
EUR'000	**2019**	**2018**	**2019**	**2018**
Average number of employees	28	30	4	4
Number of employees	26	29	4	4
- Of which consultants	1	1	-	-
- Of which employee under notice	19	-	-	-

Depreciation	GROUP		PARENT COMPANY	
EUR'000	**2019**	**2018**	**2019**	**2018**
Depreciation is recognised as follows:				
Production costs	2	2	-	-
Administrative expenses	40	78	-	-
Total Depreciation	**42**	**80**	**-**	**-**
Included in Discontinued operations	**12,191**	**17,254**	**-**	**-**

For depreciation allocated on assets see Note 14
* Restated due to IFRS 5 - Discontinued operations

NOTES

6. FEE TO AUDITORS APPOINTED AT THE GENERAL MEETING

	Group		Parent company	
EUR'000	**2019**	**2018***	**2019**	**2018**
EY:				
Statutory audit	336	320	255	141
Tax advisory services	18	55	18	11
Other services	-	23	-	13
Total Fee to Auditors	**354**	**398**	**273**	**165**
Hereof transferred to Discontinued operations	**123**	**164**	**-**	**-**

* Restated due to IFRS 5 - Discontinued operations

Fee in relation to non-audit services from EY Denmark, EUR 18K consists of general VAT advice and tax services related to arbitration proceedings.

7. FINANCIAL INCOME

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Accounting policy

Interest income and expenses

Financial income and Financial expenses comprise interest income and interest costs, realised and unrealised foreign exchange gains and losses. Financial income and Financial expenses also include fair value adjustments of derivatives used to hedge liabilities, income and costs related to cash flow hedges that are transferred from Other comprehensive income on realisation of the hedged item.

Dividends

Dividends are recognised when the dividend is declared and approved by the General Meeting.

	Group		Parent company	
EUR'000	**2019**	**2018 ***	**2019**	**2018**
Interest on receivables from subsidiaries	-	-	1,072	1,973
Interest on receivables from associates and joint ventures	-	-	-	10
Interest on bank account	20	11	4	-
Interest income	**20**	**11**	**1,076**	**1,983**
Exchange adjustment	15	16	-	-
Dividend from subsidiaries	-	-	30,518	229
Total financial income	**35**	**27**	**31,594**	**2,212**
Included in Discontinued operations	**151**	**55**	**-**	**-**

* Restated due to IFRS 5 - Discontinued operations

NOTES

8. FINANCIAL EXPENSES

	Group		Parent company	
EUR'000	**2019**	**2018 ***	**2019**	**2018**
Interest on payables to associates and joint ventures	-	-	-	5
Interest on bank loans	912	124	95	112
Interest expenses	**912**	**124**	**95**	**117**
Exchange adjustment	28	-	-	-245
Total financial expenses	**940**	**124**	**95**	**-128**
Included in Discontinued operations	**6,232**	**9,529**	**-**	**-**

* Restated due to IFRS 5 - Discontinued operations

9. OTHER OPERATING INCOME/EXPENSES AND SPECIAL ITEMS

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Accounting policy

Income and expenses and Special Items constitute other operation income and expenses which cannot be attributed directly to the primary operating activities of the Group but arise from fundamental changes in the structure, the perimeter or the processes of the Group and any associated gains or losses.

Management carefully considers such changes in order to ensure that accurate distinction is made between the operating activities and the restructuring activities of the Group which are carried out to enhance the future profitability of the Group.

9. OTHER OPERATING INCOME/EXPENSES AND SPECIAL ITEMS (CONTINUED)

Speciel items	Group		Parent company	
EUR'000	**2019**	**2018 ***	**2019**	**2018**
Restructuring	2,227	-	-	-
Total special items	**2,227**	**-**	**-**	**-**
Included in Discontinued operations	**-**	**-**	**-**	**-**

* Restated due to IFRS 5 - Discontinued operations

In 2019, an amount of EUR 2.2M was reclassified as Special Items. This amount is related to the restructuring costs occurred for the reorganisation process implemented at the end of 2019 because of the major portfolio reduction.

Other operating income/expenses	Group		Parent company	
EUR'000	**2019**	**2018 ***	**2019**	**2018**
Other operating income	101	591	60	-
Other operating expenses	-101	-804	-5	-39
Total Other operating income/expenses	**-**	**-213**	**55**	**-39**
Included in Discontinued operations	**-**	**1,282**	**-**	**-**

* Restated due to IFRS 5 - Discontinued operations

Other Operating Income amounted to EUR 0.1M. In 2018, other operating gains of EUR 0.6M are related to the sale of the German wind farm.

Other Operating Expenses amounted to EUR 0.1M. In 2018, other operating losses are mainly related to the loss for the sale of the Polish wind farm.

NOTES

10. TAX ON PROFIT/LOSS FOR THE YEAR

§ **Accounting policy**

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity. Current tax liabilities and current tax receivables are recognised in the Balance Sheet as estimated tax on the taxable income for the year, adjusted for tax on taxable income for prior years and for tax paid under the on-account tax scheme.

The Parent Company is taxed jointly with all its Danish subsidiaries. The current Danish income tax is allocated among the subsidiaries of the tax pool in proportion to their taxable income. Subsidiaries utilising tax losses from other subsidiaries pay joint taxation contributions to the Parent company equal to the tax value of the utilised losses, while subsidiaries whose tax losses are utilised by other subsidiaries receive joint taxation contributions from the Parent Company equal to the tax value of the utilised losses (full allocation). The jointly taxed subsidiaries pay tax under the Danish on-account tax scheme.

A tax consolidation also exists in Italy and Spain, respectively at GWM Renewable Energy S.p.A. and GWM RE Spain S.L. sub-group level.

	Group		Parent company	
EUR'000	**2019**	**2018 ***	**2019**	**2018**
Tax on profit/loss for the year	-4,249	-3,610	-	-534
Total taxes for the year	**-4,249**	**-3,610**	**-**	**-534**
Tax on profit/loss for the year is calculated as follows:	-	-	-	-
Current tax	-1,871	-3,339	-	-534
Deferred tax adjustment	-2,378	-271	-	-
Tax for the year	**-4,249**	**-3,610**	**-**	**-534**
Hereof related to Discontinued operations	**-4,153**	**-3,136**	**-**	**-**
Tax for the year of continuing operations	**-96**	**-474**	**-**	**-**
Tax on profit/loss for the year is specified as follows:				
Profit before tax of continuing operations	-9,625	-6,133	-	-
Profit before tax of Discontinued operations	-32,878	14,685	-	-
Calculated figurative tax of profit/loss for the year (22%)	9,351	-1,881	11,280	1,287
Adjustment of calculated tax in foreign group enterprises as compared to figurative tax rate	2,295	-462	-	-
Income from investments in Joint Ventures/Subsidiaries	411	558	6,709	-50
Other non-deductible expenses/taxable income	-12,153	1,757	-17,545	-1,324
Tax on Gain related to Gehlenberg KG	-	-446	-	-446
Tax of Discontinued operations	-4,153	-3,136	-	-
Total Tax effect	**-4,249**	**-3,610**	**444**	**-534**

* Restated due to IFRS 5 - Discontinued operations

NOTES

11. EARNINGS PER SHARE

Accounting policy

Earnings Per Share (EPS) are calculated in accordance with IAS 33 as follows:

There is no difference between diluted and not diluted average number of outstanding shares.

$$\text{Earnings per outstanding share (EPS) before Discontinued operations} = \frac{\text{Profit before Discontinued operations attributed to equity holders of Athena Investments A/S}}{\text{Average number of outstanding shares}}$$

	Group	
	2019	**2018**
Profit/loss for the year, EUR '000	**-46,752**	**4,943**
Average number of shares	101,367,381	101,367,381
Earnings per share (EPS basic), EUR before Discontinued operations	-0.10	-0.07
Earnings per share (EPS basic), EUR after Discontinued operations	-0.46	0.05

12. INVESTMENTS IN SUBSIDIARIES

Accounting policy

Parent company

Investments in subsidiaries, associates and joint ventures are measured at cost in the parent company. Impairment testing is carried out if there is an indication of impairment. The carrying amount is written down to recoverable amount whenever the carrying amount exceeds the recoverable amount. The impairment loss is recognised as a finance cost in profit and loss. If the parent company has legal or constructive obligation to cover a deficit in subsidiaries, associates and joint ventures, a provision for this is recognised.

	Parent company	
EUR'000	**2019**	**2018**
Cost at 1 January	**325,268**	**284,108**
Exchange adjustment	-133	-799
Merger Subsidiaries	-	8,635
Transfer from Joint Ventures	-	37,304
Disposal	-	-3,980
Cost at 31 December	**325,135**	**325,268**
Impairment loss at 1 January	**195,322**	**134,429**
Exchange adjustment	-104	-349
Transfer from Joint Ventures	-	12,006
Transfers from Shareholders loan	-	44,179
Disposal	-	-
Impairment loss for the year	72,310	5,057
Impairment loss at 31 December	**267,528**	**195,322**
Carrying amount at 31 December	**57,608**	**129,946**

NOTES

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

At Parent company level, an impairment test has been made in order to assess the value of the investments in subsidiaries. The impairment loss of EUR 72,310 is mainly due to the combined effect of the transaction with Ardian and Glennmont and the effect of the IFRS 5 which impacted the subsidiaries owned by the Parent company as direct sellers of the companies sold or held for sale.

In 2018:

Disposal includes the sale of Gehlenberg and Eolica Polczyno.

Other movements are related to the Company's corporate restructuring. 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. This has resulted in transfers from joint ventures and from shareholder loan. The internal restructuring has not had any impact on the profit and loss for the parent company.

13. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

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Accounting policy

Group

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture. The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss in operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss. Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

NOTES

13. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

Parent Company

Investments in associates and joint ventures are measured at cost in the parent company. Impairment testing is carried out if there is an indication of impairment. The carrying amount is written down to recoverable amount whenever the carrying amount exceeds the recoverable amount. The impairment loss is recognised as a finance cost in profit and loss. If the parent company has legal or constructive obligation to cover a deficit in associates and joint ventures, a provision for this is recognised.

The data provided have been adjusted to the level at which they are recognised in the Consolidated Financial Statements. Not all data are publicly available, as not all companies have a duty of disclosure.

Since Greentech Monte Grighine was part of the transaction closed with Ardian, the P&L has been reclassified as Discontinued operations according to IFRS 5 requirements.

Assets - at 31 December	Group		Parent company	
EUR'000	**2019**	**2018**	**2019**	**2018**
Cost at 1 January	**33,659**	**33,659**	**-**	**37,304**
Disposal	-33,659	-	-	-
Disposal due to contribution in kind	-	-	-	-37,304
Cost at 31 December	**-**	**33,659**	**-**	**-**
Adjustments at 1 January	**-5,278**	**-5,682**	**-**	**-12,006**
Disposal	4,611	-	-	-
Disposal due to contribution in kind	-	-	-	12,006
Dividend paid	-1,023	-2,127	-	-
Profit/loss for the year	1,565	2,037	-	-
Other comprehensive income	125	494	-	-
Impairment loss at 31 December	**-**	**-5,278**	**-**	**-**
Carrying amount at 31 December	**-**	**28,381**	**-**	**-**

1 January - 31 December	Greentech Monte Grighine S,r,l, Joint Venture	
EUR'000	**2019**	**2018**
Registered office	Italy	Italy
Ownership	50,00%	50,00%
Revenue	10,782	18,052
Production costs	-5,506	-10,203
Administrative expenses	-163	-208
Financial income	-	1
Financial expenses	-1,764	-3,305
Profit/loss before tax	3,349	4,337
Tax on profit/loss for the year	-218	-264
Profit/loss for the year	3,131	4,074
Other Comprehensive income	250	988
Total comprehensive profit/loss for the year	3,381	5,062
Athena's share of Comprehensive income of the year, transferred to held for sale and Discontinued operations	**1,691**	**2,531**
Dividend received	-	-
Non-current assets	**-**	**101,341**
including:		
Deferred tax	-	173
Current assets	**-**	**12,132**
including:		
Cash at bank and in hand	-	3,543
Non-current liabilities	**-**	**46,499**
including:		
Deferred tax liabilities	-	1,769
Credit institutions	-	38,245
Current liabilities	**-**	**10,212**
including:		
Credit institutions	-	6,304
Income tax	-	333
Equity	-	56,762
Equity (Athena's share)	**-**	**28,381**

NOTES

14. INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT

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Accounting policy

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost encompasses the acquisition price and costs directly associated with the purchase until the time when the asset is ready to be brought into use. For assets produced in-house, cost comprises direct costs of materials, components, third-party suppliers, labour and borrowing costs. Cost is increased by the present value of estimated liabilities for the removal and disposal of the asset and restoration of the site on which the asset was used. The cost of a total asset is broken down into components that are depreciated separately if the useful lives of each components varies significantly.

The reassessment of useful life and residual value is performed at least once a year based on the potencial technical and economical ability.

Subsequent expenses (e.g. for replacing components of an asset) are recognised in the carrying amount of the related asset when it is probable that the expense will lead to future economic benefits for the Group. The replaced components are no longer recognised in the Balance Sheet and the carrying amount is transferred to the Income Statement. All other ordinary repair and maintenance costs are recognised in the Income Statement when incurred.

Property, plant and equipment are depreciated on a straight-line basis over the expected useful life of the assets/components as follows:

Category	Useful life
Land and buildings	20 years
Wind farms	25 years
Solar plants	20 years
Equipment	3-13 years

The basis of depreciation is calculated with due consideration to the asset scrap value, reduced by any impairment losses. The scrap value is determined at the date of acquisition and revalued each year. When the residual value exceeds the carrying amount of the asset, the asset ceases to be depreciated. If the depreciation period or the residual values are changed, the effect on depreciation going forward is recognised as a change in accounting estimate. Depreciation is recognised in the Income Statement in production costs and administrative expenses, respectively, to the extent that deprecation is not included in the cost of assets of own construction.

Right of use

The Group adopted the new IFRS 16. The right of use are measured using the follow assumptions:
The internal borrowing rate is equal to Cost of Debt for country and tecnology. This rate is a component of WACC (the value used for impairment test at Group level).
In 2019, the cost of debt for Athena ranges from 2.63% to 3.35% for wind and solar projects. The commencement date is the date of legal validity of the agreement or entry into operation of the related asset. The period of use is equal to the useful life of the related asset.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Intangible assets - Goodwill

At initial recognition goodwill is recognised in the balance sheet at cost. Subsequently, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised. An impairment test is performed at least once a year. The book value of goodwill is allocated to the Group's cash generating units at the time of acquisition.

Other intangible assets

Other intangible assets relate to concessions & rights which are recognised if it is probable that the expected future economic benefits attributable to the asset will flow to the Group and the cost of the asset can be measured reliably.

NOTES

14. INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Intangible assets are measured at cost, including all direct attributable costs relating to their acquisition or their utilisation. Intangible assets acquired in a business combination are measured at fair value at the acquisition date.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Each intangible asset has either definite or indefinite useful life. Intangible assets with definite useful lives are depreciated on a systematic basis reflecting the pattern of use over their estimated useful life; if the pattern of use cannot be determined reliably, a straightline basis is used. The depreciation period and method are reviewed at least once a year, at closing date. Changes in the expected useful life or in the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the depreciation period or method, as appropriate, and are treated as changes in accounting estimates.

The carrying value of assets with definite useful lives is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Impairment losses are reversed in case of changes in circumstances that determined the initial impairment. The Group does not have any intangible assets with indefinite useful lives.

A summary of the policies applied to the main intangible assets is as follows:

Concessions & Rights
Useful life of 20 - 25 years;

Depreciated on a straight-line basis for the shortest of:

- Legal period of contract;
- Expected period of utilisation.

Intangible assets, property, plant and equipment 2019

EUR'000	Goodwill	Other intangible Assets	Right of use related to land and buildings	Land and Buildings	Plant	Equip-ment	Plant under con-struction
Cost at 1 January 2019	**6.521**	**44.531**	**-**	**1.856**	**307.256**	**484**	**318**
Exchange adjustment	-	-	-	-	-	-	-
Additions	-	11	10,234	-	-	9	-
Transferred to Discontinued operations	-3,903	-8,289	-8,420	-174	-82,471	-36	62
Discontinued operations disposed in the year	-2,618	-36,238	-7,967	-1,682	-224,785	-158	-69
Cost at 31 December 2019	**-**	**15**	**-**	**-**	**-**	**299**	**311**
Depreciation/impairment at 1 January 2019	3,904	17,389	-	100	90,928	349	69
Exchange adjustment	-	-	-	-	-6	-	-
Transferred to Discontinued operations	-3,904	-6,368	-3,634	-	-27,446	-19	-
Discontinued operations disposed in the year	-	-12,901	-3,141	-100	-79,763	-142	-
Impairment reversal and impairment for the year	-	605	-	-	6,033	-	242
Depreciation	-	1,275	622	-	10,254	82	-
Depreciation/impairment at 31 December 2019	-	-	-	-	-	271	311
Carrying amount at 31 December 2019	**-**	**15**	**-**	**-**	**-**	**29**	**-**
Transfer to held for sale	**-**	**1,921**	**4,785**	**174**	**55,025**	**17**	**-**
Depreciated over	N/A	20-25 yrs		20 yrs	20-25 yrs	3-13 yrs	N/A

NOTES

14. INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Intangible assets, property, plant and equipment 2018

EUR'000	Goodwill	Other intangible Assets	Land and Buildings	Plant	Equip-ment	Plant under con-struction
Cost at 1 January 2018	**6,521**	**45,260**	**3,057**	**308,825**	**539**	**275**
Exchange adjustment	-		-	-	-2	-
Additions	-	21	-	249	1	28
Reclassification	-	-	-1,201	-	-15	15
Disposals	-	-750	-	-1,818	-39	-
Business Combination	-	-	-		-	-
Cost at 31 December 2018	**6,521**	**44,531**	**1,856**	**307,256**	**484**	**318**
Depreciation/impairment at 1 January 2018	3,904	15,286	32	73,905	320	68
Exchange adjustment	-	1	-	20	-6	1
Reclassification	-	-	-	-	-	-
Disposals	-	-262	-64	-843	-30	-
Impairment for the year	-	365	100	2,608	-	-
Impairment reversal from prior year	-	-	-	-	-	-
Depreciation	-	1,999	32	15,238	65	
Business Combination	-	-	-	-	-	-
Depreciation/impairment at 31 December 2018	3,904	17,389	100	90,928	349	69
Carrying amount at 31 December 2018	**2,617**	**27,142**	**1,756**	**216,328**	**135**	**249**
Herof financial leased plants and machinery	**-**	**-**	**-**	**19,621**	**-**	**-**

NOTES

15. OTHER NON-CURRENT FINANCIAL ASSETS

	Group		Parent company	
EUR'000	**2019**	**2018**	**2019**	**2018**
Loans to subsidiaries	-	-	979	53,622
Loans to associates and Joint Ventures	-	-	-	-
Deposits	11,178	910	-	11
Deposits on accounts held as collateral	-	15,117	-	-
Other equity investments	29	29	29	29
Other receivables	4,551	4,800	4,551	4,800
Total other non-current financial assets	**15,758**	**20,856**	**5,559**	**58,462**
Transfer to held for sale and Discontinued operations	**4,620**	**-**	**-**	**-**

Other non-current financial assets are mainly represented by the escrow account in favor of Ardian and Glennmont to cover the potential overall liability of Athena. The escrow is currently deposited at UBS Bank for a period of 36 months (expiration date: 25 July 2022). Should no guarantees be triggered by Ardian or Glennmont over the period, the amount will be released in favor of Athena. The Group has no major individual receivables, and in terms of regions they are concentrated in Italy and Spain.

For receivables which all mature within one year after the end of the financial year, the nominal value is considered to correspond to the fair value. Reference is also made to Notes 30 and 1.

Other receivables relate to the non-current financial credit to EDF after the sale of the Polish projects. In 2019, Athena recognised a writedown of EUR 0.3M after the payment received in February 2020 from EDF of EUR 1.2M related to the positive outcome of the Ustka and Parnowo development process. For those plants, there are no other obligations between Athena and EDF. The remaining payment from EDF of EUR 3.3M related to the Smolecin project will be received when the terms in the sales agreement are fulfilled, which is expected within the next 24 months. The credit will be paid or converted into a minority stake in the projects when they will become operational.

16. INVENTORIES

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Accounting policy

Inventories, except for contracts work-in-progress, are stated at the lowest of cost or net sales price. The cost of inventories is determined by applying the weighted-average cost method. Work-in-progress relating to service contracts is stated on the basis of agreed contract revenue determined with reasonable certainty, recognised in proportion to the stage of completion. The value of the inventories as of 31 December 2019 amounts to EUR 0 (2018: EUR 172K).

	Group		Parent company	
EUR'000	**2019**	**2018**	**2019**	**2018**
Raw materials	-	172	-	-
Total inventories	**-**	**172**	**-**	**-**
Transfer to held for sale and Discontinued operations	**14**	**-**	**-**	**-**

NOTES

17. TRADE RECEIVABLES

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Accounting policy

Trade receivables

Trade receivables are recognised at harmonised cost, being the invoice value less any allowance for doubtful accounts or sales returns. All trade receivables denominated in a foreign currency are translated into Euro using the exchange rates in effect at the transaction date and, subsequently, converted to the yearend exchange rate. The exchange rate variance is accounted for in the Income Statement.

The Group's trade receivables, including Discontinued operations, comprise a few large companies and governments with high solvency ratios whereas the parent company has significant intercompany receivables. The intercompany receivables are annually tested for impairment based on an impairment test of the investments in subsidiaries.

As for the intercompany receivables from subsidiaries and for trade receivables, we have amended the specific method in which the impairment provision for expected credit losses for a 12 months period is assessed, in comparison to the simplified method (life time expected losses). On a historical basis has experienced no losses on trade receivables and the group companies are in all material aspects are able to settle the receivable as they fall due. As such, as in previous years, no impairment provision has been recognised as of 31 December 2019.

As for trade receivables the group is applying the simplified expected credit loss model. The model implies that the expected loss over the lifetime of the asset is recognised in the profit and loss immediately and is monitored on an ongoing basis until realisation. The Group has on a historical basis experienced very limited losses on trade receivables as these are towards large companies with high solvency ratio and Governments. As such, as in previous years, no impairment provision has been recognised as of 31 December 2019.

	Group		Parent company	
EUR'000	**2019**	**2018**	**2019**	**2018**
Trade receivables	45	6,022	40	-
Feed-in-tariff and other incentives	-	6,803	-	-
Total trade receivables	**45**	**12,825**	**40**	**-**
Transfer to held for sale and Discontinued operations	**2,474**	**-**	**-**	**-**

NOTES

18. OTHER CURRENT FINANCIAL ASSETS

	Group		Parent company	
EUR'000	**2019**	**2018**	**2019**	**2018**
Loan to associates	-	478	-	-
Other financial receivables	-	1,757	-	-
Total other current financial assets	**-**	**2,235**	**-**	**-**
Transfer to held for sale and Discontinued operations	**2,766**	**-**	**-**	**-**

Other financial receivebles are mainly reclassified to Discontinued operations and are related to VAT requested for refunding.

19. OTHER CURRENT ASSETS

	Group		Parent company	
EUR'000	**2019**	**2018**	**2019**	**2018**
Prepayments on projects	-	6	-	-
Other prepayments	-	2,349	-	-
Other receivebles	3,682	3,035	17	110
Total other current assets	**3,682**	**5,390**	**17**	**110**
Transfer to held for sale and Discontinued operations	**2,322**	**-**	**-**	**-**

Other current assets are mainly related to Retained price of the Minerva Messina sale. This Retained price will be released upon execution of a binding agreement with the agency providing an assignment in favor of Minerva Messina of the real estate rights of confiscated areas. The Group expects to sign the agreement during 2020.

20. EQUITY

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Accounting policy

Treasury shares

Treasury shares acquired by the Parent company or subsidiaries are recognised at cost directly in equity under retained earnings. If treasury shares are subsequently sold, any consideration is recognised directly in equity.

	Number of shares		Nominal value	
EUR'000	**2019**	**2018**	**2019**	**2018**
Share Capital at 1 January	106,662,695	106,662,695	71,623	71,623
Share Capital at 31 December	**106,662,695**	**106,662,695**	**71,623**	**71,623**
Treasury shares	5,295,314	5,295,314		
Shares outstanding 31 December	**101,367,381**	**101,367,381**		

The share capital consists of 106,662,695 shares of DKK 5 / EUR 0.67 nominal value each. No shares carry any special rights. The share capital is fully paid up. The portfolio of treasury shares subsequently amounts to 5,295,314 shares, corresponding to 4.96% of the share capital (2018: 5,295,314 shares). The shares were acquired for a total of EUR 14,919K and represented a market value of EUR 2,648K at 31 December 2019. The Company's portfolio of treasury shares is held for the purpose of potential acquisition of assets or companies.

NOTES

21. DISTRIBUTIONS

EUR'000	2019	2018
Cash dividends on ordinary shares declared and paid	92.000	3.523
Proposed dividends on ordinary shares	-	42.000

No proposed ordinary dividend for 2019.

In 2019, a significant dividend of DKK 3.094 (EUR 0.414) per outstanding share was paid for the financial year 2018. Moreover, in November 2019, an extraordinary dividend of DKK 3.685 (EUR 0.493) per outstanding share was distributed following the transaction with Ardian and Glennmont. Considering the extraordinary dividend paid in November 2019, the Board of Directors proposes that no additional dividend be distributed for the financial year 2019.

22. DEFERRED TAX

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Accounting policy

Deferred tax is calculated in accordance with the Balance Sheet liability method in respect of all temporary differences between the carrying amount and tax value of assets and liabilities. However, no deferred tax is recognised in respect of temporary differences regarding non-deductible goodwill and other items for which temporary differences - with the exception of acquisitions - have arisen at the acquisition date without affecting the financial results or taxable income. If the computation of the tax value were made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively, as determined by Management.

Deferred tax assets, including the tax value of tax losses carried forward, are recognised under other long-term assets at the value at which they are expected to be used, either by setting off tax on future earnings or by setting off deferred tax liabilities within the same legal tax entity and jurisdiction.

Adjustments are made for deferred tax regarding elimination of unrealised intra-group gains and losses.

Deferred tax is measured based on the tax rules and rates that will apply in the respective countries under the legislation in force at the Balance Sheet date when the deferred tax asset is expected to crystallise as current tax. Changes in deferred tax resulting from changes in tax rates are recognised in the Income Statement.

Material accounting estimates and uncertainties

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax law, and the amount and timing of future taxable income. Differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. Deferred tax assets are reviewed annually by the Management and recognised only to the extent considered as sustainable in the future considering the timing and the level of future taxable profits together with future tax planning strategies of the Group.

NOTES

22. DEFERRED TAX (CONTINUED)

The review done in 2019 led to a write-down in deferred tax assets of EUR 2,378K related to the non-deductible interest expenses of the Energia Verde wind farm and of EUR 176K related to non-deductible interest expenses in Spain.

Assets - at 31 December	Group		Parent company	
EUR'000	2019	2018	2019	2018
Deferred Tax at 1 January	**11,941**	**12,289**	**-**	**-**
Adjustment of deferred tax related to hedging instruments	-1	-571	-	-
Impairment of the year	-2,554	-271	-	-
Disposal	-6,303	494	-	-
Transfer to held for sale and Discontinued operations	-3,050	-	-	-
Deferred Tax at 31 December	**33**	**11,941**	**-**	**-**
Deferred tax is recognised in the balance sheet as follows:				
Deferred tax asset	33	13,816	-	-
Provision for deferred tax	-	-1,875	-	-
	33	**11,941**	**-**	**-**
Deferred tax relates to:				
Equipment, plant and machinery	-	7,209	-	-
Tax loss carry-forwards	7	234	-	-
Other non-current assets	-	375	-	-
Other current assets	26	33	-	-
Other non-current liabilities	-	874	-	-
Other current liabilities	-	-	-	-
Fair Value of Financial Instruments	-	3,216	-	-
	33	**11,941**	**-**	**-**

Tax losses carried forward for EUR 7K (2018: EUR 235K) can be utilised indefinitely and are expected to be utilised within the next 12 months.

Deferred tax assets not recognised in the Balance Sheet	Group		Parent company	
EUR'000	2019	2018	2019	2018
Temporary differences	-	-	-	-
Tax losses	-	-	-	-
Non-deductible interest expenses carry forwarded	-	7,215	-	-
Included in held for sale and Discontinued operations	795	-	-	-

The deferred tax asset not recognised at the end of 2019 of EUR 795K (2018: EUR 7,215K) refers to activities classified as Discontinued operations and concerns postponements of the ability to have tax deductions of some of the interest paid in several legal entities in Italy. As tax rules of Italy put some restrictions on the timing of the taxable deduction of interest paid, it is uncertain whether and when the tax loss can be utilised.

Consequently, the Management has not recognised this deferred tax asset.

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23. OTHER PROVISIONS

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Accounting policy

Provisions for risks and charges

Provisions are recognised when the Group has a present obligation (legal or constructive), because of a past event, which is likely to generate an outflow of resources required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is reasonably certain. The expense relating to any provision is presented in the Income Statement net of any reimbursement.

In the measurement of provisions, the costs necessary to settle the liability are discounted. A pre-tax discounting factor is used that reflects the general level of interest adjusted for the specific risks that are believed to apply to the provision. The changes in present values for the financial year are recognised in financial expenses. Provisions are estimated by the Management considering the expected amount of the settlement of the liability. Restructuring costs are recognised as liabilities when a detailed, formalised restructuring plan has been communicated within the Balance Sheet date to the parties involved. Upon business acquisitions, restructuring provisions relating to the acquired enterprise are included in the calculation of goodwill only if the acquired enterprise has a liability at the date of acquisition.

Provisions are recognised in respect of lossmaking contracts when the unavoidable costs from the contract exceed the expected benefits.

Provision for restoration of sites

If the Group has an obligation to dismantle or dispose an asset or to restore the location where the asset is operated, a liability corresponding to the net present value of the expected future expenses is recognised. Provision relates to the restoration of sites used in the installation and operation of wind farms and solar plants. The restoration obligation is calculated as the present value of the estimated net costs of restoration when the wind farms and solar plants are decommissioned. This will occur no earlier than the end of the expected useful life.

	Group		Parent company	
EUR'000	**2019**	**2018**	**2019**	**2018**
Provision for restoration of sites	-	3,703	-	-
Provision for other risks and charges	-	3,860	-	-
Other payables, subsidiaries	-	-	-	-
Total other provision	**-**	**7,563**	**-**	**-**
Transfer to held for sale and Discontinued operations	**1,558**	**-**	**-**	**-**

Provision for restoration of sites are expected to be utilised within 25 years for wind turbines and 20 years for solar plants starting from when the plant was commissioned.

As of 31 December 2019, the Group has no provisions exept for the Provision for restoration of sites referred to the wind and solar plants classified as Discontinued operations.

NOTES

24. PAYABLES TO CREDIT INSTITUTIONS

Accounting policy

Initial recognition and measurement

Financial liabilities within the scope of IFRS 9 can be classified, as appropriate; financial liabilities at fair value through the Income Statement, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, bank overdraft, loans and borrowings, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Credit institutions

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the Income Statement when the liabilities are derecognised as well as through the effective interest rate method (EIR) amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged cancelled or expired.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance cost in the Income Statement.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying, amounts is recognised in the Income Statement.

	Group		Parent company	
EUR'000	**2019**	**2018**	**2019**	**2018**
Payables to credit institutions are recognised as follows				
Non-current liabilities	-	140,376	-	-
Current liabilities	-	20,217	-	-
Total payables to credit institutions	**-**	**160,593**	**-**	**-**
Transfer to held for sale and Discontinued operations	**46,887**	**-**	**-**	**-**

Loan	Group		Carrying amount	
EUR'000	**Expiry date**	**Type**	**2019**	**2018**
EUR	2019	Fixed	-	1,388
EUR	2022	Floating	-	20,358
EUR	2025	Floating	-	1,847
EUR	2026	Floating	-	12,680
EUR	2027	Floating	-	47,934
EUR	2027	Fixed	-	4,311
EUR	2028	Floating	-	52,145
EUR	2029	Floating	-	19,930
Total payables to credit institutions		**-**		**160,593**
Transfer to held for sale and Discontinued operations			**46,887**	**-**

NOTES

25. OTHER CURRENT LIABILITIES

	Group		Parent company	
EUR'000	**2019**	**2018**	**2019**	**2018**
Payables to subsidiaries	-	-		
Payables to associates	-	-	-	-
Other payables	3,458	2,148	871	308
Total other current liabilities	**3,458**	**2,148**	**871**	**308**
Transfer to held for sale and Discontinued operations	**199**	**-**	**-**	**-**

26. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

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Accounting policy

Non-current assets and disposal groups classified as held for sale are measured at the lowest of carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. Disposal groups are defined as a relatively large component of a business enterprise – such as a business or geographical segment under IFRS 8 – that the enterprise, pursuant to a single plan, either is disposing of substantially in its entirety or is terminating through abandonment or piecemeal sale. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

26. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE (CONTINUED)

Assets and liabilities transfer to held for sale

On 8 May 2019, Athena received binding offers from Ardian Infrastructure ("Ardian") and Glennmont Partners ("Glennmont") for the acquisition of some subsidiaries of the Athena group. The Transaction Perimeter of the offers included some of Athena's wind and solar assets in Italy and Spain for a total net capacity of 156 MW divided between Ardian (107.8 MW, composed of 50% of the Monte Grighine wind farm, 100% of the Cerveteri solar plant, 100% of the Nardò Caputo solar plant, 100% of the La Castilleja solar plant and 100% of the Conesa wind farm) and Glennmont (48.3 MW, corresponding to 100% of the Minerva Messina wind farm). The total purchase price offered amounted to EUR 90.9M.* On 4 June 2019, an Extraordinary General Meeting of Athena was held where the shareholders adopted the proposal to accept the offers received from Ardian and Glennmont** and, on 5 June 2019, Athena entered into an agreement with Ardian and Glennmont by signing the offers.*** On 25 July 2019, Athena announced that the transaction was completed.****

Additionally, Athena is pursuing some opportunities for the disposal of the remaining wind and solar portfolio. With respect to such assets, conditions are met to qualify them as assets held for sale in accordance with IFRS 5.

On January 2019, the Group made an agreement for the sale of the Polish building and according to IFRS 5 this asset was reported as asset held for sale. According to IFRS 5 the requirement to measure a non-current asset held for sale at the lower of carrying amount and fair value less cost to sell, gave rise to an impairment loss of EUR 0.1M in 2018.

* See Company Announcements No. 06/2019 and 07/2019 which include the overall statement by the Board of Directors pertaining to the offers.
** See Company Announcement No. 09/2019.
*** See Company Announcement No. 10/2019.
**** See Company Announcement No. 13/2019.

NOTES

26. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE (CONTINUED)

Balance sheet held for sale and Discontinued operations - at 31 December

	Discontinued	
EUR'000	**2019**	**2018**
Intangible assets	936	-
Property, plant and equipment, incl. Right of use assets	55,991	1,100
Deferred tax assets	3,103	-
Other non-current assets	1,517	-
Total Non-Current Assets	**61,548**	**1,100**
Inventories	14	-
Trade receivables	2,474	-
Income tax receivable	402	-
Other current financial assets	2,766	-
Other current assets	2,322	-
Cash at bank and in hand	9,900	-
Total Current Assets	**17,879**	**-**
Total Assets Discontinued	**79,426**	**1,100**
Provision for deferred tax	53	-
Provision	1,558	-
Other deferred liabilities	614	-
Credit institutions	40,226	-
Fair value of financial instruments	991	-
Non-current liabilities	**43,443**	**-**
Current portion of long-term bank debt	5,285	-
Current portion of fair value financial instruments	385	-
Trade payables	1,444	
Income tax	201	-
Other current liabilities	199	-
Current liabilities	**7,514**	**-**
Total Liabilities Discontinued	**50,957**	**-**
Net Assets directly associated with Discontinued operations	**28,469**	**1,100**

Income statement held for sale and Discontinued operations - at 31 December

	Discontinued	
EUR'000	**2019**	**2018**
Revenue	34,998	51,467
Production costs	-17,756	-27,010
Gross profit	**17,241**	**24,457**
Administrative expenses	-582	-643
Other operating income	-	1,282
Other operating expenses	-	-
Income from investments in associates	1,500	2,037
Operating profit/loss before impairment	**18,160**	**27,132**
Impairment of remaining assets*	-11,456	-2,973
Impairment of assets disposed in the year	-33,500	-
Operating profit/loss	**-26,796**	**24,159**
Financial income	151	55
Financial expenses	-6,232	-9,529
Profit/loss before tax	**-32,878**	**14,685**
Tax on profit/loss for the year	-4,153	-3,136
Profit/loss for the year from Discontinued operations	**-37,031**	**11,549**

* Excluding the impairment of DTA for EUR 2.3M included in Tax on profit/loss for the year. For the full effect of the Impairment of remaining assets please refer to the Management Review (p.12).

Cash flow statement Discontinued operations - at 31 December

	Discontinued	
EUR'000	**2019**	**2018**
Cash flow before change in working capital Discontinued operations	28,993	30,719
Change in working capital from Discontinued operations	-3,981	2,908
Cash flow from other operating activities Discontinued operations	-7,891	-12,652
Cash flow from investing activities Discontinued operations	55,054	-11,087
Cash flow from financing activities Discontinued operations	-11,210	-17,286
Cash flow for the year from Discontinued operations	**60,966**	**4,151**

NOTES

27. PLEDGES AND GUARANTEES

Parent company
Following the sale of the controlled company Windpark Gehlenberg Aps & Co. KG, and based on the related sale purchase agreement signed, the Parent company has issued to the buyer a guarantee of EUR 1.0M which will expire in 2022.

The Parent company has issued a guarantee for loan related payments and has placed it as security for debt to credit institutions concerning the Energia Alternativa project for a maximum guaranteed amount of EUR 17,054K (2018 EUR 17,054).

Group
Wind and Solar projects classified as Discontinued operations
As of 31 December 2019, the following has been provided by the individual project companies as security for debt to credit institutions and financial leasing agreements entered for the renewable energy projects:

» Right of subrogation in land lease agreements;

» Security in the wind turbines/solar panels installations;

» Pledge over the quota/shares in the project companies;

» Pledge over project companies' bank accounts;

» Assignment of Trade Receivables deriving from the regular sale of electricity, green certificates and other incentives as well as any reimbursement from insurance;

» Right of subrogation in VAT Receivables;

» Right of subrogation in any Receivables related to financial leasing agreements;

» Accounts held as collateral have been established for an aggregated amount of EUR 1,130K (2018: EUR 15,117K);

» Other deposits for EUR 885K (2018: EUR 910K).

NOTES

28. CONTRACTUAL OBLIGATIONS

The Company and its subsidiaries are part of several agreements concerning the operation of the projects in the countries where the Group is operating. Overall, each project has entered into the following categories of agreement which relate to companies classified as Discontinued operations:

1. Agreements with the local authorities (municipalities, consortia, etc.), under which the project company pays an annual tax/royalty for a certain period of time. The payment is either a variable fee depending on the actual production of the year or a fixed annual payment. As of 31st December 2019, the total yearly contractual obligation related to land royalty agreements amounted to EUR 420K (2018: EUR 900K). The total remaining contractual obligation amounted to EUR 7,464K (2018: EUR 17,474K).

2. Operation & Maintenance agreements of the project company. The agreements normally have a lifetime of 2-8 years from commencement of commercial operation with the option for renewal. As of 31st December 2019, the total yearly contractual obligation related to Operation &Maintenance agreements amounting to EUR 1,238K (2018: EUR 4,741K). The total remaining contractual obligation amounted to EUR 2,651K (2018: EUR 3,596K) is primarily related to the renewal of Wind O&M agreements.

29. CONTINGENT ASSETS AND LIABILITIES

There are no pending litigations against the Group concerning alleged breach of agreements or other non-contractual liabilities.

The Group is part of few cases with third parties. Based on grounded rationale, the Group has taken all necessary actions to oppose and reject these requests. Consequently, such requests are not covered by specific reserves.

As already mentioned in the previous paragraphs, on 25 July 2019 Athena closed a transaction with Ardian and Glennmont. The Share Purchase Agreements provided for a maximum aggregate amount of the overall liability of the sellers of EUR 12M split between Ardian (ca. EUR 8M) and Glennmont (ca. EUR 4M) deposited in an Escrow Account at UBS bank for a period of 36 months from closing. Should no guarantees be triggered by Ardian nor Glennmont over the period, the amount will be released in favour of the sellers. As of 31/12/2019 there are no pending litigations, but Athena received a certain number of claims with a not determinable aggregated amount, which have been duly rejected. Consequently, such claims are not covered by specific reserves.

In 2015, the Group has started two arbitration procedures under the Energy Charter Treaty against respectively the Republic of Italy and the Kingdom of Spain in order to claim damages generated by the changes in the renewable energy framework.

NOTES

29. CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

In 2018, the Company was granted the final Awards for both the arbitrations with a very positive outcome (see Company Announcements No. 17/2018 and No. 21/2018). Both the Kingdom of Spain and the Republic of Italy have commenced an action with the SVEA Court of Appeal in order to overturn such Awards. The Company is currently challenging such appeals while, in the proceedings between Spain and Athena, the reporting SVEA Court judge is considering whether a referral to the EU Court of Justice is necessary. This could further delay the appeal decision. Nonetheless, the Company has started the confirmation procedure of the Awards according to the 1958 New York Convention for its further enforcement.

The Parent Company, as the administrative company, together with the Danish subsidiaries, has joint and several unlimited liability for Danish corporation taxes. At 31 December 2019, the jointly taxed companies' net liabilities to SKAT (tax authorities) amounted to EUR 0K (2018: EUR 76K). Any subsequent corrections of the taxable income subject to joint taxation may entail that the Company's liability will increase.

30. FINANCIAL INSTRUMENTS

§ **Accounting policy**

Financial assets

Financial assets within the scope of IFRS 9 are classified, as appropriate, as: financial assets at fair value through Income Statement, loans and receivables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through Income Statement, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The Group financial assets include cash and short-term deposits, trade and other receivables, loan and other receivables, quoted and unquoted financial instruments, and derivative financial instruments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Derivatives

Derivative financial instruments are recognised at fair value at the transaction date in the Balance Sheet items fair value of derivatives in assets or equity and liabilities. Changes in the fair value of derivative financial instruments classified as hedging of expected future transactions are recognised in other comprehensive income and accumulated in reserves for hedging instruments in equity. Any amounts deferred in equity are transferred to the income statement in the period in which the hedged item affects the Income Statement. Changes in the fair value of derivative financial instruments which do not meet the criteria of hedge accounting are recognised in financial income or financial expenses in the Income Statement.

NOTES

30. FINANCIAL INSTRUMENTS (CONTINUED)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Income Statement. The losses arising from impairment are recognised in the Income Statement in finance costs.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same and discounted cash flow analysis.

Credit risk

The Group is subject to credit risk with respect to receivables (see Notes 18 and 19) and bank deposits. The maximum credit risk corresponds to the carrying amount. Outstanding receivables are regularly followed up by the Company. If uncertainty arises in respect of the customer's ability or willingness to pay a receivable, usually because payment is not made in accordance with the payment conditions, in case of bankruptcy or suspension of payments, and the Group finds that the claim therefore involves a risk, an impairment writedown is made to cover this risk. In 2019, the Group has not made any impairment write-downs on receivables.

At 31 December 2019, the Group had deposited distributable cash holdings according to the Group Treasury Policy, primarily using credit institution with an A rating from Moody's. Therefore, the Management estimates that the credit risk associated with these deposits is acceptable in view of the Group's present financial position.

NOTES

30. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk (Group)
Loans raised for project financing have a maturity of up to 12 years. Other bank loans are renegotiated every year

MATURITIES 2018

EUR'000	0 - 1 years	1 - 4 years	> 5 years	Total *	Fair value **	Carrying amount
Measured at fair value						
Financial instruments***	3,737	8,489	1,176	13,402	13,402	13,402
Credit institutions	28,412	93,899	74,924	197,235	160,593	160,593
Trade payables	2,826	-	-	2,826	2,826	2,826
Other non-current liabilities	-	829	6,734	7,563	7,563	7,563
Other financial liabilities	1,469	-	-	1,469	1,469	1,469
Total financial liabilities	**36,444**	**103,217**	**82,834**	**222,495**	**185,853**	**185,853**
Transfer to held for sale and discontinued operations	**-**	**-**	**-**	**-**	**-**	**-**
Cash	66,590	-	-	66,590	66,590	66,590
Deposits on account held as collateral	-	-	15,117	15,117	15,117	15,117
Loans to associates	478	-	-	478	478	478
Deposits	-	13	897	910	910	910
Other receivables	1,928	4,829	-	6,757	6,757	6,757
Trade receivables	12,825	-	-	12,825	12,825	12,825
	81,821	**4,842**	**16,014**	**102,677**	**102,677**	**102,677**
Transfer to held for sale and discontinued operations	**-**	**-**	**-**	**-**	**-**	**-**
NET	**-45,377**	**98,375**	**66,820**	**119,818**	**83,176**	**83,176**
Transfer to held for sale and discontinued operations	**-**	**-**	**-**	**-**	**-**	**-**

* All cash flows are undiscounted and comprise all obligations under agreements concluded, including future interest payments on loans.
** In all material aspects the financial liabilitties are subject to a variable interest rate. Any interest rate hedges are separately accounted for at fair value. Thus the fair value of the financial liabilities is considered equal to the booked value.
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Liquidity risk (Group)
Loans raised for project financing have a maturity of up to 12 years. Other bank loans are renegotiated every year

MATURITIES 2019

EUR'000	0 - 1 years	1 - 4 years	> 5 years	Total *	Fair value **	Carrying amount
Measured at fair value						
Financial instruments***	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-
Trade payables	417	-	-	417	417	417
Other non-current liabilities	-	-	-	-	-	-
Other financial liabilities	3,458	-	-	3,458	3,458	3,458
Total financial liabilities	**3,875**	**-**	**-**	**3,875**	**3,875**	**3,875**
Transfer to held for sale and discontinued operations	**6,132**	**-**	**-**	**6,132**	**-**	**-**
Cash	28,439	-	-	28,439	28,439	28,439
Deposits on account held as collateral	-	-	-	-	-	-
Loans to associates	-	-	-	-	-	-
Deposits	-	11,178	-	11,178	11,178	11,178
Other receivables	3,682	4,580	-	8,262	4,580	4,580
Trade receivables	45	-	-	45	45	45
	32,166	**15,758**	**-**	**47,924**	**44,242**	**44,242**
Transfer to held for sale and discontinued operations	**16,268**	**-**	**-**	**16,268**	**16,268**	**16,268**
NET	**-28,291**	**-15,758**	**-**	**-44,049**	**-40,367**	**-40,367**
Transfer to held for sale and discontinued operations	**-10,136**	**-**	**-**	**-10,136**	**-16,268**	**-16,268**

* All cash flows are undiscounted and comprise all obligations under agreements concluded, including future interest payments on loans.
** In all material aspects the financial liabilitties are subject to a variable interest rate. Any interest rate hedges are separately accounted for at fair value. Thus the fair value of the financial liabilities is considered equal to the booked value.
*** In all material aspects the financial liabilities are subject to a variable interest rate. Any interest rate hedges are separately accounted for at fair value. Thus the fair value of the financial liabilities is considered equal to the booked value.

NOTES

30. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk (Parent company)
The Parent company's financial resources consist of cash and cash equivalent.

MATURITIES 2018

EUR'000	0 - 1 years	1 - 4 years	> 5 years	Total *	Fair value **	Carrying amount
Credit institutions	-	-	-	-	-	-
Trade payables	104	-	-	104	104	104
Other non-current liabilities	-	-	-	-	-	-
Other payables	308	-	-	308	308	308
Total financial liabilities	**412**	**-**	**-**	**412**	**412**	**412**
Cash	31,556	-	-	31,556	31,556	31,556
Deposits on account held as collateral	-	-	-	-	-	-
Loans to subsidiaries	-	-	53,622	53,622	53,622	53,622
Loans to associates	-	-	-	-	-	-
Deposits	-	13	-	13	13	13
Other receivables	-	4,829	-	4,829	4,829	4,827
Trade receivables	-	-	-	-	-	-
	31,556	**4,842**	**53,622**	**90,020**	**90,020**	**90,018**
NET	**-31,144**	**-4,842**	**-53,622**	**-89,608**	**-89,608**	**-89,606**

* All cash flows are undiscounted and comprise all obligations under agreements concluded, including future interest payments on loans.
** In all material aspects the financial liabilities are subject to a variable interest rate. Any interest rate hedges are separately accounted for at fair value. Thus, the fair value of the financial liabilities is considered equal to the booked value.

Liquidity risk (Parent company)
The Parent company's financial resources consist of cash and cash equivalent.

MATURITIES 2019

EUR'000	0 - 1 years	1 - 4 years	> 5 years	Total *	Fair value **	Carrying amount
Credit institutions	-	-	-	-	-	-
Trade payables	894	-	-	894	894	894
Other non-current liabilities	-	-	-	-	-	-
Other payables	871	-	-	871	871	871
Total financial liabilities	**1,765**	**-**	**-**	**1,765**	**1,765**	**1,765**
Cash	14,698	-	-	14,698	14,698	14,698
Deposits on account held as collateral	-	-	-	-	-	-
Loans to subsidiaries	-	-	979	979	979	979
Loans to associates	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Other receivables	-	4,580	-	4,580	4,580	4,580
Trade receivables	40	-	-	40	40	40
	14,738	**4,580**	**979**	**20,297**	**20,297**	**20,297**
NET	**-12,973**	**-4,580**	**-979**	**-18,532**	**-18,532**	**-18,532**

* All cash flows are undiscounted and comprise all obligations under agreements concluded, including future interest payments on loans.
** In all material aspects the financial liabilities are subject to a variable interest rate. Any interest rate hedges are separately accounted for at fair value. Thus, the fair value of the financial liabilities is considered equal to the booked value.

NOTES

30. FINANCIAL INSTRUMENTS (CONTINUED)

Market risk

Currency risks

The Group's foreign entities are not affected by currency fluctuations, as loans are raised in the functional currency.

The consolidated income statement is affected by changes in exchange rates, because profits/losses of the Parent company and some of the foreign group enterprises are translated into euro using average exchange rates.

The Group's and the Parent company's currency risks are not hedged. Please see the risk management section in Note 3 for further information about currency risks.

Interest rate risks

The Group and the Parent company are not affected by interest rate risks. In particular, the Group has no interests on the financial liabilities as a consequence of the effect of IFRS 5. The Parent company has totally reimbursed the loan to Credit Institutions in 2017.

Capital management

The Group and the Parent company consider the combined equity as capital. For the 2019 financial year, equity represented the principal capital source after the application of IFRS 5.

31. OPERATING AND FINANCIAL LEASES

§ **Accounting policy**

Leases in which the Company retains all significant risks and rewards of ownership (finance leases) are recognised in the Balance Sheet at the lowest of the asset's fair value and the present value of the minimum lease payments, calculated using the implicit interest of the lease as the discount factor, or an approximate value. Assets held under finance leases are depreciated and tested for impairment according to the same accounting policy as the Company's other long-term assets.

The capitalised residual lease liability is recognised in the Balance Sheet as a liability, and the interest element of the lease payment is charged to the Income Statement when incurred.

The Group also has certain leases of buildings with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Bridge between Operating lease commitments as at 31 December 2018 and lease of IFRS 16
EUR'000

Operating Lease commitments as at 31 December 2018	19,621
Weighted average incremental borrowing rate as at 1 January 2019	2.89%
Discounted operating lease commitments at 1 January 2019	11,727
Adjstments:	
Less commitments relating to short term leases	641
Less commitments relating to leases of low-value assets	852
Add payments in optional extenesion period not recognised as at 31 December 2018	-
Lease liabilities as at 1 January 2019	**10,234**

NOTES

31. OPERATING AND FINANCIAL LEASES (CONTINUED)

Operating lease commitments	Group		Parent company	
EUR'000	**2019**	**2018**	**2019**	**2018**
Payments for non-terminable operating leases:				
0-1 years	324	1,518	20	20
1-5 years	72	4,790	-	-
> 5 years	-	13,313	-	-
Total	**396**	**19,621**	**20**	**20**
Transfer to held for sale and Discontinued operations	**-**	**18,768**	**-**	**-**

The Group considers as operating leases offices, cars and copier.

An amount of EUR 396K (2018: EUR 1,491K) relating to operating leases has been recognised in the consolidated income statement for 2019. An amount of EUR 20K (2018: EUR 20K) relating to operating leases has been recognised in the Parent company's income statement for 2019.

Finance lease and hire purchase commitments

The Group has finance leases and hire purchase contracts for items of plants reclassified as Discontinued operations. These leases have terms of renewal, but no purchase options and escalation clauses. Renewals are at the option of the specific entity holds the lease.

Future minimum lease payments under financial leases and hire purchase contracts together with the present value of the net minimum lease payment are as follows:

Financial leasing	2019		2018	
EUR'000	**Minimum payments**	**Present Value of payments**	**Minimum payments**	**Present Value of payments**
0-1 years	-	-	3,041	2,050
1-5 years	-	-	12,505	9,510
> 5 years	-	-	12,820	11,525
Total minimum lease payments	-	-	28,365	23,085
Less amounts representing finance charges	-	-	-5,280	-
Total	**-**	**-**	**23,085**	**23,085**
Transfer to held for sale and Discontinued operations	**26,423**	**26,423**	**-**	**-**

For more details on Financial lease, please refer to Notes 24 and 30.

NOTES

32. RELATED PARTIES

The major shareholder of Athena Investments A/S, GWM Renewable Energy II S.r.l., has controlling influence on the Company. Athena's related parties comprise the Company's Board of Directors and Management as well as relatives of these persons.

Related parties also comprise companies in which the individuals mentioned above have material interests. For subsidiaries and Joint Ventures in which Athena has a controlling or significant influence, see Notes 13 and 35.

Related party transactions Information on trading with related parties is provided below:

	Group		Parent company	
EUR'000	**2019**	**2018**	**2019**	**2018**
Sale of services to group companies	-	-	6	40
Sale of services to associates	-	-	-	-
Sale of services to controlling parties	182	243	-	-
Purchase of services from management member (GWM Renewable Energy) (management fee)	-	-	885	667

Transactions with subsidiaries have been eliminated in the consolidated financial statements in accordance with the accounting policies.

The Group and Parent company's balances with group enterprises at 31 December 2019 are specified in the notes to the balance sheet.

Interest income, dividends and interest expenses relating to group companies are shown in Notes 7 and 8.

In 2019, the Parent Company granted loans to subsidiaries and Joint Ventures, which are shown in the cash flow statement. In addition, there have been capital increases in subsidiaries, which are described in Notes 12, 13, 15 and 25.

For information on remuneration to the Management and Board of Directors, see Note 5.

33. EXCHANGE RATES

	Average exchange rate		Year-end exchange rate	
EUR'000	**2019**	**2018**	**2019**	**2018**
DKK / EUR	13.39	13.42	13.38	13.39
PLN / EUR	23.26	23.47	23.49	23.25

NOTES

34. COMPANIES IN THE ATHENA INVESTMENTS GROUP

Name	Reg. Office	Ownership	
Subsidiaries		**2019**	**2018**
Gehlenberg ApS (under liquidation)	Denmark	-	100%
VE 5 ApS	Denmark	100%	100%
VE 7 ApS	Denmark	100%	100%
AB Energia Srl	Italy	100%	100%
Bosco Solar Srl	Italy	100%	100%
Cerveteri Energia S.r.l.	Italy	-	100%
De Stern 12 Srl	Italy	-	100%
Energia Alternativa Srl.	Italy	100%	100%
Energia Verde Srl.	Italy	100%	100%
Epre S.r.l.	Italy	100%	100%
Greentech Energy Systems Italia Srl.	Italy	100%	100%
Giova Solar Srl	Italy	100%	100%
GP Energia S.r.l.	Italy	100%	100%
GWM Renewable Energy S.p.A.	Italy	100%	100%
GZ Ambiente S.r.l. (under liquidation)	Italy	100%	100%
Lux Solar Srl	Italy	100%	100%
Minerva Messina Srl.	Italy	-	100%
Solar Prometheus Srl	Italy	100%	100%
Solar Utility Salento Srl	Italy	100%	100%
Valle Solar Srl	Italy	100%	100%
Ges Services Srl.	Italy	100%	100%
Greentech Energy Systems Polska Sp. z o.o.	Poland	100%	100%
Global Hantu S.L.	Spain	100%	100%
Global Onega S.L.	Spain	-	100%
Planeta Verde S.L.	Spain	100%	100%
Respeto Medioambiente S.L.	Spain	-	100%
Sisteme Energetics Conesa S.L.	Spain	-	100%
GWM RE Spain S.L.	Spain	100%	100%
Global Litator S.L.	Spain	100%	100%
La Castilleja Energia S.L.U.	Spain	-	100%
Joint ventures			
Greentech Monte Grighine S.r.l.	Italy	-	50%

35. EVENTS AFTER THE BALANCE SHEET DATE

No events occurred after the balance sheet date.

NOTES

HALF-YEAR INFORMATION

Statement of profit & loss

	Unaudited			Unaudited		
EUR'000	**HI 2019**	**HII 2019**	**YTD 2019**	**HI 2018***	**HII 2018***	**YTD 2018***
Revenue	241	145	386	109	163	272
EBITDA	-3,256	-2,904	-6,160	-2,492	-3,074	-5,566
Operating profit/loss (EBIT)	-2,189	-6,531	-8,720	-2,360	-3,925	-6,284
Profit/loss before tax	-2,256	-7,369	-9,625	-2,333	-3,800	-6,133
Profit/loss for the year from continuing operation	-2,304	-7,417	-9,721	-2,169	-4,437	-6,606
Profit/loss for the year from Discontinued operations	-42,029	4,998	-37,031	7,607	3,942	11,549
Profit/loss for the year	**-44,332**	**-2,420**	**-46,752**	**5,438**	**-495**	**4,943**
Comprehensive income for the period	**-44,243**	**-2,483**	**-46,726**	**6,580**	**297**	**6,877**

* Restated due to IFRS 5 - Discontinued operations

COMPANY DETAILS

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Peter Høstgaard-Jensen, Chairman
Sigieri Diaz della Vittoria Pallavicini, Deputy Chairman
Michèle Bellon
Valerio Andreoli Bonazzi
Jean-Marc Janailhac

Management
Alessandro Reitelli, CEO
Francesco Vittori, CFO

This Annual Report can be downloaded from www.athenainvestments.com under "Investor/Reports & Presentations" and has been prepared in English.

Auditors
Ernst & Young
Dirch Passers Allé 36
2000 Frederiksberg, Copenhagen

Annual general meeting
The Annual General Meeting is scheduled on 23 April 2020 at 3.00 pm.
at IDA Conference, Kalvebod Brygge 31-33,
1780 København V (Copenhagen), Denmark

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Design and production: Noted